

IRSL:STEXCH:2012-13:
August 6, 2012

THRU.: COURIER

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

Bombay Stock Exchange Limited
Floor 25,
P.J. Towers,
Dalal Street,
Mumbai - 400 001.
Fax: 022-22722041 / 2061

Press Release

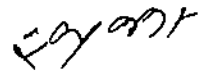
Dear Sir,

Please find enclosed Press Release given in media by Indo Rama Synthetics (India) Limited, on August 6, 2012.

This is for you kind information and record.

Thanking you.

Yours faithfully,
for Indo Rama Synthetics (India) Limited



Jayant Sood
VP (Corp. HR) & Company Secretary

Encl.: As above.

INDO RAMA

Synthetics (India) Limited

Press Release

For immediate dissemination

Indo Rama Synthetics announces Q1 FY 2012-13 Results

Net Sales up at Rs 754.13 cr vs 620.65 cr

Net Loss at Rs 26.10 cr vs Profit of Rs 51.44 cr

Editor's Synopsis
Q1 FY 2012-13 Financial Highlights (all comparison to Q1 FY 2011-12)
• Net Sales at Rs 754.13 crore as compared to Rs 620.65 crore • Net Loss at Rs 26.10 crore from Profit of Rs 51.44 crore

Gurgaon, August 06, 2012: Indo Rama Synthetics (India) Limited, India's largest dedicated polyester manufacturer, today announced its un-audited results for the quarter ended June 30, 2012.

For the quarter ended June 30, 2012, the net sales stood at Rs 754.13 crore, up by 21.51% as against Rs 620.65 crore in the previous year. The loss for the quarter was Rs 26.10 crore down from a profit of Rs 51.44 crore in the corresponding period last year. The PAT for the quarter was impacted due to lower margins and mark to market losses of Rs 105.05 crore in the quarter as rupee moved down to close at Rs 55.62 / \$ from Rs 50.88 / \$ at the start of Q1 FY 13. The lower margins in Q1 FY 13 vs Q4 FY 12 was mainly due to increase in excise duty from 10.24% to 12.36% introduced by Union Budget 2012. This was compounded by rise in the price of raw material as a consequence of peaking in crude oil and Paraxylene prices in Feb – April of this year. During the quarter, forced shut down of 2 heaters (out of 4 heaters) of coal fired HTM plant resulted in increased consumption of furnace oil leading to increase in costs. One heater has been repaired and restarted while the second is under repair and likely to start from December 2012.

The company has posted an impressive growth of 21.51% in sales over corresponding quarter previous year. The company has been able to beat the market growth on sales front as it regained market share resulting from its continuous focus on quality and customer orientation.

The company has successfully implemented cost optimization and margin improvement projects which will significantly add to the bottom line. The Coal Fired HTM project was fully commissioned in January 2012 with an investment of Rs 80 crore. The 11 MW captive power project, with an investment of Rs 25 crore, is ready for commissioning this month itself. The company is increasing its production capacity for its value added product Draw Texturized Yarn (DTY) from the earlier 64,800 tonnes to 98,145 tonnes p.a. by installation of 14 new machines (investment of Rs 32 cr), out of which 7 machines had been successfully commissioned as at June 30, 2012. The balance number of machines will be commissioned by September 2012.

The cumulative benefits of the above projects will start showing in Q2 and should fully reflect in the bottom line Q3 FY13 onwards. The settling down of imported raw material prices will also add to the margins in the coming quarters.

Commenting on the Results, Mr. O P Lohia, Chairman and Managing Director, Indo Rama Synthetics (India) Limited said, "Our persistent focus on customers and product quality has ensured our impressive sales performance. The payoff from our cost optimization projects and improvement in market sentiments should help us deliver superior performance in the coming quarters".

About Indo Rama Synthetics (India) Limited

Indo Rama Synthetics (India) Limited is India's largest dedicated polyester manufacturer with an Integrated Manufacturing Complex at Butibori near Nagpur in Maharashtra, with capacity of 6,10,050 tonnes per annum of Polyester Staple Fibre, Filament Yarn, Draw Texturized Yarn, Fully Drawn Yarn and Textile grade Chips.