



The Corporate Relationship Department,
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Mumbai 400 001

Scrip Code- 503806

SRF/SEC/BSE/NSE

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

Scrip Code-SRF

26.10.2021

Dear Sir,

Presentation- Earnings Call (Un-Audited Financial Results for the quarter and half year ended 30.09.2021)

In continuation of our letter dated 21st October, 2021 informing about hosting of earning call to discuss Un-Audited financial results for quarter and half year ended 30th September, 2021, 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

A handwritten signature in black ink, appearing to read "Rajat Lakhnpal".

RAJAT LAKHANPAL
VP (CORPORATE COMPLIANCE) & COMPANY SECRETARY

Encl: As above

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Corporate identity No. L181010L1970PLC005197

SRF Limited

Q2 & H1 FY22 Results Presentation
October 26, 2021



Disclaimer



Certain statements in this document may be forward-looking. Such statements are subject to certain risks and uncertainties like regulatory changes, local, political or economic developments, and many other factors that could cause actual results to differ materially from those contemplated by the relevant forward-looking statements. The risks and uncertainties relating to these statements include, but are not limited to, risks and uncertainties regarding COVID-19 and the effects of government and other measures seeking to contain its spread, risks related to an economic downturn in any of the countries where SRF Limited has its manufacturing and / or commercial footprint.

SRF Limited may, from time to time, make additional written and oral forward-looking statements, including exports to shareholders. The company 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.



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COMPANY OVERVIEW

Snapshot

 **8,400** INR Cr Revenue

 **43%** Chemicals

 **39%** Packaging

 **15%** Technical Textiles

 **2,188** Cr EBIDTA

 Exports to **90+** Countries

 Operations in **4** Countries

 **1,198** Cr PAT

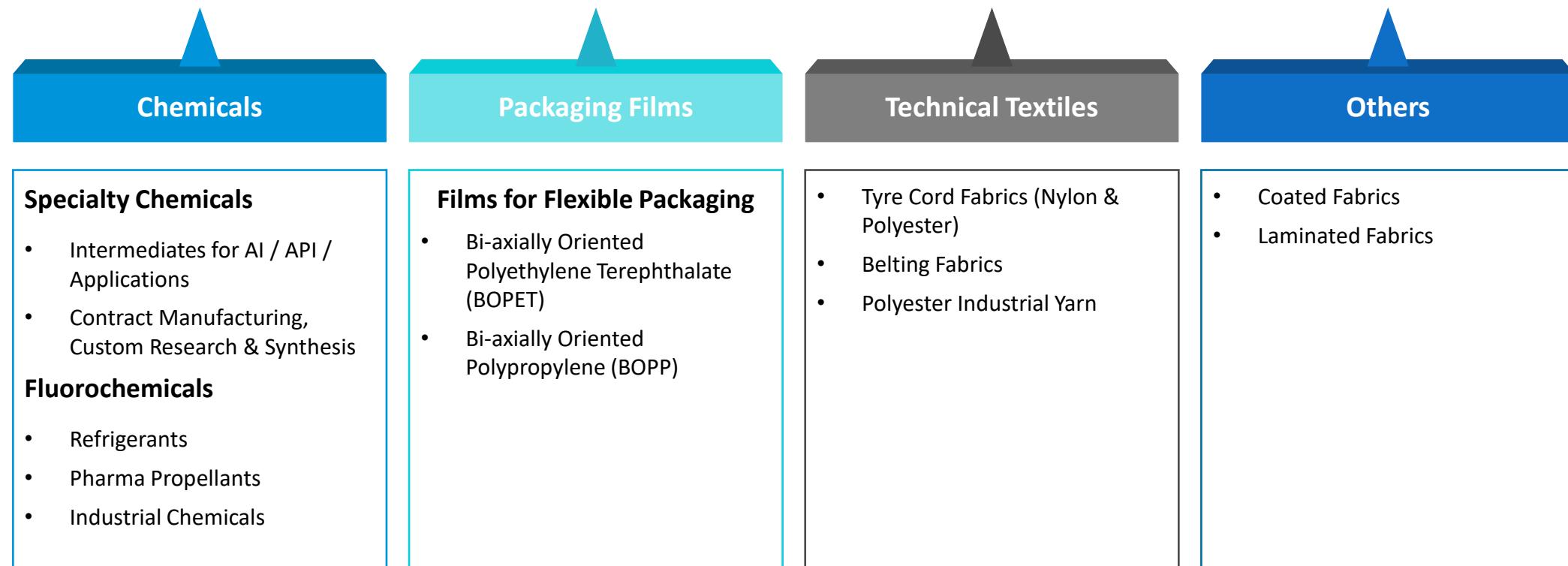
 **14** Manufacturing Plants

 **7,000** Global Workforce



Overview - Business Profile

Revenue	3,645	3,292	1,240	232
EBIT	728	898	177	26
No of Plants	2	6	4	2



These numbers are based on FY21 results; pertaining to continuing operations only

Manufacturing Facilities

FLUOROCHEMICALS & SPECIALTY CHEMICALS

2 National Operations

1. Rajasthan, India - Bhiwadi
2. Gujarat, India - Dahej

TECHNICAL TEXTILES

4 National Operations

1. Madhya Pradesh, India - Malanpur, Bhind
2. Tamil Nadu, India - Manali
3. Gummidipoondi
4. Viralimalai

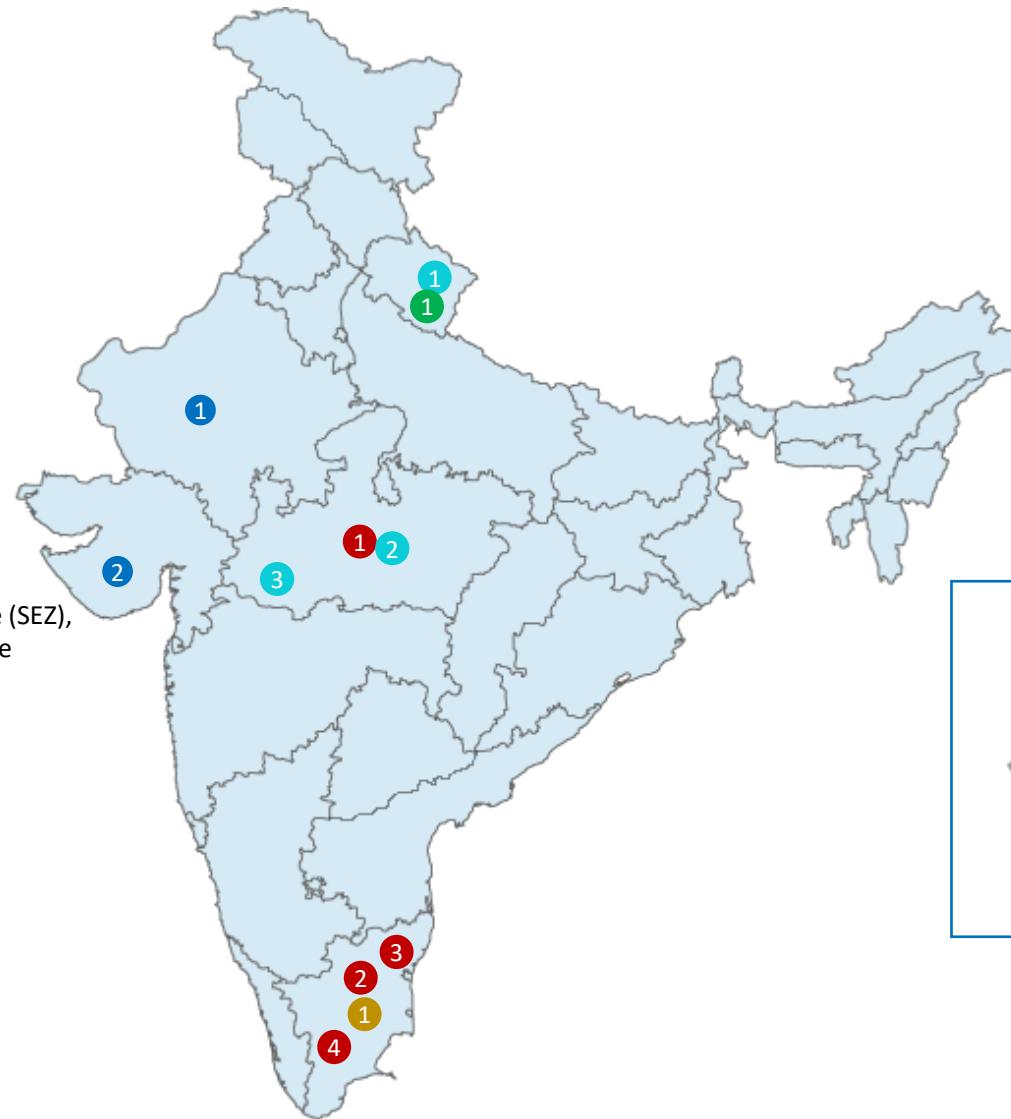
PACKAGING FILMS

3 National Operations

1. Uttarakhand, India- Kashipur
2. Madhya Pradesh, India - Special Economic Zone (SEZ), Pithampur, Indore - Bagdoon, Pithampur, Indore
3. Pithampur, Indore - Bagdoon, Pithampur, Indore

3 International Operations

4. KwaZulu - Natal, South Africa
5. Rayong, Thailand
6. Jaszfenyszaru, Hungary



LAMINATED FABRICS

1 National Operation

1. Uttarakhand, India - Kashipur

COATED FABRICS

1 National Operation

1. Tamil Nadu, India - Gummidi poondi

International Operations



South Africa



Thailand



Hungary

Market Leadership Across Businesses

Speciality Chemicals

- Established relationship with marquee customers
- Capability in scaling up pilot processes and creating value through operational excellence
- High levels of customer engagement backed by strong R&D, technical service, product and quality management under one roof
- Handling complex reactions - halogenation, ethylation, hydrogenation, nitration, diazotization, grignard, isomerization, amination, organocatalysis, and decarboxylation

Fluorochemicals

- Unique and fully integrated facilities extending across a wide range of refrigerants and industrial chemicals
- Domestic leadership in HFC's with strong trade distribution network; significant market share of Fluorochemicals in India with global scale operations
- One of the few global manufacturers for **Pharma grade 134a/P** - propellant in metered dose inhalers
- Among the top five global manufacturers for key Fluorochemicals products

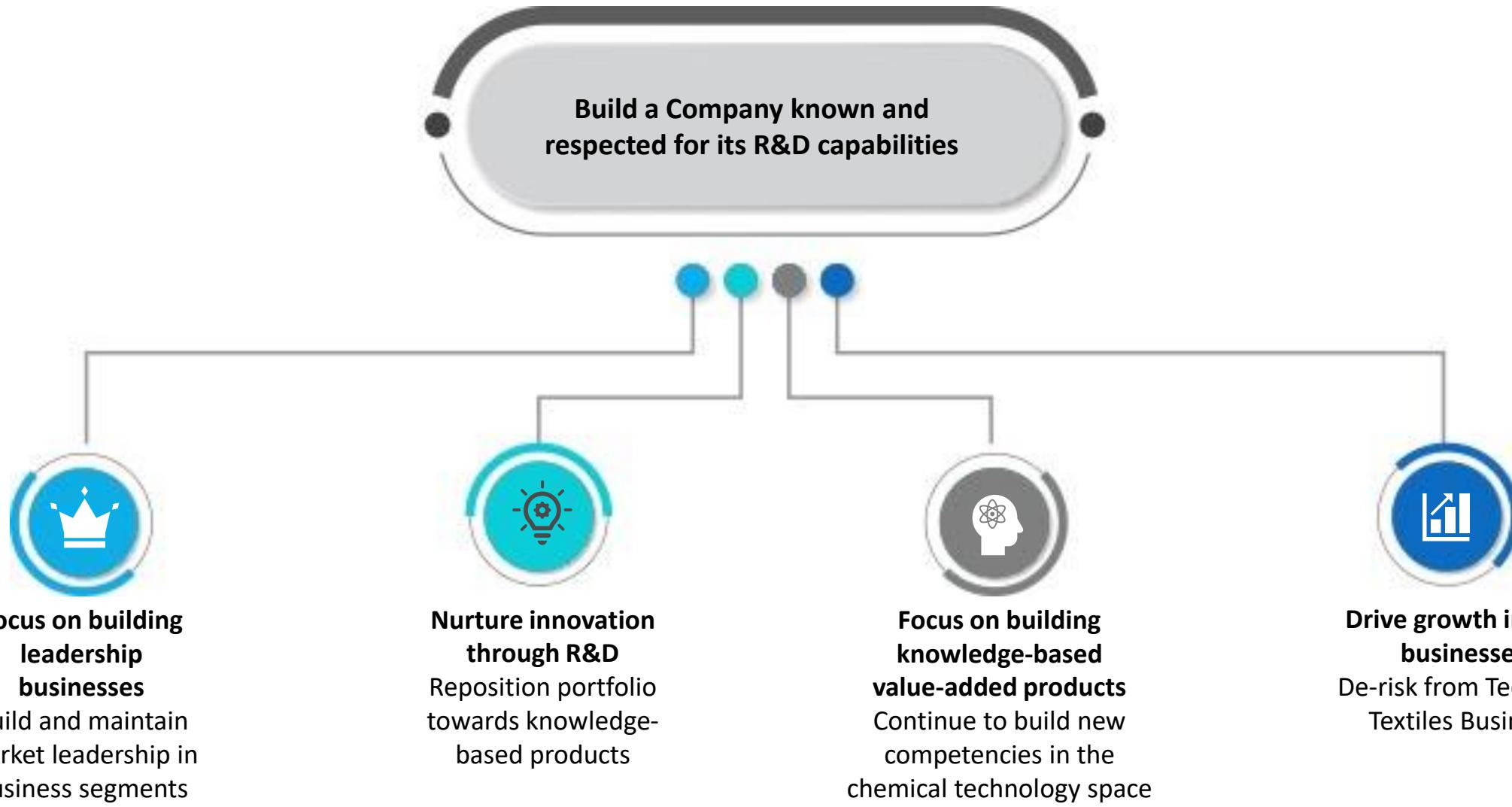
Packaging Films

- Recognized for expertise in developing, manufacturing and marketing innovative, superior film products
- Flexible business model, strong and loyal customer relationships with tailored solutions; NPD Lab to ensure future readiness
- Highly efficient asset base offering value added products in close proximity to customer locations

Technical Textiles

- Domestic market leader in Tyre Cord manufacturing and Belting Fabrics
- 40% share in India's Nylon Tyre Cord market. 2nd largest player globally
- 3rd largest manufacturer of Conveyor Belting Fabrics in the world

Growth Levers





Q2 & H1 FY22 RESULTS OVERVIEW

Abridged Results Overview - Consolidated

Consolidated figures

Particulars (Rs. Crore)	Q2 FY22	Q2 FY21	% Y-o-Y	H1 FY22	H1 FY21	% Y-o-Y
Gross Operating Revenue	2,839.0	2,100.8	35.1%	5,538.4	3,646.0	51.9%
EBITDA	665.5	591.8	12.4%	1,343.6	974.3	37.9%
<i>EBITDA Margin (%)</i>	23.4%	28.2%		24.3%	26.7%	
Depreciation	130.3	114.0	14.3%	253.2	218.0	16.1%
Interest	23.4	36.1	-35.4%	50.8	79.3	-35.9%
ECF (Gain) / Loss	(20.6)	9.6	NA	(27.8)	18.7	NA
Profit Before Tax	532.4	432.1	23.2%	1,067.3	658.2	62.1%
Profit After Tax	382.5	315.7	21.2%	777.7	492.6	57.9%
<i>Profit After Tax Margin (%)</i>	13.5%	15.0%		14.0%	13.5%	
Diluted EPS (Rs.)	12.91	10.72		26.25	16.73	

EPS is recalculated based on post bonus issued and paid up capital

Results Overview - Financial Overview

Consolidated figures

Key Financial Ratios

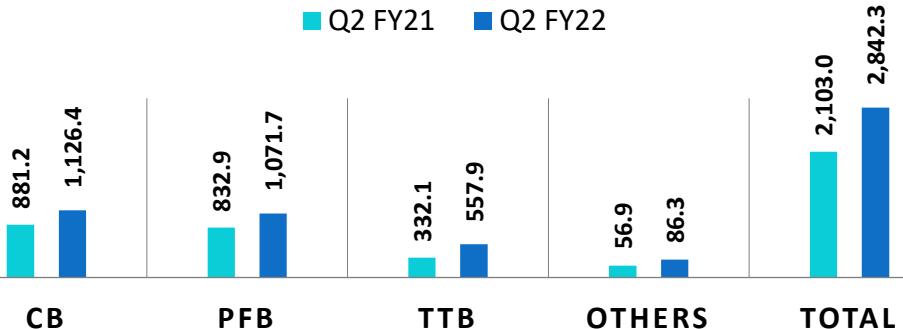
PARTICULARS	FY13	FY14	FY15	FY16	FY17	FY18	FY19	FY20	FY21
EBITDA Margin	17.59%	13.59%	20.43%	22.13%	21.42%	17.69%	19.00%	20.90%	26.05%
PAT Margin	6.69%	4.04%	8.78%	9.51%	10.87%	8.38%	8.33%	12.70%	14.26%
Net Debt to Equity	0.70	1.00	0.98	0.71	0.67	0.82	0.83	0.76	0.39
Net Debt to EBIDTA	2.08	3.80	2.83	1.97	2.11	3.01	2.42	2.48	1.24
Asset Turnover	0.82	0.73	0.77	0.7	0.68	0.66	0.72	0.66	0.65
Debtors Turnover	7.44	5.81	7.43	8.79	7.21	8.1	6.90	8.09	6.64

Results Overview - Revenue & EBIT

Consolidated figures

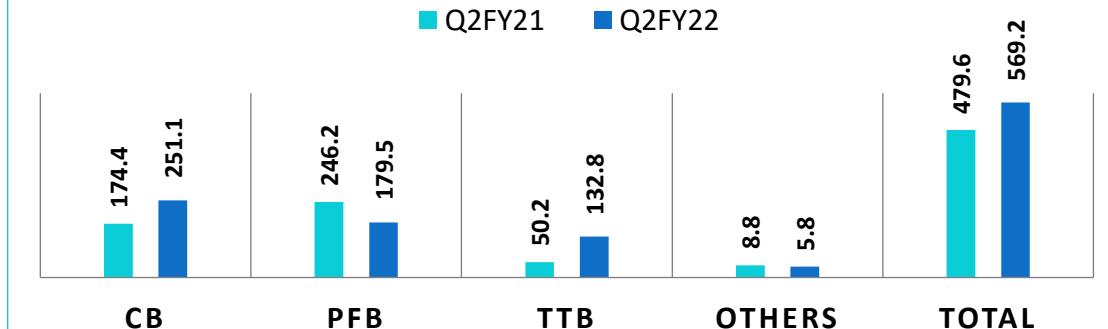
REVENUES (Rs. Crore)

■ Q2 FY21 ■ Q2 FY22



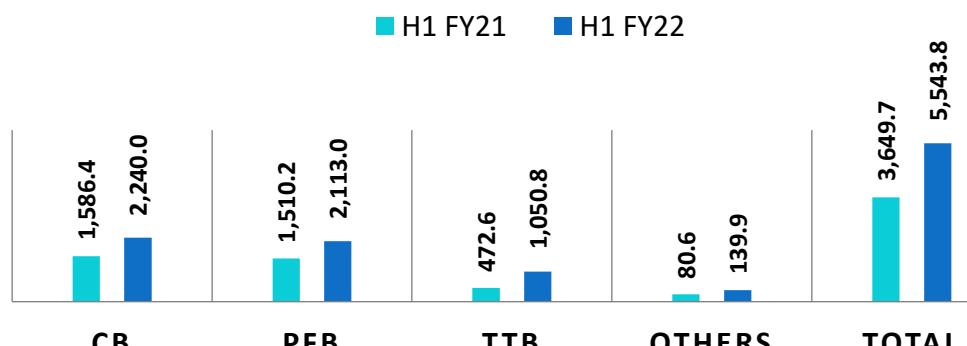
EBIT (Rs. Crore)

■ Q2FY21 ■ Q2FY22



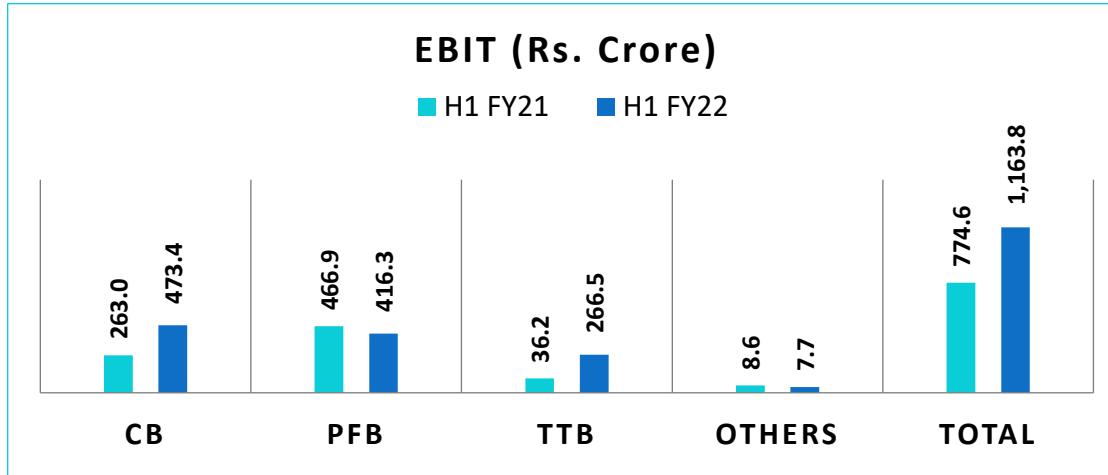
REVENUES (Rs. Crore)

■ H1 FY21 ■ H1 FY22



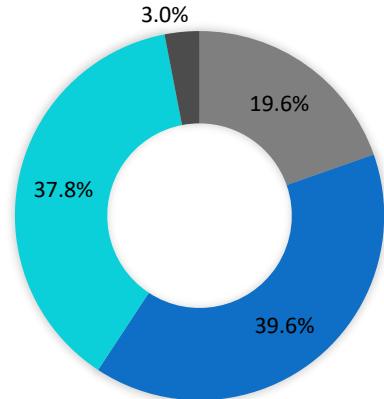
EBIT (Rs. Crore)

■ H1 FY21 ■ H1 FY22

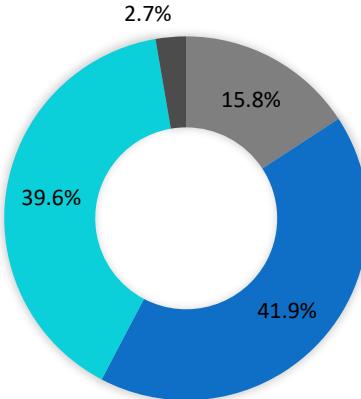


Results Overview - Revenue Share

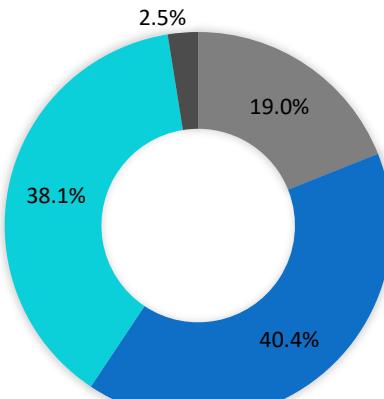
Q2 FY22



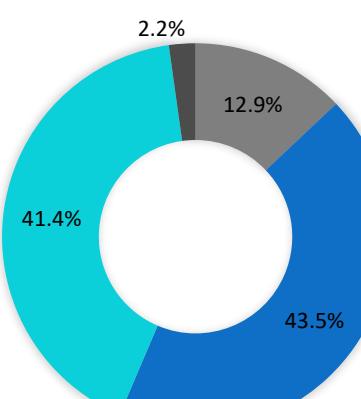
Q2 FY21



H1 FY22



H1 FY21



- CB
- PFB
- TTB
- Others

Q2 & H1 FY22 SEGMENTAL OVERVIEW



Chemicals



Packaging
Films



Technical
Textiles



Others



Chemicals Business



Chemicals Business - Results Update

Consolidated figures

PARTICULARS	Q2 FY22	Q2 FY21	% SHIFT	H1 FY22	H1 FY21	% SHIFT
Segment Revenues	1126.4	881.2	27.8%	2240.0	1586.4	41.2%
<i>% Contribution to Revenues</i>	<i>39.6%</i>	<i>41.9%</i>		<i>40.4%</i>	<i>43.5%</i>	
EBIT	251.1	174.4	43.9%	473.4	263.0	80.0%
<i>% EBIT Margins</i>	<i>22.3%</i>	<i>19.8%</i>		<i>21.1%</i>	<i>16.6%</i>	
<i>% Contribution to EBIT</i>	<i>44.1%</i>	<i>36.4%</i>		<i>40.7%</i>	<i>34.0%</i>	

Chemicals Business

Specialty Chemicals Business

- Business delivered a steady performance mainly on account of:
 - Healthy demand for existing and new products
 - Recent capitalized projects witnessing traction
- External environment and certain operating issues:
 - Rising crude prices, logistics concerns, supply chain disruptions and high price of certain key raw materials
 - Optimal production in certain plants impacted during the quarter
- The Board approved a capex of enhancing production capacity of a key product catering to the agrochemical industry at a cost of Rs 27.5 crore

Market Trends

- Worldwide agrochemical market experiencing healthy growth
- ‘China plus one’ strategy for procurement continues to augur well for the business
- Several impediments like raw material inflation with historically high prices, logistics issues due to unavailability and higher shipping costs, congestion at ports, rise in crude oil prices and global plant shutdowns

Chemicals Business



Chemicals Technology Group

- Chemicals Technology Group (CTG) is actively engaged in the development of new process technologies
- Key focus on high end molecules
- Strong internal competencies and capabilities
- Equipped with state-of-the-art R&D facilities and an ingenious team of scientists and engineers
- 3 R&D centres in India
- 11 new process patents were granted in H1 FY22, taking the tally to 104 global patents to-date. Overall, the Company has applied for 332 patents

104
Global Patents
granted

332
Patents applied

Chemicals Business

Fluorochemicals Business

- Business delivered a positive performance on account of:
 - Higher sales volumes and enhanced realizations across products despite impact of second wave in India
 - Significant sales recorded from the international markets
 - Healthy contribution from the chloromethanes segment
 - Significant increase in the sales of Dymel® HFA 134a/P, which is SRF's brand of Pharma Propellant
- Key projects (CMS expansion, PTFE, R32, HFCs) are on track:
 - Capex witnessing increased costs due to significant inflation in steel, cement and other key items

Market Trends

- Domestic passenger vehicles and air conditioners production volumes remained subdued on account of various external factors but remained higher than CPLY
- Auto market impacted owing to global chip shortage and logistical issues
- Adverse impact from disruption in global supply chain leading to increase in freight costs and shortage / price inflation in key raw materials

Packaging Films Business



Packaging
Films



Packaging Films Business - Results Update



Consolidated figures

PARTICULARS	Q2 FY22	Q2 FY21	% SHIFT	H1 FY22	H1 FY21	% SHIFT
Segment Revenues	1071.7	832.9	28.7%	2113.0	1510.2	39.9%
<i>% Contribution to Revenues</i>	<i>37.7%</i>	<i>39.6%</i>		<i>38.1%</i>	<i>41.4%</i>	
EBIT	179.5	246.2	-27.1%	416.3	466.9	-10.8%
<i>% EBIT Margins</i>	<i>16.7%</i>	<i>29.6%</i>		<i>19.7%</i>	<i>30.9%</i>	
<i>% Contribution to EBIT</i>	<i>31.5%</i>	<i>51.3%</i>		<i>35.8%</i>	<i>60.3%</i>	

Packaging Films Business

Key Highlights

- SRF has established itself as a global major in the Packaging Films Industry:
 - Continues to be one of the largest exporters of BOPET Films from India
 - Improved traction from new capacities in Hungary and Thailand
 - Enhanced sales of Value-Added Products (VAPs) aiding results
 - Expanded its portfolio with new products commercialized in H1 FY22
- Start-up of SRF's new BOPP film line at Rayong, Thailand, making us a one-stop shop for a diverse range of specialty packaging films offerings
- Further strengthened the mantra of 'Easy to Do Business With':
 - Expanded market footprint with presence now in now more than 90 countries, multi-country and multi-substrate presence
- Significant supply chain challenges, availability / price of key raw materials was a cause of concern

Market Trends

- Start up of new BOPET & BOPP lines expected to put notable pressure on industry margins going forward
- Margin of BOPET films was negatively impacted because of demand supply imbalance in H1 FY22; BOPP films demand remained positive
- High logistic costs and supply chain related constraints impacted exports

Technical Textiles Business



Technical
Textiles



Technical Textiles Business - Results Update

Consolidated figures

PARTICULARS	Q2 FY22	Q2 FY21	% SHIFT	H1 FY22	H1 FY21	% SHIFT
Segment Revenues	557.9	332.1	68.0%	1050.8	472.6	122.4%
<i>% Contribution to Revenues</i>	<i>19.6%</i>	<i>15.8%</i>		<i>19.0%</i>	<i>12.9%</i>	
EBIT	132.8	50.2	164.6%	266.5	36.2	636.6%
<i>% EBIT Margins</i>	<i>23.8%</i>	<i>15.1%</i>		<i>25.4%</i>	<i>7.7%</i>	
<i>% Contribution to EBIT</i>	<i>23.3%</i>	<i>10.5%</i>		<i>22.9%</i>	<i>4.7%</i>	

Technical Textiles Business

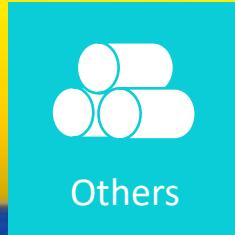
Key Highlights

- TTB reported performance in line with expectations:
 - Higher sales volumes from the Nylon Tyre Cord Fabrics, Belting Fabrics and Polyester Industrial Yarn segments augured well
 - Emphasis on improving operational efficiencies
- Revenue from replacement demand was healthy
- Recognition:
 - TTB Gummidipoondi recognized with the 'Corona Warrior Award 2021' for philanthropic work during the COVID-19 induced lockdown;
 - TTB Gwalior has been recognized for relief work in the flood-hit areas of Bhind district, Madhya Pradesh

Market Trends

- Within the domestic tyre industry, strong momentum witnessed across all areas, resulting in increased demand in the TCF sector
- Belting fabric industry witnessed strong demand with the reopening of the mining sector

Others



Others - Results Update

Consolidated figures

PARTICULARS	Q2 FY22	Q2 FY21	% SHIFT	H1 FY22	H1 FY21	% SHIFT
Segment Revenues	86.3	56.9	51.8%	139.9	80.6	73.7%
<i>% Contribution to Revenues</i>	<i>3.0%</i>	<i>2.7%</i>		<i>2.5%</i>	<i>2.2%</i>	
EBIT	5.8	8.8	-34.5%	7.7	8.6	-10.1%
<i>% EBIT Margins</i>	<i>6.7%</i>	<i>15.5%</i>		<i>5.5%</i>	<i>10.6%</i>	
<i>% Contribution to EBIT</i>	<i>1.0%</i>	<i>1.8%</i>		<i>0.7%</i>	<i>1.1%</i>	

Others - Key Highlights



Coated Fabrics

- SRF retains domestic market leadership, amidst weak demand, due to its focus on operational efficiency measures
- Better contributions in the domestic market by focusing on Value Added Products
- Actively pursuing new markets like fish tank pond liners & emergency shelter/protection



Laminated Fabrics

- SRF continues to retain volume and price leadership
 - Sales from hot / semi hot lamination contributing to overall performance
- Oversupply situation, leading to pressure on margins
- Anti-dumping duty on Chinese PVC flex film extended till January 31, 2022

SRF's Community Engagement



- SRF has won the ROTARY CSR AWARD 2021 for exemplary work in Basic Education and Literacy
- Launched the Digital Guru Portal, a collaborative platform to promote the development of digital skills in teachers
- MOU signed between Global Edge Pvt. Ltd and SRF Foundation to support STEM Education, Tinkering and Coding in several schools of Bangalore
- More than 3,000 students enrolled for the training on coding skills at Gurugram, Noida and Hyderabad locations. Overall, the program has benefitted more than 9,000 students so far



OUTLOOK



Outlook - Chemicals Business



Specialty Chemicals

- Moving up the value chain by accelerating qualifications of new molecules in both Agro and Pharmaceuticals sectors, capacity utilization of newly commissioned plants to remain in focus
- Working on key campaigns to be run in the next few quarters
- ROI accretive projects involving complex chemicals and specialty products for SRF's global customers

Fluorochemicals

- Focus on expanding in new markets / geographies and product offerings, ramping up sales from refrigerants and blends
- Managing key in-progress capexes, within timelines
- Strong focus on sustainability initiatives that minimize the environmental cost of production

Outlook - Packaging Films Business



- Expected pressure on margins leading to price corrections, looks to be abating
- Emphasis on expanding sales from the new BOPET lines in Thailand & Hungary with higher VAP sales; BOPP line, which has been recently commissioned will also contribute to the overall sales in the near future
- New BOPP film line in India on track
- Focus on increasing pace of R&D efforts, sustainability initiatives, efficient cost structures, enhanced capabilities and value-added products

Outlook - Technical Textiles Business



- Higher operating leverage and cost optimization by capacity rationalization across various plants
- Other sub-segments of Technical Textiles Business expected to make a significant contribution to the overall performance

About Us

Established in 1970, SRF Limited with an annual turnover of ₹8,400 crore (US\$ 1.1 billion) is a chemical based multi-business entity engaged in the manufacturing of industrial and specialty intermediates. The company's diversified business portfolio covers Fluorochemicals, Specialty Chemicals, Packaging Films, Technical Textiles and Coated and Laminated Fabrics. Anchored by a strong workforce of 7,000 employees from different nationalities working across eleven manufacturing plants in India and one each in Thailand, South Africa and Hungary, the company exports to more than 90+ countries. Equipped with State-of-the-Art R&D facilities, SRF has filed 332 patents for R&D and technology so far, of which 104 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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