



The Corporate Relationship Department,
BSE Limited
1st Floor , New Trading Ring Rotunda
Building, P.J. Towers
Dalal Street,
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

31.07.2020

Dear Sir,

Presentation- Earnings Call (Un-Audited Financial Results for the quarter ended 30.06.2020)

In continuation of our letter dated 28th July, 2020 informing about hosting of earning call to discuss Un-Audited financial results for quarter ended 30th June, 2020, 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

SRF LIMITED
Block-C Sector 45
Gurugram 122 003
Haryana India
Tel: +91-124-4354400
Fax: +91-124-4354500
E-mail: info@srfcom
Website : www.srfcom
Regd. Office:
Unit No. 236 Sr 237, 2nd Floor
DLF Galleria, Mayur Phase 1
Noida Link Road
Mayur Vihar Phase 1 Extension
Delhi 110091



SRF Limited

We always find a better way

July 31, 2020

Q1FY21
Results Presentation



Disclaimer



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.

Q1FY21 Results Overview 04

Q1FY21 Segmental Performance 09

Company Overview 24

Outlook 27



Q1 FY21 RESULTS OVERVIEW

Abridged Results Overview

Consolidated figures

Particulars (Rs. crore)	Q1 FY21	Q1 FY20	% Y-o-Y
Gross Operating Revenue	1,545.2	1,763.3	-12.4%
EBITDA	382.4	359.9	6.3%
EBITDA Margin (%)	24.8%	20.4%	
Depreciation	104.0	92.5	12.5%
Interest	43.2	51.5	-16.2%
ECF (Gain) / Loss	9.1	(15.1)	-160.3%
Profit Before Tax	226.2	231.0	-2.1%
Profit After Tax	176.9	175.3	0.9%
Profit After Tax Margin (%)	11.4%	9.9%	
Diluted EPS (Rs.)	30.77	30.50	

Results Overview - Financial Overview

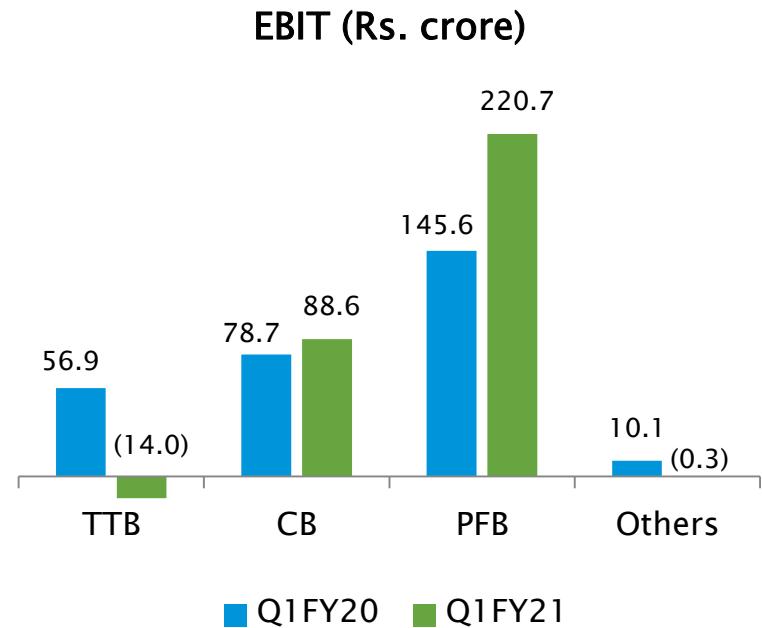
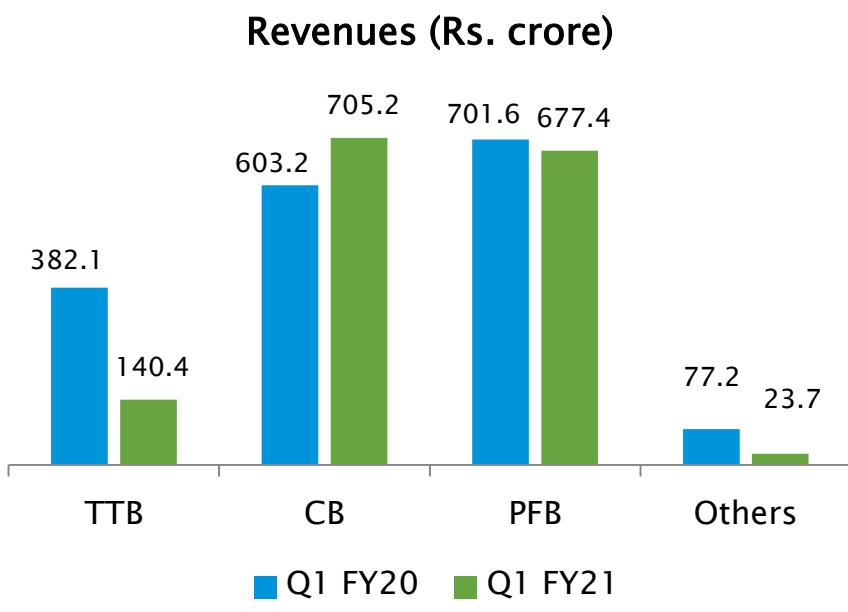
Key Financial Ratios

Particulars	FY13	FY14	FY15	FY16	FY17	FY18	FY19	FY20
EBITDA Margin	17.59%	13.59%	20.43%	22.13%	21.42%	17.69%	19.00%	20.9%
PAT Margin	6.69%	4.04%	8.78%	9.51%	10.87%	8.38%	8.33%	12.7%
Net Debt to Equity	0.71	1.01	0.99	0.73	0.67	0.82	0.83	0.75
Net Debt to EBITDA	2.06	3.78	2.82	1.96	2.07	3.00	2.54	2.47
Asset Turnover	0.82	0.73	0.77	0.70	0.68	0.66	0.72	0.66
Debtors Turnover	7.44	5.81	7.43	8.79	7.21	8.10	6.90	8.09

Consolidated figures

NOTE - FY16, FY17, FY18, FY19 & FY20 ratios are as per IndAS

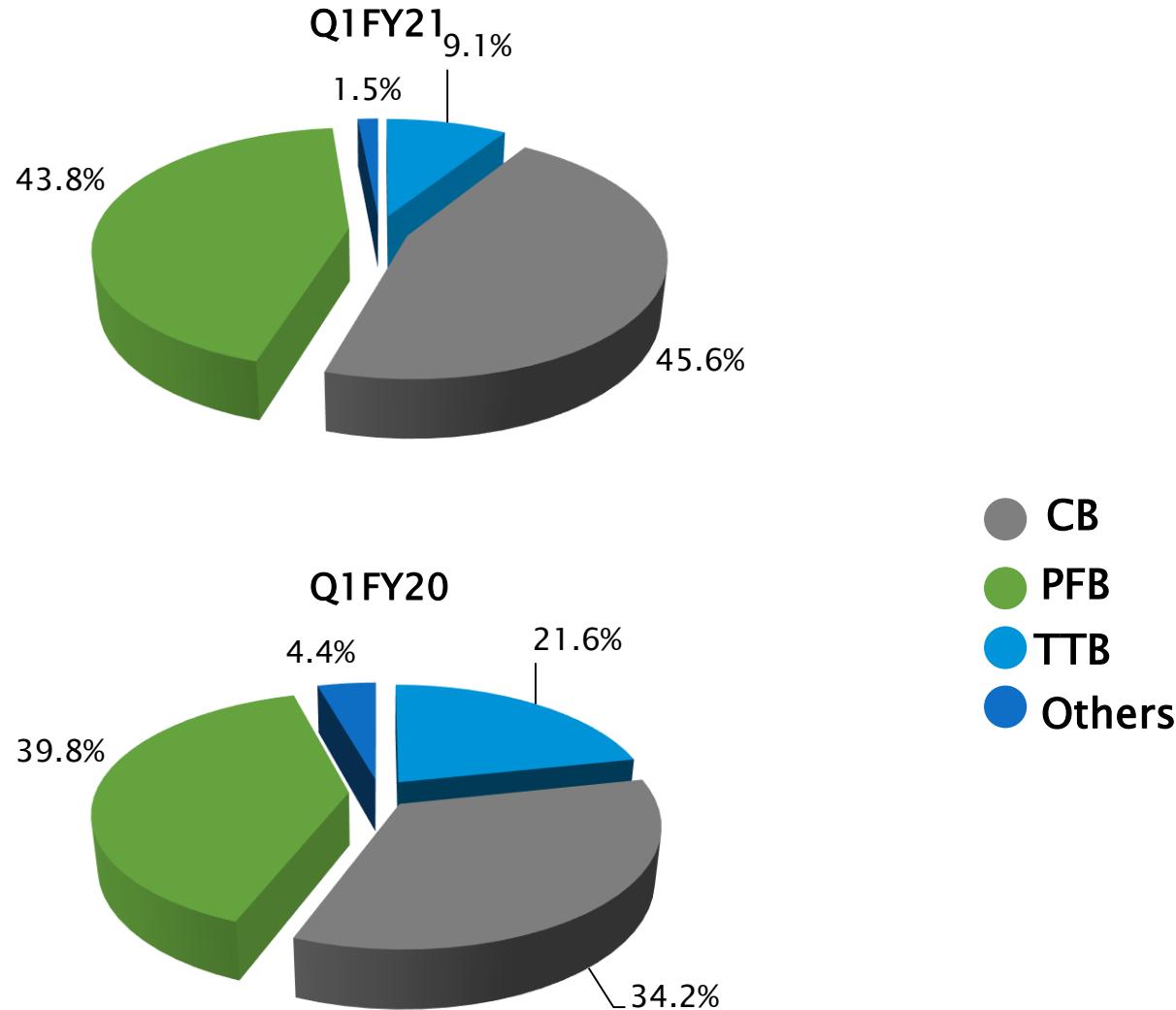
Results Overview - Revenue & EBIT



Consolidated figures

CB – Chemicals Business; **PFB** – Packaging Films Business; **TTB** – Technical Textiles Business; **Others**

Results Overview - Revenue Share



CB – Chemicals Business; PFB – Packaging Films Business; TTB – Technical Textiles Business; Others



Chemicals

Packaging
Films

Technical
Textiles

Others

Q1FY21 SEGMENTAL OVERVIEW



Chemicals Business

Chemicals Business – Results Update

(Rs. crore)	Segment Revenues	% Contribution to Revenues	EBIT	% EBIT Margins	% Contribution to EBIT
Q1FY21	705.2	45.6%	88.6	12.6%	30.0%
Q1FY20	603.2	34.2%	78.7	13.0%	27.0%
% Shift	16.9%		12.6%		

Consolidated figures

Chemicals Business – Key Highlights

Specialty Chemicals Business

- Segment registered robust performance despite Covid-19 pandemic
- Demand scenario remained healthy leading to faster ramp-up of capacities
- Ongoing efforts to commercialize molecules for both the Agro and Pharma segment

COVID-19 Impact

- Shutdown of manufacturing plants due to the lockdown and supply-chain disruptions impacted production in April 2020
- Availability of raw material / intermediates was adversely impacted

Market Trends

- India is emerging as an attractive destination for Chemicals manufacturing
- Demand outlook in key global markets remains healthy

Chemicals Business – Key Highlights

Fluorochemicals Business

- Segment registered subdued performance during the quarter due to:
 - Lower volumes and price of refrigerants in both domestic and export market
 - Lower sales from the solvents business
- The Company is focused on developing new export markets, while strengthening existing key markets including U.S.
- PTFE project delayed by approximately 1 year

COVID-19 Impact

- Overall markets remained weak in Q1FY21 – a seasonally important quarter – owing to the pandemic
- OEM market adversely impacted at least in the short term

Market Trends

- Auto sector continues to remain under pressure
 - India's production of passenger vehicle volumes at record low
- Demand for ACs remained sluggish

Chemicals Business – Key Highlights

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

2 R&D centres in India

03 new process patents were granted in Q1FY21, taking the tally to 73 global patents to-date. No applications were filed in Q1FY21 and overall the Company has applied for 205 patents





Packaging Films Business

Packaging Films Business – Results Update

(Rs. crore)	Segment Revenues	% Contribution to Revenues	EBIT	% EBIT Margins	% Contribution to EBIT
Q1FY21	677.4	43.8%	220.7	32.6%	74.8%
Q1FY20	701.6	39.8%	145.6	20.7%	50.0%
<i>% Shift</i>	<i>-3.5%</i>		<i>51.6%</i>		

Consolidated figures

Packaging Films Business – Key Highlights

Packaging Films Business

- The segment delivered encouraging performance due to:
 - Strong demand for both the BOPET & BOPP film segment
 - Strong focus on quality and delivery, along with several sustainability and R&D initiatives
 - Increased sales of Value Added Products
- Commissioned a BOPET film line at Thailand in May 2020, which will further strengthen its presence in the South East Asian region and expand its customer base in new geographies

COVID-19 Impact

- There was a brief disruption in the supply chain due to the nationwide lockdown
- Commissioning of the Hungary site was delayed

Market Trends

- Start-up of some new film lines expected during FY21, which will lead to a correction in prices
- Demand for hygienic packaging to remain strong in the post-COVID period



Technical Textiles Business

Technical Textiles Business – Results Update

(Rs. crore)	Segment Revenues	% Contribution to Revenues	EBIT	% EBIT Margins	% Contribution to EBIT
Q1 FY21	140.4	9.1%	(14.0)	-10.0%	-4.8%
Q1 FY20	382.1	21.7%	56.9	14.9%	19.5%
% Shift	-63.2%		-124.6%		

Consolidated figures

Note: The numbers above do not include impact of discontinued operations of Technical Textiles Business, Rayong–Thailand

Technical Textiles Business – Key Highlights

Tyre Cord Fabric, Belting Fabric & Polyester Industrial Yarn

- Performance of the Tyre Cord Fabric segment remained under severe pressure due to:
 - COVID-19 related slump in the auto sector demand
 - A challenging macro economic environment
- Margins from Polyester Industrial Yarn remained muted due to Chinese absorbing antidumping duty
- Better demand across all segments witnessed from June 2020 onwards

COVID-19 Impact:

- Significant impact on Q1FY21 due to lockdown and compression in tyre sales
- SRF's Technical Textiles Business manufacturing facilities remained closed during the lockdown. Lockdown period efficiently utilized to carry out plant maintenance activities that led to a further enhancement of operational excellence parameters

Market Trends

- Sales from replacement demand likely to improve in the coming months



Others

Others – Results Update

(Rs. crore)	Segment Revenues	% Contribution to Revenues	EBIT	% EBIT Margins	% Contribution to EBIT
Q1 FY21	23.7	1.5%	(0.28)	-1.2%	-0.1%
Q1FY20	77.2	4.4%	10.12	13.1%	3.5%
<i>% Shift</i>	<i>-69.3%</i>		<i>-102.8%</i>		

Consolidated figures

Coated Fabrics

- Markets have shown signs of recovery with demand beginning to pick up from June 2020 onwards
- Q1 is traditionally the peak season for this Business, which has also helped in gaining some momentum

Laminated Fabrics

- Laminated Fabrics manufacturing facility at Kashipur remained closed during the lockdown



COMPANY OVERVIEW

Overview - Business Profile

Chemicals

Fluorochemicals

- Refrigerants
- Pharma propellants
- Industrial chemicals

Specialty Chemicals

- Organic intermediates for agro & pharma

Packaging Films

Films for Flexible Packaging

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

Technical Textiles

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

(TTBR – Thailand closure announced in Sep 2019)

Other

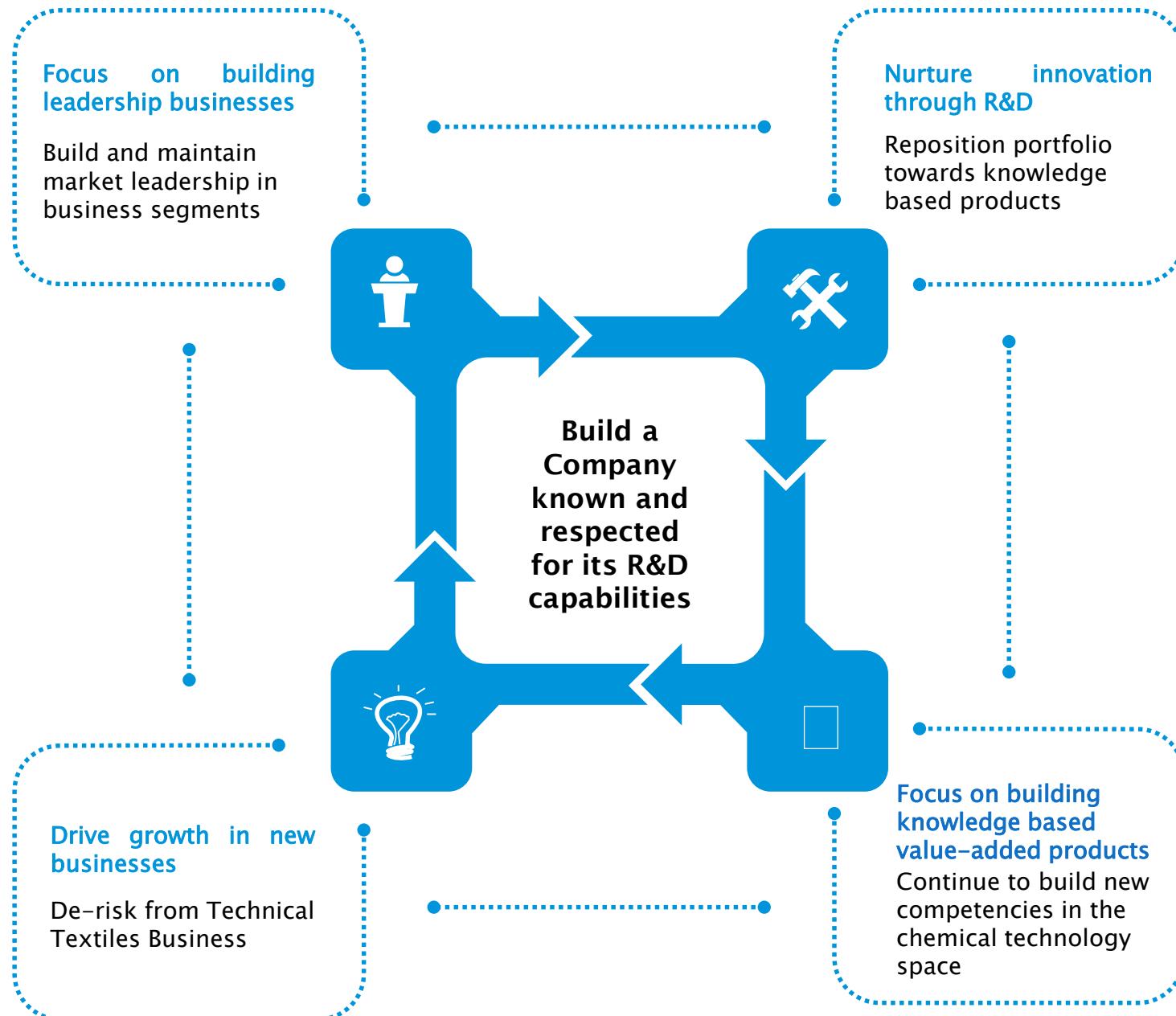
- Engineering Plastics
(Divested in Aug 2019)

- Coated fabrics
- Laminated fabrics

Revenue	EBIT	No. of Plants
2975	511	2
2604	556	5
1358	151	4
278	32	2

Consolidated FY 20 figures in Rs. crore

Overview Growth Levers





OUTLOOK

Outlook – Chemicals Business

Order book for FY 21 stable and growth projections likely to be met despite initial COVID-19 related challenges

Focus on expanding market through accelerating qualifications for new molecules in both Agro and Pharmaceutical sectors

Demand for HFCs from International markets likely to be strong in H2 FY21

Focus on ramping up sales from recently commissioned HFC plants

Continues to invest in new projects & expanding capacities to meet the growing customer requirements



Chemicals Business – Project Update

Fluorochemicals Business

PTFE project delayed by approximately one year

- Global demand likely impacted by the COVID outbreak
- Market likely to bounce back in 12 to 18 months

Chloromethanes capacity being doubled at a cost of Rs. 315 crore

- Significant opportunity for import substitution in MDC & CTC as India is still a large importer
- Chloroform being used for captive requirements
- Home grown technology provides swing advantages between co-products
- Cash flows balanced in FY 21 as PTFE project is being deferred
- 18 month timeline for project execution

Sanctioned an investment of Rs. 140 crore for enhancing steam and power requirements at Dahej

Specialty Chemicals Business

Feb'20 capex sanction of Rs. 238 crore

- Demand remains robust and inquiry pipeline remains healthy
- Realigning capex to meet revised demand projections
- Doing our best to meet project timelines & costs in view of COVID impact
- Churning of products between dedicated plants and MPPs continue



Outlook – Packaging Films Business

Overall the global packaging film industry is witnessing improvement in capacity utilization

Commissioned a BOPET film line of 40,000 TPA at Thailand in May 2020. The business to focus on sales ramp up.

However in short term, supply overhang in BOPET likely to put pressure on margins, expected capitalization of plant in Hungary expected to enhance volumes

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



Outlook – Technical Textiles Business

Due to a challenging macro economic environment, the demand for NTCF will continue to remain under pressure

H2 FY 21 Likely to be better than H1 FY 21

Capacities rationalization across various plants to assist higher operating leverage and cost optimization

Other sub segments of Technical Textiles to remain stable



About Us

Established in 1970, SRF Limited with an annual turnover of ₹7,062 crore (US\$ 942 million) is a chemical based multi-business entity engaged in the manufacturing of industrial and specialty intermediates. The company's diversified business portfolio covers Technical Textiles, Fluorochemicals, Specialty Chemicals, Packaging Films, Coated and Laminated Fabrics. Anchored by a strong workforce of close to 7,000 employees from different nationalities working across eleven manufacturing plants in India, one each in Thailand and South Africa and an upcoming facility in Hungary, the company exports to more than 75 countries. Equipped with State-of-the-Art R&D facilities, SRF has filed 205 patents for R&D and technology so far, of which 73 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

Anoop Poojari / Karl Kolah

CDR India

Tel: +91 98330 90434 / +91 98330 10478

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

A wide-angle, nighttime photograph of a large industrial complex, likely a petrochemical or refinery plant. The scene is filled with numerous illuminated structures, including tall storage tanks, processing units, and a prominent vertical pipe tower. The lights from the facility create a vibrant glow against the dark sky, and some lights from nearby buildings are visible in the distance.

Thank You