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January 13, 2020

Corporate Relationship Department
BSE Limited, Phiroze Jeejeebhoy Towers,
2nd Floor, Dalal Street, Mumbai – 400001.

INDIAN ACRYLICS LIMITED

CIN: L24301PB1986PLC006715

Head Office : ISO 9001-2008 Certified
SCO 49-50-51, Sector-26,
Madhya Marg, Chandigarh -160 019 (INDIA)
Tel : +91-172-2792385 / 2793112
Fax : +91-172-2794834 / 2790887
Website : www.indianacrylics.com

SCRIP CODE: 514165

Reg.: **FORWARD INTEGRATION HIGHLIGHTS**

Dear Sir/ Madam,

We are pleased to inform that Indian Acrylics Limited initiated forward integration project by setting up the new production capacities to manufacture Acrylic yarns in the year 2013. By doing above forward integration, the Company's captive consumption of acrylic fibre for yarn conversion has increased to 42% of the Acrylic fibre production. Over next two years' Company is aiming to utilize 70% captive consumption of Fibre to yarn.

The Yarn business has progressed smoothly in the current year with proportion of ready to use dyed yarns increasing further from 60% in the last year to 74% in the current year. We started with small capacity of 6600 spindles 5 years ago and now 53,992 spindles are running into production. The Company is keeping high capacity utilization of 90% to 95% in both its yarn spinning mills in all 3 Quarters of this year. We expect the capacity utilization of the yarn business to remain close to 95% in the Q4 as well. The sales as well as business margins have improved due to strong sales from yarn segment in the first three quarters. The sale of acrylic yarn has increased by 34% in the first 3 quarter of current FY (Rs.292.20 Crore) compared with same period in the last FY (Rs.218.42 Crore). The investment done in the yarn business over last 5 years have started paying off. Company is having full firm order book to the capacity for Q4 and we are confident that Company is well positioned to utilize the opportunity to put up a firm financial performance going ahead.

Kindly take the same on your records.

Thanking you,
Yours faithfully,
for INDIAN ACRYLICS LIMITED

(BHAVNESH K GUPTA)
COMPANY SECRETARY & COMPLIANCE OFFICER