

## Chairman's Speech on 46<sup>th</sup> AGM

### SRF Limited 46<sup>th</sup> Annual General Meeting

Day	Tuesday
Date	August 8, 2017
Time	3:30 pm
Venue	Laxmipat Singhania Auditorium, PHD House, 4/2 Siri Institutional Area, August Kranti Marg, New Delhi – 11 00 16

#### Chairman's Speech

Good Afternoon Ladies and Gentlemen.

It gives me immense pleasure in welcoming you all to the 46<sup>th</sup> Annual General Meeting of your Company. The Annual Report for the year ended 31<sup>st</sup> March, 2017 along with the Directors' Report and the Audited Financials of the Company have already been circulated to you. I request your kind permission to take them as read.

As you all would know, the global macroeconomic landscape remains volatile. While global growth is showing some signs of a recovery, there is still a long way to go. Even in these uncertain circumstances, India's growth story has largely remained positive, and the country has registered a steady pace of economic growth at 7.1 percent in FY 2016-17. The country's economic fundamentals are sound and the Government is determined to remove impediments to economic development and social empowerment. With the effective implementation of the Goods and Services Tax, I am convinced that India is poised for greater investment and economic growth in the future. Having said that, I am also cognizant of the fact that overall industry is undergoing rapid changes and it has become essential to continuously refine and sharpen our capabilities. Anticipation of the future shape of the industry and taking steps today to rightly position the Company is extremely important for us to succeed.

With that, I would now like to present the salient features of your Company's performance during the FY 2016-17.

The Company performed well in FY 2016-17, which is largely due to our diversified business model. It continues to remain one of our key strengths. In FY 2016-17, we increased cost efficiencies through a judicious management of raw material and inventories, deployed best-in-class technology, managed cash flows, focused on value-added products; added new territories and aligned long-term business strategies with diverse stakeholder expectations. Such an approach has enabled us to maintain a robust profit after tax increase of 20% when compared to the previous financial year and our revenues for the year remained stable.

You will be happy to know that the year 2016-17 was an eventful year for your Company.

- Your Company became the first company in India to launch R 22 cans in the Indian market that are marketed under our brand name FLORON. Our ongoing investment in product development continues to drive strong near-term results for us in the refrigerant gases space and strengthens our position in the marketplace.
- For our Specialty Chemicals Business, sustainable growth is key and we aim to achieve that by focusing on innovations to build a strong pipeline for induction of new offerings in both the agrochemical and pharmaceutical segments.
- Our Packaging Films Business continues to make a healthy contribution to your Company's top line and the bottom line and in February 2017, PFB turned an important chapter in its journey with a BOPET film plant and Metalliser plant going on stream, ahead of schedule. This line is also the first phase of the new Greenfield Packaging Film facility in Indore, focused on the domestic market.
- Our Chemicals Technology Group continues to work towards improving your Company's capabilities of process development, scale-up and commercialization of new chemistries in our chosen areas of operation. In FY 2016-17, CTG filed 30 patents, taking the total count to 111 patents filed so far.

SRF has always maintained extremely high standards of Corporate Governance and we follow a culture that is built on our core values of ethical business conduct.

Further, our commitment towards the communities where we operate remained steadfast. Our key initiative of providing '*Quality Education to All*', which is also one of the largest community programs imparting education and vocational training programs to underprivileged children and youth across the country was further strengthened during the past year, touching lives of more than 3,60,000 students across the country.

As we look to FY 2017-18, we hope to build upon the foundation which has been put in place. We have challenges ahead in the form of a rapidly appreciating rupee and short-term transition issues related to GST. It will be our endeavor to overcome these to the best of our capabilities.

And, before I conclude, on behalf of the Board of Directors of your Company, I wish to thank our valued Shareholders for their continuous support and trust in us. This motivation helps us to excel in all our pursuits and constant endeavor to create value for you. I would also like to thank my colleagues on the Board for their valuable guidance and contribution in steering the Company to greater levels of achievement. Above all, I would like to place on record the commendable efforts and commitments shown by our employees, who have always contributed their best for the Company to set new benchmarks.

**Thank you.**