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FINANCIAL PERFORMANCE

SRF posts strong growth in Q1 net profit

Diversified chemicals firm, SRF Ltd., has posted a 123% jump in consolidated net profit to Rs. 395-crore on a 75% rise in revenue from operations to Rs. 2,699-crore in Q1 FY22 over Q1 FY21. Consolidated profit before tax rose by 4.5% quarter-on-quarter and soared 136.5% year-on-year to Rs. 534.9-crore in Q1 FY22.

The company's Chemicals Business reported an increase of 58% in its segment revenue to Rs. 1,114-crore during Q1 FY22, from Rs. 705-crore posted in the same period last year. During the quarter, the Speciality Chemicals Business performed well owing to higher sales from exports and domestic markets. The Fluorochemicals Business witnessed higher sales volumes in the

refrigerants and the blends segments with better sales realisations, especially from the export markets. In addition, healthy contribution from the chloromethanes segment augmented the overall results.

The Packaging Films Business reported an increase of 54% in its segment revenue from Rs. 677-crore to Rs. 1,041-crore during Q1 FY22, when compared with same period last year. During the quarter, while the domestic demand for BOPET films remained muted, the company witnessed healthy demand for BOPP films. New capacities that came on-stream in the past six months in Hungary and Thailand witnessed significantly better traction and enhanced sales of Value-Added Products (VAPs) also contributed to the overall performance.

The Technical Textiles Business reported an increase of 251% in its segment revenue to Rs. 493-crore in Q1 FY22 from Rs. 140-crore posted in Q1 FY21. The 'Other Businesses' reported an increase of 126% in its segment revenue from Rs. 24-crore to Rs. 54-crore in Q1FY22 over Q1 FY21. Both the Coated and Laminated Fabrics Business performed well in a difficult external environment.

The company's board has approved a project for integrated expansion of fluorocarbon based refrigerant capacity at Dahej at a projected cost of Rs. 550-crore to meet the growing demand for refrigerants in the domestic and exports market. The project is expected to be completed in 24 months.