

IRSL:STEXCH:2016-17:
8th February 2017

National Stock Exchange of India Limited

Exchange Plaza, 5th Floor,
Bandra - Kurla Complex,
Bandra (E)
Mumbai - 400 051.

Thru.: **NEAPS**

Stock Code NSE: **INDORAMA**

BSE Limited

Floor 25,
P. J. Towers,
Dalal Street,
Mumbai - 400 001.

Thru.: **BSE Listing Centre**

Stock Code BSE: **500207**

ISIN: INE156A01020

Indo Rama Synthetics (India) Limited - CIN L17124MH1986PLC166615

Sub.: Outcome of the Board Meeting held on 8th February 2017

Dear Sir,

This is in continuation to our earlier letter dated 31st January 2017 and pursuant to the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we would like to inform you that the Board of Directors, in their meeting held today, i.e., 8th February 2017, have approved the Un-audited Financial Results of the Company for the quarter ended 31st December 2016 and enclosing herewith Un-audited Financial Results along with the Limited Review Report of Auditors, as **Annexure - A**.

The meeting of the Board of Directors commenced at 12:30 PM and concluded at 1:00 PM.

We are arranging to publish these results in the Newspapers as per the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

This is for your kind information and record.

Thanking You.

Yours faithfully,
for **Indo Rama Synthetics (India) Limited**



Jayantk Sood
Head-Corporate & Company Secretary
(ICSI Membership No.: FCS 4482)



Encl.: As above.

INDO RAMA SYNTHETICS (INDIA) LTD.

Corporate Office : 20th Floor, DLF Square, DLF Phase-2, NH-8, Gurgaon - 122002, Haryana, India. Tel : 0124-4997000, Fax : 0124-4997070

Registered Office & Manufacturing Complex : A-31, MIDC Industrial Area, Butibori, Nagpur - 441122, Maharashtra, India. Tel : 07104-663000 / 01, Fax : 07104-663200

E-mail : corp@indorama-ind.com • Website : www.indoramaindia.com

CIN : L17124MH1986PLC166615

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

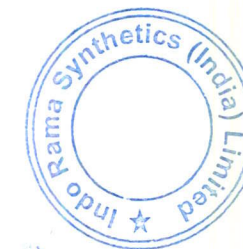
Tel. 07104-663000 / 01 Fax: 07104-663200, Email: investor-relations@indorama-ind.com, Website: www.indoramaindia.com, CIN: L17124MH1986PLC166615

STATEMENT OF STANDALONE UNAUDITED FINANCIAL RESULTS FOR THE QUARTER / NINE MONTHS ENDED 31 DECEMBER 2016

(Rs. in crores, unless otherwise indicated)

S.No.	Particulars	Quarter ended			Nine months ended	
		31.12.2016	30.09.2016	31.12.2015	31.12.2016	31.12.2015
		Un-audited	Un-audited	Un-audited	Un-audited	Un-audited
1	Income from operations					
	(a) Sales/income from operations	611.86	755.94	645.06	2,062.83	2,010.09
	(b) Other operating income (refer note 4(b))	12.06	10.22	18.19	36.97	55.28
	Total income from operations	623.92	766.16	663.25	2,099.80	2,065.37
2	Expenses					
	(a) Cost of materials consumed	416.83	543.98	435.61	1,470.33	1,494.55
	(b) Changes in inventories of finished goods and work-in-progress	46.46	(2.88)	36.19	48.35	(26.35)
	(c) Excise duty on sales	52.24	67.09	59.96	181.91	187.39
	(d) Employee benefits expense	26.90	27.52	26.28	80.56	80.16
	(e) Other expenses	97.71	126.98	83.16	327.45	273.06
	Total expenses before depreciation and amortisation, finance costs, foreign exchange fluctuation and exceptional items	640.14	762.69	641.20	2,108.60	2,008.81
3	Profit / (Loss) from operations before depreciation and amortisation, other income, finance costs, foreign exchange fluctuation and exceptional items (1-2)	(16.22)	3.47	22.05	(8.80)	56.56
4	Depreciation and amortisation expense	20.17	19.94	18.82	59.58	58.15
5	Total expenses after depreciation and amortisation but before finance costs, foreign exchange fluctuation and exceptional items (2+4)	660.31	782.63	660.02	2,168.18	2,066.96
6	Profit / (Loss) from operations before other income, finance costs, foreign exchange fluctuation and exceptional items (1-5)	(36.39)	(16.47)	3.23	(68.38)	(1.59)
7	Other income	1.05	1.18	0.84	19.96	3.63
8	Profit / (Loss) from ordinary activities before finance costs, foreign exchange fluctuation and exceptional items (6+7)	(35.34)	(15.29)	4.07	(48.42)	2.04
9	Finance costs	22.02	19.32	13.63	62.03	38.08
10	Foreign exchange fluctuation gain / (loss)	(0.73)	12.20	(2.22)	4.67	(9.02)
11	Profit / (Loss) from ordinary activities (8-9+10)	(58.09)	(22.41)	(11.78)	(105.78)	(45.06)
12	Exceptional items					
	-Inventory losses	-	-	(0.72)	-	(26.68)
	-Employee benefits expense	-	-	(0.40)	-	-
13	Profit / (Loss) from ordinary activities before tax (11+12)	(58.09)	(22.41)	(12.90)	(105.78)	(71.74)
14	Income tax credit / (expense) (refer note 2)	20.14	7.72	5.15	36.58	20.14
15	Net Profit / (Loss) for the period (13+14)	(37.95)	(14.69)	(7.75)	(69.20)	(51.60)
16	Other comprehensive income after tax (OCI)	-	-	-	-	-
17	Total comprehensive income after tax (15+16)	(37.95)	(14.69)	(7.75)	(69.20)	(51.60)
18	Paid-up equity share capital (face value of Rs.10 per share)	151.82	151.82	151.82	151.82	151.82
19	Basic and diluted EPS for the period (Rs. per share of Rs. 10 each)	(2.50)	(0.97)	(0.51)	(4.56)	(3.40)

See accompanying notes to the unaudited financial results



Notes:

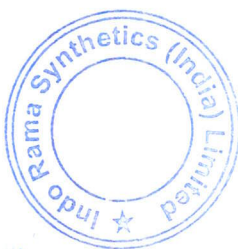
1. Financial results for the quarter and nine months ended 31 December 2016 are in compliance with the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Companies Act, 2013 and other recognised accounting practices and policies to the extent applicable. Beginning 1 April 2016, the Company has, for the first time adopted Ind AS with a transition date of 1 April 2015. Consequently, erstwhile Indian Generally Accepted Accounting Principles (IGAAP) results for the quarter and nine months ended 31 December 2015 have been restated to make them comparable. The reconciliation of net profit /(loss) reported under erstwhile IGAAP and as restated under Ind AS is given below:

Particulars	(Rs.in crore)	
	Quarter ended 31.12.2015	Nine months ended 31.12.2015
Net Profit / (loss) as per previous GAAP	0.35	(38.64)
Fair valuation of investments, classified as fair value through profit and loss (refer note (i) below)	(13.48)	(19.75)
Incremental borrowings cost (refer note (ii) below)	(0.04)	(0.13)
Others (refer note (iii) below)	0.03	0.06
Tax impact of above adjustments	5.39	6.86
Net loss as per Ind AS	(7.75)	(51.60)

- (i) Investments (other than investments in subsidiaries) have been classified as “fair value through profit or loss” under Ind AS as against cost basis under erstwhile IGAAP and consequential adjustments has been considered in the period in which fair value has changed.
- (ii) Represents additional borrowing cost pursuant to adjustment of processing fee paid at the time of disbursement of term loans against the carrying value of loans as on the date of transition to conform the effective interest rate method required under Ind AS.
- (iii) Others include adjustments for depreciation on reversal of revaluation reserve created on leasehold lands and fair value adjustments for security deposits given.
2. The Company's business comprises of Polyester products, which is highly competitive and in the last few years there has been an over-supply in the industry. This has resulted in lower profit margins. However, the Company has taken several initiatives to improve its operational performance in terms of specialty products, higher capacity utilization, cost control initiatives, improved liquidity plans and addition of new customers. Based on the above the Company believes that the profitability will improve over the next few years. The Company is confident that the deferred tax assets carried at the end of the period is fully recoverable.
3. Tax expense includes deferred tax credit /(charge).
4. (a) The Company has carried forward insurance claim recoverable amounting to Rs.33.53 crore and interest receivable amounting to Rs.11.69 crore thereon recognised upto July 2012 awarded in favor of the Company by the Arbitral Tribunal. Currently, the case is pending with Delhi High Court as the insurance company has gone into appeal against the aforesaid order.
- (b) During the quarter and nine months ended 31 December 2016, the Company has recognised interest of Rs.0.73 crore and Rs.2.19 crore respectively (for the year ended 31 March 2016 – Rs.10.95 crore which include interest of Rs.0.73 crore and Rs.10.22 crore for the quarter and nine months ended 31 December 2015 respectively) under ‘other operating income’ on the insurance claim recoverable referred to in 4(a) above, for the loss of certain assets and loss suffered due to business interruption under loss of profit policy relating to fire incidence at its plant in 2007-08.

As legally advised, the Company is of the view that the amount recognised is fully recoverable. This is in line with accounting treatment adopted in the previous periods.

5. The Company's business activity falls within a single primary business segment viz. 'Polyester'.
6. The Audit Committee reviewed the above results. The Board of Directors, at their meeting held on 8 February 2017, has approved the above results.
7. The statement does not include Ind AS compliant results for the previous year ended 31 March 2016 as the same are not mandatory as per SEBI's circular dated 5 July 2016.
8. The board of directors had approved the scheme for amalgamation of Indo Rama Renewables Limited, wholly owned subsidiary of the Company and its two step down subsidiaries viz. Indo Rama Renewables Ramgarh Limited and Indo Rama Renewables Porbandar Limited with the Company, in its meeting held on 31 August 2016. Subsequently the Company had filed the scheme of amalgamation with Hon'ble High Court, Mumbai. As per direction of Hon'ble court the Company convened the Shareholders & Creditors meeting on 7 January 2017. The chairman report of said meetings has been filed in National Company Law Tribunal (NCLT), Mumbai. Second motion petition has also been filed before the NCLT and final order is awaited.
9. The Statutory Auditors of the Company have reviewed the financial results for the quarter and nine months ended 31 December 2016, and report has been issued subject to item 2 and 4(b) above. The report of the Statutory Auditors is being filed with the BSE and NSE. For more details on unaudited results, visit Investor Relations section of our website at www.indoramaindia.com and Financial Results under Corporates section of www.nseindia.com and www.bseindia.com.
10. Previous period figures have been regrouped / recast, wherever necessary, to make them comparable.



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


Om Prakash Lohia
Chairman & Managing Director
Director Identification No.: 00206807

Place: Gurgaon
Date: 8 February 2017

B S R and Associates

Chartered Accountants

Building No.10, 8th Floor, Tower-B
DLF Cyber City, Phase - II
Gurgaon - 122 002 (India)

Telephone: + 91 124 2358 610
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Review Report to Board of Directors of Indo Rama Synthetics (India) Limited

1. We have reviewed the accompanying statement of unaudited financial results ('the Statement') of Indo Rama Synthetics (India) Limited ('the Company') for the quarter and nine months ended 31 December 2016 attached herewith, being submitted by the Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

This Statement is the responsibility of the Company's management and has been approved by the Board of Directors on 8 February 2017. Our responsibility is to issue a report on this Statement, 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 Statement is 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. Emphasis of matter
We draw attention to note 4(a) of the Statement which describes the uncertainty related to the outcome of the lawsuit filed by the Company against its insurance company. Our opinion is not modified in respect of this matter.
4. (a) Attention is drawn to note 2 of the Statement relating to Deferred Tax Assets amounting to Rs.36.58 crores as at 31 December 2016 recognised by the Company on the basis of future outlook of business confirming that sufficient future taxable income will be available against which these assets will be realised. In view of losses suffered in the current as well as preceding periods, and other unused tax losses available to the Company, we are not in agreement with the deferred tax assets recognized. Had such asset not been recognized, the net loss after tax for the quarter and nine months would have been higher by Rs. 20.14 crores and Rs. 36.58 crores respectively.

(b) Attention is drawn to note 4(b) of the Statement, which enumerates recognition of interest of Rs. 13.14 crores in the books on the insurance claim recoverable by the Company from its insurance company for the loss of certain assets and loss suffered due to business interruption at its plant in 2007-08. The said recognition of asset being contingent in nature, is not in accordance with accounting principle stated in Ind AS 37, 'Provisions, Contingent Liabilities and Contingent Assets'. Had such income not been recognised, the net loss before and after tax for the quarter and nine months ended 31 December 2016 would have been higher by Rs. 0.73 crores and Rs. 2.19 crores respectively, net loss before tax for the

B S R and Associates

quarter and nine months ended 31 December 2015 would have been higher by Rs.0.73 crores and Rs.10.22 crores respectively and net loss after tax for the quarter and nine months ended 31 December 2015 would have been higher by Rs 0.48 crores and Rs.6.68 crores respectively.

5. Based on our review conducted as explained in para 1 and 2 above, except for the matters referred to in paragraph 4 above and related disclosure of impact on the financial results, which has been explained in that para, nothing has come to our attention that causes us to believe that the accompanying statement prepared in accordance with applicable accounting standards i.e. Ind AS prescribed under Section 133 of the Companies Act, 2013 and other recognized accounting practices and policies, has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and SEBI Circular dated 5 July 2016 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
ICAI Firm registration no. : 128901W

Sd -

Jiten Chopra
Partner
Membership No.: 092894

Place: Gurgaon
Date: 8 February 2017

BJ