

# INDO RAMA Synthetics (India) Limited

Registered Office: 31-A, MIDC Industrial Area, Butibori - 441122, District Nagpur, Maharashtra  
Corporate Office: Dr. Gopal Das Bhawan, 28 Barakhamba Road, New Delhi - 110001

## UN-AUDITED FINANCIAL RESULTS FOR THE QUARTER / NINE MONTHS ENDED DECEMBER 31, 2008 (Rs. in Crores, unless otherwise indicated)

S. No.	Particulars	Third Quarter Ended		Nine Months Ended		Year Ended
		31.12.2008	31.12.2007	31.12.2008	31.12.2007	31.03.2008
		Un-audited		Un-audited		Audited
1	<b>Gross Turnover</b>	<b>564.67</b>	<b>584.77</b>	<b>1,934.53</b>	<b>2,037.54</b>	<b>2,734.02</b>
	Less : Excise Duty on Sales	28.53	39.71	106.97	136.19	176.30
	<b>Net Turnover</b>	<b>536.14</b>	<b>545.06</b>	<b>1,827.56</b>	<b>1,901.35</b>	<b>2,557.72</b>
2	Other operating Income	1.79	23.38	9.30	30.96	87.71
3	<b>Total Income (1+2)</b>	<b>537.93</b>	<b>568.44</b>	<b>1,836.86</b>	<b>1,932.31</b>	<b>2,645.43</b>
4	<b>Expenditure :</b>					
	A. (Increase) / Decrease in Stock-in-Trade and work in progress	(19.68)	(78.30)	195.79	(168.39)	(54.50)
	B. Movement in Excise Duty on Stocks-in-Trade	0.18	5.45	(16.89)	14.88	2.73
	C. Consumption of Raw - materials	393.16	476.85	1,203.18	1,608.17	2,071.34
	D. Employees Cost	13.18	13.55	40.22	39.03	52.11
	E. Other Expenditure	87.37	82.21	268.94	275.29	361.09
	<b>Total</b>	<b>474.21</b>	<b>499.76</b>	<b>1,691.24</b>	<b>1,768.98</b>	<b>2,432.77</b>
5	<b>Earning Before Other income, Exceptional items, Interest, Depreciation &amp; Taxes (3-4)</b>	<b>63.72</b>	<b>68.68</b>	<b>145.62</b>	<b>163.33</b>	<b>212.66</b>
6	Depreciation / Amortisation	38.61	36.77	114.08	108.20	147.33
7	<b>Profit Before Other income, Interest, Exceptional items &amp; Tax (5-6)</b>	<b>25.11</b>	<b>31.91</b>	<b>31.54</b>	<b>55.13</b>	<b>65.33</b>
8	Other Income	2.60	1.83	8.41	7.66	9.45
9	<b>Profit Before Interest, Exceptional items &amp; Tax (7+8)</b>	<b>27.71</b>	<b>33.74</b>	<b>39.95</b>	<b>62.79</b>	<b>74.78</b>
10	Interest	27.03	25.69	75.88	67.73	95.65
11	<b>Profit Before Exceptional items &amp; Tax (9-10)</b>	<b>0.68</b>	<b>8.05</b>	<b>(35.93)</b>	<b>(4.94)</b>	<b>(20.87)</b>
12	Exceptional items					
	- Foreign Exchange fluctuation (Loss)/Gain	(55.11)	(3.71)	(142.45)	35.63	27.98
	- Income	-	6.37	-	2.34	-
13	Prior period items	-	0.57	-	0.57	-
14	<b>Net Profit / (Loss) Before Tax (11+12+13)</b>	<b>(54.43)</b>	<b>11.28</b>	<b>(178.38)</b>	<b>33.60</b>	<b>7.11</b>
15	Provision for Taxation					
	- Income Tax (MAT)	-	0.82	-	2.41	0.91
	- Less: MAT Credit Entitlement	-	(0.82)	-	(2.41)	(0.91)
	- Fringe Benefit Tax	0.24	0.30	0.64	1.00	1.26
	- Deferred Tax (benefit)/Charge	(18.31)	3.77	(60.37)	11.32	2.83
	- <b>Total Tax Expense</b>	<b>(18.07)</b>	<b>4.07</b>	<b>(59.73)</b>	<b>12.32</b>	<b>4.09</b>
16	<b>Profit / (Loss) After Tax (14-15)</b>	<b>(36.36)</b>	<b>7.21</b>	<b>(118.65)</b>	<b>21.28</b>	<b>3.02</b>
17	Paid-up Equity Share Capital (Face Value of Rs.10 per share)	151.83	131.83	151.83	131.83	151.83
18	Equity Share Suspense (Representing 2,00,00,000 shares of Rs.10 each to be allotted to the shareholders of erstwhile IRPL)	-	20.00	-	20.00	-
19	Reserves (excluding Revaluation Reserve)					377.30
20	Basic and diluted EPS for the period (Not Annualised) (Rs.)	(2.39)	0.47	(7.81)	1.40	0.20
21	Total Public Shareholding :					
	- Number of Shares (Nos.)	45,796,027	45,740,700	45,796,027	45,740,700	45,796,027
	- Percentage of Shareholding (%)	30.16	34.70	30.16	34.70	30.16

### Reporting of Segment Wise Revenue, Results and Capital Employed under clause 41 of the Listing Agreement for the Quarter / Nine Months ended December 31, 2008.

(Rs. in Crores)

S. No.	Particulars	Third Quarter Ended		Nine Months Ended		Year Ended
		31.12.2008	31.12.2007	31.12.2008	31.12.2007	31.03.2008
		Un-audited		Un-audited		Audited
1	Segment Revenue (Net Sales/Income )					
	a) Segment - Polyester	495.72	553.18	1,730.20	1,910.23	2,590.47
	b) Segment - Power	70.01	40.07	179.90	119.99	185.03
	c) Unallocated	-	0.04	0.14	0.06	0.71
	<b>Total</b>	<b>565.73</b>	<b>593.29</b>	<b>1,910.24</b>	<b>2,030.28</b>	<b>2,776.21</b>
	Less : Inter Segment Revenue	27.80	24.85	73.38	97.97	130.78
	<b>Net Sales/Income from operations</b>	<b>537.93</b>	<b>568.44</b>	<b>1,836.86</b>	<b>1,932.31</b>	<b>2,645.43</b>
2	Segment Results (Profit+/-/Loss-) before tax and interest from each Segment)					
	a) Segment - Polyester	(7.92)	29.06	(50.29)	65.87	54.30
	b) Segment - Power	25.41	9.92	46.23	28.73	49.04
	<b>Total</b>	<b>17.49</b>	<b>38.98</b>	<b>(4.06)</b>	<b>94.60</b>	<b>103.34</b>
	Add: Unallocable income net of unallocable expenditure	-	-	-	8.13	2.81
	Less:					
	i. Interest	27.03	25.69	75.88	67.73	95.65
	ii. Other unallocable expenditure net of unallocable income	44.69	4.50	98.24	-	-
	iii. Elimination of Profit / (Loss) due to Inter Segment Revenue	0.20	(2.49)	0.20	1.40	3.39
	<b>Total Profit / (Loss) Before Tax</b>	<b>(54.43)</b>	<b>11.28</b>	<b>(178.38)</b>	<b>33.60</b>	<b>7.11</b>
3	Capital Employed (Segment Assets - Segment Liabilities)					
	a) Segment - Polyester	1,480.39	1,725.01	1,480.39	1,725.01	1,656.68
	b) Segment - Power	160.30	144.83	160.30	144.83	173.61
	c) Unallocated	(1,230.22)	(1,290.16)	(1,230.22)	(1,290.16)	(1,301.17)
	<b>Total</b>	<b>410.47</b>	<b>579.68</b>	<b>410.47</b>	<b>579.68</b>	<b>529.12</b>

#### Notes:-

- The results for the quarter / nine months ended December 31, 2008 have been reviewed by the Auditors and were taken on record at the Board of Directors Meeting held on January 28, 2009.
- The Company has continued to adjust the foreign exchange fluctuations on amounts borrowed for acquisition of imported fixed assets, to the carrying cost of fixed assets, in compliance with Schedule VI to the Companies Act, 1956, based on a legal opinion obtained, which is at variance to the treatment prescribed in Accounting Standard (AS-11) on 'Effects of Changes in Foreign Exchange Rates' notified in the Companies (Accounting Standards) Rules 2006. Had the Company accounted for the relevant foreign exchange differences, in accordance with the said standard, the net loss for the quarter would be higher by Rs.7.89 crores and the net loss for the nine months period ended 31 December 2008 would have been higher by Rs.26.98 crores respectively.
- The Company has outstanding derivative instruments taken for hedging transaction undertaken for foreign currency related exposure on which mark to market loss as on December 31, 2008 stood at Rs. 11.35 crores. Pending adoption of AS-30, the Company has not provided for the losses on mark to market basis as per the announcement of the Institute of Chartered Accountants of India on Accounting for Derivatives. Had the treatment as per the above announcement been followed, the net loss after tax till December 31, 2008 would have increased by Rs.7.49 crores on account of the cumulative effect of the above treatment.
- During the previous quarter the Company has effected a Change in Accounting Policy with regards to its accounting for benefits under Advance License, in accordance with Expert Advisory Committee (ICAI) opinion. Whilst hitherto, the Company was making provisions for Customs duty at the time of import under advance license, in accordance with the above stated opinion, such provisions are now not made at the time of import. The impact of this change has been recognized in full which has resulted in a write back during the nine months ended December 31, 2008 by Rs. 17.05 crores.
- There was no investor complaint pending at the beginning of the quarter. During the quarter ended December 31, 2008, 18 investor complaints were received and all the 18 complaints were suitably disposed-off and no complaint was pending as on December 31, 2008.
- Previous year / nine months / quarter figures have been regrouped / recast wherever necessary, to make them comparable.

For and on behalf of the Board of Directors

Place : New Delhi  
Date : January 28, 2009

**O. P. Lohia**  
Chairman & Managing Director