

IRSL:STEXCH:2018-19:
10th November 2018

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 10th November 2018

Dear Sir,

This is in continuation to our earlier letter dated 29th October 2018 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., 10th November 2018, have approved the Un-audited Financial Results of the Company for the quarter/half year ended 30th September 2018 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 4:55 PM.

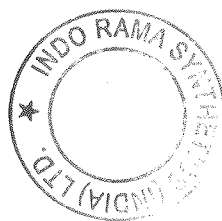
We are arranging to publish these results in the Newspapers as per the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

This is for your kind information and record.

Thanking You.

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


Jayantk Sood
CHRO & Company Secretary
(ICSI Membership No.: FCS 4482)



Encl.: As above.

INDO RAMA SYNTHETICS (INDIA) LTD.

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, Gurugram -122002, Haryana

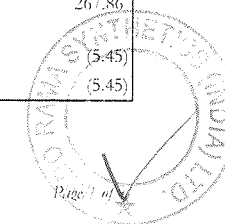
Tel.: 07104-663000 / 01 Fax: 07104-663200, Email: investor-relations@indorama-ind.com, Website: www.indoramaindia.com, CIN: L17124MH1986PLC166615

STATEMENT OF UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND SIX MONTHS ENDED 30 SEPTEMBER 2018

(₹ in crores, unless otherwise stated)

Sr. No.	Particulars (refer notes below)	3 months ended 30 September 2018	Preceding 3 months ended 30 June 2018	Corresponding 3 months ended in the previous year 30 September 2017	Year to date figures for current period ended 30 September 2018	Year to date figures for previous period ended 30 September 2017	Previous year ended 31 March 2018
		(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
1	Income from operations [refer note 3 and 6(b)]	394.41	355.54	618.01	749.95	1,269.51	2,313.70
2	Other income	1.18	1.08	0.94	2.24	1.87	3.74
3	Total income (1+2)	395.59	356.62	618.95	752.19	1,271.38	2,317.44
4	Expenses						
	(a) Cost of materials consumed	383.25	216.06	424.29	599.31	862.11	1,572.89
	(b) Purchases of stock-in-trade	27.64	27.05	16.83	54.69	18.63	72.57
	(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	(115.12)	31.73	6.84	(83.39)	24.54	44.36
	(d) Excise duty (refer note 3)	-	-	-	-	58.06	58.06
	(e) Employee benefits expense (refer note 8)	19.05	18.43	23.19	37.48	43.22	84.93
	(f) Other expenses (refer note 8)	69.89	60.98	130.59	130.85	225.45	424.41
	Total expenses before depreciation, finance costs and foreign exchange fluctuation loss and exceptional items	384.71	354.25	601.74	738.94	1,232.01	2,257.22
5	Profit from operations before depreciation, finance costs, foreign exchange fluctuation and exceptional items (3-4)	10.88	2.37	17.21	13.25	39.37	60.22
6	Depreciation expense	21.58	21.08	20.69	42.66	41.06	83.20
7	Finance costs	32.40	24.52	23.17	56.92	46.94	94.37
8	Foreign exchange fluctuation loss	4.21	3.08	0.35	7.29	2.04	0.15
9	Total expenses before exceptional items and tax (4+6+7+8)	442.90	402.93	645.95	845.81	1,322.05	2,434.94
10	Loss before exceptional items and tax (3-9)	(47.31)	(46.31)	(27.00)	(93.62)	(50.67)	(117.50)
11	Exceptional items (refer note 7)	-	-	-	-	-	(7.36)
12	Loss before tax (10+11)	(47.31)	(46.31)	(27.00)	(93.62)	(50.67)	(124.86)
13	Tax expense						
	Deferred tax credit (refer note 2(a))	14.69	17.11	9.38	31.80	17.48	42.17
14	Net loss for the period (12+13)	(32.62)	(29.20)	(17.62)	(61.82)	(33.19)	(82.69)
15	Other comprehensive income						
	(i) Items that will not be reclassified to profit or loss	(0.08)	(0.08)	(0.08)	(0.16)	(0.16)	1.02
	(ii) Income tax relating to items that will not be reclassified to profit or loss	0.02	0.03	0.03	0.05	0.06	(0.35)
16	Total comprehensive income for the period (14+15)	(32.68)	(29.25)	(17.67)	(61.93)	(33.29)	(82.02)
17	Paid up equity share capital (face value of ₹ 10 each)	159.31	151.82	151.82	159.31	151.82	151.82
18	Other equity	-	-	-	-	-	267.86
19	Earnings per share (of ₹ 10 each) (not annualised)						
	(a) Basic	(2.08)	(1.92)	(1.16)	(4.01)	(2.19)	(5.45)
	(b) Diluted	(2.08)	(1.92)	(1.16)	(4.01)	(2.19)	(5.45)

For identification only

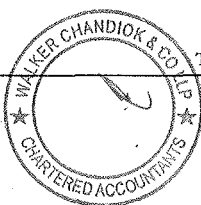


Notes:

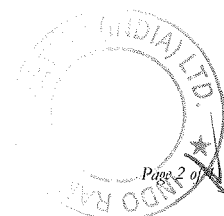
1. Statement of assets and liabilities

(₹ in crores, unless otherwise stated)

Particulars	As at 30 September 2018	As at 31 March 2018
	Unaudited	Audited
A. Assets		
(1) Non-current assets		
(a) Property, plant and equipment	803.36	839.72
(b) Capital work-in-progress	2.53	2.67
(c) Financial assets		
(i) Loans	3.14	2.09
(ii) Other financial assets	7.33	8.27
(d) Deferred tax assets (net) [refer note 2(a)]	127.75	95.90
(e) Non-current tax assets (net)	10.99	11.70
(f) Other non-current assets	15.46	15.79
Total non-current assets	970.56	976.14
(2) Current assets		
(a) Inventories	221.63	116.21
(b) Financial assets		
(i) Investments	0.84	0.90
(ii) Trade receivables	125.64	110.90
(iii) Cash and cash equivalents	2.81	13.64
(iv) Bank balances other than cash and cash equivalents	62.86	68.88
(v) Loans	0.03	1.11
(vi) Other financial assets	73.99	71.52
(c) Other current assets	183.68	137.97
Total current assets	671.48	521.13
TOTAL ASSETS	1,642.04	1,497.27
B. Equity and liabilities		
(1) Equity		
(a) Equity share capital	159.31	151.82
(b) Other equity	228.37	267.86
Total equity	387.68	419.68
(2) Non-current liabilities		
(a) Financial liabilities		
(i) Borrowings	223.21	36.77
(b) Provisions	21.96	21.14
Total non-current liabilities	245.17	57.91
(3) Current liabilities		
(a) Financial liabilities		
(i) Borrowings	104.17	253.39
(ii) Trade payables		
-total outstanding dues of micro enterprises and small enterprises	0.25	0.49
-total outstanding dues of creditors other than micro enterprises and small enterprises	744.66	623.32
(iii) Other financial liabilities	111.28	100.75
(b) Other current liabilities	45.69	38.59
(c) Provisions	3.14	3.14
Total current liabilities	1,009.19	1,019.68
TOTAL EQUITY AND LIABILITIES	1,642.04	1,497.27



For identification only



Notes:

2(a) The Company's business comprises of Polyester products, which had been highly competitive resulting into losses in the current as well as previous period(s) but over the period the demand and supply in the industry has balanced, resulting in improved plant operating rate. This has resulted in improved profit margins in the industry. The Company has also taken several initiatives to improve its operational performance in terms of specialty products, cost control initiatives and addition of new customers. The Company has secured additional working capital funds to ease the liquidity position and improve the capacity utilization. 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.

(b) The Company incurred a net loss of ₹ 32.68 crores and ₹ 61.93 crores respectively during the quarter and six months ended 30 September 2018 and, as of that date, the Company's current liabilities exceeded its current assets. Also, there were certain delays in discharging obligations at the relevant repayment dates. The plant was underutilized and under utilisation of plant capacity was mainly due to paucity of working capital funds and due to change in the macro economic scenarios.

To improve working capital position and improve its operational performance, the Company has taken the following steps:

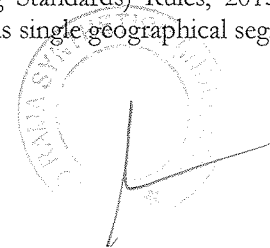
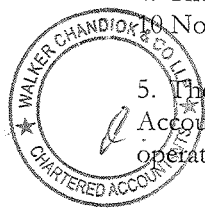
- (i) subsequent to year ended 31 March 2018, the Company has obtained funds from non-banking finance company.
- (ii) continued focus on debtors invoice collections, keeping inventory levels at a minimum.
- (iii) continued focus on cost containment in all areas of business.
- (iv) undertaken a programme to continue to monitor the Company's ongoing working capital requirements and minimum expenditure commitments.

As a result of the above matters, the management is of the view that the Company will continue as a going concern and, therefore, will realise its assets and liabilities and commitments in the normal course of business. The management remain confident about the successful achievement of projected targets and therefore no adjustments have been made to these financial results relating to the recoverability and classification of the asset carrying amounts or the amounts and classification of liabilities that might be necessary should the Company not continue as a going concern.

3. Revenue from operations for the quarter and six months ended 30 September 2018 and quarter ended 30 June 2018 is net of Goods and Service Tax (GST) which is applicable from 1 July 2017. However, revenue for the periods upto 30 June 2017 (included in figure of six months ended 30 September 2017) was net of Value Added Tax (VAT) but inclusive of excise duty. Accordingly, the revenue from operations for the quarter and six months ended 30 September 2018 are not strictly comparable with the quarter and six months ended 30 September 2017 presented in those financial results. Similarly, excise duty expense is also not comparable.

4. The above financial results were reviewed by the Audit Committee and taken on record by the Board of Directors in its meeting held on 10 November 2018.

5. The Company's primary business segment is reflected based on principal business activities carried on by the Company. As per Indian Accounting Standard 108, Operating Segments, as notified under the Companies (Indian Accounting Standards) Rules, 2015, the Company operates in one reportable business segment i.e., manufacturing of Polyester goods and hence, considered as single geographical segment.



6(a) The Company has carried forward insurance claim recoverable amounting to ₹ 32.44 crores and interest receivable amounting to ₹ 11.69 crores thereon recognised upto June 2012 awarded in favor of the Company by the Arbitrator Tribunal. Currently, the case is pending with Delhi High Court.

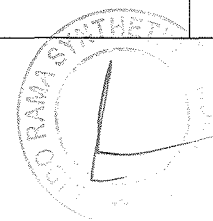
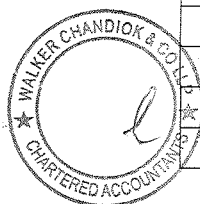
(b) The Company has further recognised an interest of ₹ 18.25 crores from July 2012 onwards to 30 September 2018 on the insurance claim recoverable referred to in 3(a) above. Out of this, during the quarter and six months ended 30 September 2018, the Company has recognised an interest of ₹ 0.73 crores and ₹ 1.46 crores respectively (for the quarter and six months ended 30 September 2017: ₹ 0.73 crores and ₹ 1.46 crores respectively and year ended 31 March 2018: ₹ 2.92 crores) under 'revenue from operations', for the loss of certain assets and loss suffered due to business interruption under loss of profit policy relating to fire incidents 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.

7. Exceptional items in the year ended 31 March 2018, ₹ 7.36 crores incurred towards fees as per provisions of foreign trade policy.

8. Contractual manpower cost in quarter and six months ended 30 September 2017 and year ended 31 March 2018 amounting to ₹ 4.20 crores, ₹ 8.70 crores and ₹ 14.63 crores respectively have been regrouped from employee benefits expense to other expense to provide more relevant information.

9. During the quarter ended 30 September 2018, the Company has received Rs. 199.99 crores by way of allotment of 19,999 Non-Convertible Debentures of the face value of Rs. 100,000 each which has been utilized towards repayment of debt. The Company has listed these debentures as on 19 July 2018 on BSE Limited. In compliance with Regulation 52(4) of the SEBI (LODR) Regulations, 2015, we are submitting herewith the following information as on 30 September 2018 in respect of Redeemable Non-Convertible Debentures (NCDs):

S.No.	Heading	As at and for the period ended 30 September 2018
1	Credit Rating	C
2	Asset Cover available	Refer Note (i) below
3	Debt Equity Ratio (Note ii)	1.04
4	Debt Service Coverage Ratio (Note iii)	0.16
5	Interest Service Coverage Ratio (Note iv)	0.21
6	Outstanding Redeemable Preference Shares	Not applicable
7	Debenture Redemption Reserve (In Rs. Crores)	-
8	Net worth (In Rs. Crores)	387.68
9	Net profit after tax (In Rs. Crores)	(61.82)
10	Earnings per share (In Rs.) – Basic	(4.01)
11	Earnings per share (In Rs.) – Diluted	(4.01)



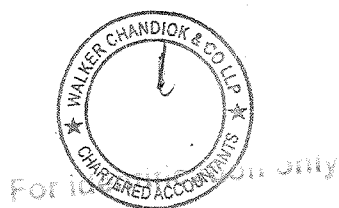
Note:

- (i) Listed NCDs are secured and asset coverage is more than hundred percent of the principal outstanding.
- (ii) Debt Equity Ratio = [Loans Funds/Shareholders Funds (Share Capital + Reserve & Surplus)].
- (iii) Debt Service Coverage Ratio = [Earnings before interest, depreciation, foreign exchange loss and tax/(Interest Charged + Net principal repayment)].
- (iv) Interest Service Coverage Ratio = [Earnings before interest, depreciation, foreign exchange loss and tax/Interest Charged].
- (v) There were no NCDs issued as on 31 March 2018.

(Rs.in crores)

S.No.	ISIN Nos.	Previous due date of			Next due date of			
		Interest payment	Principal payment	Interest / principal has been paid or not	Interest payment	Interest Amount Due	Principal payment	Principal Amount Due
1	INE156A07027	-	-	-	12 November 2018	1.40	12 October 2019	10.00

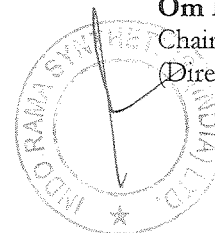
10. The auditors of the Company have carried out a limited review of the unaudited financial results for the quarter and six months ended 30 September 2018 and have issued a modified review report. The report of the auditors is being filed with Bombay Stock Exchange (BSE) and National Stock Exchange (NSE). For more details on reviewed 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.



Place: Gurugram
Date: 10 November 2018

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

Om Prakash Lohia
Chairman and Managing Director
(Director Identification No.: 00206807)



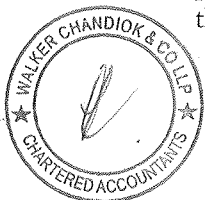
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**Independent Auditor's Review Report on Quarterly Financial Results and Year to date
Results of the Company Pursuant to the Regulation 33 and Regulation 52 read with
Regulation 63(2) of the SEBI (Listing Obligations and Disclosure Requirements)
Regulations, 2015**

To the Board of Directors of Indo Rama Synthetics (India) Limited

1. We have reviewed the accompanying statement of unaudited financial results ('Statement') of Indo Rama Synthetics (India) Limited (the 'Company') for the quarter ended 30 September 2018 and the year to date results for the period 1 April 2018 to 30 September 2018, being submitted by the Company pursuant to the requirements of Regulation 33 and Regulation 52 read with Regulation 63(2) 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. Our responsibility is to issue a report on the 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. (a) As detailed in note 2(a) of the accompanying Statement, the Company has recognized deferred tax credit of Rs. 14.69 crores during the quarter ended 30 September 2018 and Rs. 31.80 crores during the period 1 April 2018 to 30 September 2018 and deferred tax asset (net) of Rs. 127.75 crores as at 30 September 2018 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 the losses suffered by the Company in the current as well as preceding periods, and other unused tax losses available to the Company, we are of the view that the said recognition of deferred tax assets is not in accordance with the principles of



Chartered Accountants

Offices in Bengaluru, Chandigarh, Chennai, Gurgaon, Hyderabad, Kolkata, Mumbai, New Delhi, Noida and Pune

Walker Chandiok & Co LLP is registered with limited liability with identification number AAC-2085 and its registered office at L-41 Connaught Circus, New Delhi, 110001, India

Independent Auditor's Review Report on Quarterly Financial Results and Year to date Results of the Company Pursuant to the Regulation 33 and Regulation 52 read with Regulation 63(2) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (contd.)

Ind AS 12, Income Taxes. Had such asset not been recognised, the deferred tax credit for the quarter ended 30 September 2018 and for the period 1 April 2018 to 30 September 2018 would have been lower by Rs. 14.69 crores and by Rs. 31.80 crores respectively, the net loss after tax for the quarter ended 30 September 2018 and for the period 1 April 2018 to 30 September 2018 would have been higher by Rs. 14.69 crores and Rs. 31.80 crores respectively and other equity as at 30 September 2018 would have been lower by Rs. 127.75 crores.

The predecessor auditor's report on the financial results for the previous periods was also qualified in respect of this matter.

(b) As detailed in the note 6(b) of the accompanying Statement, the Company has recognized interest income of Rs. 0.73 crores and Rs 1.46 crores during the quarter ended 30 September 2018 and during the period 1 April 2018 to 30 September 2018 respectively and Rs. 16.79 crores in the earlier periods in the books of accounts of the Company on the insurance claim recoverable by the Company from an insurance company for the loss of certain assets and loss suffered due to its business interruption at its plant in the year 2007-08. The recognition of this asset which is contingent in nature, is not in accordance with the accounting principles stated in Ind AS 37, Provisions, Contingent Liabilities and Contingent Assets. Had such asset not been recognised, the net loss after tax for the quarter ended 30 September 2018 and for the period 1 April 2018 to 30 September 2018 would have been higher by Rs. 0.73 crores and Rs. 1.46 crores respectively and other equity as at 30 September 2018 would have been lower by Rs. 18.25 crores.

The predecessor auditor's report on the financial results for the previous periods was also qualified in respect of this matter.

4. Based on our review conducted as above, except for the possible effects of the matters described in previous paragraphs, nothing has come to our attention that causes us to believe that the accompanying Statement prepared in accordance with applicable Indian Accounting Standards specified under Section 133 of the Companies Act, 2013 and SEBI Circulars CIR/CFD/CMD/15/2015 dated 30 November 2015 and CIR/CFD/FAC/62/2016 dated 5 July 2016 and other recognised accounting practices and policies has not disclosed the information required to be disclosed in accordance with the requirements of Regulation 33 and Regulation 52 read with Regulation 63(2) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, including the manner in which it is to be disclosed, or that it contains any material misstatement.
5. We draw attention to note 2(b) of the accompanying Statement, which indicates that the Company has incurred a net loss before tax of Rs. 32.68 crores and Rs. 61.93 crores during the quarter ended 30 September 2018 and period 1 April 2018 to 30 September 2018 respectively and, as of that date, the Company's current liabilities exceeded its current assets. On the basis of the initiatives taken by the management as detailed in note 2(b) of the



Independent Auditor's Review Report on Quarterly Financial Results and Year to date Results of the Company Pursuant to the Regulation 33 and Regulation 52 read with Regulation 63(2) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (contd.)

accompanying Statement, the management is of the view that the going concern basis of accounting is appropriate. Our report is not modified in respect of this matter.

6. We draw attention to note 6(a) of the accompanying Statement which describes the uncertainty related to the outcome of the lawsuit filed by the Company against an insurance company regarding certain insurance claims made by the Company. Basis legal advice received and the previous judgments which were in favour of the Company, the management is of the view that no adjustments are required to the amounts recognised as recoverable in these financial results. Our opinion is not modified in respect of this matter.
7. The review of unaudited financial results for the quarter and six months period ended 30 September 2017 and audited financial results for the year ended 31 March 2018, included in the Statement was carried out and reported by B S R and Associates vide their modified review report dated 7 November 2017 and 28 May 2018 respectively, whose review reports have been furnished to us and which have been relied upon by us for the purpose of our review of the Statement. Our review report is not modified in respect of this matter.

For **Walker Chandiok & Co LLP**

Chartered Accountants

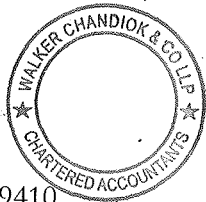
Firm Registration No: 001076N/N500013



Sandeep Mehta

Partner

Membership No. 099410



Place : Gurugram

Date : 10 November 2018