



SRF LIMITED

UNAUDITED FINANCIAL RESULTS

FOR THE QUARTER / NINE MONTHS ENDED 31ST DECEMBER 2013



SRF LIMITED

STANDALONE UNAUDITED FINANCIAL RESULTS FOR THE QUARTER / NINE MONTHS ENDED 31ST DECEMBER 2013

PART I							(Rs. in lakhs)
Sl. No.	Particulars	3 Months Ended 31st December 2013	3 Months Ended 30th September 2013	3 Months Ended 31st December 2012	9 Months ended 31st December 2013	9 Months ended 31st December 2012	Previous Accounting Year Ended 31st March 2013
		(1)	(2)	(3)	(4)	(5)	(6)
		Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
1	Income from operations						
	a) Net sales/ Income from Operations (net of excise duty)	85944	83994	88559	251843	249630	331277
	b) Other Operating Income	213	395	330	1194	810	978
	Total Income from operations (net)	86157	84389	88889	253037	250440	332255
2	Expenditure						
	a. Cost of materials consumed	49800	51675	46924	148906	146269	191374
	b. Purchase of stock-in-trade	88	590	432	1097	613	902
	c. Changes in inventories of finished goods, work-in-progress and stock in trade	(334)	(2698)	(2081)	(1554)	(3314)	(2250)
	d. Employee benefits expense	5841	5526	5147	16810	14812	20244
	e. Depreciation and amortisation expense	4789	4797	4784	14425	13633	18428
	f. Power and Fuel	8474	8470	8498	25416	25049	33653
	g. Other Expenditure	7768	7471	8427	21720	20920	28924
	Total Expenditure	76426	75831	72131	226820	217982	291275
3	Profit from Operations before Other Income, Finance Costs, Exchange Currency Fluctuation and Exceptional Items (1-2)	9731	8558	16758	26217	32458	40980
4	Other Income	414	530	282	1817	1457	4375
5	Profit from ordinary activities before Finance Costs, Exchange Currency Fluctuation and Exceptional Items (3+4)	10145	9088	17040	28034	33915	45355
6	Finance Costs	1596	2260	2083	5883	6945	8465
7	Profit from ordinary activities after Finance Costs but before Exchange Currency Fluctuation and Exceptional Items (5-6)	8549	6828	14957	22151	26970	36890
8	Exchange Currency Fluctuation Loss / (Gain)	(639)	654	2031	1653	2449	1631
9	Exceptional Items	-	-	-	-	-	-
10	Profit from Ordinary Activities before Tax (7-8-9)	9188	6174	12926	20498	24521	35259
11	Provision for Tax						
	- Current Tax	1970	1480	3423	5060	6013	7063
	- Deferred Tax	12	(115)	578	(290)	1325	3825
	- Provision for Tax Relating to Earlier Years	-	32	-	(636)	(1480)	(1480)
12	Net Profit from Ordinary Activities after Tax (10-11)	7206	4777	8925	16364	18663	25851
13	Extraordinary Items (Net of Tax Expense)	-	-	-	-	-	-
14	Net Profit for the Period (12-13)	7206	4777	8925	16364	18663	25851
15	Paid Up Equity Share Capital (Rs.10 each fully paid up)	5742	5742	5742	5742	5742	5742
16	Reserves excluding Revaluation Reserves as per balance sheet of previous accounting year	-	-	-	-	-	192446
17	Basic EPS for the Period (Not annualised)	12.55	8.32	15.54	28.50	32.50	45.02
18	Diluted EPS for the Period (Not annualised)	12.55	8.32	15.54	28.50	32.50	45.02
PART II							
Sl. No.	Particulars	3 Months Ended 31st December 2013	3 Months Ended 30th September 2013	3 Months Ended 31st December 2012	9 Months ended 31st December 2013	9 Months ended 31st December 2012	Previous Accounting Year Ended 31st March 2013
		(1)	(2)	(3)	(4)	(5)	(6)
A	PARTICULARS OF SHAREHOLDING						
1	Public Shareholding						
	- Number of Shares	27345000	27503092	28301866	27345000	28301866	28301866
	- Percentage of Shareholding	47.62%	47.90%	49.29%	47.62%	49.29%	49.29%
2	Promoters and Promoter Group Shareholding						
(a)	Pledged/Encumbered						
	- Number of shares	-	-	-	-	-	-
	- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	-	-	-	-	-	-
	- Percentage of shares (as a % of the total shareholding of the total share capital of the Company)	-	-	-	-	-	-
(b)	Non-Encumbered						
	- Number of shares	30075500	29917408	29118634	30075500	29118634	29118634
	- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%
	- Percentage of shares (as a % of the total shareholding of the total share capital of the Company)	52.38%	52.10%	50.71%	52.38%	50.71%	50.71%
B	INVESTOR COMPLAINTS						
	- Pending at the beginning of the quarter	-	-	-	-	-	-
	- Received during the quarter	38	-	-	-	-	-
	- Disposed of during the quarter	38	-	-	-	-	-
	- Remaining unresolved at the end of the quarter	-	-	-	-	-	-



SRF LIMITED

SEGMENT WISE REVENUE, RESULTS AND CAPITAL EMPLOYED UNDER CLAUSE 41 OF THE LISTING AGREEMENT FOR THE QUARTER / NINE MONTHS ENDED 31ST DECEMBER 2013

(Rs. in lakhs)

Particulars	3 Months Ended 31st December 2013	3 Months Ended 30th September 2013	3 Months Ended 31st December 2012	9 Months ended 31st December 2013	9 Months ended 31st December 2012	Previous Accounting Year Ended 31st March 2013
	(1)	(2)	(3)	(4)	(5)	(6)
	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
Segment Revenue						
a) Technical Textiles Business (TTB)	44616	45293	39721	133526	126087	167088
b) Chemicals and Polymers Business (CPB)	26996	20826	35155	70791	77100	103498
c) Packaging Film Business (PFB)	14769	18409	14097	49173	47451	62077
Total Segment Revenue	86381	84528	88973	253490	250638	332663
Less: Inter Segment Revenue	224	139	84	453	198	408
Net Sales / Income from Operations	86157	84389	88889	253037	250440	332255
Segment Results						
(Profit before Interest and Tax from each Segment)						
a) Technical Textiles Business (TTB)	3853	4666	2554	12353	9284	11237
b) Chemicals and Polymers Business (CPB)	6964	3475	15631	15697	26290	34653
c) Packaging Film Business (PFB)	(7)	1399	(488)	1872	527	329
Total Segment Results	10810	9540	17697	29922	36101	46219
Less/(Add): i) Finance Costs	1596	2260	2083	5883	6945	8465
ii) Other Unallocable Expenses Net of Income	26	1106	2688	3541	4635	2495
Total Profit Before Tax	9188	6174	12926	20498	24521	35259
Capital Employed (Segment Assets Less Segment Liabilities)						
a) Technical Textiles Business (TTB) (Including Capital Work In Progress Rs 201 lakhs as at 31st December 2013)	120630	115051	117220	120630	117220	118549
b) Chemicals and Polymers Business (CPB) (Including Capital Work In Progress Rs 62362 lakhs as at 31st December 2013)	178225	154200	132222	178225	132222	135300
c) Packaging Film Business (PFB) (Including Capital Work In Progress Rs 252 lakhs as at 31st December 2013)	43929	41316	43016	43929	43016	40472
Total Capital Employed	342784	310567	292458	342784	292458	294321
Add : Unallocable Assets Less Liabilities	24691	37302	26003	24691	26003	35932
Total Capital Employed In the Company	367475	347869	318461	367475	318461	330253



**NOTES TO UNAUDITED FINANCIAL RESULTS FOR THE QUARTER / NINE MONTHS ENDED
31ST DECEMBER 2013**

- 1 The above results were reviewed by the Audit Committee and approved by the Board of Directors at its meeting held on 11th February 2014.
- 2 The Company had opted to apply the provisions under paragraph 46A of Accounting Standard (AS) - 11 "The Effects of Changes in Foreign Exchange Rates" with effect from April 1, 2013. Accordingly, the depreciated/amortised portion of net foreign exchange (gain)/loss on long-term foreign currency monetary items, for nine months ended 31st December, 2013 is Rs. 268 lakhs. The unamortised portion carried forward as at 31st December, 2013 is Rs. 5939 lakhs.
- 3 The Company had received demand notices from the Commercial Tax Department, Government of Madhya Pradesh for payment of Central Sales Tax (CST), VAT and Entry Tax aggregating to Rs. 9491 lakhs (including interest and penalty) for the period from 2007 to 2013 in respect of sales from its manufacturing facility in Special Economic Zone (SEZ) in Madhya Pradesh to the Domestic Tariff Area (DTA).

In terms of the Policy of the Government of Madhya Pradesh and Madhya Pradesh SEZ Act, 2003, the Unit was exempt from local state taxes and levies. The Company has paid Additional Countervailing Duty (ACVD) aggregating to Rs. 4831 lakhs for the period from 2007 to 2013 on sales from the SEZ to the DTA under the Customs laws pursuant to the Special Economic Zone Act 2005, MP SEZ Act, 2003 and the Policy of Centre and Madhya Pradesh State. The Company had filed a writ petition before the Indore Bench of the Hon'ble High Court of Madhya Pradesh ("Court") against the said demands.

The Company contended that while State is demanding local taxes, the Centre in its reply has stated that ACVD is payable and therefore this amounts to double taxation. The Court had granted a stay on such demands and directed the Central and State Governments to jointly look into the matter. The Government of Madhya Pradesh had filed a reply in the Court informing their stand that CST, VAT, Entry Tax on sales from the SEZ to DTA is payable. The Company had sought certain amendments to the petition including, challenging the constitutional validity of amendments made in 2008 to The Indore SEZ (Special Provisions) Act 2003 and inconsistency between the provisions of The SEZ Act 2005 and the Central Sales Tax Act 1956. The Court vide order dated 31.01.2014 has directed for filing of a fresh writ petition while continuing the stay on previous demands. The matter is sub judice. However, the Management of the Company, based on the facts of the case and opinion received by the Company from legal experts, is confident of getting a relief in the matter from the Court and, accordingly, has not made any provision for the said disputed demands.
- 4 The Board of Directors have approved the payment of an interim dividend @ 70% i.e. Rs. 7/- on each equity share of the nominal value of Rs. 10/-
- 5 Previous period figures have been regrouped wherever necessary to conform to current quarter classifications.

Limited Review:

The Limited Review for the quarter and nine months ended December 31, 2013 as required under Clause 41 of Listing Agreement has been completed by the Statutory Auditors.

For and on behalf of the Board

**Ashish Bharat Ram
Managing Director**

Place : Gurgaon

Date : 11th February, 2014