

For immediate release

SRF Group posts 82% growth in Q4 PAT at Rs. 109 crore

- Annual consolidated PAT at Rs. 423 crore, up 40%
- SRF Board approved a capex of Rs. 269 crore for a 'BOPP Film Line and a Metallizer' in India

Consolidated Q4 Financials

Gurgaon, 10th May 2016: SRF Ltd, a multi-business entity engaged in the manufacture of chemical based industrial intermediates, reported 82% increase in its consolidated net profit after tax (PAT) at Rs. 109 crore for the quarter ended March 31, 2016 as against Rs. 60 crore posted in the year ago period. The company's consolidated EBIDTA at Rs. 234 crore for the fourth quarter of 2015-16 also increased by 43% over the corresponding period last year (CPLY). The consolidated net sales of the company grew by 3% at Rs. 1093 crore during the quarter. SRF's audited results were approved by the Board of Directors in a meeting held this afternoon.

Consolidated Annual Results

SRF posted 40% growth in consolidated net profit after tax (PAT) at Rs. 423 crore for the fiscal ended March 31, 2016 even as the net sales of the company grew only marginally from Rs. 4492 crore in 2014-15 to Rs. 4531 crore in 2015-16. The consolidated EBIDTA of the company also improved by 26% from Rs. 791 crore during 2014-15 to Rs. 999 crore during 2015-16.

MD's Comments

Reflecting on the results, **Ashish Bharat Ram, Managing Director, SRF**, said, *"In spite of a weak economic environment globally, it has been an excellent year for the company. Our stated objective of transforming SRF into a technology & innovation oriented company across all business segments is paying dividends. The turnaround of our global operations has also vindicated our strategic intent."*

Consolidated Annual Segment Results

With a 23% growth in the segment revenue at Rs. 1555 crore, the Chemicals & Polymers Business of the company reported 31% increase in its operating profit from Rs. 298 crore to Rs. 389 crore during April-March 2015-16 over CPLY. Riding on the improved performance of both its overseas units, the Packaging Films Business reported more than 200% growth in its operating profit from Rs. 64 crore in 2014-15 to Rs. 193 crore during the same period. The segment revenue of Technical Textiles Business declined 14% at Rs. 1746 crore during the year due to low crude oil prices coupled with the disruption of production in one its major manufacturing units at Manali during the Chennai flood in December 2015. The operating profit for the Technical Textiles Business also reduced by 12% from Rs. 196 crore to Rs. 173 crore during the same period.

Financial Ratios

The consolidated Net Debt to Equity ratio for SRF improved from 0.99 as on March 31, 2015 to 0.74 times as on March 31, 2016 and the consolidated Earnings Per Share (EPS) of the company improved to Rs. 73.66 in 2015-16 as against Rs. 52.74 CPLY.

Capex

The Board approved a capex proposal for setting up a **‘BOPP Film Line and a Metallizer’** in the existing Domestic Tariff Area (DTA) campus at Indore at a total investment of around Rs. 269 crore. With a maiden domestic entry into the space of BOPP films, SRF aims to emerge as a ‘one stop shop’ for its customers mainly in India. The proposed project will be the second BOPP unit for SRF, the first one was set up at Durban in South Africa in 2012. The project is scheduled to be commissioned in the last quarter of 2017-18.

Dividend

In August 2015 and February 2016, the SRF Board had approved two interim dividends of 50% each, aggregating to a total of Rs. 10 per share. In today’s meeting, the Board did not recommend any final dividend for the year 2015-16.

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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