



The BSE Limited
BSE's Corporate Relationship
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Mumbai 400 001

National Stock Exchange of India Limited
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Mumbai 400 051

SRF/SEC-D/16

08.08.2018

Dear Sir,

Presentation- Earnings Call- Unaudited Financial Results for the quarter ended 30.06.2018

In continuation of our letter dated 3rd August, 2018 informing about hosting of earning call to discuss unaudited financial results for quarter ended 30th June, 2018, please find enclosed Investors presentation, of the same for your reference and record.

The same is also available on the Company's website i.e. www.srf.com

Thanking you,

Yours faithfully,

For SRF LIMITED

**EKTA MAHEHSWARI
CHIEF MANAGER-SECRETARIAL(COMPLIANCE OFFICER)**

Encl: As above

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SRF Limited

We always find a better way

August 07, 2018

Q1 FY19 Results
Presentation



Certain statements in this document may be forward-looking statements. Such forward-looking statements are subject to certain risks and uncertainties like regulatory changes, local political or economic developments, and many other factors that could cause our actual results to differ materially from those contemplated by the relevant forward-looking statements. SRF Limited will not be in any way responsible for any action taken based on such statements and undertakes no obligation to publicly update these forward looking statements to reflect subsequent events or circumstances.

Q1FY19 Results Overview

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Q1FY19 Segmental Performance


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**Q1 FY19
RESULTS
OVERVIEW**

Abridged Statement of Profit & Loss

(Rs. Crore)	Q1 FY19	Q1 FY18	% Y-o-Y	FY18	FY17	% Y-o-Y
Gross Operating Revenue	1,741.3	1,389.1	25.4%	5,684.9	5,136.6	10.7%
EBITDA	330.3	218.1	51.5%	975.0	1,014.9	(3.9)%
<i>EBITDA Margin (%)</i>	<i>19.0%</i>	<i>15.7%</i>	-	<i>17.2%</i>	<i>19.8%</i>	-
Depreciation	88.6	75.8	16.8%	315.8	283.4	11.4%
Interest	44.3	27.1	63.6%	123.9	101.8	21.7%
ECF (Gain)/ Loss	15.2	(11.4)	-	(46.3)	(27.6)	68.1%
Profit Before Tax	182.2	126.6	44.0%	581.7	657.2	(11.5)%
Profit After Tax	133.8	103.8	28.9%	461.7	515.0	(10.3)%
<i>Profit After Tax Margin (%)</i>	<i>7.7%</i>	<i>7.5%</i>		<i>8.1%</i>	<i>10.0%</i>	
Diluted EPS (Rs.)	23.3	18.1		80.4	89.7	

Consolidated figures

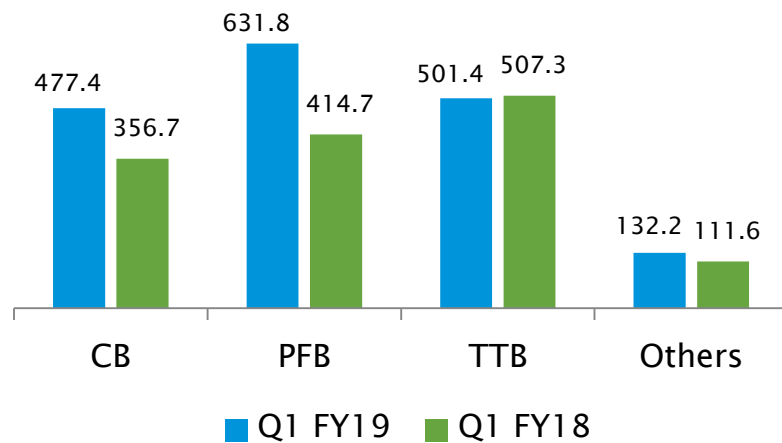
Key Financial Ratios

Particulars	FY13	FY14	FY15	FY16	FY17	FY18
EBITDA margin	17.59%	13.59%	20.43%	22.13%	21.42%	17.69%
PAT Margin	6.69%	4.04%	8.78%	9.51%	10.87%	8.38%
Net Debt to Equity	0.71	1.01	0.99	0.73	0.67	0.82
Net Debt to EBITDA	2.06	3.78	2.82	1.96	2.07	3.00
Asset Turnover	0.82	0.73	0.77	0.70	0.68	0.66
Debtors Turnover	0.13	0.17	0.13	0.11	0.14	0.12

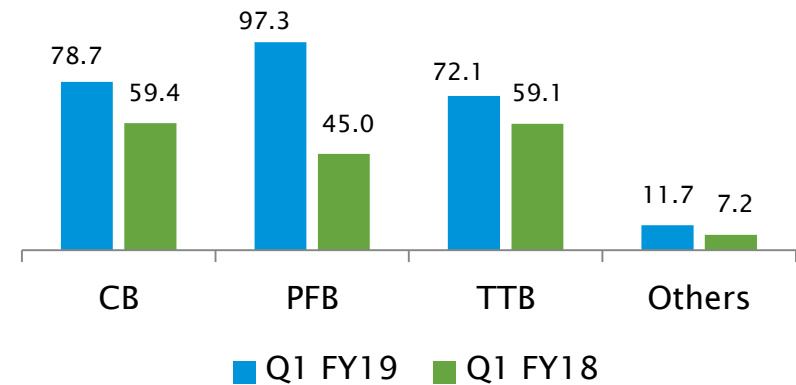
Consolidated figures

NOTE - FY16, FY17 & FY18 ratios are as per IndAS

Revenues (Rs. crore)



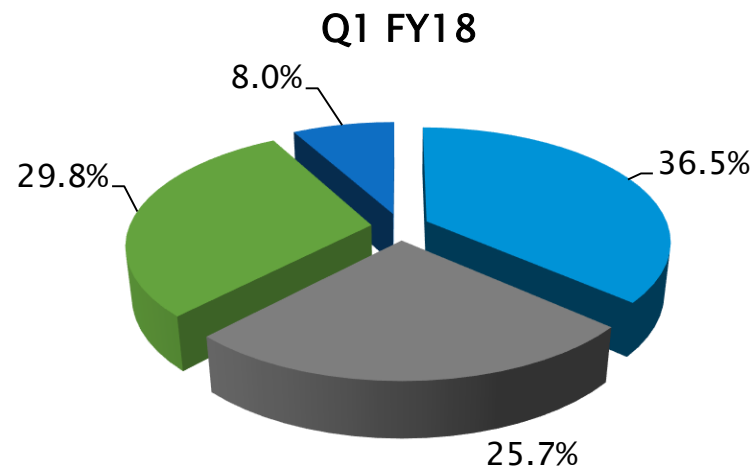
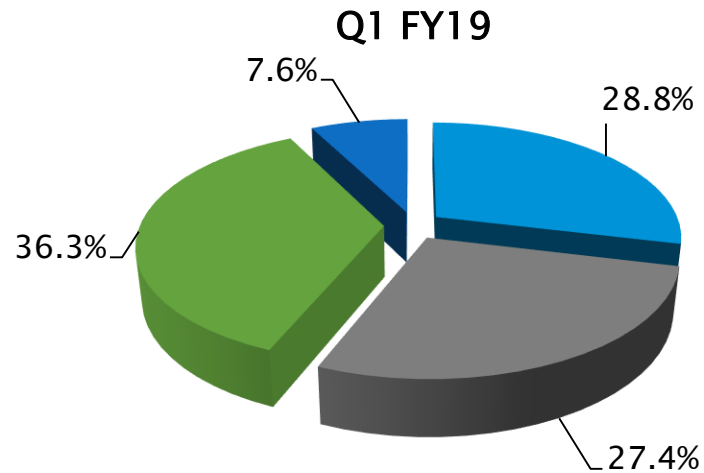
EBIT (Rs. crore)



Consolidated figures

CB - Chemicals Business; PFB - Packaging Films Business; TTB - Technical Textiles Business; Others

Results Overview - Revenue Share



- CB
- PFB
- TTB
- Others



Chemicals

Packaging
Films

Technical
Textiles

Others

Q1 FY19 SEGMENTAL OVERVIEW



Chemicals Business

(Rs. Crore)	Segment Revenues	% Contribution to Revenues	EBIT	% EBIT Margins	% Contribution to EBIT
Q1 FY19	477.4	27.4%	78.7	16.5%	30.3%
Q1 FY18	356.7	25.7%	59.4	16.7%	34.8%
% Shift	33.8%		32.5%		

Consolidated figures

Fluorochemicals Business

- Delivered healthy performance as a result of better demand from the Auto segment
 - Domestic passenger vehicles segment delivered healthy growth during the quarter under review aiding volumes
- Domestic Air-Conditioners market remained sluggish, however SRF continued to maintain its market share of more than 50% despite a weak summer in India
- Demand for refrigerants witnessed low growth due to high inventory in US
- Ramp-up of newly commissioned Chloromethanes plant at Dahej in-line with internal expectations – achieved highest production in Q1 FY19

Specialty Chemicals Business

- Agro-Chemical segment performance remains subdued due to low demand
- Focus on increasing the portfolio for both Agro and Pharma offerings and new customers additions in existing and newer geographies
 - Launched a new product each in Pharma and Agro segment during the quarter
- SRF was awarded the prominent 'Syngenta Supplier Award for Innovation' at the 'Syngenta Suppliers Meet' in Germany

Chemicals Technology Group

Chemicals Technology Group (CTG) is actively engaged in the development of new process technologies

- Key focus on the niche area of fluorinated molecules

Strong internal competencies and capabilities

- Equipped with state-of-the-art R&D facilities and an ingenious team of scientists and engineers



2 R&D centres in India

Filed 10 process patents taking the tally to 145 patents till Q1 FY 19



Packaging Films Business

(Rs. Crore)	Segment Revenues	% Contribution to Revenues	EBIT	% EBIT Margins	% Contribution to EBIT
Q1 FY19	631.8	36.3%	97.3	15.4%	37.5%
Q1 FY18	414.7	29.8%	45.0	10.9%	26.4%
% Shift	52.3%		116.2%		

Consolidated figures

Packaging Films Business

- Segment delivered healthy results during the quarter under review
- The Company reported improved performance on account of higher volumes and better margins
 - Focus continues to be on introduction of new products and increasing contribution from value added products
 - Emphasis on Total Quality Management and superior operational excellence

Capex undertaken

- SRF's Hungary BOPET project is progressing well it has recently been accorded VIP status by the Hungarian government
- Approved 2nd BOPET film line and a resin plant at a cost of US\$ 60 million in Thailand
 - New line to have a capacity of 40,000 MTPA – with this investment SRF will emerge as one of the top 10 polyester film producers globally



Technical Textiles Business

(Rs. Crore)	Segment Revenues	% Contribution to Revenues	EBIT	% EBIT Margins	% Contribution to EBIT
Q1 FY19	501.4	28.8%	72.1	14.4%	27.8%
Q1 FY18	507.3	36.5%	59.1	11.7%	34.6%
% Shift	-1.2%		22.0%		

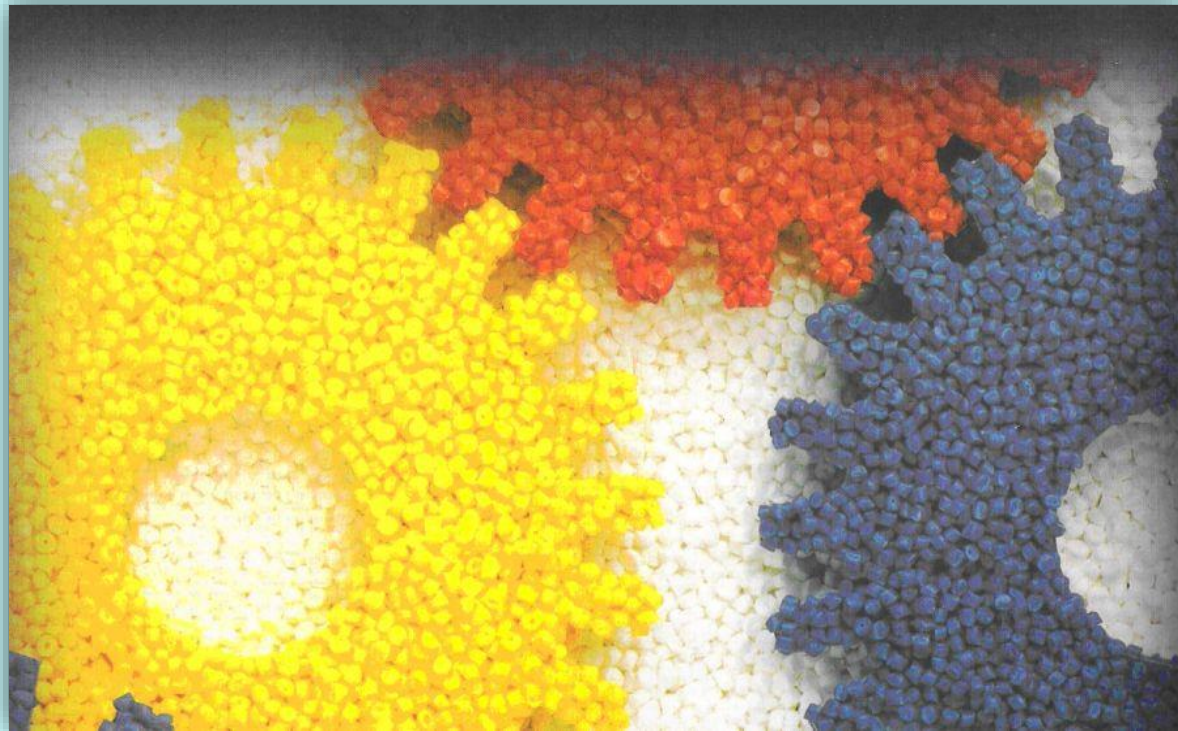
Consolidated figures

Tyre Cord Fabric (TCF)

- Overall the tyre industry operated at ~90–95% levels in Q1 FY 19
- SRF maintains its market share despite tough operating environment
 - Segment reported improved performance owing to better volumes, operational cost savings and also some inventory gains

Belting Fabrics & Polyester Yarn

- Improve volumes and margins in both BF & PIY
- Maintained domestic market leadership – received high customer satisfaction rating for product/service quality and engagement
- Focus on expansion of distribution channels by partnering with agencies
- Diversifying into Non–Belting segments with reinforcement fabrics catering to industries like automotive, rubber, etc. to expand addressable market



Others

(Rs. Crore)	Segment Revenues	% Contribution to Revenues	EBIT	% EBIT Margins	% Contribution to EBIT
Q1 FY19	132.2	7.6%	11.7	8.9%	4.5%
Q1 FY18	111.6	8.0%	7.2	6.5%	4.2%
% Shift	18.5%		61.5%		

Consolidated figures

Coated Fabrics & Laminated Fabrics

- In Coated Fabrics, SRF continues to maintain domestic market leadership
 - Strategy of product rationalization and focus on tarpaulin sales is working well
- Laminated Fabrics segment witnessing severe supply overhang situation which has resulted in continuous pressure on volumes and margins

Engineering Plastics

- Segment reported healthy performance in Q1FY19 on account of increasing volumes
- Witnessed higher volume growth in the automotive industry from both 2 and 4 wheeler segments
- Electrical industry has picked up pace and is showing positive signs of growth



COMPANY OVERVIEW



Overview - Business Profile

Chemicals

Fluorochemicals

- Refrigerants
- Pharma propellants
- Industrial chemicals

Specialty Chemicals

- Organic intermediates for agro & pharma

Packaging Films

Films for Flexible Packaging

- Bi-axially Oriented Polyethylene Terephthalate (BOPET)
- Bi-axially Oriented Polypropylene (BOPP)

Technical Textiles

- Tyre cord fabrics (nylon & polyester)
- Industrial yarns
- Belting fabrics

Other

Engineering Plastics

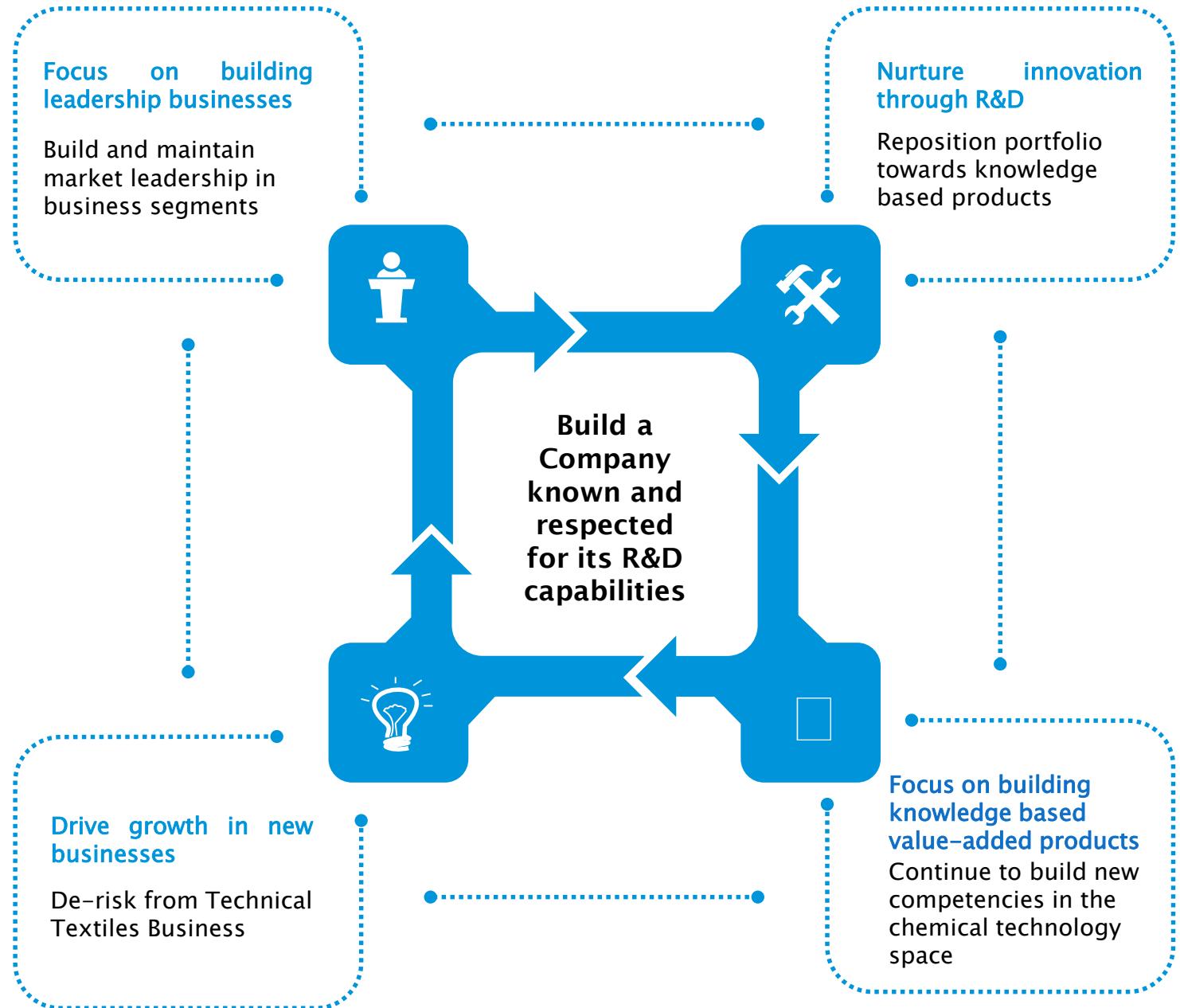
- Polymer compounds

- Coated fabrics
- Laminated fabrics

Revenue	EBIT	No. of Plants
1,611	269	2
1,782	230	5
1839	253	4
457	44	4

Consolidated FY 18 figures in Rs. Crore

Overview Growth Levers





OUTLOOK

Focus on expanding to new markets / geographies for refrigerants and solvents

Integrated capacities to produce a range of current & future HFC's to cater to customer needs

Focus on moving up the value chain through accelerating qualifications for new molecules and active ingredients in both Agro and Pharmaceutical sectors

Increased capex is being undertaken to ensure we have capacities in place to meet the expected rebound



Overall the global packaging films industry is witnessing improvement in capacity utilization

Supply overhang likely to continue in the BOPP segment

Focus on increasing pace of R&D efforts, efficient cost structures, enhanced capabilities and value-added products in the portfolio



NTCF is expected to remain a key business in the segment and a generator of steady cash flow

Other sub segments of Technical Textiles started to contribute to its performance

Improving macroeconomic environment to have a positive impact on belting fabric segment going forward



Established in 1970, SRF Limited with an annual turnover of ₹5,600 crore (US\$ 860 million) is a chemical based multi-business entity engaged in the manufacturing of industrial and specialty intermediates. The company's diversified business portfolio covers Technical Textiles, Fluorochemicals, Specialty Chemicals, Packaging Films and Engineering Plastics. Anchored by a strong workforce of more than 6,300 employees from different nationalities working across twelve manufacturing plants in India, two in Thailand and one in South Africa, the company exports to more than 75 countries. Equipped with State-of-the-Art R&D facilities, SRF has filed 145 patents for R&D and technology so far, of which nineteen have been granted. 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.

For further information please contact

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Thank You