



The BSE Limited
BSE's Corporate Relationship
Department
1st Floor, New Trading Ring,
Rotunda Building, P.J. Towers,
Dalal Street, Fort,
Mumbai 400 001

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

SRF/SEC-D/16

7th February, 2018

Dear Sir,

Presentation- Earnings Call (Unaudited Financial Results for the quarter and nine months ended 31.12.2017)

In continuation of our letter dated 5th February, 2018 informing about hosting of earning call to discuss unaudited financial results for quarter and nine months ended 31st December, 2017, 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

for Ekta
ANOOP K. JOSHI
(PRESIDENT, CFO & COMPANY SECRETARY)

EM
Encl: As above

SRF LIMITED

Block-C Sector-45
Gurugram 122 003
Haryana India
Tel: +91-124-4354400
Fax: +91-124-4354500
E-mail: info@srf.com
Website: www.srf.com

Regd. Office:
Unit No. 236 & 237, 2nd Floor
DLF Galleria, Mayur Place
Noida Link Road
Mayur Vihar Phase-1 Extension
Delhi 110091



SRF Limited

Q3 & 9M FY18 Results Presentation

February 07, 2018



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.

Q3 & 9M FY18 Results Overview

04

Q3 & 9M FY18 Segmental Performance

10

Company Overview

21

Outlook

25

Q3 & 9M FY18 RESULT OVERVIEW

Results Overview - Key Highlights



- Key business segments have reported healthy performance despite stiff domestic & global macro-economic environment
- Successfully commissioned greenfield 40,000 MT per annum Chloromethanes (CMS) plant at Dahej using its own in-house technology in the quarter under review
 - By doubling its capacity, SRF is now one of the largest producers of CMS in India
- Successfully commissioned the Multi-Purpose Plant (MPP) 3 plant in Q3 FY18

Capex announcements



- The Board approved setting up of a BOPET film line and a Metallizer in Eastern Europe at an estimated cost of Euro 58 million.
- Three other capex in the Chemicals business at a cost of around Rs. 81 crore aimed at augmenting existing product lines and cost management measures.
- The Board approved the installation of a dipping line brought over from SRF's Overseas erstwhile operations in Dubai, UAE at its manufacturing plant in Gwalior at an additional cash outflow of ₹32 crore (approx.).

Abridged Statement of Profit & Loss

<i>(Rs. crore)</i>	Q3 FY18	Q3 FY17	% Y-o-Y	9M FY18	9M FY17	% Y-o-Y
Gross Operating Revenue	1,397.1	1,205.5	15.9%	4,072.6	3,720.1	9.5%
EBIDTA	252.5	237.7	6.3%	689.4	773.2	-10.8%
<i>EBIDTA Margin (%)</i>	<i>18.1%</i>	<i>19.7%</i>		<i>16.9%</i>	<i>20.8%</i>	
Depreciation	77.0	70.86	8.7%	229.7	210.5	9.1%
Interest & ECF	2.8	31.3	-91.1%	41.5	69.9	-40.6%
Profit Before Tax	172.7	135.48	27.5%	418.2	492.8	-15.1%
Profit After Tax	131.2	108.37	21.1%	337.8	385.8	-12.4%
<i>Profit After Tax Margin (%)</i>	<i>9.4%</i>	<i>9.0%</i>		<i>8.3%</i>	<i>10.4%</i>	
Diluted EPS (Rs.)	22.9	18.9		58.8	67.2	

Consolidated figures

Key Financial Ratios

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

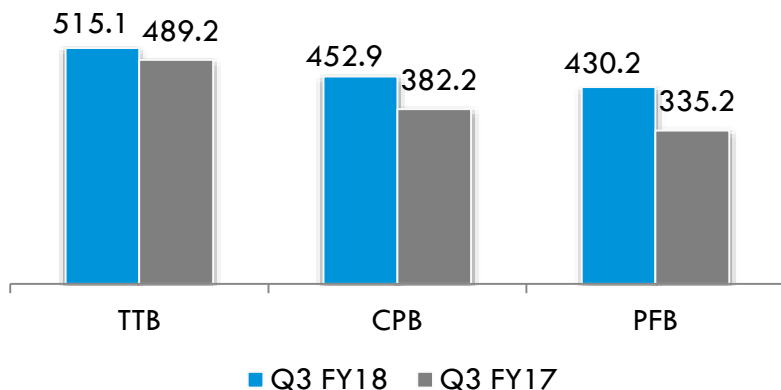
Consolidated figures

NOTE – FY16 & FY17 ratios are as per IndAS

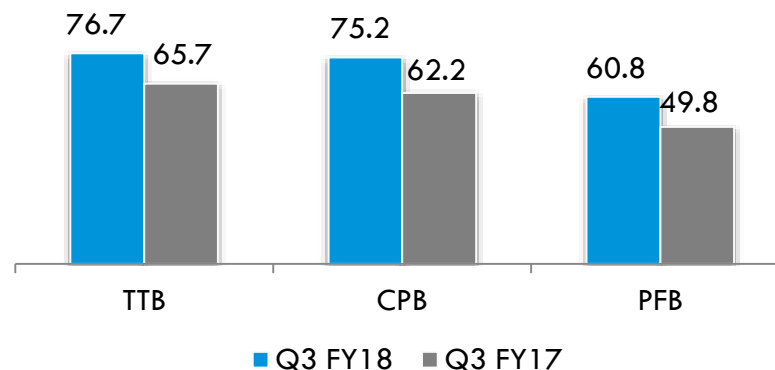
Results Overview - Revenue & EBIT



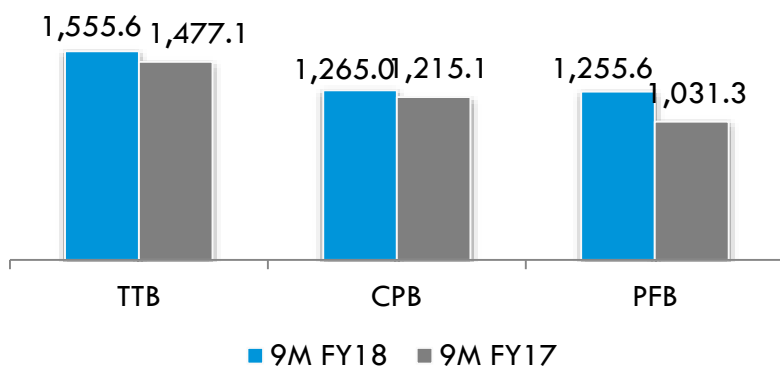
Revenues (Rs. crore)



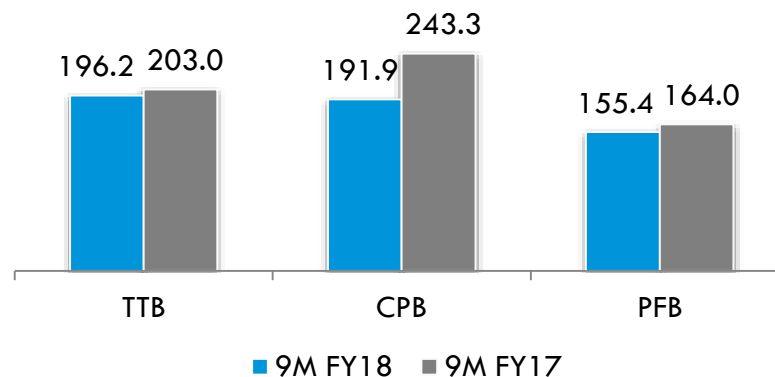
EBIT (Rs. crore)



Revenues (Rs. crore)



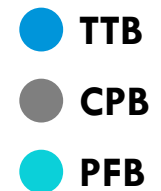
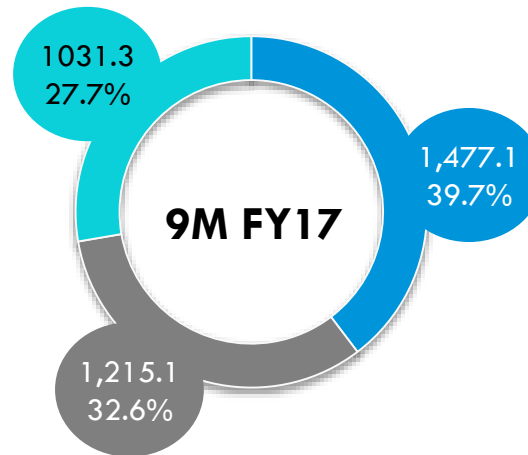
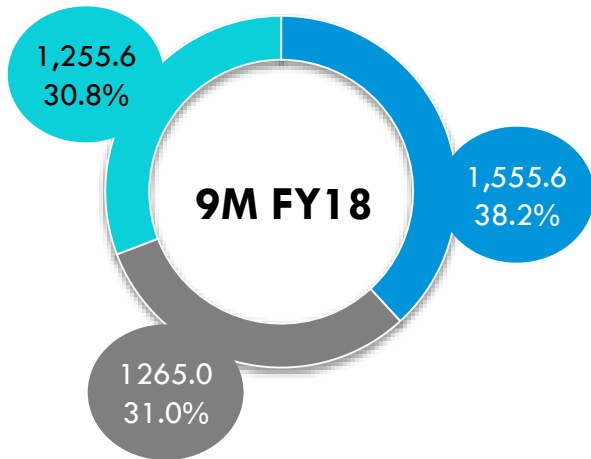
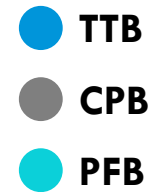
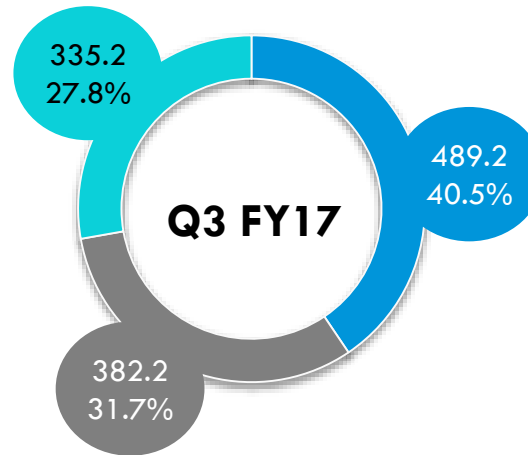
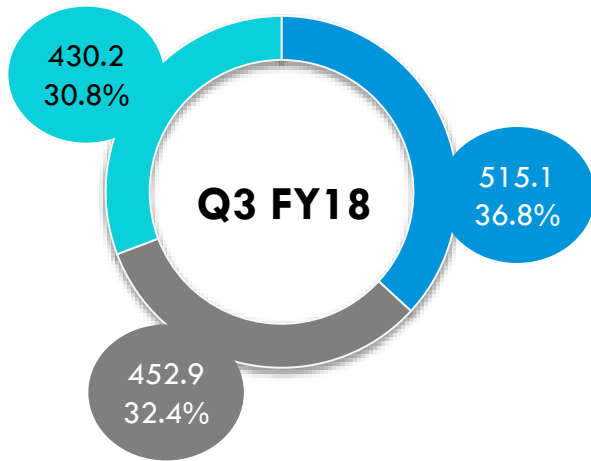
EBIT (Rs. crore)



Consolidated figures

TTB – Technical Textiles Business; CPB – Chemicals & Polymers Business; PFB - Packaging Films Business;

Results Overview Revenue Share



Consolidated figures
(Rs. crore)

TTB – Technical Textiles Business; CPB – Chemicals & Polymers Business; PFB - Packaging Films Business;

Q3 & 9M FY18

SEGMENTAL OVERVIEW

Chemicals &
Polymers

Packaging Films

Technical Textiles

Chemicals & Polymers



Chemicals & Polymers - Results Update



<i>(Rs. crore)</i>	Segment Revenues	% contribution to Revenues	EBIT	% EBIT Margins	% contribution to EBIT
Q3 FY18	452.9	32.4%	75.2	16.6%	35.3%
Q3 FY17	382.2	31.7%	62.2	16.3%	35.0%
% Shift	18.5%		20.8%		
9M FY18	1,265.0	31.0%	191.9	15.2%	35.3%
9M FY17	1,215.1	32.6%	243.3	20.0%	39.9%
% Shift	4.1%		-21.1%		

Consolidated figures

Fluorochemicals Business

SRF continues to be the largest manufacturer of refrigerants in the country

- Delivered healthy performance during the quarter on account of improving volumes and healthy realizations
- Successfully commissioned greenfield 40,000 MT per annum Chloromethanes (CMS) plant at Dahej using its own in-house technology in Q3 FY18
 - By doubling its capacity, SRF is now one of the largest producers of CMS in India
- Secured order for supply of FLORON 134a from a notable US retailer in the automotive spares and consumables business
- Received approval and commenced supplies of HFC 32 and 134a gases to global air conditioning and auto majors respectively during the quarter
- Business showing good momentum and strong traction is visible in the R32 and blends segment.
 - Capex aggregating Rs. 356 crore announced in the previous quarter is believed to be well timed and upon completion will place SRF as a strong worldwide player.

Specialty Chemicals Business

The Company is witnessing a mild recovery in the agro market and it anticipates a positive uptick in demand from customers in the upcoming fiscal

- Further strengthening its presence in geographies of U.S., Europe and Japan to improve growth from these markets as demand recovers
- R&D team continues to explore new product opportunities emerging in both Agro and Pharma segments
 - In addition, emphasis remains on commercial conversion of new products to keep the funnel full
- Successfully commissioned the Multi-Purpose Plant (MPP) 3 plant in Q3 FY18

Engineering Plastics

Segment reported healthy performance in the quarter under review

- Auto sector continues to show positive growth trends – the Company continues to target greater approvals and volumes from newer segments
- Demand from real estate and housing segment remained stagnant during the quarter

Packaging Films



Packaging Films - Results Update



<i>(Rs. crore)</i>	Segment Revenues	% contribution to Revenues	EBIT	% EBIT Margins	% contribution to EBIT
Q3 FY18	430.2	30.8%	60.8	14.1%	28.6%
Q3 FY17	335.2	27.8%	49.8	14.9%	28.0%
% Shift	28.3%		22%		
9M FY18	1,255.6	30.8%	155.4	12.4%	28.6%
9M FY17	1,031.3	27.7%	164.0	15.9%	26.9%
% Shift	21.8%		-5.3%		

Consolidated figures

Packaging Films Business

Segment registered stable performance during the quarter – revival in demand seen in BOPET segment

- The Company continues to operate its facilities at optimal capacity, despite a challenging external environment
 - Oversupply situation in BOPP segment owing to excess capacity build-up in the industry – overhang likely to continue
- Vertical start-up of Indore DTA BOPP film line in December 2017
 - The line has reported positive EBIDT in the first month of operation itself – showcasing healthy demand from the Company's FMCG client base
- The Company continues to focus on rationalization of raw material & manpower costs and enhancing product mix towards innovative value added products

Technical Textiles



Technical Textiles - Results Update



<i>(Rs. crore)</i>	Segment Revenues	% contribution to Revenues	EBIT	% EBIT Margins	% contribution to EBIT
Q3 FY18	515.1	36.8%	76.7	14.9%	36.1%
Q3 FY17	489.2	40.5%	65.7	13.4%	36.9%
% Shift	5.3%		16.8%		
9M FY18	1,555.6	38.2%	196.2	12.6%	36.1%
9M FY17	1,477.1	39.7%	203.0	13.7%	33.3%
% Shift	5.3%		-3.4%		

Consolidated figures

Nylon Tyre Cord Fabric (NTCF)

SRF maintains market leadership despite tough operating environment

- Customs duty on the import of radial tyres has been increased from 10 to 15% in the Union Budget 2018. In addition, surcharge of 10% has been levied
- Custom Duty was increased from 10% to 20% on Nylon Fabric in October 2017,

Laminated Fabrics & Coated Fabrics

- In Laminated Fabrics, SRF maintains its price leadership in an extremely competitive environment
- Focus on product innovation, successfully developed lower GSM products on hot lamination
- In Coated Fabrics - maintained its market share of 50% with healthy growth of its Dynamic Tarpaulin

Belting Fabrics

- Achieved the highest quarterly sales in the quarter under review
- SRF's focus on Research and Development aiding superior products

COMPANY OVERVIEW

Chemicals & Polymers

Fluorochemicals

- Refrigerants
- Chlorinated solvents

Specialty Chemicals

- Organic intermediates

Engineering Plastics

- Polymer compounds

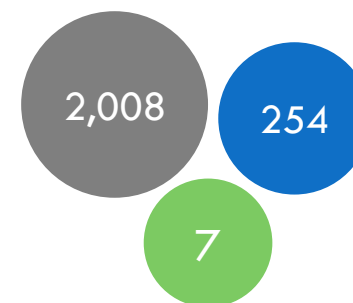
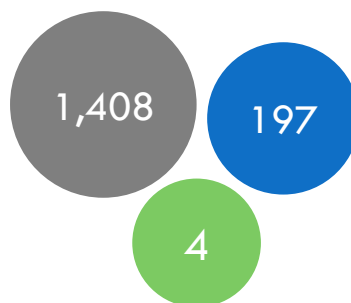
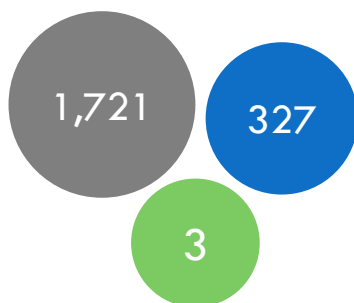
Packaging Films

Films for Flexible Packaging

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

Technical Textiles

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



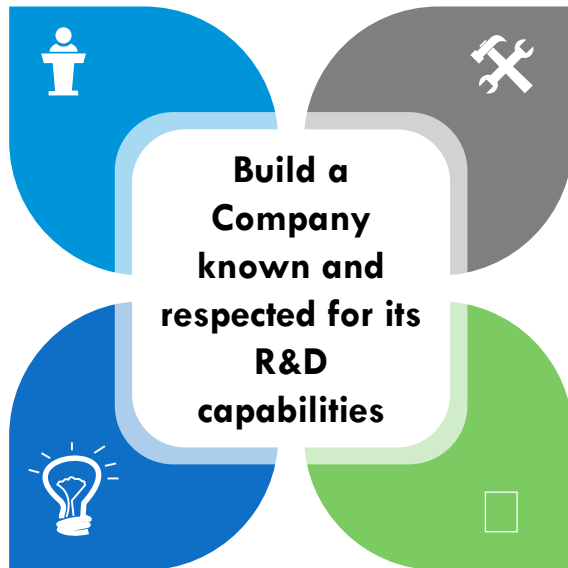
Revenue

EBIT

Number of Plant Locations

Consolidated figures in Rs. Crore

Overview Growth Levers



Focus on building leadership businesses

Build and maintain market leadership in business segments



Nurture innovation through R&D

Reposition portfolio towards knowledge based products



Drive growth in new businesses

De-risk from Technical Textiles Business



Focus on building knowledge based value-added products

Continue to build new competencies in the chemical technology space



The 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 4 process patents in Q3FY18 taking the tally to 125 patents filed to date and 11 have been granted globally

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



Revival in demand for BOPET

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

Supply overhang likely to continue in the BOPP segment



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 coated and belting fabric segments going forward

SRF is a chemical based multi-business entity engaged in the manufacturing of industrial intermediates. The company's business portfolio covers Fluorochemicals, Specialty Chemicals, Packaging Films, Engineering Plastics and Technical Textiles. 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 125 patents for R&D and technology so far, of which eleven have been granted. A winner of the prestigious Deming Prize for two of its businesses, namely Tyre Cord and Chemicals, SRF continues to re-define its work and corporate culture with TQM as its management way.

For further information please contact

Anoop Poojari / Karl Kolah

CDR India

Tel: +91 22 6645 1211 / 1220

Email: anoop@cdr-india.com / karl@cdr-india.com

Thank You

