



FROST & SULLIVAN
INSTITUTE

2022 Frost & Sullivan Institute

Enlightened Growth Leadership Award

FROST & SULLIVAN
BEST PRACTICES
AWARDS

SRF Ltd.



Congratulations!

Frost & Sullivan Institute, in partnership with Frost & Sullivan, is proud to present SRF Ltd. with the Enlightened Growth Leadership Award.

Frost & Sullivan's global team of growth pipeline experts continuously identifies and evaluates growth opportunities across multiple industries, technologies, and regions of the world. As the world emerges into the new norm disrupted and accelerated by the COVID-19 pandemic, it is becoming increasingly important for companies to leverage opportunities to shed old ways of thinking, build value chains that leave no stakeholders behind, and create foundations for stable growth to thrive in these new environments. We identify companies that demonstrate the commitment to embrace emerging technologies and protocols and generate opportunities for all while sustaining continued growth and highlighting best practices for sustainable development. This approach involves deep strategic deliberation around best practices and the development of core analytics across the entire value chain of specific products and services. Against the backdrop of these analytics, Frost & Sullivan Institute, in partnership with Frost & Sullivan, recognizes SRF Ltd. for its valuable achievement.

Frost & Sullivan strictly reserves this recognition to companies at the innovation to zero and growth forefront in their respective industries. These companies demonstrate proactivity in utilizing business practices to 'innovate to zero' and address global priorities while securing sustainable growth. These companies also uniquely leverage technology and boost their industry partner ecosystem to serve ever-evolving customer needs in a way that facilitates environmental initiatives and supports the planet's well-being. Moreover, by combining business sense with a moral imperative, these companies demonstrate aspirational ideals beyond the simple goal of generating profits.

Moreover, this recognition is the result of many individuals (employees, customers, partners, and investors), making critical decisions every single day to support the organization and meaningfully contribute to its own future in a sustainable and socially responsible way. Frost & Sullivan in partnership with Frost & Sullivan Institute enthusiastically acknowledges and celebrates their contributions.

Once again, congratulations on your accomplishments, and we wish you great success in the future.

Sincerely,

David Frigstad
Chairman, Frost & Sullivan and Executive Director, Frost & Sullivan Institute



Best Practices Criteria for World-Class Performance

Frost & Sullivan Institute leverages Frost & Sullivan's rigorous analytical process to evaluate multiple nominees for each award category before determining the final award recipient. The process involves a detailed evaluation of best practices criteria for each nominated company. SRF Ltd. excels in multiple criteria.



Introduction

SRF Ltd. is a diversified conglomerate with a significant presence in fluorochemicals, specialty chemicals, packaging films, technical textiles, and coated-laminated fabrics. The company has its headquarters in Gurugram, India. SRF Ltd. has been a pioneer in the Indian chemicals industry, with a strong presence in the global market. The company has a diverse product portfolio that caters to a wide range of industries. SRF Ltd. is a flagbearer in its industry for its strong commitment to sustainable development.

'Innovating to Zero' on Global Priorities

SRF Ltd. has made substantial investments in R&D to develop new and improved products and processes to ensure product standardization and achieve sustainable development by lowering environmental impact. Marketed under the FLORON® brand, SRF is the only Indian manufacturer of ozone-friendly refrigerants such as F 134a and F 32. It has also become the only Indian company to have a fully integrated blending capability to offer HFC 410A and 407C to its customers. SRF Ltd.'s Reduced-Micron Packaging Films, on the other hand, offer a minimal carbon footprint while maintaining quality standards. Its Thermal-Resistant Biaxially Oriented Polypropylene (BOPP) is also easily recyclable.

SRF Ltd. follows the circular economy principle: Reduce, Reuse, and Recycle to address various global priorities. For instance, to limit its use of virgin raw materials, it focuses on reusing a considerable portion of its process waste back into its production processes and provides its onsite fly ash waste for use as raw material in cement plants. Similarly, in FY 2021- 22, to successfully manage its energy use, 914 TJ of



renewable and biomass energy was employed, and its energy-efficient operations resulted in 20 TJ of energy savings. SRF Ltd. also aims to minimize its freshwater usage, to achieve this it has implemented rainwater harvesting systems in many of its plants. Additionally, at various units of SRF Ltd., 100% of its wastewater is treated and reused. In FY 2021-22, recycled wastewater accounted for 1696 million liters of total water use.

In its effort to decrease its carbon footprint, SRF Ltd. conducted an authorized Clean Development Mechanism (CDM) project to control Hydrofluorocarbon-23 (HFC-23) which contributed to a reduction in 4 million tCO₂e emissions. Further, to reduce emissions from industrial operations, SRF Ltd. has established a real-time air emissions monitoring system that maintains the emission levels below the legal limits set by State Pollution Control Boards. SRF Ltd.'s Fluorochemicals Business is India's first chemical business to acquire ISO 14064-1:2006 certification for GHG emissions verification.

“SRF Ltd.’s unwavering dedication to the sustainable development goals is admirable, as it has demonstrated substantial contributions to climate change, renewable energy, waste management, waste management inclusivity, and industrial innovation”

**- Priyanka Sharma, Research Analyst,
Frost & Sullivan Institute**

SRF Ltd. works hard to promote social inclusion, and it has provided minorities with a variety of professional opportunities within the company. Sincere efforts by the organization have resulted in an 8% increase in female staff across all management levels in FY 2021-22. Frost & Sullivan Institute appreciates SRF Ltd.'s dedication to addressing global priorities and its strides toward innovating waste, pollution, and inequality to zero. The company's pursuit of sustainability through diverse techniques, as well as

its efforts to foster inclusivity by providing equal opportunities, are truly noteworthy.

Growth Excellence

Financially, as per the SRF Ltd. Q1FY23, its revenue grew by 31% from ₹2,839 crore to ₹3,728 crores, likewise, the firm realized an EBIT increased 21% from ₹569 crores to ₹689 crores in Q2FY23, and the Company increased its profit after tax (PTA) by 26% from ₹382 crores to ₹481 crores in Q2FY23 compared to the Corresponding Period Last Year (CPLY). It has invested over ₹117 crores in R&D initiatives in FY 2021-22. As of September 30, 2022, the company has applied for a total of three hundred and seventy-eight patents. Till date, the company has been granted one hundred and twenty-seven patents globally. The company's sales for the year were 12,434 crores, up from 8,400 crores the last year, representing a 48% increase.

SRF Ltd. has been in operation for five decades and has seen excellent growth in various industries. In the last several years, SRF Ltd. has constructed two packaging factories in Thailand and South Africa. It acquired Global DuPont™ Dymel® HFA 134a/P, a medical pharmaceutical propellant brand, as well as the technology to convert F134a to the propellant grade, in 2015, making it one of the world's few manufacturers employing HFA 134a/P grade. By grabbing the rapidly developing home market and benefiting from the low-cost output, the business established a refrigerator and chemical distribution network in Thailand through SRF Industries in 2016.



In 2017, Biaxially Oriented Polyethylene Terephthalate (BOPET) and BOPP film manufacturing enterprises were established in Indore's Domestic Tariff Area, to promote manufacturing and economic growth in India's flexible packaging industry. In 2017, the business acquired HFC-125 assets and technological know-how exclusively; with the acquisition, the company can now produce all three key HFCs: HFC 134a, 32, and 125. SRF developed its BOPET facility in Hungary in 2020, with ultramodern technology and a capacity of 40,000 MT/year. The company established its second BOPET and resin facility in Thailand, during the same year. SRF Altech Limited was entirely owned by SRF Ltd. in 2022 to commence the manufacture of aluminum foil.

SRF Ltd. has built a reputation as a market leader for being a major producer of chemical-based industrial intermediates, tyre cords, belting textiles, fishnets, and refrigerants. It has established itself as a pioneer in India by commercializing eight micro-polyester films and polymer compounding. Furthermore, it is the second-largest manufacturer of packaging films in the region. SRF Ltd. is also the only firm in India that manufactures polyester industrial yarn/fabric for radial tyres. As a market leader in several segments, it has earned goodwill and trust which has compounded to increase revenues for the company.

SRF Ltd., in addition to being one of India's largest corporations, has established itself as a fierce competitor in the global market. It is the second-largest producer of nylon 6 tyre cord fabric and the third-largest producer of conveyor belting fabrics in the world. The firm intends to further increase its worldwide market position by increasing and diversifying its market presence. The firm is concentrating on expanding its pharmaceutical presence by establishing strong relationships with global agrochemical and pharmaceutical companies to produce value-added goods. It also intends to expand its current product range by developing new items in collaboration with leading original equipment manufacturers (OEMs).

SRF Ltd.'s unwavering commitment to growing and prospering as a market leader is admirable. Its strategic approach to expanding its portfolio by strengthening and broadening its worldwide market presence is significant. Frost & Sullivan Institute congratulates SRF Ltd. on its growth excellence.

Technology Leverage/Innovation

SRF Ltd. has a long history of success driven by technology and innovation. By utilizing its diverse portfolio, the firm has converted itself into a tech-forward, innovation-focused organization. SRF Ltd. is dedicated to creating innovative process technologies and ensuring product quality. To do this, the company utilizes artificial intelligence (AI), the Internet of Things (IoT), and robotics. SRF Ltd. seeks to achieve operational excellence by promoting standardization in the quality and usage rates of its commodities via the use of these technologies.

SRF Ltd. is known for adopting cutting-edge technologies and is one of the first to embrace any new technology efforts. The Gummidipoondi facility is furnished with advanced technology and is fully integrated to create PVC-coated textiles. Similarly, the Chemical Complex in Dahej is important to the firm since it employs world-class workers and has an ultra-modern facility. The BOPET factory in Hungary is technologically sophisticated and has a capacity of 40,000 MT per year. As SRF Ltd. transitions from being local-focused to being global-focused, its technology-driven credentials, and globally harmonized quality systems will be a strong foothold for the company.



SRF Ltd. is the first Indian business to get ASHRAE (American Society of Heating, Refrigerating, and Air-Conditioning Engineers) certification for R-467A, a low GWP refrigerant mix for stationary air-conditioning applications, using unique technology developed in-house. It is the only company in India that has developed the capability to make HFC-134a, a next-generation refrigerant. TQM-led supply chain improvements boosted internal process efficiency, and workforce development resulting in yearly savings of more than INR 95 crores. In addition, it is India's first company to use spin draw and converter dipping in the tyre cord industry.

The company has invested in futuristic and scalable digital platforms to launch corporate transformation initiatives such as process digitization and digital workflows, analytics, automation, and cloud product suites. This has aided the organization in speeding up strategic decision-making and upgrading the IT landscape.

SRF Ltd.'s ongoing commitment to developing and investing in new technologies and products to meet customers' expanding needs and deliver value over time is notable. Frost & Sullivan Institute recognizes SRF Ltd.'s initiatives to constantly improve by leveraging innovation and technology.



Conclusion

SRF Ltd. has become a true leader by continually pushing itself forward with global priorities at its core. Frost & Sullivan Institute recognizes SRF Ltd.'s substantial contributions to mitigating climate change, renewable energy, waste management, inclusivity, industrial innovation, and its commitment to attain ESG goals through sustainable business operations. The company's dedication to innovation through the utilization of new and innovative technology is truly remarkable. For its exceptional initiatives and overall performance, Frost & Sullivan Institute awards SRF Ltd. the prestigious "2022 Enlightened Growth Leadership Award".



What You Need to Know about the Enlightened Growth Leadership Recognition

Frost & Sullivan Institute's Enlightened Growth Leadership Award recognizes the company that addresses the global priorities as identified by the Institute and demonstrates sustainable growth in the industry.

Best Practices Award Analysis

For the Enlightened Growth Leadership Award, Frost & Sullivan analysts independently evaluated the criteria listed below.

'Innovating to Zero' on Global Priorities: The company demonstrates proactivity in 'Innovating to Zero' in terms of one or more of the following global priorities that form the seven pillars of the Frost & Sullivan Institute:

- i) **Environment:** Environmental initiatives can include climate change, vulnerable groups, behavioral change, international governance, waste management, or others.
- ii) **Education:** Education can encompass equal access, gender parity, EdTech, quality education, education resources, vocational training, or others.
- iii) **Infrastructure:** Infrastructure can incorporate infrastructure as a basic right, technology and infrastructure, environment and infrastructure, urban infrastructure, and financing models, among others.
- iv) **Healthcare:** Healthcare can comprise healthcare crisis, mental health, finance, healthcare systems, advanced healthcare, and technology and healthcare, among others.
- v) **Security:** Human security can refer to transnational governance, human security, food security, or others.
- vi) **Human Rights:** Human rights can involve governance, special group rights, justice, or other such elements.
- vii) **Economics:** Economics can pertain to inequality, new economic regime, FinTech, behavioral change, or others.

Growth Excellence: The company demonstrates healthy growth over a span of 10 years. It focuses on short-term and long-term growth strategies to maintain a superior industry position. The executive team's vision aligns with the company's growth strategy, effectively translating this vision into growth. The socially responsible organization enforces strategies to increase its share of the customer wallet, successfully differentiating itself from competitors and positively impacting its market share. It also adopts strategies to build upon achieved growth and sustain continued growth while highlighting best practices for sustainable development.



Customer Value Chain: The company pays heed to the planet's well-being and addresses environmental initiatives such as climate change, carbon footprint reduction and elimination, waste management, or clean energy production. Its key value proposition is refined by building on client feedback and continuously improving products and services. The organization prioritizes its customers' needs and provides significantly greater value for the price. It offers exceptional customer value by providing the best purchase experience to customers, placing importance on providing a high degree of satisfaction amongst existing and potential clients, or ensuring the best and differentiated service experience.

Integrated Competition - Industry Partner Ecosystem: The company makes use of unique business models such as corporate partnerships and public-private collaborations to boost the industry partner ecosystem. By combining business sense with a moral imperative, the company demonstrates aspirational ideals beyond the simple goal of generating profits. The organization's efforts to cooperate with competitors reveal its cognizance of a broader vision and endeavors towards positively impacting the overall industry.

Technology Leverage/Innovation: The company incorporates or uniquely leverages technology, standing out among the competition. The technology addresses key future needs and applications and is disruptive to or supersedes existing technologies. The company's technology or technology leverage can be diversely applicable or has created new markets or applications where none existed before. It has introduced creative features and functionality by jumping through hoops to convert its vision into a reality. The organization has a structured process or best practices to incubate new technologies developed internally or through strategic partnerships. The company's innovations or technology incorporation has the potential to become an industry standard.



About Frost & Sullivan Institute

Frost & Sullivan Institute (FSI) is a non-profit organization dedicated to utilizing business practices to address global priorities. The genesis of the institute goes back to our vision of either creating or becoming part of a solution that addresses threats to humanity. Frost & Sullivan Institute has identified strategic imperatives for transformation and believes that by using a Socratic approach, we can truly accelerate innovation to zero. The Institute works in collaboration with leading analyst teams, its internal research team, industry experts, and other partners. It works closely with Frost & Sullivan Inc. to leverage in-house thought leadership in order to identify opportunities for transformation that will arise from innovation, disruptive technologies, and overarching megatrends that will alter the world as we know it today. To learn more about FSI, visit <https://www.frostandullivaninstitute.org/>.

About Frost & Sullivan

Frost & Sullivan is the Growth Pipeline Company™. We power our clients to a future shaped by growth. Our Growth Pipeline as a Service™ provides the CEO and the CEO's growth team with a continuous and rigorous platform of growth opportunities, ensuring long-term success. To achieve positive outcomes, our team leverages over 60 years of experience, coaching organizations of all types and sizes across 6 continents with our proven best practices. To power your Growth Pipeline future, visit Frost & Sullivan at <http://www.frost.com>.

The Growth Pipeline Engine™



Frost & Sullivan's proprietary model to systematically create ongoing growth opportunities and strategies for our clients is fuelled by the Innovation Generator™.



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