



**SRF LIMITED**

**STATEMENT OF UNAUDITED FINANCIAL RESULTS**

**FOR THE QUARTER ENDED 30TH JUNE 2016**



**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

**STATEMENT OF UNAUDITED FINANCIAL RESULTS FOR THE QUARTER ENDED 30TH JUNE 2016**

(Rs. in Crores)

S.No.	Particulars	Standalone		Consolidated	
		Quarter ended		Quarter ended	
		30-Jun-16	30-Jun-15	30-Jun-16	30-Jun-15
		(1)	(2)	(1)	(2)
		Unaudited	Unaudited	Unaudited	Unaudited
	<b>Income from operations</b>				
1	a) Net sales (net of excise duty)	961.43	950.44	1195.08	1205.45
	b) Other Operating Income	23.40	14.88	24.13	15.92
	<b>Total Income from operations (net)</b>	<b>984.83</b>	<b>965.32</b>	<b>1219.21</b>	<b>1221.37</b>
2	<b>Expenses</b>				
	a) Cost of materials consumed	440.67	467.23	570.56	612.08
	b) Purchase of stock-in-trade	8.15	8.13	8.15	6.27
	c) Changes in inventories of finished goods, work-in-progress and stock in trade	17.63	11.01	14.42	20.07
	d) Employee benefits expense	80.73	67.73	103.44	90.86
	e) Depreciation and amortisation expense	62.76	63.45	73.37	72.46
	f) Power and fuel	90.17	87.80	105.54	106.10
	g) Exchange currency fluctuation loss / (gain)	(6.17)	(2.93)	(6.34)	(0.78)
	h) Other expenses	110.76	93.53	133.05	118.81
	<b>Total Expenses</b>	<b>804.70</b>	<b>795.95</b>	<b>1002.19</b>	<b>1025.87</b>
3	<b>Profit from operations before other income, finance costs and exceptional items (1-2)</b>	<b>180.13</b>	<b>169.37</b>	<b>217.02</b>	<b>195.50</b>
4	Other income	7.27	5.50	5.52	4.54
5	<b>Profit from ordinary activities before finance costs and exceptional items (3+4)</b>	<b>187.40</b>	<b>174.87</b>	<b>222.54</b>	<b>200.04</b>
6	Finance costs	21.44	24.68	28.22	34.39
7	<b>Profit from ordinary activities after finance costs but before exceptional items (5-6)</b>	<b>165.96</b>	<b>150.19</b>	<b>194.32</b>	<b>165.65</b>
8	Exceptional items	-	-	-	-
9	<b>Profit from ordinary activities before tax (7-8)</b>	<b>165.96</b>	<b>150.19</b>	<b>194.32</b>	<b>165.65</b>
10	Tax expense	46.47	44.66	50.13	52.23
11	<b>Net Profit from ordinary activities after tax (9-10)</b>	<b>119.49</b>	<b>105.53</b>	<b>144.19</b>	<b>113.42</b>
12	Extraordinary items (Net of tax expense)	-	-	-	-
13	Net Profit for the period (11-12)	119.49	105.53	144.19	113.42
14	Other Comprehensive Income / (Expense)(Net of Tax)	(1.55)	(0.93)	(0.71)	(2.76)
15	<b>Total Comprehensive Income (13 + 14)</b>	<b>117.94</b>	<b>104.60</b>	<b>143.48</b>	<b>110.66</b>
16	Paid up equity share capital (Rs.10 each fully paid up)	57.42	57.42	57.42	57.42
17	Basic EPS for the period (Not annualised)	20.81	18.38	25.11	19.75
18	Diluted EPS for the period (Not annualised)	20.81	18.38	25.11	19.75



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### STATEMENT OF UNAUDITED SEGMENT INFORMATION FOR THE QUARTER ENDED 30TH JUNE 2016

(Rs. In Crores)

Particulars	Standalone		Consolidated	
	Quarter ended		Quarter ended	
	30-Jun-16	30-Jun-15	30-Jun-16	30-Jun-15
	(1)	(2)	(1)	(2)
	Unaudited	Unaudited	Unaudited	Unaudited
<b>Segment Revenue</b>				
a) Technical Textiles Business (TTB)	393.02	404.08	464.72	492.42
b) Chemicals and Polymers Business (CPB)	421.39	378.21	421.39	378.21
c) Packaging Film Business (PFB)	171.66	184.96	334.34	352.67
<b>Total Segment Revenue</b>	<b>986.07</b>	<b>967.25</b>	<b>1220.45</b>	<b>1223.30</b>
Less: Inter Segment Revenue	1.24	1.93	1.24	1.93
<b>Net Sales / Income from Operations</b>	<b>984.83</b>	<b>965.32</b>	<b>1219.21</b>	<b>1221.37</b>
<b>Segment Results</b> (Profit before Interest and Tax from each Segment)				
a) Technical Textiles Business (TTB)	61.54	52.16	67.26	56.55
b) Chemicals and Polymers Business (CPB)	111.56	94.46	111.56	94.46
c) Packaging Film Business (PFB)	29.90	40.38	59.62	60.37
<b>Total Segment Results</b>	<b>203.00</b>	<b>187.00</b>	<b>238.44</b>	<b>211.38</b>
<b>Less/(Add):</b>				
i) Finance Costs	21.44	24.68	28.22	34.39
ii) Other Unallocable Expenses Net of Income	15.60	12.13	15.90	11.34
<b>Total Profit Before Tax</b>	<b>165.96</b>	<b>150.19</b>	<b>194.32</b>	<b>165.65</b>
<b>Segment Assets</b>				
a) Technical Textiles Business (TTB)	1425.29	1386.25	1612.18	1570.94
b) Chemicals and Polymers Business (CPB)	2879.52	2665.60	2879.52	2665.60
c) Packaging Film Business (PFB)	819.00	624.66	1754.47	1548.96
<b>Total segment assets</b>	<b>5123.81</b>	<b>4676.51</b>	<b>6246.17</b>	<b>5785.50</b>
d) Unallocable	570.10	425.07	488.58	353.17
<b>Total</b>	<b>5693.91</b>	<b>5101.58</b>	<b>6734.75</b>	<b>6138.67</b>
<b>Segment Liabilities</b>				
a) Technical Textiles Business (TTB)	291.57	299.49	371.71	397.61
b) Chemicals and Polymers Business (CPB)	314.62	289.60	314.62	289.60
c) Packaging Film Business (PFB)	151.00	148.82	280.13	272.22
<b>Total segment liabilities</b>	<b>757.19</b>	<b>737.91</b>	<b>966.46</b>	<b>959.43</b>
d) Unallocable	59.76	70.47	60.29	69.01
<b>Total</b>	<b>816.95</b>	<b>808.38</b>	<b>1026.75</b>	<b>1028.44</b>
<b>Capital employed</b>				
a) Technical Textiles Business (TTB)	1133.72	1086.76	1240.47	1173.33
b) Chemicals and Polymers Business (CPB)	2564.90	2376.00	2564.90	2376.00
c) Packaging Film Business (PFB)	668.00	475.84	1474.34	1276.74
<b>Total Capital Employed</b>	<b>4366.62</b>	<b>3938.60</b>	<b>5279.71</b>	<b>4826.07</b>
d) Unallocable	510.34	354.60	428.29	284.16
<b>Total</b>	<b>4876.96</b>	<b>4293.20</b>	<b>5708.00</b>	<b>5110.23</b>



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### NOTES TO UNAUDITED FINANCIAL RESULTS FOR THE QUARTER ENDED 30TH JUNE 2016

- The above results were reviewed by the Audit Committee and approved by the Board of Directors at its meeting held on 8th August, 2016.
- The Company had received demand for payment of Central Sales Tax (CST), Value Added Tax (VAT) and Entry Tax aggregating to Rs. 121.06 crores including interest and penalty of Rs. 34.38 crores for the period from 2005 to 2013 in respect of sales from its manufacturing facility in Special Economic Zone (SEZ) in Madhya Pradesh to the Domestic Tariff Area (DTA) . The Company had already paid on the same products Rs. 51.37 crores as Additional Countervailing Duty (ACVD) to the Central Government, based on Company's view that ACVD was payable as per extant policies and Legislations of the Centre and the State.  
The Company had filed writ petitions against all such demands, on which Hon'ble High Court of Madhya Pradesh ("Court") has granted stay vide order dated 12th May, 2016 subject to payment of 10 % of the total demand in cash and bank guarantee for the remaining 90% of the total demand. The said deposit of cash as well as bank guarantee has been made by the Company. The Management is of the view which is also confirmed by legal opinion that Company has a good case on merits and is confident of getting relief from the Court and, accordingly, no provision has been created.
- The Company has adopted Indian Accounting Standard ("Ind AS") from 1st April, 2016 and accordingly these financial results have been prepared in accordance with the recognition and measurement principles laid down in the Ind AS 34 "Interim Financial Reporting", prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and the other accounting principles generally accepted in India.
- Reconciliation between standalone and consolidated financial results, as previously reported (referred to as 'Previous GAAP') and Ind AS for quarter ended 30th June, 2015 is given below:

Rs. in Crores

Particulars	Quarter ended 30th June, 2015	
	Standalone	Consolidated
Net profit reported under previous GAAP	105.54	113.21
Impact of measuring investments at fair value through Profit and Loss (FVTPL)	0.89	0.89
Impact of amortisation of leasehold land	(0.29)	(0.29)
Others	(0.14)	0.03
Tax adjustments	(0.47)	(0.42)
Net profit as reported under Ind AS	105.53	113.42
Other Comprehensive income (net of tax)	(0.93)	(2.76)
Total comprehensive income as reported under Ind AS	104.60	110.66

- During the quarter, the modernisation of the Technical Textiles Plant at Gwalior, Madhya Pradesh was commissioned and capitalised at a cost of Rs. 53.06 crores.
- During the quarter, the Board of Directors had approved setting up of a Bi-axially Oriented Polypropylene (BOPP) film line and metallizer in the existing Packaging Films Business (Domestic Tariff Area campus) at Indore at an estimated cost of Rs. 269 crores.
- The 9.80% Listed, Secured Redeemable Non-Convertible Debentures of Rs. 10 lakhs each aggregating to Rs. 200 crores are secured against first pari-passu charge over some of the moveable and immovable properties of the Company to the extent of asset cover of 2.13 times.



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- 8 The Board of Directors have approved the payment of an interim dividend @ 60% which is Rs. 6/- per equity share of the nominal value of Rs. 10 per equity share.
- 9 The Ind AS compliant financial results for the quarter ended 30th June, 2015 have not been subjected to limited review or audit. However, the management has exercised necessary due diligence to ensure that the financial results provide a true and fair view of its affairs.
- 10 Previous period figures have been regrouped wherever necessary to conform to current quarter classifications.

#### **Limited Review:**

The Limited Review, as required under Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 has been completed by the Statutory Auditors.

For and on behalf of the Board

**Ashish Bharat Ram**  
**Managing Director**

Place : New Delhi  
Date : 8th August, 2016