



# SRF Limited

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For immediate release

## SRF posts 23% growth in Q4 profit at Rs. 136 crore

- SRF standalone Q4 net sales at Rs. 846 crore, a growth of 25%
- SRF standalone Q4 EBIDTA at Rs. 246 crore, a growth of 13%
- FY consolidated PAT at Rs. 484 crore, a growth of 49%
- FY consolidated net sales at Rs. 3391 crore, a growth of 36%
- FY consolidated PBT at Rs. 687 crore, a growth of 44%

**Gurgaon, 9th May 2011:** SRF Limited, a multi-business entity engaged in the manufacture of chemical based industrial intermediates, reported a growth of 23% in its net profit after tax (PAT) at Rs. 136 crore for the fourth quarter of 2010-11. SRF's net sales during Q4 improved by 25% to Rs. 846 crore as against Rs. 676 crore over the corresponding period last year (CPLY). The topline growth was attributable to higher sales *mainly* due to full year impact of doubling of capacity for BOPET film line and commissioning of new units such as Polyester Industrial Yarn and Laminated Fabrics. The company's audited results were taken on record by the Board of Directors this afternoon.

Reflecting on the results, **Ashish Bharat Ram, Managing Director, SRF**, said, "It has been a good year for the company as a whole. The Packaging Films Business has had an outstanding year but going forward the margins in this business are likely to come under pressure due to changed business environment. We are hopeful that our other businesses will help us bridge the gap."

### Annual Financials

Riding on the overall improvement in its business performance, SRF consolidated recorded 49% growth in the full year PAT at Rs. 484 crore for the fiscal ended on March 2011. The annual profit of SRF consolidated included a gain of around Rs. 33 crore on account of gain from exchange currency fluctuation during 2010-11.

The net sales of SRF consolidated grew by 36%, from Rs. 2499 crore to Rs. 3391 crore during 2010-11. In particular, the company's Packaging Film Business recorded 159% growth in segment revenue at Rs. 871 crore during the period. The segment revenue of the company's Chemicals and Polymers Business increased by 14% at Rs. 747 crore and SRF's consolidated Technical Textiles Business recorded a 22% growth in segment revenue at Rs. 1861 crore during the year.

### Financial Ratios

The improved financial performance of SRF standalone resulted in an improvement in multiple performance parameters. The Debt-Equity ratio improved from 0.78 to 0.51 during the year and the Earning Per Share (EPS) of the company improved from previous year's figure of Rs. 51.14 to Rs. 79.90 per share for 2010-11. The Net Debt to

Equity as on 31 March 2011 has improved to 0.39 times as against 0.72 times as on 31 March 2010.

#### **Dividend**

Earlier, SRF had paid two interim dividends, each of Rs. 7 per share aggregating to Rs. 14 per share during the year. In today's meeting, the board recommended NIL final dividend for the year 2010-11.

#### **Buyback**

Following the Board approval on 26<sup>th</sup> February 2011, SRF commenced buyback of the fully paid up equity shares from the open market through the stock exchanges on 6<sup>th</sup> April 2011. An aggregate of 58,851 equity shares at an average market price of Rs. 334.38 per share were bought back absorbing a total amount of Rs. 1.97 crore till 6<sup>th</sup> May 2011.

#### **Capexes**

The SRF Board had earlier during the year approved several projects to be set up at a total investment of around Rs. 1500 crore. Some of the important projects approved during the year included setting up of the company's second HFC-134a plant, Flexible Multipurpose Plant, Mutipurpose Chemical Plant, Intermediate Speciality Plant and Captive Power Plant at the Dahej Chemical Complex in Gujarat and Capacity Enhancement of Coated Fabrics at a new plant in Gummidipoondi. The Board had also approved setting up of two overseas plants for manufacturing Biaxially Oriented Polypropylene (BOPP) films and Biaxially Oriented Poly Ethylene Terephthalate (BOPET) films.

#### **About SRF**

Established in 1973, SRF as a group has today grown into a global entity with operations in 4 countries. Apart from Technical Textiles Business, in which it enjoys a global leadership position, SRF is a domestic leader in Refrigerants, Engineering Plastics and Industrial Yarns as well. The company also enjoys a significant presence among the key domestic manufacturers of Polyester Films and Fluorospecialities. Building on its in-house R&D facilities for Technical Textiles Business and Chemicals Business, the company strives to stay ahead in business through innovations in operations and product development. A winner of the prestigious Deming Application Prize for its tyre cord business, SRF continues to redefine its work and corporate culture with the TQM as its management way.

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