

INDO RAMA Synthetics (India) Limited

Press Release

For immediate dissemination

Indo Rama Synthetics (India) Ltd. Q4 EBIDTA at Rs 56.38 Crore Net Revenues at Rs 693.47 Crore

Editor's Synopsis

Q4 FY14 Results (Comparisons with Q4 FY 13)

- Revenues at Rs 693.47 crore vis-a-vis Rs 706.99 crore
- EBIDTA at Rs 56.38 crore vis-a-vis Rs 22.19 crore
- PAT at Rs (14.17) crore vis-a-vis Rs (38.06) crore

FY 14 Results (Comparisons with FY 13)

- Revenues at Rs 2629.12 crore vis-a-vis Rs 2910.13 crore
- EBIDTA at Rs 145.08 crore vis-a-vis Rs 243.19 crore
- PAT at Rs (8.18) crore vis-a-vis Rs 41.26 crore

New Delhi, May 20, 2014: Indo Rama Synthetics (India) Limited, India's largest dedicated polyester manufacturer, today announced its audited results for the Quarter and financial Year ended March 31, 2014.

For the quarter ended March 31, 2014, the company's net revenue stood at Rs 693.47 crore as against Rs 706.99 crore of Q4 of previous year. The EBIDTA for the period stood at Rs 56.38 crore compared to Rs 22.19 crore for the corresponding quarter in the previous year. Net loss for the period stood at Rs 14.17 crore as compared to a loss of Rs 38.06 crore in Q4 FY13.

For the financial year ended March 31, 2014, the net revenue stood at Rs 2629.12 crore as compared to Rs 2910.13 crore in the previous year. For full year, EBIDTA stood at Rs 145.08 crore as compared to Rs 243.19 crore in the last fiscal year. Net loss for FY14 stood at Rs 8.18 crore as against profit of Rs. 41.26 crore during last financial year.

The last financial year saw slow demand for the polyester industry in India as well as overseas. The industry faced lots of economic challenges in term of squeezing of margin due to the high prices of raw material along with the interrupted supply. The last financial year witnessed one of the worst phases for the rupee and fluctuation in the crude oil prices have led to the squeezing of margins. However these prices weren't passed to the customers thus forcing the margins to be lower.

India has low per capita man-made fibre consumption at 3.0 kg per annum, as against the global average of 8 kg per annum. This indicates the untapped potential for the polyester manufacturers, providing scope to grow positively in the coming time. Indo Rama has demonstrated its resilience in the challenging economic times last year in the adverse conditions. We have also taken some cost improvement initiatives, which will further add to our competitiveness. With the Polyester prices bottoming out and rupee stabilizing, we expect the sentiments and performance to improve from here.

We have been successfully able to make optimum utilization of available resources so as to keep up our operational efficiencies. We hope to see improvement in the overall economic environment that should help us perform better in the coming year. With the demand looking up in the coming year, we project that the following quarters will be better than the last.

Commenting on the company's performance, **Mr. O. P. Lohia, Chairman & Managing Director, Indo Rama Synthetics (India) Ltd.** said, *On the back of India's burgeoning population, rapid urbanisation, enhanced industrialisation, increasing cotton prices and insignificant cotton production growth, I am hopeful that polyester consumption will increase substantially in the coming years. While entire world is fighting economic downturn we have been withering the tough environment and have been strengthening our cost competitiveness by virtue of cost rationalization. With the new government at the centre, we hope that much needed impetus shall be generated that will bolster interest in this sector and enable creation of new jobs, pushing up GDP growth and bringing alive the dream of inclusive growth.*

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 our company website - www.indoramaindia.com

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