

**Auditor's Report on Quarterly Financial Results and Year to Date Results of the Company  
Pursuant to the Clause 41 of the Listing Agreement**

To  
**Board of Directors of  
Ester Industries Limited**

1. We have audited the quarterly financial results of Ester Industries Limited for the quarter ended March 31, 2014 and the financial results for the year ended March 31, 2014, attached herewith, being submitted by the Company pursuant to the requirement of Clause 41 of the Listing Agreement, except for the disclosures regarding 'Public Shareholding' and 'Promoter and Promoter Group Shareholding' which have been traced from disclosures made by the management and have not been audited by us. The quarterly financial results are the derived figures between the audited figures in respect of the year ended March 31, 2014 and the published year-to-date figures up to December 31, 2013, being the date of the end of the third quarter of the current financial year, which were subject to limited review. The financial results for the quarter ended March 31, 2014 have been prepared on the basis of the financial results for the nine-month period ended December 31, 2013, the audited annual financial statements as at and for the year ended March 31, 2014, and the relevant requirements of Clause 41 of the Listing Agreement and are the responsibility of the Company's management and have been approved by the Board of Directors of the Company. Our responsibility is to express an opinion on these financial results based on our review of the financial results for the nine-month period ended December 31, 2013 which was prepared in accordance with the recognition and measurement principles laid down in Accounting Standard (AS) 25, Interim Financial Reporting, notified under the Companies Act, 1956 read with General Circular 8/2014 dated April, 4 2014 issued by the Ministry of Corporate Affairs and other accounting principles generally accepted in India; our audit of the annual financial statements as at and for the year ended March 31, 2014; and the relevant requirements of Clause 41 of the Listing Agreement.
2. We conducted our audit in accordance with the auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial results are free of material misstatement(s). An audit includes examining, on a test basis, evidence supporting the amounts disclosed as financial results. An audit also includes assessing the accounting principles used and significant estimates made by management. We believe that our audit provides a reasonable basis for our opinion.
3. In our opinion and to the best of our information and according to the explanations given to us these quarterly financial results as well as the year to date results:
  - i. are presented in accordance with the requirements of clause 41 of the Listing Agreement in this regard; and
  - ii. give a true and fair view of the net profit and other financial information for the quarter ended March 31, 2014 and for the year ended March 31, 2014.



# **S.R. BATLIBOI & ASSOCIATES LLP**

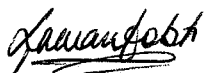
Chartered Accountants

4. Further, read with paragraph 1 above, we report that the figures for the quarter ended March 31, 2014 represent the derived figures between the audited figures in respect of the financial year ended March 31, 2014 and the published year-to-date figures up to December 31, 2013, being the date of the end of the third quarter of the current financial year, which were subjected to a limited review as stated in paragraph 1 above, as required under Clause 41(I)(d) of the Listing Agreement.
5. Further, read with paragraph 1 above, we also report that we have, on the basis of the books of account and other records and information and explanations given to us by the management, also verified the number of shares as well as percentage of shareholdings in respect of aggregate amount of public shareholdings, as furnished by the company in terms of clause 35 of the Listing Agreement and found the same to be correct.
6. We did not audit total assets of Rs. 53.21 lacs as at March 31, 2014, total revenues of Rs. 32.96 lacs and net cash outflows amounting to Rs. 9.81 lacs for the year then ended, included in the accompanying financial statements in respect of erstwhile Sriyam Impex Private Limited which got amalgamated with the Company pursuant to the order of High Court of Uttarakhand vide its order dated March 25, 2014. The financial statements and other financial information of erstwhile Sriyam Impex Private Limited have been audited by other auditors and whose report has been furnished to us. Our opinion, in so far as it relates to the affairs of erstwhile Sriyam Impex Private Limited is based solely on the report of other auditors. Our opinion is not qualified in respect of this matter.

**For S.R. Batliboi & Associates LLP**

Chartered Accountants

ICAI Firm Registration Number: 101049W



**per Raman Sobti**

Partner

Membership Number: 89218

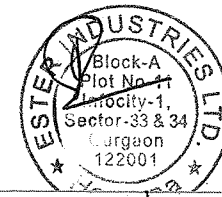
Place of Signature: Gurgaon

Date: May 21, 2014



**ESTER INDUSTRIES LIMITED**  
**REGD. OFFICE : SOHAN NAGAR, P.O. CHARUBETA**  
**KHATIMA - 262 308, DISTT. UDHAMSINGH NAGAR (UTTRAKHAND)**  
**Corporate Identification Number (CIN) - L24111UR1985PLC015063**  
**Statement of Standalone and Consolidated Audited Results for the Year Ended March 31,2014**

s. no	Particulars	Standalone					Consolidated	
		Three months ended	Preceding Three months ended	Corresponding Three months ended	Current Year ended	Previous Year ended	Current Year ended	Previous Year ended
		31-Mar-14 (Audited as explained in note 3 below)	31-Dec-13 (Unaudited)	31-Mar-13 (Unaudited)	31-Mar-14 (Audited)	31-Mar-13 (Audited)	31-Mar-14 (Audited)	31-Mar-13 (Audited)
1 a)	Net sales/Income from Operations	23,775.38	22,910.00	21,147.07	91,901.03	87,129.43	91,901.03	87,129.43
b)	Other Operating Income	227.15	212.90	244.98	946.19	1,472.85	946.19	1,472.85
	<b>Total Income from operation ( net) 1(a)+1(b)</b>	<b>24,002.53</b>	<b>23,122.90</b>	<b>21,392.05</b>	<b>92,847.22</b>	<b>88,602.28</b>	<b>92,847.22</b>	<b>88,602.28</b>
2	<b>Expenses</b>	<b>24,002.53</b>	<b>23,122.90</b>	<b>21,392.05</b>	<b>92,847.22</b>	<b>88,602.28</b>	<b>92,847.22</b>	<b>88,602.28</b>
a)	(Increase)/decrease in stock in trade and work in progress	59.71	383.39	936.06	(385.64)	427.58	(385.64)	427.58
b)	Consumption of raw materials	16,906.59	16,213.30	15,690.98	66,265.07	64,490.13	66,265.07	64,490.13
c)	Employees cost	1,108.17	905.14	973.83	3,872.64	3,220.20	3,872.64	3,220.20
d)	Depreciation	778.81	776.90	717.77	3,030.39	2,858.52	3,030.39	2,858.52
e)	Loss/( Profit) on Foreign Exchange Fluctuation (Net)	(35.40)	(29.55)	(104.84)	(262.33)	(409.98)	(262.33)	(409.98)
f)	Other expenditure	3,937.31	3,796.82	3,660.95	15,656.15	16,319.38	15,656.15	16,320.47
	<b>Total Expenses (a+b+c+d+e+f)</b>	<b>22,755.19</b>	<b>22,046.00</b>	<b>21,874.75</b>	<b>88,176.28</b>	<b>86,905.83</b>	<b>88,176.28</b>	<b>86,906.92</b>
3	<b>Profit/ (loss) from Operation before Other Income, Finance cost and Exceptional Items (1-2)</b>	<b>1,247.34</b>	<b>1,076.90</b>	<b>(482.70)</b>	<b>4,670.94</b>	<b>1,696.45</b>	<b>4,670.94</b>	<b>1,695.36</b>
4	Other Income	97.27	39.04	56.67	230.50	169.47	230.50	169.47
5	<b>Profit ( loss) from ordinary activities before Finance cost and Exceptional Item ( 3+4)</b>	<b>1,344.61</b>	<b>1,115.94</b>	<b>(426.03)</b>	<b>4,901.44</b>	<b>1,865.92</b>	<b>4,901.44</b>	<b>1,864.83</b>
6	Finance cost	988.22	979.21	666.31	3,486.77	2,646.81	3,486.77	2,646.83
7	<b>Profit ( loss) from ordinary activities after Finance cost but before Exceptional Item (5-6)</b>	<b>356.39</b>	<b>136.73</b>	<b>(1,092.34)</b>	<b>1,414.67</b>	<b>(780.89)</b>	<b>1,414.67</b>	<b>(782.00)</b>
8	Exceptional items	-	-	-	-	-	-	-
9	<b>Profit / ( loss) from Ordinary Activities before tax (7+8)</b>	<b>356.39</b>	<b>136.73</b>	<b>(1,092.34)</b>	<b>1,414.67</b>	<b>(780.89)</b>	<b>1,414.67</b>	<b>(782.00)</b>
10	Tax expense	-	-	-	-	-	-	-
-	- Current Tax	-	-	-	-	-	-	-
-	- Mat credit	87.25	27.25	-	298.99	-	298.99	-
-	- Deferred Tax Charge/(credit)	(87.25)	(27.25)	-	(298.99)	-	(298.99)	-
11	<b>Net Profit/ loss from Ordinary Activities after tax (9-10)</b>	<b>225.60</b>	<b>51.42</b>	<b>(355.06)</b>	<b>573.96</b>	<b>(253.90)</b>	<b>573.96</b>	<b>(253.90)</b>
12	Impact of scheme of amalgamation relating to earlier period	130.79	85.31	(737.28)	840.71	(526.99)	840.71	(528.10)
13	Extraordinary Item (net of tax expense)	(3.76)	-	-	(3.76)	-	(3.76)	-
14	<b>Net Profit / (loss) for the period (11-12)</b>	<b>127.03</b>	<b>85.31</b>	<b>(737.28)</b>	<b>836.95</b>	<b>(526.99)</b>	<b>836.95</b>	<b>(528.10)</b>
15	Paid-up equity share capital * (Face Value of Share Rs. 5/- each)	3,144.69	3,144.69	3,144.69	3,144.69	3,144.69	3,144.69	3,144.69
16	Reserves (excluding Revaluation Reserves as per balance sheet of previous accounting year)	-	-	-	23,259.37	22,717.31	22,628.10	22,080.64
17	Earning Per Share ( face value of Rs. 5 each)	-	-	-	-	-	-	-
	Basic and diluted EPS before Extraordinary items for the period, for the year to date and for the previous year (not annualized)	0.20	0.14	(1.17)	1.34	(0.84)	1.34	(0.84)
	Basic and diluted EPS after Extraordinary items for the period, for the year to date and for the previous year (not annualized)	0.20	0.14	(1.17)	1.34	(0.84)	1.34	(0.84)



**ESTER INDUSTRIES LIMITED**  
**REGD. OFFICE : SOHAN NAGAR, P.O. CHARUBETA**  
**KHATIMA - 262 308. DISTT. UDHAMSINGH NAGAR (UTTRAKHAND)**  
**Statement of Standalone and Consolidated Audited Results for the Year Ended March 31,2014**

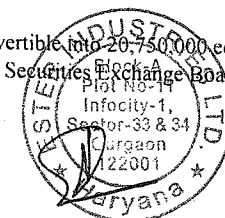
Particulars	Standalone					Consolidated	
	Three months ended	Preceding Three months ended	Corresponding Three months ended	Current Year ended	Previous Year ended	Current Year ended	Previous Year ended
	31-Mar-14	31-Dec-13	31-Mar-13	31-Mar-14	31-Mar-13	31-Mar-14	31-Mar-13
<b>PARTICULARS OF SHAREHOLDING *</b>							
1 Public Shareholding							
Number of Shares	17,550,264	17,550,264	17,550,264	17,550,264	17,550,264	17,550,264	17,550,264
Percentage of Shareholding	27.90%	27.90%	27.90%	27.90%	27.90%	27.90%	27.90%
2 Promoters and promoter group Shareholding							
a) Pledged/ Encumbered							
Number of Shares	NIL	NIL	NIL	NIL	NIL	NIL	NIL
Percentage of shares (as a % of the total shareholding of promoter and promoter group)	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Percentage of shares (as a % of total share capital of the Company)	0.00	0.00	0.00	0.00	0.00	0.00	0.00
b) Non - encumbered							
Number of Shares	45,343,442	45,343,442	45,343,442	45,343,442	45,343,442	45,343,442	45,343,442
Percentage of shares (as a % of the total shareholding of promoter and promoter group)	100%	100%	100%	100%	100%	100%	100%
Percentage of shares (as a % of total share capital of the company)	72.10%	72.10%	72.10%	72.10%	72.10%	72.10%	72.10%

Particulars	3 Months ended on March 31,2014
<b>INVESTOR COMPLAINTS</b>	
Pending at the beginning of the quarter	Nil
Received during the quarter	15
Disposed of during the quarter	15
Remaining unresolved at the end of the quarter	Nil

\* Excluding the share capital control account which is on account of scheme of amalgamation.

**NOTES :**

- The above results for the Year ended March 31, 2014 have been reviewed by the Audit Committee and have been approved by the Board of Directors at the meeting held on May 21, 2014.
- Previous year / previous period figures have been regrouped / reclassified to confirm to current period classification.
- Figures of last quarter are the balancing figures between audited figures in respect of the full year ended March 2014 and published year to date reviewed figures upto the third quarter ended December 31,2013.
- In the Board Meeting held on October 3, 2013, the Board of Directors approved the proposal for preferential allotment of 20,750,000 Zero Coupon Warrants ("the warrants") of Rs. 10.10 each and convertible into 20,750,000 equity shares of Rs. 5 each fully paid up at a price of Rs. 10.10 each including premium of Rs. 5.10 each to a Non-Promoter entity in compliance with the Companies Act, 1956. The Companies Act, 2013 and Securities Exchange Board of India (SEBI) Regulations and subject to the shareholders and other necessary approvals required. After obtaining approval from Shareholders, Stock Exchanges and Foreign Investment Promotion Board (FIPB), the Company allotted the Warrants in its Board Meeting held on April 11, 2014.



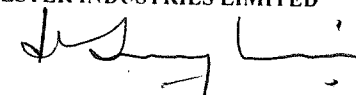
5 The Board of directors has proposed a dividend of Rs. 0.50 per equity share.

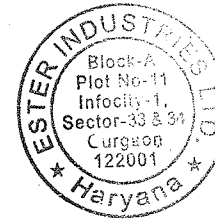
6 i) The shareholders of the company had approved a scheme of amalgamation between the company (transferee Company) and fellow subsidiary Sriyam Impex Private Limited (transferor Company) with an appointed date of April 1, 2012. Sriyam Impex Private Limited was engaged in trading of BOPP film, chemicals and other items. From April 1, 2012, the operation of the transferor Company stood transferred to and vested in the Company on a going concern basis.

ii) During the current year, the scheme of amalgamation between Ester Industries Limited and Sriyam Impex Private Limited has been approved by the Hon'ble High Court of Uttrakhand vide its order dated March 25, 2014. The certified copy of the order was received by the company on April 26, 2014 and the same was filed with Registrar of Companies (ROC) on May 7, 2014. Since the events viz., the Court order and filing with the ROC, have happened prior to the issuance of the annual audited results, the effect of scheme has been incorporated in the financial statements ending on March 31, 2014.

Place : New Delhi  
Date : May 21, 2014

For ESTER INDUSTRIES LIMITED

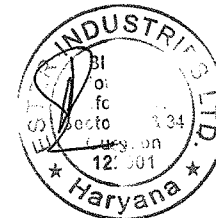
  
(ARVIND SINGHANIA)  
CHAIRMAN



**SEGMENT WISE REVENUE, RESULTS AND CAPITAL EMPLOYED FOR THE YEAR ENDING MARCH 31, 2014**

(Rs. in lakhs)

SEGMENT WISE REVENUE, RESULTS AND CAPITAL EMPLOYED	STANDALONE FINANCIAL RESULTS			STANDALONE FINANCIAL RESULTS		CONSOLIDATED FINANCIAL RESULTS		
	Particulars	Audited (As explained in note 3 below results)	Unaudited	Unaudited	Audited	Audited	Audited	Audited
		Quarter ended	Quarter ended	Quarter ended	Year ended	Year ended	Year ended	Year ended
		March 31, 2014	December 31, 2013	March 31, 2013	March 31, 2014	March 31, 2013	March 31, 2014	March 31, 2013
<b>1. Segment Revenue</b>								
a. Polyester Chips & Film	20,102.82	19,075.86	18,397.38	78,458.41	78,074.21	78,458.41	78,074.21	
b. Engineering Plastic	3,899.71	4,047.05	2,994.67	14,388.82	10,528.07	14,388.82	10,528.07	
c. Unallocated	-	-	-	-	-	-	-	
<b>Net sales/Income From Operations</b>	<b>24,002.53</b>	<b>23,122.91</b>	<b>21,392.05</b>	<b>92,847.22</b>	<b>88,602.28</b>	<b>92,847.22</b>	<b>88,602.28</b>	
<b>2. Segment Results</b>								
a. Polyester Chips & Film	2,930.38	1,721.65	362.18	8,754.05	4,551.59	8,754.05	4,551.59	
b. Engineering Plastic	252.61	207.35	169.29	793.56	566.95	793.56	566.95	
<b>Total</b>	<b>3,182.99</b>	<b>1,929.00</b>	<b>531.47</b>	<b>9,547.61</b>	<b>5,118.54</b>	<b>9,547.61</b>	<b>5,118.54</b>	
Less :								
i. Finance Cost	988.22	979.21	666.31	3,486.77	2,646.81	3,486.77	2,646.83	
ii. Other un-allocable expenditure net of Un-allocable income	1,838.37	813.06	957.50	4,646.16	3,252.62	4,646.16	3,253.71	
<b>Total Profit Before Tax</b>	<b>356.39</b>	<b>136.73</b>	<b>(1,092.35)</b>	<b>1,414.67</b>	<b>(780.89)</b>	<b>1,414.67</b>	<b>(782.00)</b>	
<b>3. Capital Employed</b>								
(Segment assets- Segment Liabilities).								
a. Polyester Chips & Film	39,533.06	41,451.81	41,886.48	39,533.06	41,886.48	39,533.06	41,886.48	
b. Engineering Plastic	8,051.52	5,796.40	4,636.05	8,051.52	4,636.05	8,051.52	4,636.05	
c. Unallocated	(21,193.01)	(20,687.29)	(20,660.53)	(21,193.01)	(20,660.53)	(21,290.25)	(20,748.57)	
<b>Total</b>	<b>26,391.57</b>	<b>26,560.92</b>	<b>25,862.00</b>	<b>26,391.57</b>	<b>25,862.00</b>	<b>26,294.33</b>	<b>25,773.96</b>	



**ESTER INDUSTRIES LIMITED**  
**REGD. OFFICE : SOHAN NAGAR, P.O. CHARUBETA**  
**KHATIMA - 262 308. DISTT. UDHAMSINGH NAGAR (UTTRAKHAND)**  
**STATEMENT OF ASSETS AND LIABILITIES**

(Rs. in lacs)

	Particulars	STAND ALONE BALANCE SHEET		CONSOLIDATED BALANCE SHEET	
		As at March 31, 2014 (Audited)	As at March 31, 2013 (Audited)	As at March 31, 2014 (Audited)	As at March 31, 2013 (Audited)
<b>A</b>	<b>Equity and liabilities</b>				
1	<b>Shareholders' fund</b>				
	Share capital	3,144.69	3,144.69	3,144.69	3,144.69
	Share capital control account	(12.49)	-	(12.49)	-
	Reserve & surplus	23,259.37	22,717.31	23,162.13	22,629.27
	<b>Sub-total - Shareholders' funds</b>	<b>26,391.57</b>	<b>25,862.00</b>	<b>26,294.33</b>	<b>25,773.96</b>
2	<b>Non - current liabilities</b>				
	Long term borrowings	12,415.30	15,960.42	12,415.30	15,960.42
	Deferred tax liability (net)	2,469.41	1,895.45	2,469.41	1,895.45
	Long term provisions	518.58	436.89	518.58	436.89
	<b>Sub-total - Non-current liabilities</b>	<b>15,403.29</b>	<b>18,292.76</b>	<b>15,403.29</b>	<b>18,292.76</b>
3	<b>Current liabilities</b>				
	Short term borrowings	20,793.51	14,930.37	20,793.51	14,930.37
	Trade payables	2,023.18	1,918.13	2,042.11	1,927.69
	Other current liabilities	4,647.78	4,075.88	4,667.14	4,095.24
	Short term provisions	648.34	225.68	648.34	225.68
	<b>Sub-total - Current liabilities</b>	<b>28,112.81</b>	<b>21,150.06</b>	<b>28,151.10</b>	<b>21,178.98</b>
	<b>Total - Equity &amp; Liabilities</b>	<b>69,907.67</b>	<b>65,304.82</b>	<b>69,848.72</b>	<b>65,245.70</b>
<b>B</b>	<b>Assets</b>				
1	<b>Non-current assets</b>				
	Fixed assets				
	Tangible assets	38,912.19	37,462.42	38,912.19	37,462.42
	Intangible assets	86.83	89.10	86.83	89.10
	Capital work in progress	1,808.21	510.79	1,808.21	510.79
	Non-current investment	11.71	1.71	11.71	1.71
	Long term loans & advances	982.37	801.40	914.48	734.69
	Other non-current assets	64.77	9.61	64.77	9.61
	<b>Sub-total - Non-current Assets</b>	<b>41,866.08</b>	<b>38,875.03</b>	<b>41,798.19</b>	<b>38,808.32</b>
2	<b>Current assets</b>				
	Inventories	12,411.04	12,270.11	12,411.04	12,270.11
	Trade receivables	12,423.91	10,902.17	12,423.91	10,902.17
	Cash & bank balances	824.41	1,425.52	825.26	1,426.28
	Short term loans & advances	1,959.23	1,354.04	1,967.32	1,360.87
	Other current assets	423.00	477.95	423.00	477.95
	<b>Sub-total - Current Assets</b>	<b>28,041.59</b>	<b>26,429.79</b>	<b>28,050.53</b>	<b>26,437.38</b>
	<b>Total - Assets</b>	<b>69,907.67</b>	<b>65,304.82</b>	<b>69,848.72</b>	<b>65,245.70</b>

Place : New Delhi  
Date : May 21, 2014

For ESTER INDUSTRIES LIMITED



(ARVIND SINGHANIA)  
CHAIRMAN