

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

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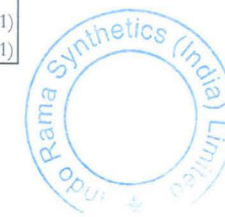
STATEMENT OF UNAUDITED FINANCIAL RESULTS FOR THE QUARTER ENDED 30 JUNE 2019

(₹ in crores, unless otherwise stated)

Sr. No.	Particulars	3 months ended	Preceding	Corresponding 3	Previous year ended
		(30 June 2019)	3 months ended	months ended in	(31 March 2019)
		(Unaudited)	(Audited as explained in note 8)	(Unaudited)	(Audited)
1	Income from operations	533.33	436.39	355.54	1,694.56
2	Other income	1.14	1.04	1.08	4.81
3	Total income (1+2)	534.47	437.43	356.62	1,699.37
4	Expenses				
	(a) Cost of materials consumed	434.42	343.13	216.06	1,325.17
	(b) Purchase of stock-in-trade	0.75	6.24	27.05	66.67
	(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	(27.12)	(22.68)	31.73	(58.88)
	(d) Employee benefits expense	20.61	21.84	18.43	77.97
	(e) Other expenses	98.69	174.71	60.98	377.02
	Total expenses before depreciation expense, finance costs and foreign exchange fluctuation (gain)/loss and exceptional items	527.35	523.24	354.25	1,787.95
5	Profit/(loss) from operations before depreciation expense, finance costs, foreign exchange fluctuation (gain)/loss and exceptional items (3-4)	7.12	(85.81)	2.37	(88.58)
6	Depreciation and amortisation expense	21.46	19.90	21.08	83.04
7	Finance costs	32.31	40.45	24.52	131.32
8	Foreign exchange fluctuation (gain)/loss	(0.74)	(0.28)	3.08	3.53
9	Total expenses before exceptional items and tax (4+6+7+8)	580.38	583.31	402.93	2,005.84
10	Loss before exceptional items and tax (3-9)	(45.91)	(145.88)	(46.31)	(306.47)
11	Exceptional items	-	115.19	-	115.19
12	Loss before tax (10-11)	(45.91)	(261.07)	(46.31)	(421.66)
13	Tax expense				
	Deferred tax credit	(15.87)	(91.74)	(17.11)	(150.60)
14	Net loss for the period (12-13)	(30.04)	(169.33)	(29.20)	(271.06)
15	Other comprehensive income				
	(i) Items that will not be reclassified to profit or loss	(0.08)	1.36	(0.08)	1.12
	(ii) Income tax relating to items that will not be reclassified to profit or loss	0.03	(0.47)	0.03	(0.39)
16	Total comprehensive income for the period (14+15)	(30.09)	(168.44)	(29.25)	(270.33)
17	Paid-up equity share capital (face value of ₹ 10 each)	261.11	178.11	151.82	178.11
18	Other equity				63.10
19	Loss per share (face value of ₹ 10 each) (not annualised for the quarters)				
	(a) Basic (in ₹)	(1.16)	(10.07)	(1.92)	(17.01)
	(b) Diluted (in ₹)	(1.16)	(10.07)	(1.92)	(17.01)



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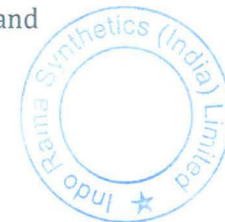


Notes:

- 1) The above financial results for the quarter ended 30 June 2019 have been reviewed by the statutory auditors of the Company and by the Audit Committee and taken on record by the Board of Directors in its meeting held on 6 August 2019.
- 2) The Company has allotted 83,000,000 new equity shares to Indorama Netherlands BV ('INBV') at an issue price of ₹ 36 per share (including premium of ₹ 26 per share) on 3 April 2019. Subsequent to infusion of additional capital, the Company has prepared a detailed business plan which indicates that profitability and cash flows to improve significantly in coming years. Management has improved the plant utilization and obtained working capital facilities from banks at lower interest rates resulting in reduction in finance cost in the current period vis-à-vis the previously reported periods. Management believes that additional equity infusion along with various other steps taken by the Company including re-financing of high cost debt and overall cost control will facilitate turnaround of the Company's financial position. The Company is confident that the deferred tax asset carried at the end of the period is fully recoverable.
- 3) The equity shares of the Company are listed on BSE Limited and National Stock Exchange of India Limited. As per Regulation 38 of the SEBI LODR Regulations read with Rule 19A of the Securities Contracts (Regulation) Rules, 1957 ('SCRR'), the Company is required to maintain at least 25% (twenty five percent) public shareholding, as determined in accordance with SCRR, on a continuous basis for listing. During the current quarter, pursuant to the acquisition of shares by Indo Rama Netherlands BV ('INBV') through open offer, promoters' shareholding has increased to 81.79%. The Company plans to comply with SCRR within specified timelines.
- 4) The Company has redeemed 19,999 non-convertible debentures of the face value of ₹ 100,000 each and 20 Optionally-Convertible Debentures of the face value of ₹ 10,000,000 each.
- 5) Subsequent to the quarter ended 30 June 2019, India Rating and Research has assigned a rating of 'IND BBB-' with a stable outlook, in respect of Long term loans and 'IND BBB-/Stable/IND A3' for Working capital limits.
- 6) 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.
- 7) Effective 1 April 2019, the Company adopted Ind AS 116 "Leases", applied to all lease contracts existing on 1 April 2019 using the modified retrospective method along with the transition option to recognise Right-of-Use asset (ROU) at an amount equal to the Lease Liability. This has resulted in recognizing a Right-of-Use Asset and a corresponding Lease Liability of ₹ 27.80 crores as at 1 April 2019. Accordingly, comparatives for the quarters ended 30 June 2018 and 31 March 2019 and year ended 31 March 2019 have not been retrospectively adjusted. The effect of this adoption is not material on the loss for the period and loss per share.



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- 8) Figures for the previous quarter ended 31 March 2019 are the balancing figures between audited figures in respect of full financial year and the published year to date figures upto the third quarter of the previous financial year. Also, the figures upto the end of the previous third quarter were only reviewed and not subjected to audit.
- 9) For more details on results, visit Investor Relations section of our website at www.indoramaindia.com and financial results under Corporate section of www.nseindia.com and www.bseindia.com.



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)

Place: Gurugram
Date: 6 August 2019



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Independent Auditor's Review Report on Unaudited Quarterly Financial Results of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended)

To the 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 ended 30 June 2019 being submitted by the Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended), including relevant circulars issued by the SEBI from time to time.
2. The Statement, which is the responsibility of the Company's Management and approved by the Company's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34, Interim Financial Reporting ('Ind AS 34'), prescribed under Section 133 of the Companies Act, 2013 ('the Act'), SEBI Circular CIR/CFD/FAC/62/2016 dated 5 July 2016, (hereinafter referred to as 'the SEBI Circular'), and other accounting principles generally accepted in India. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410, Review of Interim Financial Information Performed by the Independent Auditor of the Entity, issued by the Institute of Chartered Accountants of India. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with the Standards on Auditing specified under section 143(10) of the Act, and consequently, does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.



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4. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in Ind AS 34, prescribed under Section 133 of the Act, the SEBI Circular(s), and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended), including the manner in which it is to be disclosed, or that it contains any material misstatement.

For Walker Chandiook & Co LLP

Chartered Accountants

Firm Registration No: 001076N/N500013



Sandeep Mehta

Partner

Membership No. 099410



Place: Gurugram

Date: 6 August 2019

UDIN- 19099410AAAAAU3362