



SRF LIMITED

UNAUDITED FINANCIAL RESULTS

FOR THE QUARTER / HALF YEAR ENDED 30TH SEPTEMBER 2013

STANDALONE UNAUDITED FINANCIAL RESULTS FOR THE QUARTER / HALF YEAR ENDED 30TH SEPTEMBER 2013

PART I							(Rs. in lakhs)
Sl. No.	Particulars	3 Months Ended 30th September 2013	3 Months Ended 30th June 2013	3 Months Ended 30th September 2012	Half Year ended 30th September 2013	Half Year ended 30th September 2012	Previous Accounting Year Ended 31st March 2013
		(1)	(2)	(3)	(4)	(5)	(6)
		Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
1	Income from operations						
	a) Net sales/ Income from Operations (net of excise duty)	83994	81905	80119	165899	161071	331277
	b) Other Operating Income	395	586	255	981	480	978
	Total Income from operations (net)	84389	82491	80374	166880	161551	332255
2	Expenditure						
	a. Cost of materials consumed	51675	47431	49367	99106	99345	191374
	b. Purchase of stock-in-trade	590	419	10	1009	181	902
	c. Changes in inventories of finished goods, work-in-progress and stock in trade	(2698)	1478	(271)	(1220)	(1233)	(2250)
	d. Employee benefits expense	5526	5443	5246	10969	9665	20244
	e. Depreciation and amortisation expense	4797	4839	4629	9636	8849	18428
	f. Power and Fuel	8470	8472	8424	16942	16551	33653
	g. Other Expenditure	7471	6481	6463	13952	12493	28924
	Total Expenditure	75831	74563	73868	150394	145851	291275
3	Profit from Operations before Other Income, Finance Costs, Exchange Currency Fluctuation and Exceptional Items (1-2)	8558	7928	6506	16486	15700	40980
4	Other Income	530	873	398	1403	1175	4375
5	Profit from ordinary activities before Finance Costs, Exchange Currency Fluctuation and Exceptional Items (3+4)	9088	8801	6904	17889	16875	45355
6	Finance Costs	2260	2027	2471	4287	4862	8465
7	Profit from ordinary activities after Finance Costs but before Exchange Currency Fluctuation and Exceptional Items (5-6)	6828	6774	4433	13602	12013	36890
8	Exchange Currency Fluctuation Loss / (Gain)	654	1638	(4154)	2292	418	1631
9	Exceptional Items	-	-	-	-	-	-
10	Profit from Ordinary Activities before Tax (7-8-9)	6174	5136	8587	11310	11595	35259
11	Provision for Tax						
	- Current Tax	1480	1610	1525	3090	2590	7063
	- Deferred Tax	(115)	(187)	1006	(302)	747	3825
	- Provision for Tax Relating to Earlier Years	32	(668)	(1480)	(636)	(1480)	(1480)
12	Net Profit from Ordinary Activities after Tax (10-11)	4777	4381	7536	9158	9738	25851
13	Extraordinary Items (Net of Tax Expense)	-	-	-	-	-	-
14	Net Profit for the Period (12-13)	4777	4381	7536	9158	9738	25851
15	Paid Up Equity Share Capital (Rs.10 each fully paid up)	5742	5742	5742	5742	5742	5742
16	Paid Up Debt Capital*	-	-	-	-	15000	15000
17	Reserves excluding Revaluation Reserves	-	-	-	-	-	192446
18	Debenture Redemption Reserve (included above)	-	-	-	-	7500	15000
19	Basic EPS for the Period (Not annualised)	8.32	7.63	13.12	15.95	16.96	45.02
20	Diluted EPS for the Period (Not annualised)	8.32	7.63	13.12	15.95	16.96	45.02
21	Debt Equity Ratio**	-	-	-	0.55	0.55	0.54
22	Debt Service Coverage Ratio***	-	-	-	0.58	2.16	2.87
23	Interest Service Coverage Ratio****	-	-	-	7.02	6.49	8.49

PART II							
Sl. No.	Particulars	3 Months Ended 30th September 2013	3 Months Ended 30th June 2013	3 Months Ended 30th September 2012	Half Year ended 30th September 2013	Half Year ended 30th September 2012	Previous Accounting Year Ended 31st March 2013
		(1)	(2)	(3)	(4)	(5)	(6)
A	PARTICULARS OF SHAREHOLDING						
1	Public Shareholding						
	- Number of Shares	27503092	27685430	28301866	27503092	28301866	28301866
	- Percentage of Shareholding	47.90%	48.22%	49.29%	47.90%	49.29%	49.29%
2	Promoters and Promoter Group Shareholding						
(a)	Pledged/Encumbered						
	- Number of shares	-	-	1050000	-	1050000	-
	- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	-	-	3.61%	-	3.61%	-
	- Percentage of shares (as a % of the total shareholding of the total share capital of the Company)	-	-	1.83%	-	1.83%	-
(b)	Non-Encumbered						
	- Number of shares	29917408	29735070	28068634	29917408	28068634	29118634
	- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	100.00%	100.00%	96.39%	100.00%	96.39%	100.00%
	- Percentage of shares (as a % of the total shareholding of the total share capital of the Company)	52.10%	51.78%	48.88%	52.10%	48.88%	50.71%
			</				

* Paid up Debt Capital comprises of listed Debentures only

** Debt Equity Ratio = Total Debt / Equity

*** Debt Service Coverage Ratio (DSCR) = (EBIT - Current Tax) / (Gross Interest + Scheduled Principal Repayment of Long Term Debts)

**** Interest Service Coverage Ratio (ISCR) = $(\text{EBDIT} - \text{Current Tax}) / \text{Gross Interest}$



SRF LIMITED

**SEGMENT WISE REVENUE, RESULTS AND CAPITAL EMPLOYED UNDER CLAUSE 41 OF THE LISTING AGREEMENT FOR THE
QUARTER / HALF YEAR ENDED 30TH SEPTEMBER 2013**

(Rs. in lakhs)

Particulars	3 Months Ended 30th September 2013	3 Months Ended 30th June 2013	3 Months Ended 30th September 2012	Half Year ended 30th September 2013	Half Year ended 30th September 2012	Previous Accounting Year Ended 31st March 2013
	(1)	(2)	(3)	(4)	(5)	(6)
	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
Segment Revenue						
a) Technical Textiles Business (TTB)	45293	43617	43454	88910	86366	167088
b) Chemicals and Polymers Business (CPB)	20826	22969	20631	43795	41945	103498
c) Packaging Film Business (PFB)	18409	15995	16374	34404	33354	62077
Total Segment Revenue	84528	82581	80459	167109	161665	332663
Less: Inter Segment Revenue	139	90	85	229	114	408
Net Sales / Income from Operations	84389	82491	80374	166880	161551	332255
Segment Results						
(Profit before Interest and Tax from each Segment)						
a) Technical Textiles Business (TTB)	4666	3834	3260	8500	6730	11237
b) Chemicals and Polymers Business (CPB)	3475	5258	4207	8733	10659	34653
c) Packaging Film Business (PFB)	1399	480	572	1879	1015	329
Total Segment Results	9540	9572	8039	19112	18404	46219
Less/(Add): i) Finance Costs	2260	2027	2471	4287	4862	8465
ii) Other Unallocable Expenses Net of Income	1106	2409	(3019)	3515	1947	2495
Total Profit Before Tax	6174	5136	8587	11310	11595	35259
Capital Employed (Segment Assets Less Segment Liabilities)						
a) Technical Textiles Business (TTB)	115051	115347	120497	115051	120497	118549
(Including Capital Work In Progress Rs 367 lakhs as at 30th September 2013)						
b) Chemicals and Polymers Business (CPB)	154200	143096	126112	154200	126112	135300
(Including Capital Work In Progress Rs 40839 lakhs as at 30th September 2013)						
c) Packaging Film Business (PFB)	41316	41644	42114	41316	42114	40472
(Including Capital Work In Progress Rs 448 lakhs as at 30th September 2013)						
Total Capital Employed	310567	300087	288723	310567	288723	294321
Add: Unallocable Assets Less Liabilities	37302	30170	26224	37302	26224	35932
Total Capital Employed of Company	347869	330257	314947	347869	314947	330253

DELOITTE HASKINS & SELLS



SRF LIMITED
STATEMENT OF ASSETS AND LIABILITIES AS AT SEPTEMBER 30, 2013

(Rs. In lakhs)

Particulars	As at 30th September 2013	As at 31st March 2013
	(1)	(2)
	Unaudited	Audited
EQUITY AND LIABILITIES		
Shareholders' Funds		
(a) Share capital	5844	5844
(b) Reserves and surplus	204663	195408
Sub-total - Shareholders' funds	210507	201252
Non-current liabilities		
(a) Long-term borrowings	67617	57662
(b) Deferred tax liabilities (net)	25245	25488
(c) Long-term provisions	1372	1189
Sub-total - Non-current liabilities	94234	84339
Current liabilities		
(a) Short-term borrowings	38389	24163
(b) Trade Payables	63039	43099
(c) Other current liabilities	19868	32345
(d) Short-term provisions	2515	735
Sub-total - Current liabilities	123811	100342
TOTAL - EQUITY AND LIABILITIES	428552	385933
ASSETS		
Non-current assets		
(a) Fixed assets	258270	240267
(b) Non-current investments	9266	9261
(c) Long-term loans and advances	9924	12069
(d) Other non-current assets	332	230
Sub-total - Non-current assets	277792	261827
Current assets		
(a) Current investments	14823	13513
(b) Inventories	60432	49591
(c) Trade receivables	53043	45257
(d) Cash and cash equivalents	10211	7696
(e) Short-term loans and advances	12175	7972
(f) Other current assets	76	77
Sub-total - Current assets	150760	124106
TOTAL - ASSETS	428552	385933

For IDENTIFICATION ONLY

DELOITTE HASKINS & SELLS



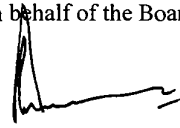
**NOTES TO UNAUDITED FINANCIAL RESULTS FOR THE QUARTER / HALF YEAR ENDED
30TH SEPTEMBER 2013**

- 1 The above results were reviewed by the Audit Committee and approved by the Board of Directors at its meeting held on 28th October 2013.
- 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 quarter and half year ended 30th September, 2013 is Rs. 171 lakhs. The unamortised portion carried forward as at 30th September, 2013 is Rs. 6639 lakhs.
- 3 During the quarter, the 1500, 10.60%, Listed, Redeemable, Non-Convertible Debentures of Rs. 10 lacs each aggregating to Rs. 15000 lakhs were redeemed.
- 4 The Company had received demand notices from the Commercial Tax Department, Government of Madhya Pradesh for payment of Central Sales Tax (CST), 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) 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 had granted a stay on such demands and directed the Central and State Governments to jointly look into the matter. During the quarter, the Government of Madhya Pradesh has filed a reply in the Court informing their stand that CST, VAT, Entry Tax on sales from the SEZ to DTA is payable. The matter is sub-judice and the Court has posted the matter for hearing in February 2014. However, 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.
- 5 The Board of Directors have approved the payment of an interim dividend @ 30% i.e. Rs. 3/- on each equity share of the nominal value of Rs. 10/-
- 6 Previous period figures have been regrouped wherever necessary to conform to current quarter classifications.

Limited Review:

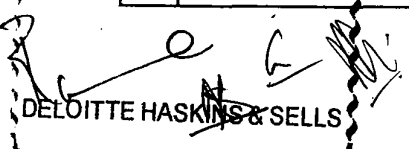
The Limited Review for the quarter and half year ended September 30, 2013 as required under Clause 41 of Listing Agreement has been completed by the Statutory Auditors.

For and on behalf of the Board


Ashish Bharat Ram
Managing Director

For IDENTIFICATION ONLY

Date : 28th October, 2013


DELOITTE HASKINS & SELLS

INDEPENDENT AUDITORS' REVIEW REPORT TO THE BOARD OF DIRECTORS OF SRF LIMITED

1. We have reviewed the accompanying Statement of Standalone Unaudited Financial Results of **SRF LIMITED** ("the Company") for the Quarter and Half Year ended September 30, 2013 ("the Statement"), being submitted by the Company pursuant to Clause 41 of the Listing Agreements with the Stock Exchanges, except for the disclosures in Part II - Select Information referred to in paragraph 4 below. This Statement is the responsibility of the Company's Management and has been approved by the Board of Directors. Our responsibility is to issue a report on the Statement based on our review.
2. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410 'Review of Interim Financial Information Performed by the Independent Auditor of the Entity', issued by the Institute of Chartered Accountants of India. This Standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review is limited primarily to inquiries of Company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.
3. Based on our review conducted as stated above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the Accounting Standards notified under the Companies Act, 1956 (which continue to be applicable in respect of Section 133 of the Companies Act, 2013 in terms of General Circular 15/2013 dated 13 September 2013 of the Ministry of Corporate Affairs) and other recognised accounting practices and policies, has not disclosed the information required to be disclosed in terms of Clause 41 of the Listing Agreements with the Stock Exchanges, including the manner in which it is to be disclosed, or that it contains any material misstatement.
4. Attention is invited to Note 4, which sets out the position of the demand for Central Sales Tax (CST), VAT and Entry Tax aggregating to Rs. 9491 lakhs (including interest and penalty) for the period from 2007 to 2013 by the Commercial Tax Department, Government of Madhya Pradesh, in respect of sales from the Company's manufacturing facility in its Special Economic Zone (SEZ) in Madhya Pradesh to the Domestic Tariff Area (DTA). The matter is sub-judice and is pending before the Hon'ble High Court of Madhya Pradesh. Basis legal opinion obtained by the Company, the Management of the Company is confident of getting relief in this matter and, accordingly, has not made any provision for the said disputed demands.

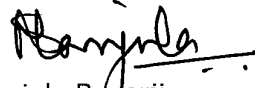
Our conclusion is not qualified in respect of this matter.



Contd...2

5. Further, we also report that we have traced the number of shares as well as the percentage of shareholding in respect of the aggregate amount of public shareholding and the number of shares as well as the percentage of shares pledged/encumbered and non-encumbered in respect of the aggregate amount of promoters and promoter group shareholding in terms of Clause 35 of the Listing Agreements and the particulars relating to investor complaints disclosed in Part II - Select Information for the Quarter/Half Year Ended September 30, 2013 of the Statement, from the details furnished by the Management/Registrars.

For **DELOITTE HASKINS & SELLS**
Chartered Accountants
(Firm Registration No. 015125N)



Manjula Baderji
Partner
(Membership No. 086423)

GURGAON, OCTOBER 28, 2013

