

**INDO RAMA SYNTHETICS (INDIA) LIMITED**

Registered Office : A-31, MIDC Industrial Area, Butibori-441122, District Nagpur, Maharashtra.  
Corporate Office : 20th Floor, DLF Square, DLF City Phase II, Gurgaon -122002, Haryana

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

(Rs. in Crores, unless otherwise indicated)

**PART I**

S.No.	Particulars	Quarter Ended		Half Year Ended		Year Ended
		30.09.2013	30.06.2013	30.09.2013	30.09.2012	
		Un-audited		Un-audited		Audited
1	Income from operations (a) Net sales/income from operations (Net of excise duty) (b) Other operating income Total income from operations (net)	619.98 9.22 629.20	706.26 10.02 716.28	734.50 6.58 741.08	1,488.63 11.29 1,499.92	2,865.02 45.11 2,910.13
2	Expenses (a) Cost of materials consumed (b) Purchase of stock-in-trade (c) Changes in inventories of finished goods, work-in-progress and stock-in-trade (d) Employee benefits expense (e) Other expenses Total expenses before depreciation and amortisation, finance costs, exceptional item and tax	565.09 - (73.21) 20.95 100.82 613.65	507.72 0.46 (21.50) 21.30 65.43 702.00	601.53 0.46 (21.50) 20.73 98.60 699.82	1,210.47 0.46 16.34 42.25 203.34 1,472.23	2,426.62 0.46 8.46 81.24 351.68 2,868.46
3	Profit from operations before depreciation and amortisation, other income, finance costs, exceptional item and tax	15.55	14.28	41.26	27.69	41.67
4	Depreciation and amortisation expense	34.92	34.18	39.87	79.02	157.99
5	Total expenses after depreciation and amortisation, before finance costs, exceptional item and tax	648.57	736.18	739.69	1,551.25	3,026.45
6	(Loss) / Profit from operations before other income, finance costs, exceptional item and tax	(19.37)	(19.90)	1.39	(51.33)	(116.32)
7	Other income	35.29	55.84	33.75	165.11	240.78
8	Profit from ordinary activities before finance costs, exceptional item and tax	15.92	35.94	35.14	113.78	124.46
9	Finance costs	8.71	3.42	9.55	21.32	44.51
10	Profit from ordinary activities before exceptional item and tax	7.21	32.52	25.59	92.46	79.95
11	Exceptional item-foreign exchange fluctuation (loss) / gain (refer to note 5 and 6)	(86.68)	(105.44)	81.22	(23.83)	(39.26)
12	(Loss) / Profit from ordinary activities before tax	(79.47)	(72.92)	106.81	68.63	40.69
13	Income tax expense / (credit)	(18.11)	(42.89)	3.22	(8.86)	(0.57)
14	Net (Loss) / Profit for the period	(61.36)	(30.03)	103.59	77.49	41.26
15	Paid-up equity share capital (face value of Rs.10 per share)					151.82
16	Reserves excluding revaluation reserves as per balance sheet of previous accounting year					422.10
17	Basic and diluted EPS for the period (not annualised) (Rs. per share of Rs. 10 each)	(4.04)	(1.98)	6.82	5.10	2.72

See accompanying notes to the financial results.

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**DRAFT STANDALONE FINANCIAL RESULTS FOR THE QUARTER / HALF YEAR ENDED 30 SEPTEMBER 2013**

**PART II**

Particulars		SELECT INFORMATION FOR THE QUARTER / HALF YEAR ENDED 30 SEPTEMBER 2013					
		30.09.2013	Quarter Ended 30.06.2013	30.09.2012	Half Year Ended 30.09.2013	30.09.2012	Year Ended 31.03.2013
<b>A</b>	<b>PARTICULARS OF SHAREHOLDING</b>						
1	Total public shareholding (including Global Depository Receipts):	54,278,225	54,570,835	54,570,835	54,278,225	54,570,835	54,570,835
	- Number of shares (Nos.)	35.75	35.94	35.94	35.75	35.94	35.94
	- Percentage of shareholding (%)						
2	Promoters and promoter group shareholding :						
	a) Pledged/encumbered						
	- Number of shares	-	-	15,000,000	-	15,000,000	-
	- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	-	-	15.42	-	15.42	-
	- Percentage of shares (as a % of the total share capital of the company)	-	-	9.88	-	9.88	-
	b) Non-encumbered						
	- Number of shares	97,544,017	97,251,407	82,251,407	97,544,017	82,251,407	97,251,407
	- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	100.00	100.00	84.58	100.00	84.58	100.00
	- Percentage of shares (as a % of the total share capital of the company)	64.25	64.06	54.18	64.25	54.18	64.06

Particulars		Quarter Ended 30.09.2013
<b>B</b>	<b>INVESTOR COMPLAINTS</b>	
	Pending at the beginning of the quarter	-
	Received during the quarter	21
	Disposed off during the quarter	21
	Remaining unresolved at the end of the quarter	-

See accompanying notes to the financial results.



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Notes:

(Rs. in Crores, unless otherwise indicated)

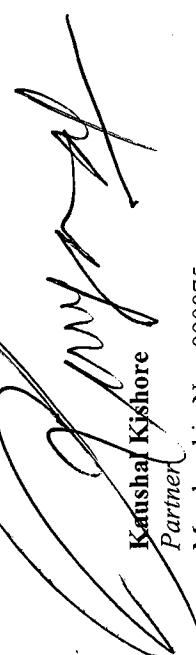
## 1. Statement of assets and liabilities

Particulars	Standalone	
	As at 30.09.2013	As at 31.03.2013
	Un-audited	Audited
<b>A. EQUITY AND LIABILITIES</b>		
<b>(1) Shareholders' funds</b>		
(a) Share capital	151.82	151.82
(b) Reserves and surplus	360.47	456.63
(c) Money received against share warrants	20.30	20.30
<b>Sub-total - Shareholders' funds</b>	<b>532.59</b>	<b>628.75</b>
<b>(2) Non-current liabilities</b>		
(a) Long-term borrowings	131.52	147.57
(b) Deferred tax liabilities (Net)	142.13	207.09
(c) Other long-term liabilities	0.84	0.84
(d) Long-term provisions	16.83	14.93
<b>Sub-total - Non-current liabilities</b>	<b>291.32</b>	<b>370.43</b>
<b>(3) Current liabilities</b>		
(a) Short-term borrowings	340.29	342.72
(b) Trade payables	630.04	536.03
(c) Other current liabilities	213.93	134.12
(d) Short-term provisions	9.15	27.85
<b>Sub-total - Current liabilities</b>	<b>1,193.41</b>	<b>1,040.72</b>
<b>TOTAL - EQUITY AND LIABILITIES</b>	<b>2,017.32</b>	<b>2,039.90</b>
<b>B. ASSETS</b>		
<b>(1) Non-current assets</b>		
(a) Fixed assets	1,137.33	1,175.67
(b) Non-current investments	36.99	36.99
(c) Long-term loans and advances	118.88	80.51
(d) Other non-current assets	8.73	19.61
<b>Sub-total - Non-current assets</b>	<b>1,301.93</b>	<b>1,312.78</b>
<b>(2) Current assets</b>		
(a) Current investments	7.89	10.30
(b) Inventories	354.61	303.60
(c) Trade receivables	77.59	87.53
(d) Cash and bank balances	38.22	36.94
(e) Short-term loans and advances	97.98	139.96
(f) Other current assets	139.10	148.79
<b>Sub-total - Current assets</b>	<b>715.39</b>	<b>727.12</b>
<b>TOTAL - ASSETS</b>	<b>2,017.32</b>	<b>2,039.90</b>

**Notes (Continued):-**

2. The Audit Committee reviewed the above results. The Board of Directors, at their meeting held on 13 November 2013, have approved the above results.
3. The Statutory Auditors of the Company have carried out a Limited Review of the financial results for the quarter and half year ended 30 September 2013 and an unqualified opinion has been issued. The review report of statutory auditors is being filed with the Bombay Stock Exchange and the National Stock Exchange.
4. On 9 November 2010, the Company had allotted 20,000,000 Fully Convertible Preferential warrants (FCPs) at Rs. 40.60 per warrant (aggregating Rs. 81.20 Crores) as per Securities and Exchange Board of India (SEBI) and other guidelines, as applicable. As per the terms of the warrants, Rs. 10.15 per warrant (aggregating Rs. 20.30 Crores) have been received and balance amount of Rs. 30.45 per warrant (aggregating Rs. 60.90 Crores) was payable within 18 months of allotment of the warrants. The warrants were convertible into equity shares within a period of 18 months from the date of allotment of warrants at the option of the warrant holders. Upon conversion, one warrant will be converted into one fully paid equity share of Rs.10 each and amount of Rs. 30.60 will be adjusted towards share premium account. Subsequently, the Company has received request from warrant holders for extending period upto May 2014 for payment of balance amount of Rs. 60.90 Crores. While the approval from MCA has been received, SEBI has yet to approve the same. The above has no impact on the results for the current period.
5. The Company had made an early application of Accounting Standard 30 "Financial Instruments- Recognition and Measurement", issued by The Institute of Chartered Accountants of India since the year 2010-11 for accounting for forward exchange contracts taken for highly probable / forecast transactions, which are not covered by AS-11. An amount of Rs. 40.86 Crores and Rs. 107.34 Crores has been recognized as an expense in these financial results for the quarter and half year ended 30 September 2013 respectively and included in exceptional items as an adjustment on the said application of Accounting Standard 30. An income of Rs. 54.21 Crores and an expense of Rs. 1.86 Crores was recognised for the quarter and half year ended 30 September 2012 respectively.
6. Due to significant volatility in the foreign currency vis-à-vis local currency, the Company has considered other foreign exchange fluctuation also as an exceptional item.
7. The Company's business activity falls within a single primary business segment viz. 'Polyester'.
8. Previous period figures have been regrouped / recast, wherever necessary, to make them comparable.

Per our report attached  
For **B S R and Associates**  
*Chartered Accountants*  
Firm registration number: 128901W

  
**Kaushal Kishore**  
Partner  
Membership No.: 090075

For and on behalf of the Board of Directors  
**Indo Rama Synthetics (India) Limited**

  
**Om Prakash Lohia**  
Chairman & Managing Director

Place: Gurgaon

Date: 13 November 2013

Place: Gurgaon

Date: 13 November 2013



# B S R and Associates

Chartered Accountants

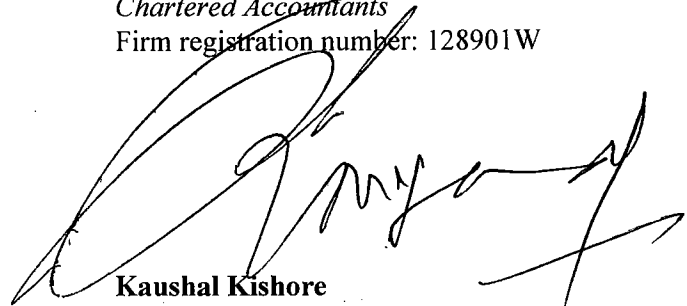
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## Review Report to the Board of Directors of Indo Rama Synthetics (India) Limited

1. We have reviewed the accompanying statement of un-audited standalone financial results of Indo Rama Synthetics (India) Limited ('the Company') for the quarter and six months ended 30 September 2013, except for the disclosures regarding "Public Shareholding" and "Promoter and Promoter Group Shareholding", which have been traced from the disclosures made by the management and have not been reviewed by us. 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 these financial results, based on our review.
2. We conducted our review in accordance with the Standard on Review Engagement (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 financial results are 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. Without qualifying our opinion, attention is drawn to note 5 to the financial results, which explains the early application of Accounting Standard 30 "Financial Instruments- Recognition and Measurement" issued by the Institute of Chartered Accountants of India since the year 2010-11. An amount of Rs. 40.86 Crores and Rs. 107.34 Crores has been recognized as an expense in these financial results for the quarter and six months ended 30 September 2013 respectively and included in exceptional items as an adjustment on application of Accounting Standard 30.
4. Based on our review conducted as explained in paras 1 and 2 above, nothing has come to our attention that causes us to believe that the accompanying un-audited financial statements, prepared in accordance with applicable accounting standards 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, including the manner in which it is to be disclosed, or that it contains any material misstatement.

For B S R and Associates  
Chartered Accountants  
Firm registration number: 128901W



**Kaushal Kishore**  
Partner  
Membership No.: 090075

Place: Gurgaon  
Date: 13 November 2013



# INDO RAMA Synthetics (India) Limited

Press Release

For immediate dissemination

## Indo Rama Synthetics (India) Ltd. reports financial results for the Quarter and Half Year ended September 30, 2013

### Editor's Synopsis

#### Q2FY13-14 Results (all comparisons with Q2FY12-13)

- Net Sales at Rs 619.98 crore vis-à-vis Rs 734.50 crore
- Operational EBIDTA at Rs 15.55 crore vis-à-vis Rs 41.26 crore
- PAT at Rs (61.36) crore vis-à-vis Profit of Rs 103.59 crore

#### H1FY13-14 Results (all comparisons with H1FY12-13)

- Net Sales at Rs 1,326.24 crore vis-à-vis Rs 1,488.63 crore
- Operational EBIDTA at Rs 29.95 crore vis-à-vis Rs 27.69 crore
- PAT at Rs (91.39) crore vis-à-vis Profit of Rs 77.49 crore

**Gurgaon, November 13, 2013:** Indo Rama Synthetics (India) Limited, India's largest dedicated polyester manufacturer, today announced its un-audited results for the Quarter and Half Year ended September 30, 2013.

For the quarter ended September 30, 2013, Net Sales stood at Rs 619.98 crore as against Rs 734.50 crore in Q2 of previous year. Operational EBITDA declined to Rs. 15.55 crore as compared to Rs 41.26 crore in the same period last year. The company recorded loss after tax of Rs 61.36 crore in the quarter as compared to profit of Rs 103.59 crore in Q2 of the previous year.

The sales in this quarter have been lower due to weak demand in the local as well as in the international markets. Adding to the weak demand, the production was also hampered due to the lack of adequate raw material, which was affected due to the sudden stoppage of production at the PTA plant of IOCL at Panipat. Combination of these factors has adversely affected the margins in this quarter.

For the half year ended September 30, 2013, the company delivered a net sales performance of Rs 1,326.24 crore, as compared to Rs 1,488.63 crore in H1 of previous year. Operational EBIDTA stood at Rs 29.95 crore as compared to Rs 27.69 crore last year. The loss after tax was Rs 91.39 crore as compared to profit of Rs 77.49 crore in H1 of previous year.

Commenting on the Company's performance, **Mr. O. P. Lohia, Chairman & Managing Director, Indo Rama Synthetics (India) Ltd. said,** "Our performance for this quarter has been delivered in the face of a continuing difficult macro environment. Demand has decreased significantly resulting in lower off take. The volatility of Indian currency has also increased the cost of our imported inputs and resulted in forex loss.

*We are however now witnessing a gradual improvement as we expect the demand to be on the higher side. We also continue to enhance our focus on the international markets. This not only contributes to increased volumes; it also acts as a hedge against high input import costs. Stable crude prices combined with a strong cost rationalisation will also help us to improve operational performance in the second half of the year"*

**About Indo Rama Synthetics (India) Ltd.**

Indo Rama Synthetics (India) Ltd. is India's largest dedicated polyester manufacturer with an Integrated Manufacturing Complex in Butibori near Nagpur in Maharashtra, with production capacity of 6,10,050 tonnes per annum of Polyester Staple Fibre, Filament Yarn, Draw Texturized Yarn, Fully Drawn Yarn and Textile grade Chips. For more information please visit <http://indoramaindia.com>

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***For further Information, please contact:***

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