

INDO RAMA Synthetics (India) Limited

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UNAUDITED STANDALONE FINANCIAL RESULTS FOR THE QUARTER / SIX MONTHS ENDED 30 SEPTEMBER 2015

S. No.	Particulars	(Rs. in Crores, unless otherwise indicated)					
		Quarter Ended			Six Months Ended		Year Ended
		30.09.2015	30.06.2015	30.09.2014	30.09.2015	30.09.2014	31.03.2015
	Un-audited			Un-audited		Audited	
1	Income from operations						
	(a) Net sales/income from operations (Net of excise duty)	609.68	627.92	716.81	1,237.60	1,422.08	2,708.90
	(b) Other operating income (refer note 7 and note 8)	22.53	14.56	14.05	37.09	27.25	52.48
	Total income from operations (net)	632.21	642.48	730.86	1,274.69	1,449.33	2,761.38
2	Expenses						
	(a) Cost of materials consumed	504.00	554.94	630.64	1,058.94	1,191.69	2,192.84
	(b) Changes in inventories of finished goods and work-in-progress	9.79	(72.33)	(70.07)	(62.54)	(68.54)	(39.84)
	(c) Employee benefits expense	25.93	27.55	22.36	53.48	45.24	92.09
	(d) Other expenses	83.87	99.77	114.92	183.64	204.21	393.85
	Total expenses before depreciation and amortisation, finance costs and exceptional items	623.59	609.93	697.85	1,233.52	1,372.60	2,638.94
3	Profit from operations before depreciation and amortisation, other income, finance costs and exceptional items (1-2)	8.62	32.55	33.01	41.17	76.73	122.44
4	Depreciation and amortisation expense	19.09	20.27	32.70	39.36	63.71	117.16
5	Total expenses after depreciation and amortisation but before finance costs and exceptional items (2+4)	642.68	630.20	730.55	1,272.88	1,436.31	2,756.10
6	(Loss) / Profit from operations before other income, finance costs and exceptional items (1-5)	(10.47)	12.28	0.31	1.81	13.02	5.28
7	Other income	1.28	1.52	4.00	2.80	6.77	9.81
8	(Loss) / Profit from ordinary activities before finance costs and exceptional items (6+7)	(9.19)	13.80	4.31	4.61	19.79	15.09
9	Finance costs	13.78	10.58	11.55	24.36	21.62	43.38
10	(Loss) / Profit from ordinary activities after finance costs but before exceptional items (8-9)	(22.97)	3.22	(7.24)	(19.75)	(1.83)	(28.29)
11	Exceptional items (refer note 5)						
	- Foreign exchange fluctuation (loss) / gain	(10.07)	3.27	(13.24)	(6.80)	(1.63)	15.02
	- Inventory losses	(25.96)	-	-	(25.96)	-	(20.75)
12	(Loss) / Profit from ordinary activities before tax (10+11)	(59.00)	6.49	(20.48)	(52.51)	(3.46)	(34.02)
13	Income tax expense / (credit)	(15.10)	1.58	(4.46)	(13.52)	(9.49)	(12.49)
14	Net (Loss) / Profit for the period (12-13)	(43.90)	4.91	(16.02)	(38.99)	6.03	(21.53)
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						387.18
17	Basic and diluted EPS for the period (Rs. per share of Rs. 10 each)	(2.89)	0.32	(1.06)	(2.57)	0.40	(1.42)

Notes:-

1. STATEMENT OF ASSETS AND LIABILITIES

(Rs. in Crores, unless otherwise indicated)

Particulars	Standalone	
	As At 30.09.2015	As At 31.03.2015
	Un-audited	Audited
A. EQUITY AND LIABILITIES		
(1) Shareholders' funds		
(a) Share capital	151.82	151.82
(b) Reserves and surplus	363.10	402.09
Sub-total - Shareholders' funds	514.92	553.91
(2) Non-current liabilities		
(a) Long-term borrowings	121.50	107.70
(b) Deferred tax liabilities (net)	158.09	172.96
(c) Other long-term liabilities	0.51	0.64
(d) Long-term provisions	20.93	19.90
Sub-total - Non-current liabilities	301.03	301.20
(3) Current liabilities		
(a) Short-term borrowings	282.79	204.94
(b) Trade payables	597.44	542.85
(c) Other current liabilities	122.69	124.01
(d) Short-term provisions	2.92	21.13
Sub-total - Current liabilities	1,005.84	892.93
TOTAL - EQUITY AND LIABILITIES	1,821.79	1,748.04
B. ASSETS		
(1) Non-current assets		
(a) Fixed assets	948.68	941.83
(b) Non-current investments	39.85	39.85
(c) Long-term loans and advances	120.58	123.23
(d) Other non-current assets	8.05	8.05
Sub-total - Non-current assets	1,117.16	1,112.96
(2) Current assets		
(a) Current investments	4.31	4.28
(b) Inventories	255.42	273.48
(c) Trade receivables	162.31	115.00
(d) Cash and bank balances	72.17	55.68
(e) Short-term loans and advances	53.98	69.60
(f) Other current assets	156.44	117.04
Sub-total - Current assets	704.63	635.08
TOTAL - ASSETS	1,821.79	1,748.04

2. The Audit Committee reviewed the above results. The Board of Directors, at their meeting held on 14 November 2015, have approved the above results.

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

4. The Company's business comprises of Polyester products, which has linkage with crude oil prices and are also subject to foreign exchange fluctuations. In the last few years, due to volatility in crude oil prices and foreign exchange fluctuations, the Company's realized margin has been lower than expected. Based on the projected business plan, value added products and investment in balancing equipment, the Company believes that the profitability will improve over the next few years. The Company is confident that the MAT credit entitlement carried at the end of the period is fully recoverable and there are no indications of impairment of asset.

5. Exceptional items :

a) Inventory losses amounting to Rs.25.96 crore which includes loss of Rs.4.62 crore (previous year Rs.20.75 crore) on account of write down of closing inventories, calculated on month to month basis, incurred by the Company due to crash in global crude oil prices and consequently impacting raw material prices, i.e., of PTA and MEG during the quarter and six months ended 30 September 2015. The loss incurred has been primarily due to the timing difference in the prices at which material has been purchased and sold.

b) 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 in the financial results.

6. 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. However, during the quarter and six months ended 30 September 2015, no provision has been made for loss of Rs.13.59 crore and Rs.25.24 crore respectively in relation to accounting of forward exchange contracts taken for highly probable/forecast transactions, which is not in line with the above policies, as the management believes that such fluctuation is temporary in nature.

7. During the quarter and six months ended 30 September 2015, the Company has recognised interest of Rs. 9.49 crores on the insurance claim lodged by the Company with its insurance company for the loss of certain assets and loss suffered due to business interruption under loss of profit policy relating to a fire incidence at its plant in 2007-08 under 'other operating income'. As legally advised, the Company is of the view that the amounts recognised are fully recoverable.

8. The Company has considered it appropriate to include interest for the quarter and six months ended 30 September 2015 of Rs.3.96 crore and Rs.5.95 crore respectively (corresponding quarter and six months of previous year Rs.3.03 crore & Rs.6.20 crore respectively), received from customers as 'other operating income', which was considered as 'other income' earlier.

9. Tax expense includes current tax, minimum alternate tax and deferred tax charge / (credit).

10. The Statutory Auditors of the Company have carried out a Limited Review of the financial results for the quarter and six months ended 30 September 2015 and the review report has been issued subject to item 6 and 7 above. The review report of statutory auditors is being filed with BSE Limited and National Stock Exchange of India Limited.

11. 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

Place : Gurgaon
Date : 14 November 2015

Chairman & Managing Director
DIN : 00206807

PART II SELECT INFORMATION FOR THE QUARTER / SIX MONTHS ENDED 30 SEPTEMBER 2015

Particulars	Quarter Ended			Six Months Ended		Year Ended
	30.09.2015	30.06.2015	30.09.2014	30.09.2015	30.09.2014	31.03.2015
	Un-audited			Un-audited		Audited
A PARTICULARS OF SHAREHOLDING						
1 Total public shareholding : (including Global Depository Receipts in equivalent equity shares) :						
- Number of shares (Nos.)	49,954,689	49,954,689	50,318,409	49,954,689	50,318,409	49,954,689
- Percentage of shareholding (%)	32.90	32.90	33.14	32.90	33.14	32.90
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	101,867,553	101,867,553	101,503,833	101,867,553	101,503,833	101,867,553
- 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)	67.10	67.10	66.86	67.10	66.86	67.10

Particulars	Quarter Ended 30.09.2015
B INVESTOR COMPLAINTS	
Pending at the beginning of the quarter	-
Received during the quarter	8
Disposed off during the quarter	8
Remaining unresolved at the end of the quarter	-