



For immediate release

SRF Q2 PAT rises by 77% and revenue by 42%

- Board approves 80-20 JV to set up a polyester film plant in Bangladesh
- H1 net profit after tax (PAT) at Rs. 176 crore, a growth of 9%
- Debt-Equity ratio improves from 0.91 to 0.58
- Board approves interim dividend of Rs. 7 per share

Gurgaon, 26th October 2010: SRF Limited, a multi-business entity engaged in the manufacture of chemical based industrial intermediates, posted a net profit after tax (PAT) of Rs. 121 crore for the quarter ended September 2010, a growth of 77% year-on-year. The company had earlier reported a net profit (PAT) of Rs. 69 crore during the corresponding period last year (CPLY). SRF's revenue increased from Rs. 527 crore to Rs. 748 crore, recording a growth of 42% during July-September 2010. The unaudited financial results of SRF were taken on record by SRF's Board in a meeting held today. The Board also approved an interim dividend at the rate of 70% amounting to Rs. 7 per share.

Reflecting on the financial performance of the company, **Mr. Ashish Bharat Ram, Managing Director, SRF Limited**, commented: "The growth in profit was aided by a substantial upturn in the demand for polyester films. We remain reasonably optimistic. The Chemical Business continued to perform well on the back of increased demand for refrigerants as well as its growing speciality chemicals segment."

SRF's profit before tax (PBT) for the second quarter improved by 68%, increasing from Rs. 103 crore in July-Sep'09 to Rs. 173 crore recorded during the same period of the current financial year.

The segment revenue of the Packaging Films Business grew by 217% during the second quarter over CPLY at Rs. 214 crore. The segment revenue of Technical Textiles Business (TTB) and Chemicals Business also grew by 17% and 15% at Rs. 355 crore and Rs. 181 crore respectively.

H1 Financials

For the first six months of the current financial year, SRF posted a net profit after tax (PAT) of Rs. 176 crore, a growth of 9% over CPLY. The company's revenue at Rs. 1367 crore achieved a growth of 34% over Rs. 1023 crore recorded during the same period last year. The company's PBT at Rs. 253 crore increased by 5% during the first half of the current financial year over CPLY.

Approval for JV in Bangladesh

SRF Board today also approved a proposal for SRF to enter into a 80-20 Joint Venture with the Nitol-Niloy Group of Bangladesh to set up a polyester film plant of 28,500 MT per annum in Bangladesh. The JV in which SRF will hold 80% share will set up the project at a total cost of US \$ 65 million. The plant is expected to start production towards the end of calendar year 2012.

Projects Approved

Earlier in September 2010, the SRF Board had approved three R&D driven projects at a total estimated cost of around Rs. 200 crore for setting up new units in its Chemical Complex at Dahej in Gujarat. These projects are expected to significantly enhance SRF's capability to cater to the increasing demand of world's major pharma and agro companies for timely supply of new fluorospecialities at a competitive rate in large volume.

About SRF

Established in 1973, SRF as a group has today grown into a global entity with operations in 4 countries. Apart from Technical Textiles Business, in which it enjoys a global leadership position, SRF is a domestic leader in Refrigerants, Engineering Plastics and Industrial Yarns as well. The company also enjoys a significant presence among the key domestic manufacturers of Polyester Films and Fluorospecialities. Building on its in-house R&D facilities for Technical Textiles Business and Chemicals Business, the company strives to stay ahead in business through innovations in operations and product development. A winner of the prestigious Deming Application Prize for its tyre cord business, SRF continues to redefine its work and corporate culture with the TQM as its management way.

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