

ESTER**INDUSTRIES LTD.**

CIN : L24111UR1985PLC015063

Date: 18th June, 2020

BSE Limited Department of Corporate services Phirojee Jeejeebhoy Towers Dalal Street, Mumbai – 400023	National Stock Exchange of India Limited Exchange Plaza, Plot no. C/1, G Block, Bandra-Kurla Complex, Bandra (E), Mumbai – 400051
Scrip Code: 500136	Symbol: ESTER

Dear Sir,

Subject: Press Release on financial results for the quarter and year ended on 31st March, 2020We wish to submit the Press Release on financial results for the quarter and year ended on 31st March, 2020.

Please acknowledge the receipt of the same.

Thanking You

Yours Faithfully

For Ester Industries Limited

Diwaker Dinesh**Head-Legal & Company Secretary**

Encls: As Above

Ester Industries Limited

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Ester Industries FY20 Results – EBITDA up 75%; PAT jumps 3x

Gurugram, 18th June, 2020: Ester Industries Limited, India's leading manufacturer of Polyester Films, Engineering Plastics and Specialty Polymers, announced its financial results for the quarter and year ended March 31, 2020.

Particulars (Rs.cr)	Q4 FY20	Q4 FY19	%	FY20	FY19	%
Total Revenue	254	255	-0.5	1,039	1,029	1.0
EBITDA	53	31	72.3	198	114	74.5
Margins (%)	21.07	12.17	+890 bps	19.1	11.1	+800 bps
PAT (A)	37	8	358.5	100	31	219.9
Other comprehensive income for the period (B)	-0.3	0	-	-0.8	0.1	-
Total Comprehensive Income (A+B)	36.7	8	355	99	31.1	216.9

Commenting on the performance, Mr. Arvind Singhania, Chairman, Ester Industries said:

"Despite nationwide lockdown due to Covid-19 pandemic at the end of the year, we have reported a strong financial performance during the fiscal. The profitability growth was largely driven by robust performance of our Film & Specialty Polymers businesses.

Specialty Polymer business has had one of its best performances till date on the back of good demand and consistent product off-take. Performance of both MB03 and innovative PBT showed marked improvement over the previous year. While Covid – 19 may have moderated growth momentum for a few months, we are confident of catching up soon, as business fundamentals continue to be structurally strong. We are also confident of even better prospects & outlook for the business going forward on the back of certain high margin products under development.

Film business continued to perform well on the back of increasing volumes and realizations. A strong demand from our International clients also contributed to the overall growth of the business. Through various initiatives, we were able to enhance productivity on sustainable basis by about 11%. In addition to enhanced production, improved margins have contributed towards significantly improved profitability of the SBU. We are continuously taking initiatives to further enhance productivity over the coming years. Further our attempts towards improving the product mix by increasing the share of value added products should help us maintain the momentum.

As regards Engineering Plastics SBU, though performance during FY 20 is better than FY 19, the business continues to face challenges that are aggravated by Covid – 19 outbreak, primarily on account of slowdown in the auto as well as electrical & electronic sectors. This SBU is likely to face challenges in the near term amidst



Covid – 19 pandemic in terms of lower volume off – take. We are nonetheless undertaking steps towards reviving the business. We do not expect return to normalcy before second half of the current financial year.

Given enhanced demand for packaged food & other items, there is a need to enhance capacity in Film SBU. Due to uncertainties created by Covid – 19, we had put on hold the implementation of expansion announced in March 2020, but active steps are now being taken to begin the implementation of this project. We continue to repose confidence in the potential and resilience of the business. "

Business Highlights

- **Polyester Films – Strong volume growth in FY20**
 - Volume growth as well as realisations remained steady during FY20 amidst strong demand.
 - Improved export orders combined with increasing applications for the FMCG sector
- **Specialty Polymers – Stellar performance in FY20**
 - Delivered robust performance in FY20 – 85% volume growth, 140% revenue growth; 28x profitability expansion
 - Proportion of MB – 03 & innovative PBT in the total sales volume increased from 33% to 76%
- **Engineering Plastics – Soft performance amidst challenging business environment**
 - Business was on upward trend till Covid – 19 hit. Covid – 19 has had significant impact on Auto as well as Electricals & Electronic sectors - largest end user segments and it will take better part of the current year for business to return to normalcy.
 - Working towards increasing share of high margin products in the overall mix

About Ester Industries:

Ester Industries Limited is a public limited company incorporated in 1985 promoted by the Singhanian family. The company is one of India's leading producers of Polyester Films, Engineering Plastics and Specialty Polymers having a track record of continually developing new and innovative products for customers across the globe. Ester Industries has state of the art manufacturing facilities in Khatima in Uttarakhand with the capacity of 67,000 TPA of Polyester Resin, 57,000 TPA of Polyester Film, 30,000 TPA of Specialty Polymers and 16,500 TPA of Engineering Plastics. The company currently exports about 25% of its production of Polyester Films with sales and distribution network in more than 56 countries across the world resulting in strong customer relationship. Specialty Polymers are manufactured primarily for the US and other overseas markets.

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