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National Stock Exchange of India Limited
"Exchange Plaza"
Bandra-Kurla Complex
Bandra (E)
Mumbai 400 051

Scrip Code- 503806

Scrip Code-SRF

SRF/SEC/BSE/NSE

21.07.2022

Dear Sir,

Press Release

We enclose a copy of the Press Release issued by the Company

Thanking you,

Yours faithfully,

For **SRF LIMITED**

Rajat Lakhanpal
VP (Corporate Compliance) & Company Secretary

Encl: As above

SRF LIMITED

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For immediate release

SRF Limited Announces Q1FY23 Financial Results

Gurugram, July 21, 2022: SRF Limited, a chemical based multi-business entity engaged in the manufacturing of industrial and specialty intermediates today announced its consolidated financial results for the first quarter ended June 30, 2022. The company's unaudited results were approved by the Board of Directors in a meeting held today.

Consolidated Q1FY23 Financials

The consolidated revenue of the company grew 44% from ₹2,699 crore to ₹3,895 crore in Q1FY23 when compared with Corresponding Period Last Year (CPLY). The company's Earnings before Interest and Tax (EBIT) increased 58% from ₹595 crore to ₹938 crore in Q1FY23 when compared with CPLY. The company's Profit after Tax (PAT) increased 54% from ₹395 crore to ₹608 crore in Q1FY23 when compared with CPLY.

Commenting on the results, Chairman and Managing Director, Ashish Bharat Ram said, "It has been a stellar quarter for the Company. The outlook for our Chemicals Business remains strong and we believe the investment intensity will increase in this segment. While our Packaging Films Business performed very well, we see strong headwinds for the Business with weak global demand and inventory losses in the short term."

Consolidated Q1FY23 Segment Results

The **Chemicals Business** reported an increase of 55% in its segment revenue from ₹1,114 crore to ₹1,722 crore during Q1FY23 over CPLY. The operating profit of the Chemicals Business increased 134% from ₹222 crore to ₹520 crore in Q1FY23 over CPLY. During the quarter, the Fluorochemicals Business performed exceedingly well owing to higher sales volumes in the refrigerants, pharma propellants, and the blends segments with better sales realizations, especially from the export markets. In addition, healthy contribution from the chloromethanes segment augmented the overall results. The Specialty Chemicals Business performed well on account of strong demand for flagship products and the downstream derivatives. New products are gaining significant traction, resulting in SRF's capital expenditure plans for the business being robust.

The **Packaging Films Business** reported an increase of 44% in its segment revenue from ₹1,041 crore to ₹1,496 crore during Q1FY23 when compared with CPLY. The operating profit of the Packaging Films Business increased 25% from ₹237 crore to ₹295 crore in Q1FY23 over CPLY. During the quarter, the Business witnessed a slight slowdown in demand for BOPET and BOPP films, which impacted the overall margins. However, our customer centric approach of 'Easy to do Business With', coupled with enhanced sales of Value-Added Products (VAPs) contributed positively to the overall performance.

The **Technical Textiles Business** reported an increase of 16% in its segment revenue from ₹493

crore to ₹571 crore during Q1FY23 over CPLY. The operating profit of the Technical Textiles Business declined 13% from ₹134 crore to ₹116 crore in Q1FY23 over CPLY. The Business has performed in line with expectations with increased export volumes from the Nylon Tyre Cord and Belting Fabrics segments. However, the domestic demand for our portfolio of products remained muted.

The **Other Businesses** reported an increase of 97% in its segment revenue from ₹54 crore to ₹106 crore in Q1FY23 when compared with CPLY. The operating profit of the Other Businesses increased 250% from ₹2 crore to ₹7 crore in Q1FY23 over CPLY. Both the Coated and Laminated Fabrics Business performed well in a difficult external environment.

We witnessed rupee depreciation against the US\$ of around 4.5% during the quarter, amid a volatile geopolitical situation. This led to restatement of net US\$ denominated liabilities, which created an exchange fluctuation loss of ₹32 crore, which is likely to be a one-time impact.

Capex

Chemicals Business

The Board has approved a project for setting up a new and dedicated facility to produce 1,000 MT per year of an agrochemical intermediate at Dahej at a projected cost of ₹250 crore to meet the growing demand for the product in the future.

The Board has also approved a project to expand the capacity of an intermediate product that finds application in both agrochemical and pharma intermediates and related feedstock at Dahej at a projected cost of ₹72 crore.

To cater to the growing requirements of new and upcoming plants at Dahej, the Board has approved a project to create two technical structures for new plant buildings for certain agrochemical products at a projected cost of ₹78 crore.

Technical Textiles Business

The Board has approved a project for capacity expansion and modernization of belting fabrics operations at TTB-Viralimalai from 1,100 Metric Tons Per Month (MTPM) to 1,800 MTPM at a projected cost of ₹162 crore to be spent over a period of three years.

Interim Dividend

In today's meeting of the board of directors, an interim dividend at the rate of 36 percent, amounting to ₹3.60 per share was approved.

Innovation and Intellectual Property

As of June 30, 2022, the company has applied for a total of three hundred and seventy patents. Till date, the company has been granted one hundred and twenty-four patents globally.

Awards and Recognition

Awarded the Best Family Business in the Giga category at the first-ever Moneycontrol Indian Family Business Awards 2021

Named Employer of the Future by FORTUNE INDIA Magazine

Received the Finance Transformation Initiative of the Year Award - The C2FO program

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About SRF Limited

Established in 1970, SRF Limited with an annual turnover of ₹12,313 crore (US\$ 1.6 billion) is a chemical based multi-business entity engaged in the manufacturing of industrial and specialty intermediates. The company's diversified business portfolio covers Fluorochemicals, Specialty Chemicals, Packaging Films, Technical Textiles, Coated and Laminated Fabrics. Anchored by a strong workforce of 7,000+ employees from different nationalities working across eleven manufacturing plants in India and one each in Thailand, South Africa and Hungary, the company exports to 90+ countries. Equipped with State-of-the-Art R&D facilities, SRF has filed three hundred and seventy patents for R&D and technology so far, of which one hundred and twenty-four patents have been granted globally. 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 TQM as its management way.

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