



SRF LIMITED

UNAUDITED FINANCIAL RESULTS

FOR THE QUARTER / NINE MONTHS ENDED 31ST DECEMBER 2014



SRF LIMITED

Registered Office: C-8, Commercial Complex, Safdarjung Development Area, New Delhi – 110016
Tel. No (Regd office) : (+91-11) 26857141 Fax : (+91-11) 26510428

E-mail: info@srf.com Website: www.srf.com CIN – L18101DL1970PLC005197

STANDALONE UNAUDITED FINANCIAL RESULTS FOR THE QUARTER / NINE MONTHS ENDED 31ST DECEMBER 2014

(Rs. In Lakhs)

PART I							
Sl. No.	Particulars	3 Months ended 31st December 2014	3 Months ended 30th September 2014	3 Months ended 31st December 2013	9 Months ended 31st December 2014	9 Months ended 31st December 2013	Previous Accounting Year ended 31st March 2014
		(1)	(2)	(3)	(4)	(5)	(6)
		Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
1	Income from operations						
	a) Net sales/ Income from Operations (net of excise duty)	87022	91687	85944	272334	251843	340210
	b) Other Operating Income	1136	1130	213	2850	1194	1505
	Total Income from operations (net)	88158	92817	86157	275184	253037	341715
2	Expenditure						
	a. Cost of materials consumed	47271	51630	49800	151035	148906	201684
	b. Purchase of stock-in-trade	1074	980	88	2750	1097	1602
	c. Changes in inventories of finished goods, work-in-progress and stock in trade	25	(5320)	(334)	(4677)	(1554)	(476)
	d. Employee benefits expense	6532	6412	5841	19098	16810	23272
	e. Depreciation and amortisation expense	5192	5215	4789	15318	14425	19046
	f. Power and Fuel	8336	9471	8474	27778	25416	34940
	g. Other Expenditure	8464	10955	7768	26992	21720	29448
	Total Expenditure	76894	79343	76426	238294	226820	309516
3	Profit from Operations before Other Income, Finance Costs, Exchange Currency Fluctuation and Exceptional Items (1-2)	11264	13474	9731	36890	26217	32199
4	Other Income	482	457	414	3983	1817	2471
5	Profit from ordinary activities before Finance Costs, Exchange Currency Fluctuation and Exceptional Items (3+4)	11746	13931	10145	40873	28034	34670
6	Finance Costs	2661	2733	1596	7734	5883	7002
7	Profit from ordinary activities after Finance Costs but before Exchange Currency Fluctuation and Exceptional Items (5-6)	9085	11198	8549	33139	22151	27668
8	Exchange Currency Fluctuation Loss / (Gain)	351	280	(639)	643	1653	582
9	Exceptional Items	-	-	-	-	-	-
10	Profit from Ordinary Activities before Tax (7-8-9)	8734	10918	9188	32496	20498	27086
11	Provision for Tax						
	- Current Tax	1820	2250	1970	6750	5060	5490
	- MAT (Credit) / Reversal	(816)	164	-	(1000)	-	(2841)
	- Deferred Tax	1029	819	12	2413	(290)	3419
	- Provision for Tax Relating to Earlier Years	(561)	-	-	(561)	(636)	(636)
12	Net Profit from Ordinary Activities after Tax (10-11)	7262	7685	7206	24894	16364	21654
13	Extraordinary Items (Net of Tax Expense)	-	-	-	-	-	-
14	Net Profit for the Period (12-13)	7262	7685	7206	24894	16364	21654
15	Paid Up Equity Share Capital (Rs.10 each fully paid up)	5742	5742	5742	5742	5742	5742
16	Reserves excluding Revaluation Reserves as per balance sheet of previous accounting year						207587
17	Basic EPS for the Period (Not annualised)	12.64	13.38	12.55	43.35	28.50	37.71
18	Diluted EPS for the Period (Not annualised)	12.64	13.38	12.55	43.35	28.50	37.71
PART II							
Sl. No.	Particulars	3 Months ended 31st December 2014	3 Months ended 30th September 2014	3 Months ended 31st December 2013	9 Months ended 31st December 2014	9 Months ended 31st December 2013	Previous Accounting Year ended 31st March 2014
		(1)	(2)	(3)	(4)	(5)	(6)
A	PARTICULARS OF SHAREHOLDING						
1	Public Shareholding						
	- Number of Shares	27345000	27345000	27345000	27345000	27345000	27345000
	- Percentage of Shareholding	47.62%	47.62%	47.62%	47.62%	47.62%	47.62%
2	Promoters and Promoter Group Shareholding						
(a)	Pledged/Encumbered						
	- Number of shares	-	-	-	-	-	-
	- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	-	-	-	-	-	-
	- Percentage of shares (as a % of the total shareholding of the total share capital of the Company)	-	-	-	-	-	-
(b)	Non-Encumbered						
	- Number of shares	30075500	30075500	30075500	30075500	30075500	30075500
	- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%
	- Percentage of shares (as a % of the total shareholding of the total share capital of the Company)	52.38%	52.38%	52.38%	52.38%	52.38%	52.38%
	Particulars	3 Months ended 31st December 2014					
B	INVESTOR COMPLAINTS						
	- Pending at the beginning of the quarter		1				
	- Received during the quarter		90				
	- Disposed of during the quarter		91				
	- Remaining unresolved at the end of the quarter		-				



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SEGMENT WISE REVENUE, RESULTS AND CAPITAL EMPLOYED UNDER CLAUSE 41 OF THE LISTING AGREEMENT FOR THE QUARTER / NINE MONTHS ENDED 31ST DECEMBER 2014

(Rs. In Lakhs)

Particulars	3 Months ended 31st December 2014	3 Months ended 30th September 2014	3 Months ended 31st December 2013	9 Months ended 31st December 2014	9 Months ended 31st December 2013	Previous Accounting Year ended 31st March 2014
	(1)	(2)	(3)	(4)	(5)	(6)
	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
Segment Revenue						
a) Technical Textiles Business (TTB)	41840	43462	44616	130728	133526	181023
b) Chemicals and Polymers Business (CPB)	30660	31958	26996	94670	70791	95627
c) Packaging Film Business (PFB)	15877	17624	14769	50467	49173	65755
Total Segment Revenue	88377	93044	86381	275865	253490	342405
Less: Inter Segment Revenue	219	227	224	681	453	690
Net Sales / Income from Operations	88158	92817	86157	275184	253037	341715
Segment Results						
(Profit before Interest and Tax from each Segment)						
a) Technical Textiles Business (TTB)	4144	5165	3853	13775	12353	16746
b) Chemicals and Polymers Business (CPB)	7463	8571	6964	23716	15697	19130
c) Packaging Film Business (PFB)	694	1600	(7)	3354	1872	2415
Total Segment Results	12301	15336	10810	40845	29922	38291
Less/(Add): i) Finance Costs	2661	2733	1596	7734	5883	7002
ii) Other Unallocable Expenses Net of Income	906	1685	26	615	3541	4203
Total Profit Before Tax	8734	10918	9188	32496	20498	27086
Capital Employed (Segment Assets Less Segment Liabilities)						
a) Technical Textiles Business (TTB) (Including Capital Work In Progress Rs 4713 lakhs as at 31st December 2014)	113589	111441	120630	113589	120630	113402
b) Chemicals and Polymers Business (CPB) (Including Capital Work In Progress Rs 29516 lakhs as at 31st December 2014)	222665	206904	178225	222665	178225	191416
c) Packaging Film Business (PFB) (Including Capital Work In Progress Rs 2559 lakhs as at 31st December 2014)	43021	40370	43929	43021	43929	39726
Total Capital Employed	379275	358715	342784	379275	342784	344544
Add : Unallocable Assets Less Liabilities	21793	48325	24691	21793	24691	24989
Total Capital Employed In the Company	401068	407040	367475	401068	367475	369533



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NOTES TO UNAUDITED FINANCIAL RESULTS FOR THE QUARTER / NINE MONTHS ENDED 31ST DECEMBER 2014

- 1 The above results were reviewed by the Audit Committee and approved by the Board of Directors at its meeting held on 10th February, 2015.
- 2 The Company had opted to apply the provisions under paragraph 46A of Accounting Standard (AS) - 11 “The Effects of Changes in Foreign Exchange Rates” with effect from April 1, 2013. Accordingly, the depreciated/amortised portion of net foreign exchange (gain)/loss on long-term foreign currency monetary items, for the nine months ended 31st December, 2014 is Rs. 314.08 lakhs. The unamortised portion carried forward as at 31st December, 2014 is Rs. 6789.42 lakhs.
- 3 The Company had received demand notices from the Commercial Tax Department, Government of Madhya Pradesh (“State Government”) for payment of Central Sales Tax (CST), Value Added Tax (VAT) and Entry Tax aggregating to Rs. 10513 lakhs (including interest and penalty) for the period from 2007 to 2013 in respect of sales from its manufacturing facility in Special Economic Zone (SEZ) in Madhya Pradesh to the Domestic Tariff Area (DTA).

In terms of the Policy of the Government of Madhya Pradesh and Madhya Pradesh SEZ Act, 2003, the Unit was exempt from local state taxes and levies. The Company has paid Additional Countervailing Duty (ACVD), to counter balance CST / VAT, aggregating to Rs. 4831 lakhs for the period from 2007 to 2013 on sales from the SEZ to the DTA under the Customs laws pursuant to the Special Economic Zone Act 2005, MP SEZ Act, 2003 and the Policy of Centre and Madhya Pradesh State. The Company had filed a writ petition before the Indore Bench of the Hon’ble High Court of Madhya Pradesh (“Court”) against the said demands.

The Company contended that while State is demanding local taxes, the Centre in its reply has stated that ACVD is payable and therefore this amounts to double taxation.

The Court has directed the State Government not to take any coercive steps for recovery of demand till disposal of the petition.

The matter is sub judice. In terms of last order dated September 29, 2014, the next date of the hearing in the matter is yet to be fixed. The Management of the Company, based on the facts of the case and opinion received by the Company from legal experts, is confident of getting a relief in the matter from the Court and, accordingly, has not made any provision for the said disputed demands.
- 4 During the nine months ended December 31, 2014, pursuant to the requirements of Schedule II of the Companies Act, 2013, the Company has, effective April 1, 2014, reviewed and revised the estimated useful lives of its fixed assets. Consequent thereto, the depreciation charge for the nine months period is lower by Rs. 1829.39 lakhs. Additional adjustments, if any, based on further refinement of estimates / clarifications from regulators in this regard would be carried out as and when determined.

5 Pursuant to an authorisation from the Board a definitive Agreement has been signed on 31st December, 2014 by the Company with E.I. DuPont De Nemours and Company , USA, effective immediately upon signing. Under the transaction, the Company acquired Global DuPont™ Dymel® HFC 134a Pharma Business, will own Du Pont's 'Dymel' brand and receive the technology and knowhow for setting up its own 'current Good Manufacturing Practices' (cGMP) facility for manufacturing HFC 134a Pharma grade.

Dupont will supply the Company with the product from its existing facility in US till the Company's facility has obtained the necessary approvals. The consideration for the transaction was USD 20 million payable in cash. The Company has two plants for manufacture of technical grade of HFC 134a. It is envisaged that HFC 134a pharma will form a part of the downstream products from these plants.

6 Previous period figures have been regrouped wherever necessary to conform to current quarter classifications.

Limited Review:

The Limited Review for the quarter and nine months ended December 31, 2014 as required under Clause 41 of Listing Agreement has been completed by the Statutory Auditors.

For and on behalf of the Board

Ashish Bharat Ram
Managing Director

Place : Gurgaon

Date : 10th February, 2015 -