

For immediate release

SRF records 27% jump in Consolidated PAT at Rs. 144 crore

- Consolidated **Q1 EBIDTA** at Rs. 290 crore, a growth of 7% over CPLY
- Board approved **Interim Dividend** of Rs. 6 per share

Consolidated Q1 Financials

Gurgaon, 8th August 2016: SRF, a chemical based multi-business entity manufacturing industrial intermediates, recorded a 27% increase in consolidated net profit after tax (PAT) from Rs. 113 crore to Rs. 144 crore during the first quarter ended June 30, 2016 over the corresponding period last year (CPLY). Net sales of SRF consolidated during the first quarter of 2016-17, however, declined only marginally to Rs. 1195 crore, mainly due to the consistent subdued commodity prices.

The surge in SRF's profitability can be attributed to robust demand, operational efficiency with renewed focus on cost improvement and market penetration especially in the international market.

MD's Comments

Reflecting on the financial performance of the company, **Mr. Ashish Bharat Ram, Managing Director, SRF Limited**, explained: *"We have had an excellent start to the year. All our businesses performed exceptionally well. However, the global economy remains fragile and hence the outlook has an element of uncertainty to it. We continue to invest regularly as per our strategic intent."*

Consolidated Segment Results

The Chemicals & Polymers Business reported 11% increase in its segment revenue from Rs. 378 crore to Rs. 421 crore during the first three months of 2016-17 over CPLY. Operating profit of the Chemicals & Polymers Business also increased by ~18% from Rs. 94 crore to Rs. 112 crore during the period. Impacted mainly by the subdued commodity prices, the Technical Textiles Business recorded a decline of 6% in its segment revenue from Rs. 492 crore to Rs. 465 crore during the period. The operating profit of the Technical Textiles Business, however, increased by 19% from Rs. 57 crore to Rs. 67 crore. While the Packaging Films Business registered a decline of 5% from Rs. 353 crore to Rs. 334 crore in its segment revenue, it maintained its operating profit at Rs. 60 crore during the first quarter of 2016-17 over CPLY.

Adoption of Ind - AS Accounting Requirements

The company has for the first time adopted the Ind - AS accounting requirements during Q1 of 2016-17 as mandated by the Companies Act 2013 and accordingly the numbers for Q1 of 2015-16 have been restated in line with the new norms. Numbers reported during the previous years' / quarters' may not, therefore, be strictly comparable.

Interim Dividend

In today's meeting, the Board also approved an interim dividend at the rate of 60% per cent amounting to Rs. 6 per share.

Internal Audit Practice of the Year Award

SRF also won the prestigious 'Internal Audit Practice of the Year' award conferred by the Axis Risk Consulting, a GNPACT company during the quarter.

About SRF

Established in 1970, SRF, as a group, has today grown into a multi-business global entity with operations in 3 countries. With proven R&D capabilities, especially in the niche domain of Chemicals, SRF strives to stay ahead in business through innovations in operations and product development. The company is not only a domestic leader in refrigerants, but also continues to be the only manufacturer of indigenously developed refrigerant, HFC 134a in India. The company also enjoys global leadership position in Technical Textiles. Besides, the company enjoys a significant presence among the key domestic manufacturers of Packaging Films and Specialty Chemicals as well. A winner of the prestigious Deming Prize for two of its businesses namely Tyre Cord and Chemicals, SRF continues to redefine its work and corporate culture with the TQM as its management way.

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