



SRF LIMITED

Registered Office: C-8, Commercial Complex, Safdarjung Development Area, New Delhi – 110016
Tel. No (Regd office) : (+91-11) 26857141 Fax : (+91-11) 26510428

E-mail: info@srf.com Website: www.srf.com CIN – L18101DL1970PLC005197

SEGMENT WISE REVENUE, RESULTS AND CAPITAL EMPLOYED UNDER CLAUSE 41 OF THE LISTING AGREEMENT FOR THE QUARTER ENDED 30TH JUNE 2014

(Rs. In Lakhs)

| Particulars | 3 Months Ended 30th June 2014 | 3 Months Ended 31st March 2014 | 3 Months Ended 30th June 2013 | Previous Accounting Year Ended 31st March 2014 |
|---|-------------------------------|--------------------------------|-------------------------------|--|
| | (1) | (2) | (3) | (4) |
| | Unaudited | Unaudited | Unaudited | Audited |
| Segment Revenue | | | | |
| a) Technical Textiles Business (TTB) | 45426 | 47497 | 43617 | 181023 |
| b) Chemicals and Polymers Business (CPB) | 32052 | 24836 | 22969 | 95627 |
| c) Packaging Film Business (PFB) | 16966 | 16582 | 15995 | 65755 |
| Total Segment Revenue | 94444 | 88915 | 82581 | 342405 |
| Less: Inter Segment Revenue | 235 | 237 | 90 | 690 |
| Net Sales / Income from Operations | 94209 | 88678 | 82491 | 341715 |
| Segment Results | | | | |
| (Profit before Interest and Tax from each Segment) | | | | |
| a) Technical Textiles Business (TTB) | 4466 | 4393 | 3834 | 16746 |
| b) Chemicals and Polymers Business (CPB) | 7682 | 3433 | 5258 | 19130 |
| c) Packaging Film Business (PFB) | 1060 | 543 | 480 | 2415 |
| Total Segment Results | 13208 | 8369 | 9572 | 38291 |
| Less/(Add): i) Finance Costs | 2340 | 1119 | 2027 | 7002 |
| ii) Other Unallocable Expenses Net of Income | (1976) | 662 | 2409 | 4203 |
| Total Profit Before Tax | 12844 | 6588 | 5136 | 27086 |
| Capital Employed (Segment Assets Less Segment Liabilities) | | | | |
| a) Technical Textiles Business (TTB) (Including Capital Work In Progress Rs 2503 lakhs as at 30th June 2014) | 111073 | 113402 | 115347 | 113402 |
| b) Chemicals and Polymers Business (CPB) (Including Capital Work In Progress Rs 9854 lakhs as at 30th June 2014) | 197813 | 191416 | 143096 | 191416 |
| c) Packaging Film Business (PFB) (Including Capital Work In Progress Rs 455 lakhs as at 30th June 2014) | 43722 | 39726 | 41644 | 39726 |
| Total Capital Employed | 352608 | 344544 | 300087 | 344544 |
| Add : Unallocable Assets Less Liabilities | 27029 | 24989 | 30170 | 24989 |
| Total Capital Employed In the Company | 379637 | 369533 | 330257 | 369533 |



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NOTES TO UNAUDITED FINANCIAL RESULTS FOR THE QUARTER ENDED 30TH JUNE 2014

- 1 The above results were reviewed by the Audit Committee and approved by the Board of Directors at its meeting held on 4th August, 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 the quarter ended 30th June, 2014 is Rs. 86.96 lakhs. The unamortised portion carried forward as at 30th June, 2014 is Rs. 4552.28 lakhs.
- 3 The Company had received demand notices from the Commercial Tax Department, Government of Madhya Pradesh (“State Government”) for payment of Central Sales Tax (CST), Value Added Tax (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), to counter balance CST / VAT, 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 has directed the State Government not to take any coercive steps for recovery of demand.

The matter is sub judice. In terms of last order dated May 12, 2014, the next date of the hearing in the matter is yet to be fixed. 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 During the quarter ended June 30, 2014, pursuant to the requirements of Schedule II of the Companies Act, 2013, the Company has, effective April 1, 2014, reviewed and revised the estimated useful lives of its fixed assets. Consequent thereto, the depreciation charge for the quarter is lower by Rs. 729.78 lakhs. Additional adjustments, if any, based on further refinement of estimates / clarifications from regulators in this regard would be carried out as and when determined.
- 5 During the quarter, entire equity capital held by the Company in SRF Transnational Holdings Limited and SRF Properties Limited (wholly owned subsidiaries of the Company) were sold for consideration of Rs. 11.34 Crores and Rs. 21 Crores respectively.
- 6 The Board of Directors have approved the payment of an interim dividend @ 50% i.e. Rs. 5/- on each equity share of the nominal value of Rs. 10/-
- 7 Previous period figures have been regrouped wherever necessary to conform to current quarter classifications.

Limited Review:

The Limited Review for the quarter ended June 30, 2014 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 : Delhi
Date : 4th August, 2014