

INDO RAMA

IRSL:STEXCH:2014-15:
13th November 2014

National Stock Exchange of India Limited

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

Fax: 022-2659 8237 / 8238 / 8347 / 8348

BSE Limited

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

Fax: 022-2272 3121

Indo Rama Synthetics (India) Limited

Sub.: Board Meeting dated 13th November 2014

Dear Sir,

We are pleased to inform you that in the **Board of Directors Meeting** held today, the **13th November 2014**, the Directors have approved **Un-audited Financial Results** of the Company **for the second quarter ended 30th September 2014** along with the Limited Review Report from the Auditors of the Company as per the Clause 41 of the Listing Agreement and the same are enclosed.

Arrangements are being made to get the same published in newspapers as required.

This is for your information please.

Thanking You.

Yours faithfully,
for **Indo Rama Synthetics (India) Ltd.**



Jayant K Sood
Head-Corporate & Company Secretary

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

UNAUDITED STANDALONE FINANCIAL RESULTS FOR THE QUARTER / HALF YEAR ENDED 30 SEPTEMBER 2014

PART I

(Rs. in Crores, unless otherwise indicated)

S.No.	Particulars	Quarter Ended			Half Year Ended		Year Ended
		30.09.2014	30.06.2014	30.09.2013	30.09.2014	30.09.2013	31.03.2014
		Un-audited			Un-audited		Audited
1	Income from operations						
	(a) Net sales/income from operations (Net of excise duty)	716.81	705.27	619.98	1,422.08	1,326.24	2,592.63
	(b) Other operating income	11.02	10.03	9.22	21.05	19.24	36.49
	Total income from operations (net)	727.83	715.30	629.20	1,443.13	1,345.48	2,629.12
2	Expenses						
	(a) Cost of materials consumed	630.64	561.05	565.09	1,191.69	1,072.81	2,125.07
	(b) Changes in inventories of finished goods, work-in-progress and stock-in-trade	(70.07)	1.53	(73.21)	(68.54)	34.34	90.57
	(c) Employee benefits expense	22.36	22.88	20.95	45.24	42.25	84.41
	(d) Other expenses	114.92	89.34	100.82	204.21	166.13	328.49
	Total expenses before depreciation and amortisation, finance costs, exceptional item and tax	697.85	674.80	613.65	1,372.60	1,315.53	2,628.54
3	Profit/(Loss) from operations before depreciation and amortisation, other income, finance costs, exceptional item and tax (1-2)	29.98	40.50	15.55	70.53	29.95	0.58
4	Depreciation and amortisation expense	32.70	31.01	34.92	63.71	69.10	135.12
5	Total expenses after depreciation and amortisation, before finance costs, exceptional item and tax (2+4)	730.55	705.81	648.57	1,436.31	1,384.63	2,763.66
6	(Loss) / Profit from operations before other income, finance costs, exceptional item and tax (1-5)	(2.72)	9.49	(19.37)	6.82	(39.15)	(134.54)
7	Other income	7.03	5.99	35.29	12.97	91.01	244.01
8	Profit from ordinary activities before finance costs, exceptional item and tax (6+7)	4.31	15.48	15.92	19.79	51.86	109.47
9	Finance costs	11.55	10.07	8.71	21.62	12.13	35.23
10	(Loss) / Profit from ordinary activities before exceptional item and tax (8-9)	(7.24)	5.41	7.21	(1.83)	39.73	74.24
11	Exceptional item-foreign exchange fluctuation (loss) / gain [Refer to note 5]	(13.24)	11.61	(86.68)	(1.63)	(192.12)	(99.51)
12	(Loss) / Profit from ordinary activities before tax (10+11)	(20.48)	17.02	(79.47)	(3.46)	(152.39)	(25.27)
13	Income tax expense / (credit)	(4.46)	(5.03)	(18.11)	(9.49)	(61.00)	(17.09)
14	Net (Loss) / Profit for the period (12-13)	(16.02)	22.05	(61.36)	6.03	(91.39)	(8.18)
15	Paid-up equity share capital (face value of Rs. 10 per share)	151.82	151.82	151.82	151.82	151.82	151.82
16	Reserves excluding revaluation reserves as per balance sheet of previous accounting year						416.46
17	Basic and diluted EPS for the period (not annualised) (Rs. per share of Rs. 10 each)	(1.06)	1.45	(4.04)	0.40	(6.02)	(0.54)

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UNAUDITED STANDALONE FINANCIAL RESULTS FOR THE QUARTER / HALF YEAR ENDED 30 SEPTEMBER 2014**PART II**

SELECT INFORMATION FOR THE QUARTER / HALF YEAR ENDED 30 SEPTEMBER 2014							
	Particulars	Quarter Ended			Half Year Ended		Year Ended
		30.09.2014	30.06.2014	30.09.2013	30.09.2014	30.09.2013	31.03.2014
		Un-audited			Un-audited		Audited
A	PARTICULARS OF SHAREHOLDING						
1	Total public shareholding (including Global Depository Receipts):						
	- Number of shares (Nos.)	50,318,409	50,318,409	54,278,225	50,318,409	54,278,225	50,318,409
	- Percentage of shareholding (%)	33.14	33.14	35.75	33.14	35.75	33.14
2	Promoters and promoter group shareholding :						
	a) Pledged/encumbered						
	- Number of shares	-	-	-	-	-	-
	- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	-	-	-	-	-	-
	- Percentage of shares (as a % of the total share capital of the company)	-	-	-	-	-	-
	b) Non-encumbered						
	- Number of shares	101,503,833	101,503,833	97,544,017	101,503,833	97,544,017	101,503,833
	- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	100.00	100.00	100.00	100.00	100.00	100.00
	- Percentage of shares (as a % of the total share capital of the company)	66.86	66.86	64.25	66.86	64.25	66.86

	Particulars	Quarter Ended 30.09.2014
B	INVESTOR COMPLAINTS	
	Pending at the beginning of the quarter	-
	Received during the quarter	20
	Disposed off during the quarter	20
	Remaining unresolved at the end of the quarter	-

1. Statement of assets and liabilities

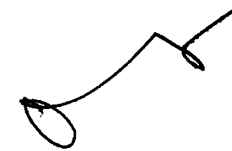
Particulars	Standalone	
	As at 30.09.2014	As at 31.03.2014
	Un-audited	Audited
A. EQUITY AND LIABILITIES		
(1) Shareholders' funds		
(a) Share capital	151.82	151.82
(b) Reserves and surplus	444.55	441.89
Sub-total - Shareholders' funds	596.37	593.71
(2) Non-current liabilities		
(a) Long-term borrowings	142.74	172.84
(b) Deferred tax liabilities (Net)	176.54	186.03
(c) Other long-term liabilities	0.82	0.83
(d) Long-term provisions	19.85	18.14
Sub-total - Non-current liabilities	339.95	377.84
(3) Current liabilities		
(a) Short-term borrowings	181.70	245.85
(b) Trade payables	653.82	530.65
(c) Other current liabilities	124.06	148.14
(d) Short-term provisions	1.95	20.43
Sub-total - Current liabilities	961.53	945.07
TOTAL - EQUITY AND LIABILITIES	1,897.85	1,916.62
B. ASSETS		
(1) Non-current assets		
(a) Fixed assets	990.16	1,059.89
(b) Non-current investments	36.99	36.99
(c) Long-term loans and advances	123.10	119.82
(d) Other non-current assets	7.87	7.61
Sub-total - Non-current assets	1,158.12	1,224.31
(2) Current assets		
(a) Current investments	4.23	4.19
(b) Inventories	392.81	293.61
(c) Trade receivables	117.82	111.79
(d) Cash and bank balances	45.68	42.94
(e) Short-term loans and advances	47.20	80.78
(f) Other current assets	131.99	159.00
Sub-total - Current assets	739.73	692.31
TOTAL - ASSETS	1,897.85	1,916.62

Notes:-

2. The Audit Committee reviewed the above results. The Board of Directors, at their meetings held on 13 November 2014, 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 2014 and an unqualified opinion has been issued. The review report of statutory auditors is being filed with Bombay and National Stock Exchanges.
4. The Company has made an early application, since the year 2010-11, of Accounting Standard 30 "Financial Instruments- Recognition and Measurement", issued by the Institute of Chartered Accountants of India for accounting of forward exchange contracts taken for highly probable/forecast transactions, which are not covered by Accounting Standard-11. Expenses aggregating Rs. 17.13 crores and Rs. 12.68 crores have been recognized as expense in the financial results for the quarter and half year ended 30 September 2014 respectively and included in exceptional items as an adjustment on the said application of Accounting Standard 30.
5. Due to significant volatility in the foreign currency vis-à-vis local currency, the Company has considered the foreign exchange fluctuation as an exceptional item.
6. The Company's business mainly comprises manufacture of polyester. During the past few years, there has been significant volatility in raw material prices of polyester which are linked with crude oil prices and is subject to foreign exchange fluctuations. The sales realisation in the industry has been low in comparison to the raw material price variations. In addition, stiff competition in certain products, low capacity utilisation, high inflation, high interest rates and weakened rupee has resulted in a temporary phase of low operating margins/losses in the recent past and also accumulation of significant unabsorbed depreciation as per tax laws. However, the Company's products command a premium in the market due to cost competitiveness and quality standards and its premium product lines are operating at full capacity. The Company has internally assessed its position and the future outlook and has also initiated various measures including strategic steps to ensure profitable operations. To achieve the projected level of profitability, the Company is in the process of finalizing plans to increase the capacity for its premium products by making further investment in the product line and is also confident of the market demand for the increased production. These actions would be coupled with other initiatives which include cost saving measures, exploration of new markets especially exports, streamlined utilisation of export benefits, developing backward integration facilities towards producing certain key input materials. The Company is also arranging for funds to meet the above plans. Accordingly, the Company believes that, considering the expected investment and resultant profitability over the next year and in future years, no provision is required for impairment of assets and is confident that the MAT credit entitlement carried at the end of the period is fully recoverable.
7. During the quarter and half year ended 30 September 2014, based on internal technical evaluation, management reassessed the remaining useful life of assets, primarily consisting of buildings and plant and machinery with effect from 1 April 2014. Accordingly, the useful life of assets does not require a change from the previous estimates.
8. Pursuant to an alignment with the requirements of the Companies Act, 2013, the Company has not recouped the additional depreciation on account of revaluation and, therefore, has charged it to the results of the period. Accordingly, the loss for the quarter and six months ended 30 September 2014 is higher by Rs. 3.37 crores.

9. The Company's business activity falls within a single primary business segment viz. 'Polyester'.
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

Place: Gurgaon
Date: 13 November 2014

B S R and Associates

Chartered Accountants

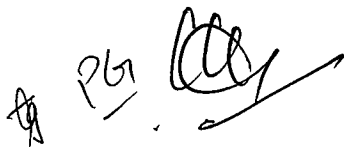
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Review Report to the Board of Directors of Indo Rama Synthetics (India) Limited

1. We have reviewed the accompanying statement of un-audited standalone financial results ('the Statement') of Indo Rama Synthetics (India) Limited ('the Company') for the quarter and half year ended 30 September 2014, 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,
 - a) attention is drawn to note 4 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. Expenses aggregating Rs. 17.13 crores and Rs. 12.68 crores have been recognized in these financial results for the quarter and half year ended 30 September 2014 respectively and included in exceptional items as an adjustment on the said application of Accounting Standard 30; and
 - b) attention is drawn to note 6 of the financial results, which explains the management's position regarding utilisation of Minimum Alternate Tax credit aggregating Rs. 58.82 crores as at 30 September 2014. Based on the management's assumptions and future business plans, no provision has been considered in the books of account in respect of Minimum Alternate Tax credit.

PK

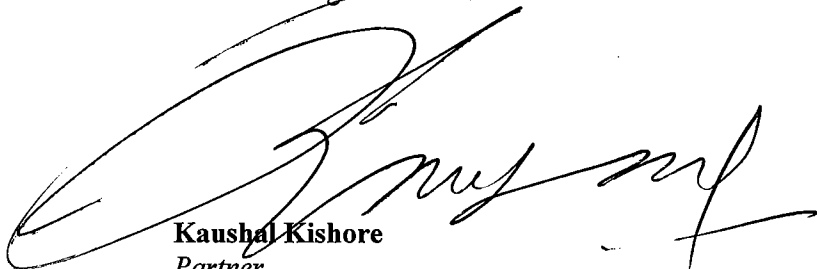


4. Based on our review conducted as explained in paras 1 and 2 above, nothing has come to our attention that causes us to believe that the accompanying Statement of un-audited standalone financial results, prepared in accordance with applicable accounting standards and other recognized accounting practices, 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

ICAI Firm registration no.: 128901W



Kaushal Kishore

Partner

Membership No.: 090075

Place: Gurgaon

Date: 13 November 2014

PG