



SRF Limited

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For immediate release

SRF Q1 PAT at Rs. 83 crore, 51% growth

- SRF to invest Rs. 290 crore for a thin film BOPET Line in Thailand
- SRF buys back 4,93,527 shares at a total amount of Rs. 15.03 crore till 27th July 2011

Gurgaon, 28th July 2011: SRF Limited, a multi-business entity engaged in the manufacture of chemical based industrial intermediates, reported 51% growth in net profit after tax (PAT) at Rs. 83 crore over net sales of Rs. 835 crore, which grew by 35% during the first quarter of 2011-12. SRF's profit before tax improved by 41%, from Rs. 81 crore to Rs. 114 crore during April-June 2011. The financial results of SRF were taken on record by SRF's Board in a meeting held this afternoon.

NEW CAPEX APPROVED

The Board also approved a proposal to set up one BOPET Line with capacity of 28,500 tonnes per annum (TPA) and one Metallizer with a capacity of 7,050 TPA in Thailand at a total investment of around Rs. 290 crore. The plan to set up 28500 MT BOPET Film plant in Bangladesh through a 80:20 Joint Venture with Nitol Niloy Group will be reviewed by the board.

Another project the Board approved today was an upward revision in the capital investment for Multipurpose Chemical Plant at Dahej from around Rs. 97 crore to Rs. 132 crore. The board had earlier approved the project on 29th March 2010. The revision was necessitated mainly due to significant changes in the plant design, equipment and material.

BUYBACK

As per the board's earlier approval, the company commenced the buy-back of fully paid up equity shares from the open market. An aggregate of 4,93,527 equity shares at an average market price of Rs. 304.53 per share were bought back absorbing a total amount of Rs. 15.03 crore till 27th July 2011. The buy-back of shares to a maximum extent of Rs. 90 crore at a price not exceeding Rs. 380 per share may remain open up to 25th February 2012.

MD's COMMENTS

Reflecting on the financial performance of the company, **Mr. Ashish Bharat Ram, Managing Director, SRF Limited**, explained: "The Chemicals Business had a very good quarter which helped the company post excellent results. The

other businesses have performed as per expectations. Going forward the outlook is a bit muted due to signs of a slowdown.”

PERFORMANCE OVERVIEW

The segment revenue of all the businesses improved recording a growth of 83% for the Chemicals and Polymers Business at Rs. 235 crore, 24% for the Technical Textiles Business at Rs. 418 crore and 21% for the Packaging Films Business at Rs. 187 crore during April-June 2011. While the operating profit of Chemicals and Polymers Business recorded a growth of 56% at Rs. 77 crore, the same for the Technical Textiles Business declined marginally by 1% at Rs. 39 crore over CPLY. Affected by the adverse demand-supply situation due to Supreme Court ban on use of plastic for packaging of chewing tobacco, the operating profit for the Packaging Films also decreased by 28% at Rs. 22 crore during the period.

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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