

INDO RAMA

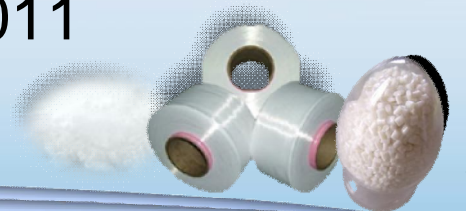
INDO RAMA SYNTHETICS (INDIA) LTD



TWO DECADES OF POLYESTER MANUFACTURING EXCELLENCE

Investor & Analyst Meet – May 4, 2011

INDO RAMA



Our Motto

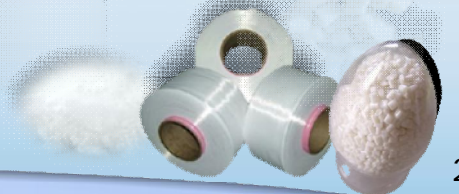
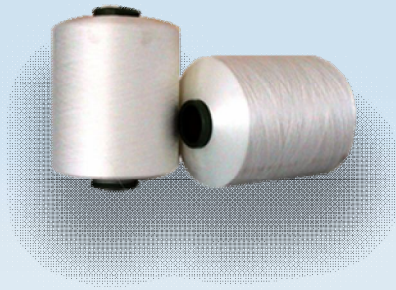
An abiding faith in "Self"

A dogged determination to "Excel"

A resolve to hold one's own against all odds

A passion to seek greater and newer challenges, consistently

A vision to be first and
the "best among the best"

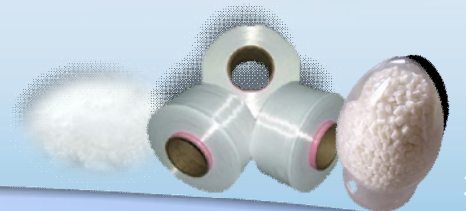


We are
INDO RAMA

The Indian Textile Sector

- The Indian textile industry is one of the leading textile industries in the world
- Contributes about 14 per cent to industrial production, 4 per cent to the country's GDP ; 17 per cent to the country's export earnings." (ref Min of Textiles Annual Report 2010)
- Provides direct employment to over 35 million people - the second largest provider of employment after agriculture

Source - <http://www.importerbase.com>



Fiber Consumption overview

World

Natural Fiber = 26.3 MMT (37%)

Manmade Fiber = 47.1 MMT (63%)

India

Natural Fiber = 4.7 MMT (61%)

Manmade Fiber = 3.1 MMT (39%)

Per capita consumption (Kgs)

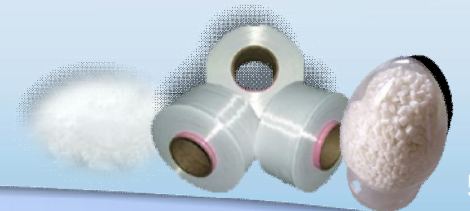
Region	Cotton			Polyester		
	2005	2010	%	2005	2010	%
World	4.0	3.7	(7.5)	3.7	5.1	38
China	7.0	8	14	10.0	18	80
India	3.3	3.9	18	1.8	2.5	38

Globally, consumption is significantly tilted towards manmade fibers, whereas India will catch up the trend soon.



The Indian Polyester Segment

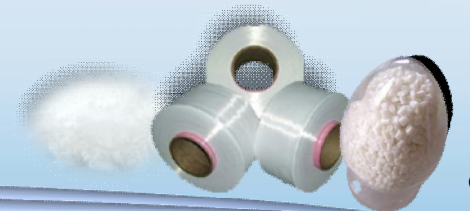
- Growing at a CAGR of more than 10% for the past two years – capable of exceeding this growth going forward
- Several drivers for this growth
 - Rising demand driven by higher GDP
 - Easily Available raw material
 - Spiraling cotton prices
 - Very high operating rates in the downstream industry
 - Progress in Non-woven & Technical Textile applications; opportunities non textile applications
 - More of Nuclear Families





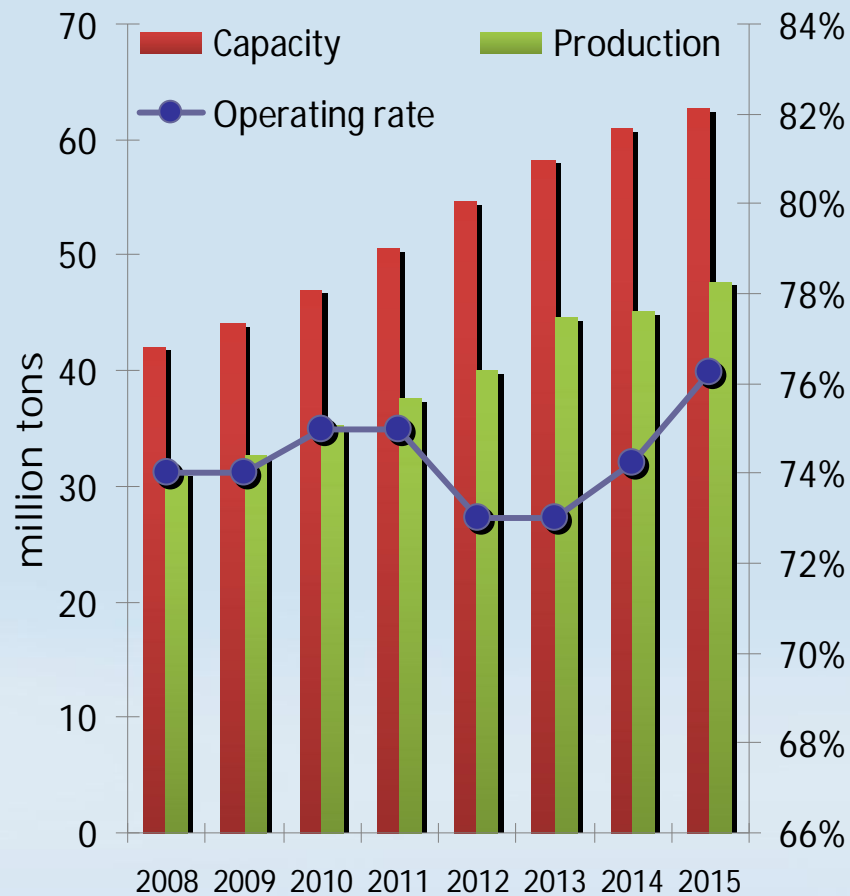
Finished goods overview

INDO RAMA

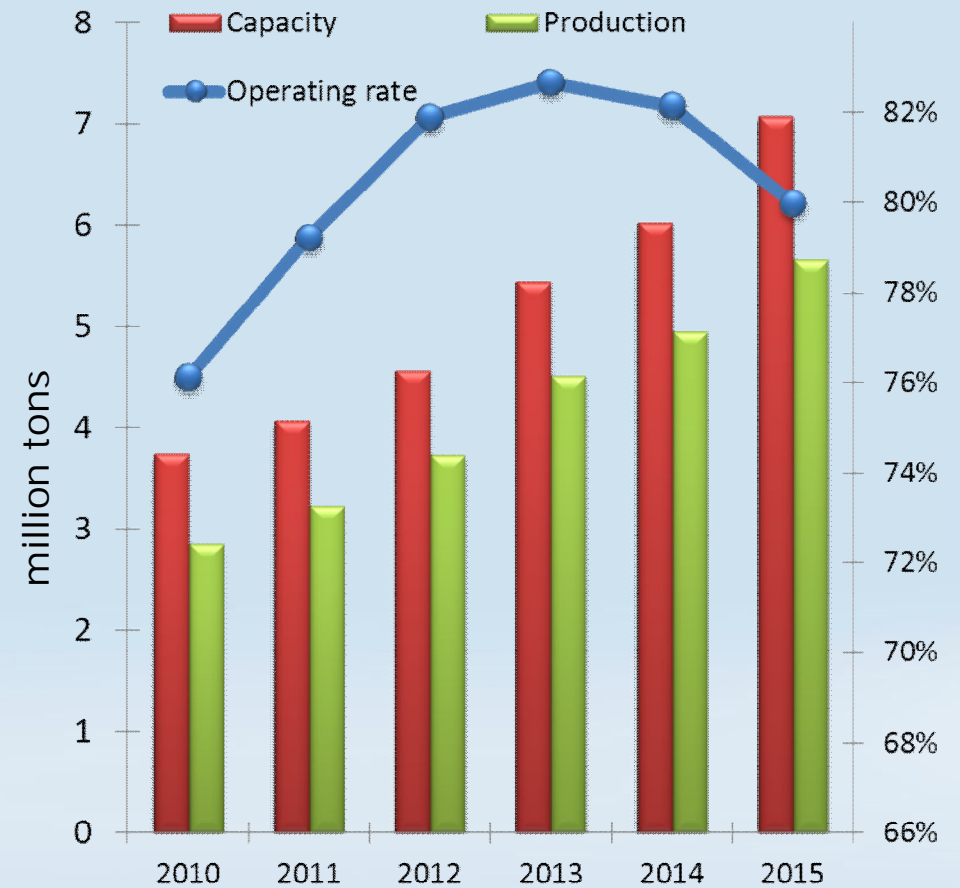


Polyester Outlook (PFY + PSF)

Global Scenario



Domestic Scenario

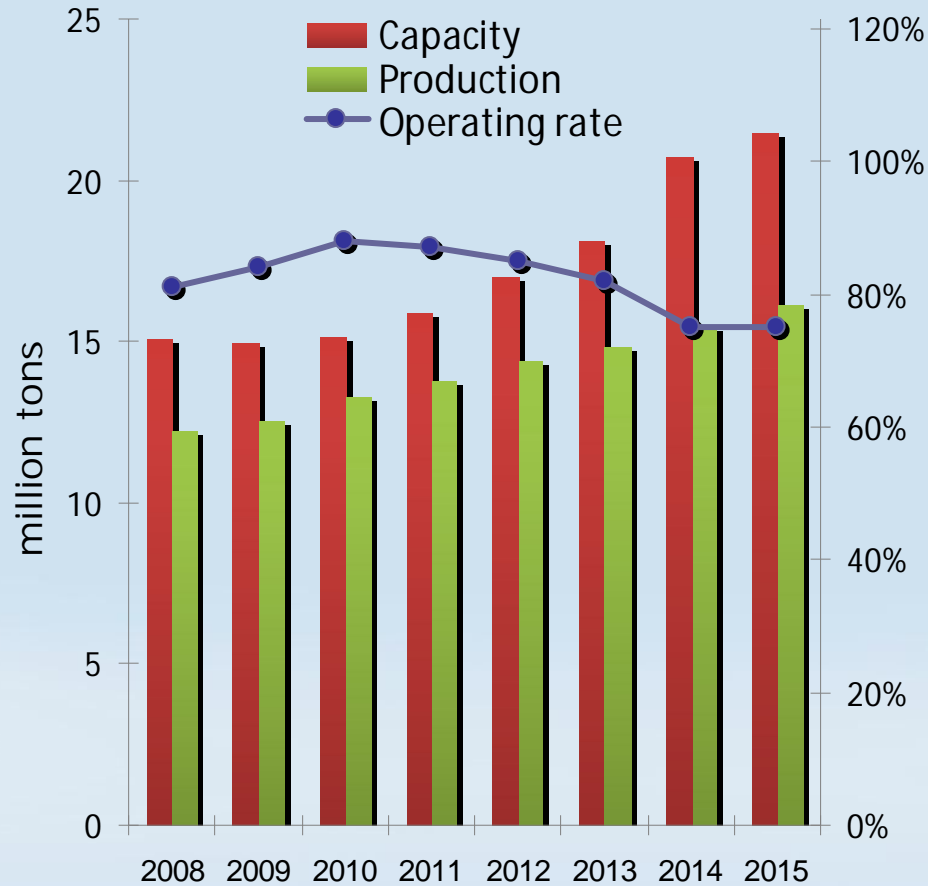


2011-2015 Projected Figure

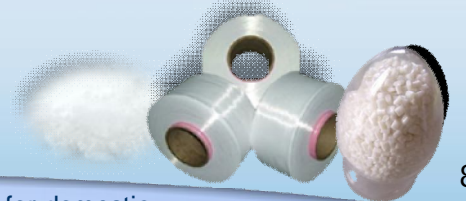
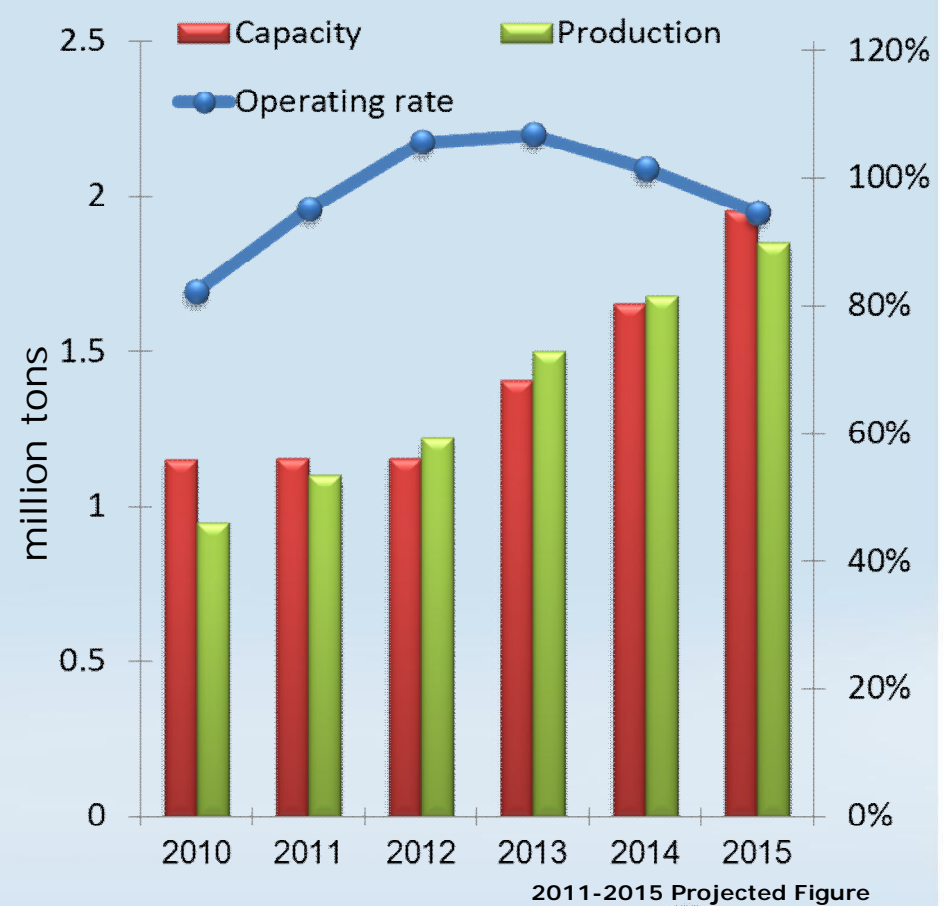


Polyester Outlook (PSF)

Global Scenario

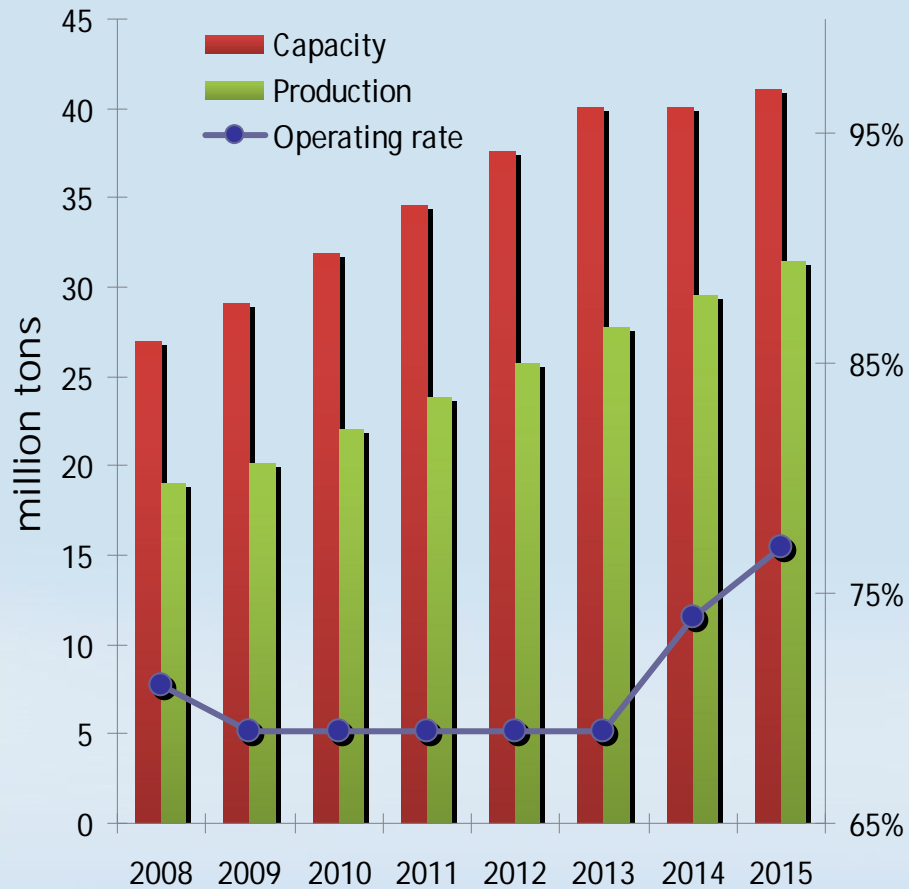


Domestic Scenario

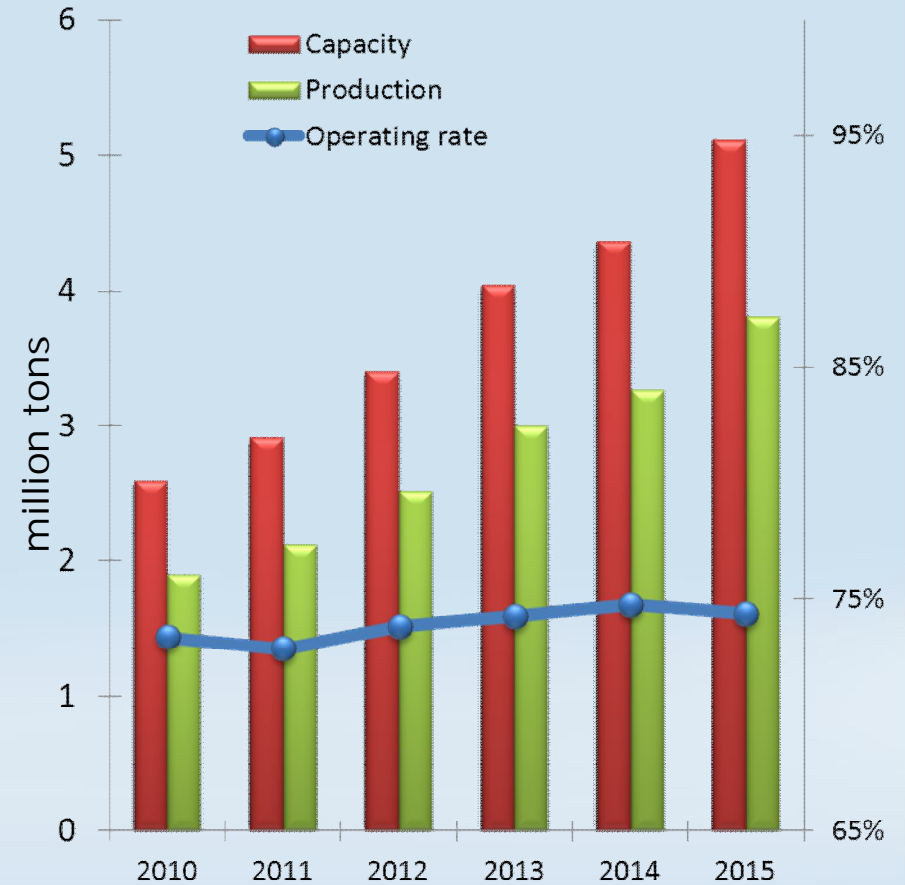


Polyester Outlook (PFY)

Global Scenario



Domestic Scenario



2011-2015 Projected Figure

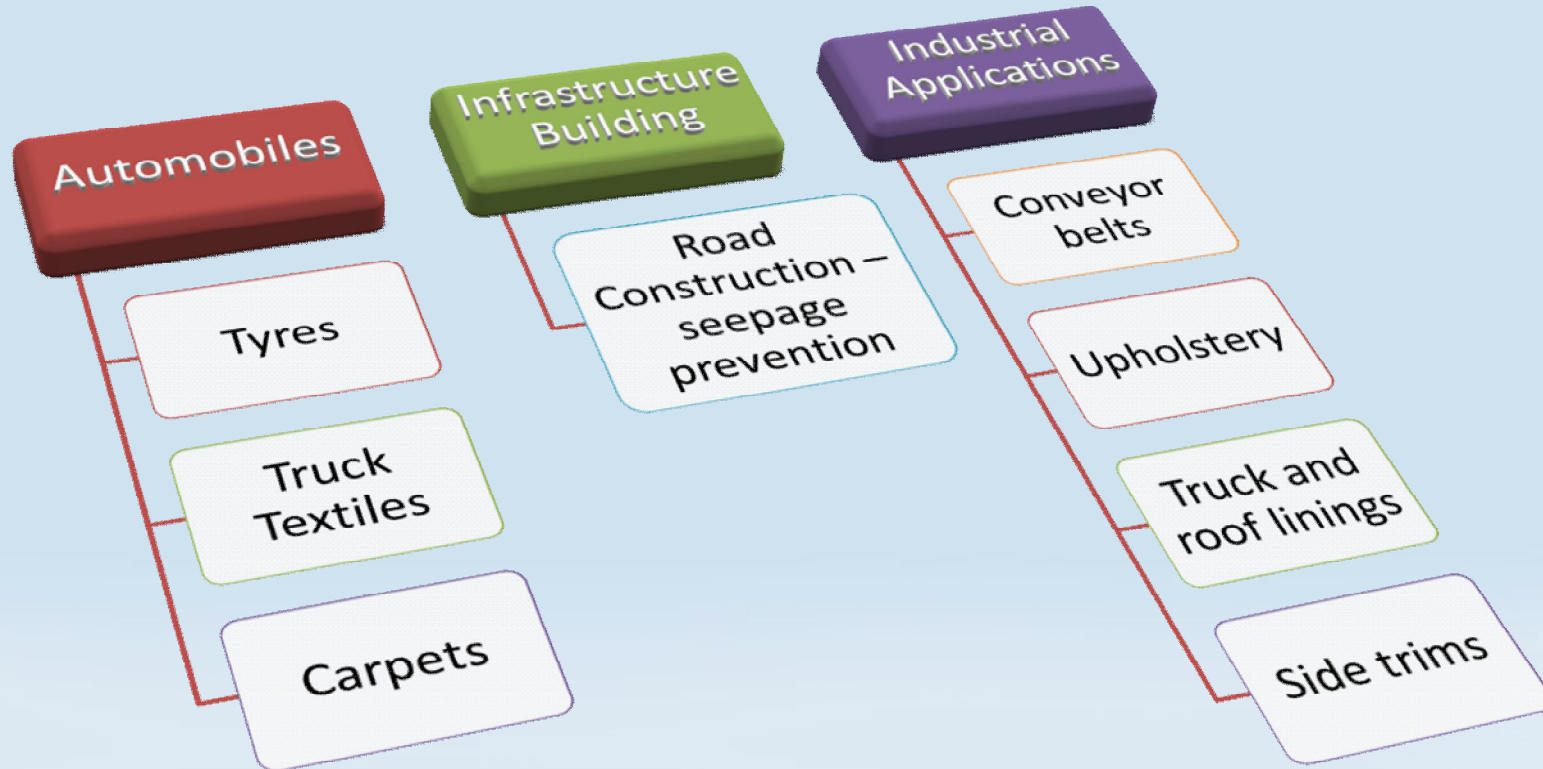
INDO RAMA

Source : PCI Demand Supply Report 2010/11 for Global and Indo Rama Internal report for domestic.

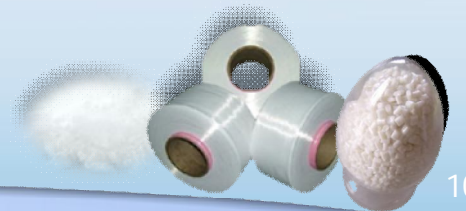


Non Apparel Segment

Numerous R&D initiatives have enabled innovation and identification of non apparel usages for polyester. These include:



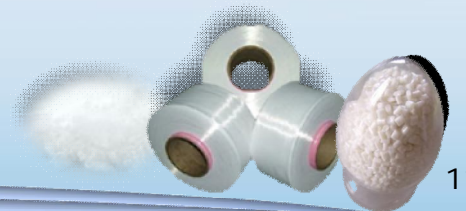
Expanding non apparel opportunities can only expand demand for polyester





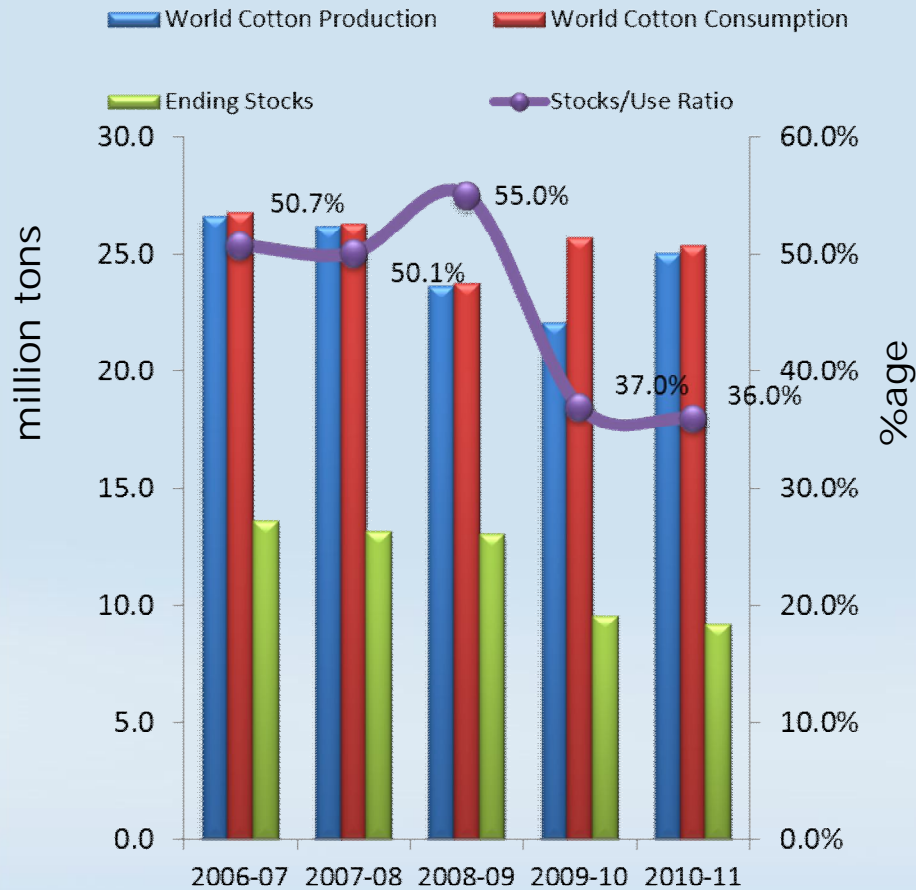
Substitute Fiber

INDO RAMA

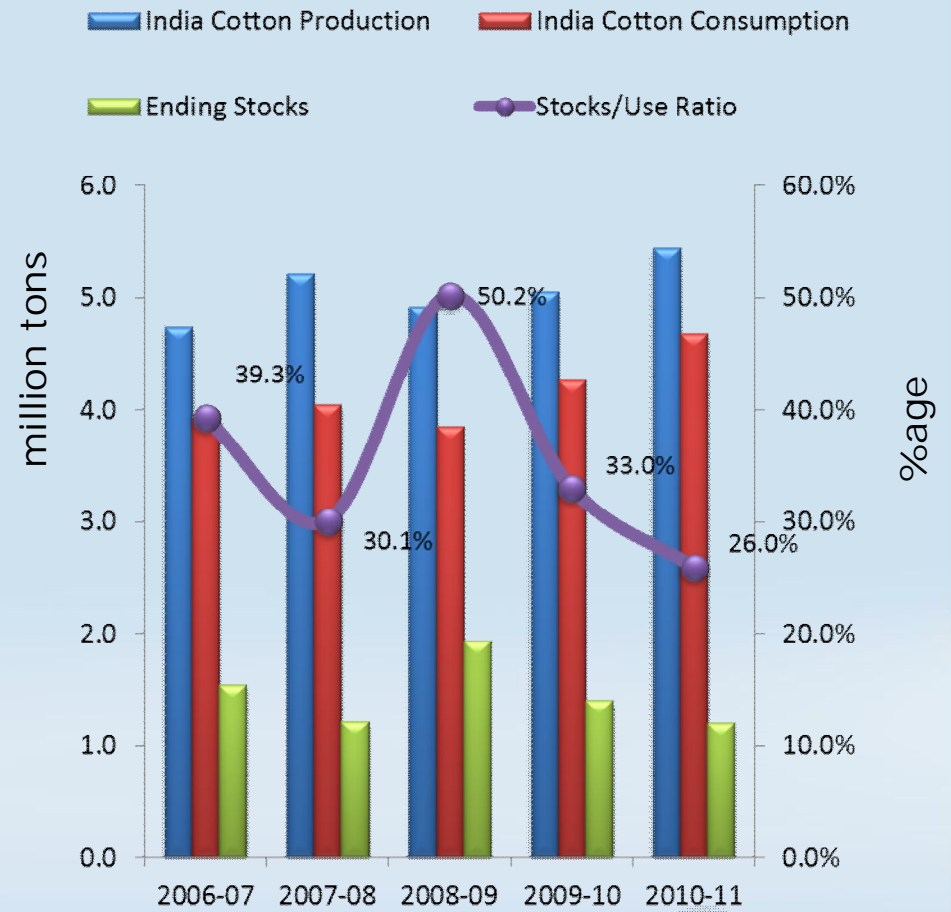


Cotton Scenario

Global (Cotton Year Aug – July)

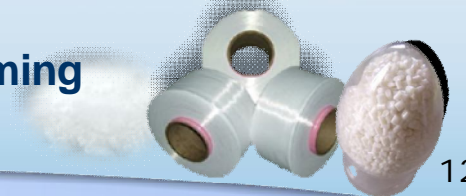


Domestic (Cotton Year Oct – Sep)



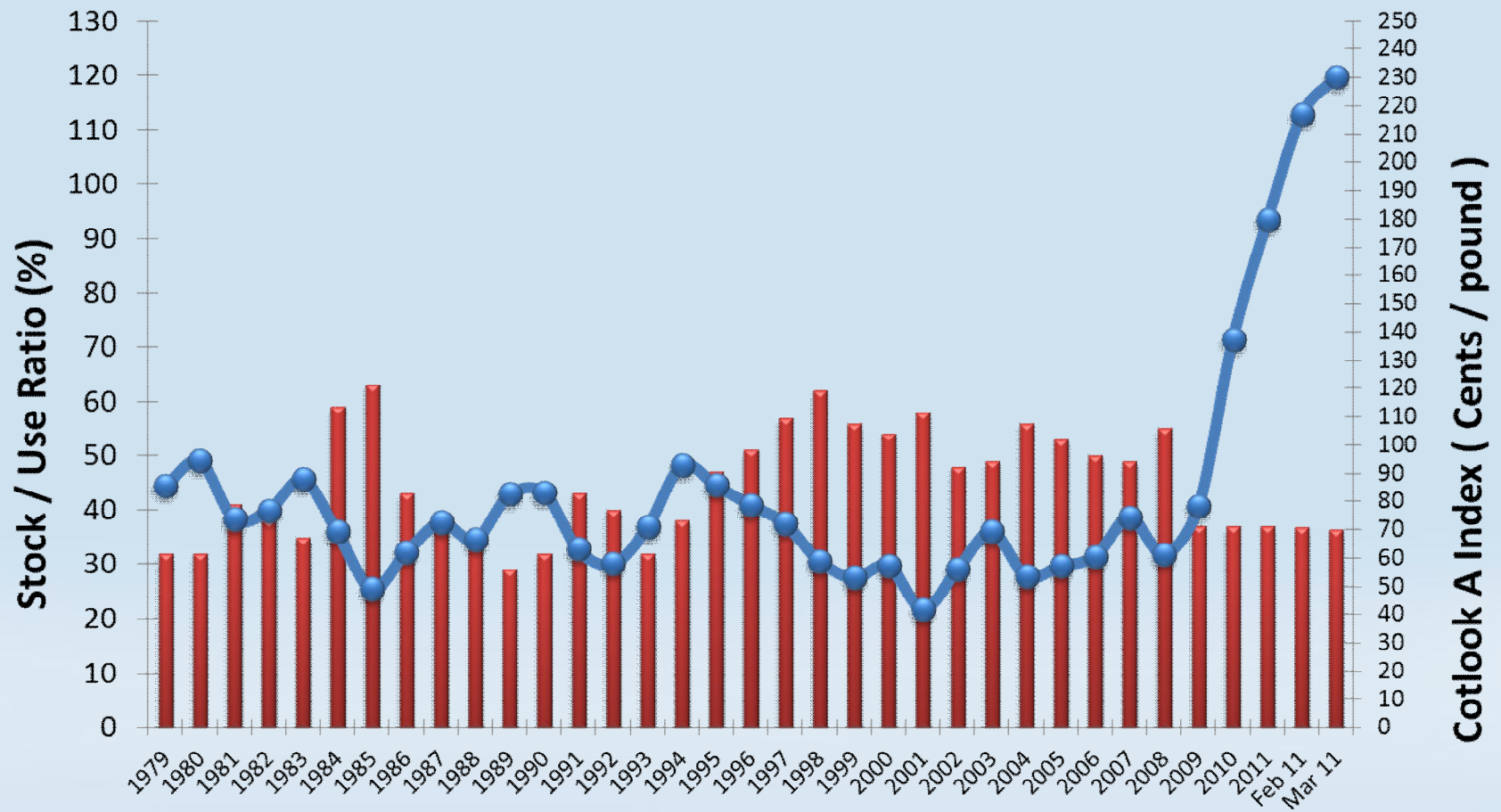
Cotton prices are very high due to stock to use percentage coming down.

INDO RAMA



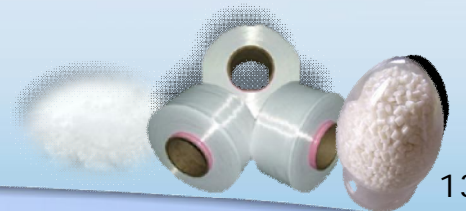
Source : USDA

Cotlook A Index vs. World Stock / Use Ratio

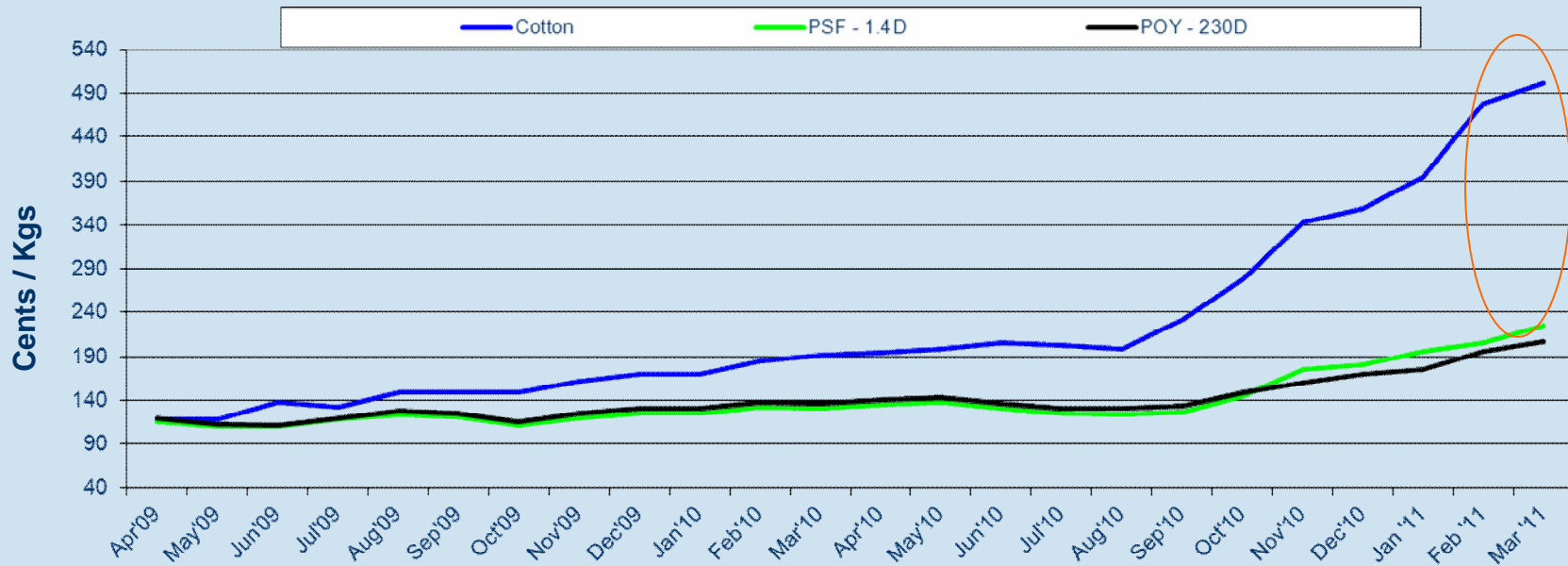


INDO RAMA

Source : Cotton Prices from Cotlook Website



Historical International Prices - Cotton / PSF / POY



	Apr-10	July-10	Oct 10	Jan 11	Mar 11
Cotton	194.0	203.0	279.0	395.0	502.0
PSF	135.0	125.0	144.0	195.0	225.0
POY	141.0	131.0	148.0	177.0	206.0

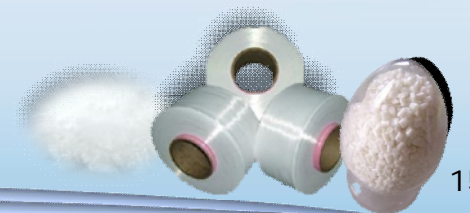
Gap between Cotton Price and Polyester Widened





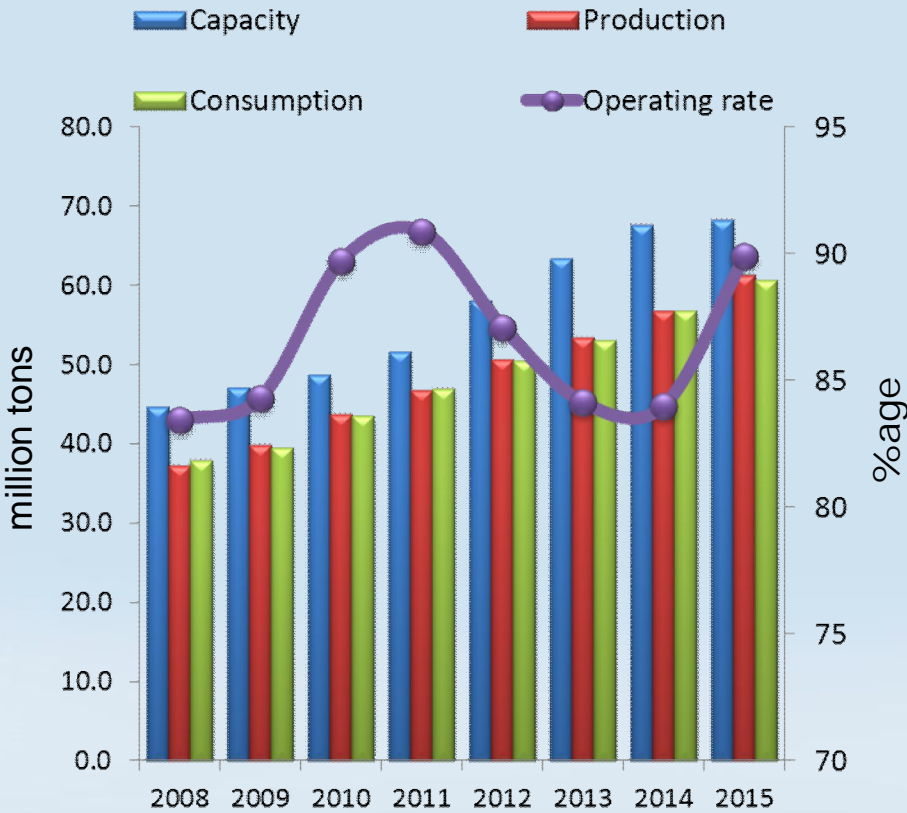
Raw material overview

INDO RAMA

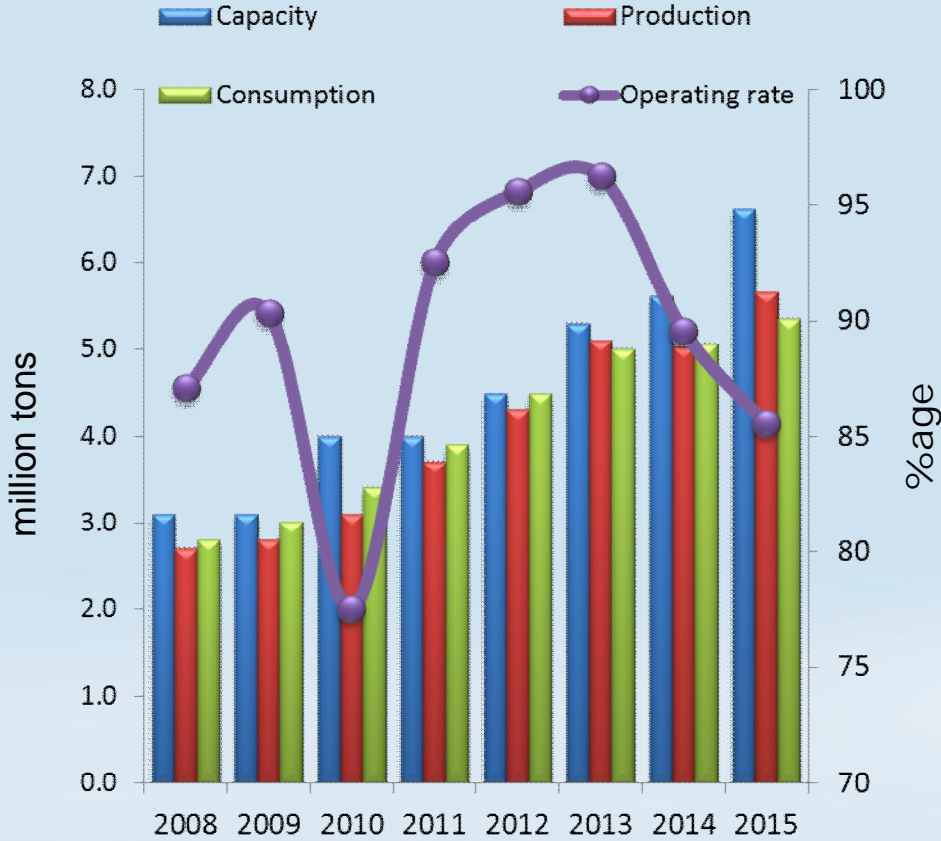


PTA Outlook

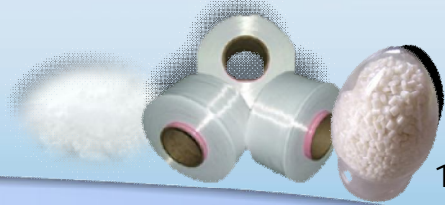
Global Scenario



Domestic Scenario

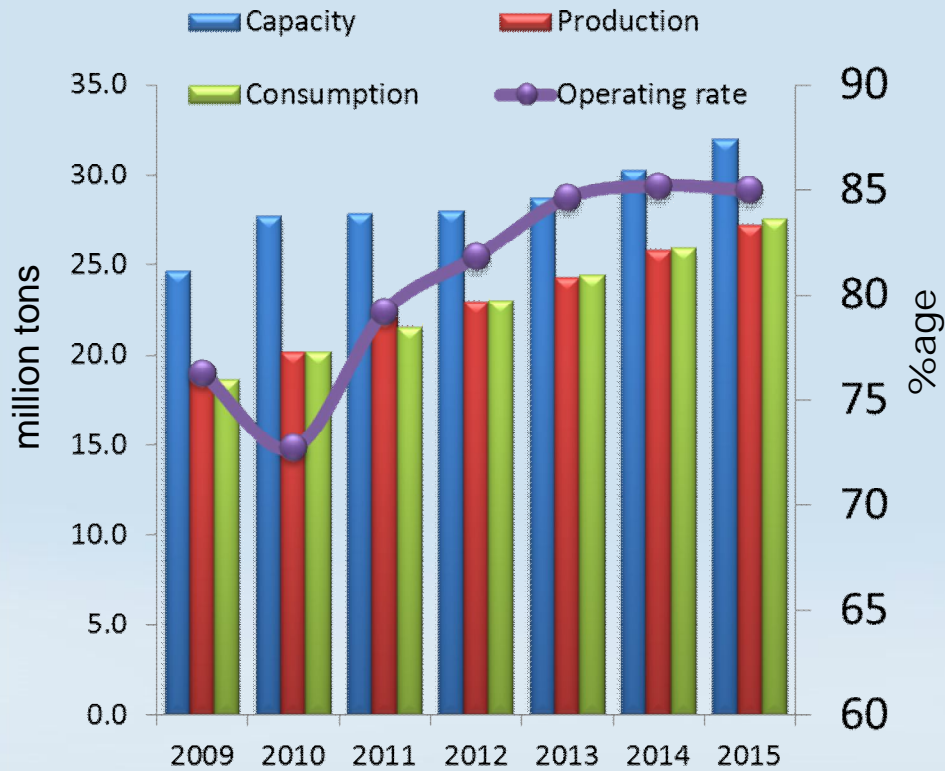


2011-2015 Projected Figure

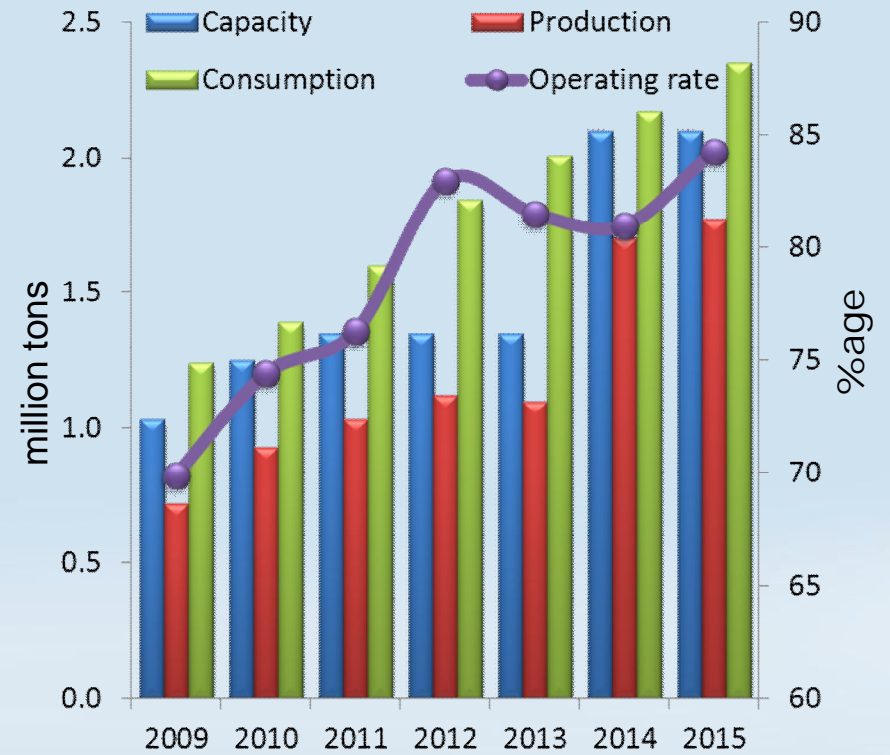


MEG Outlook

Global Scenario



Domestic Scenario

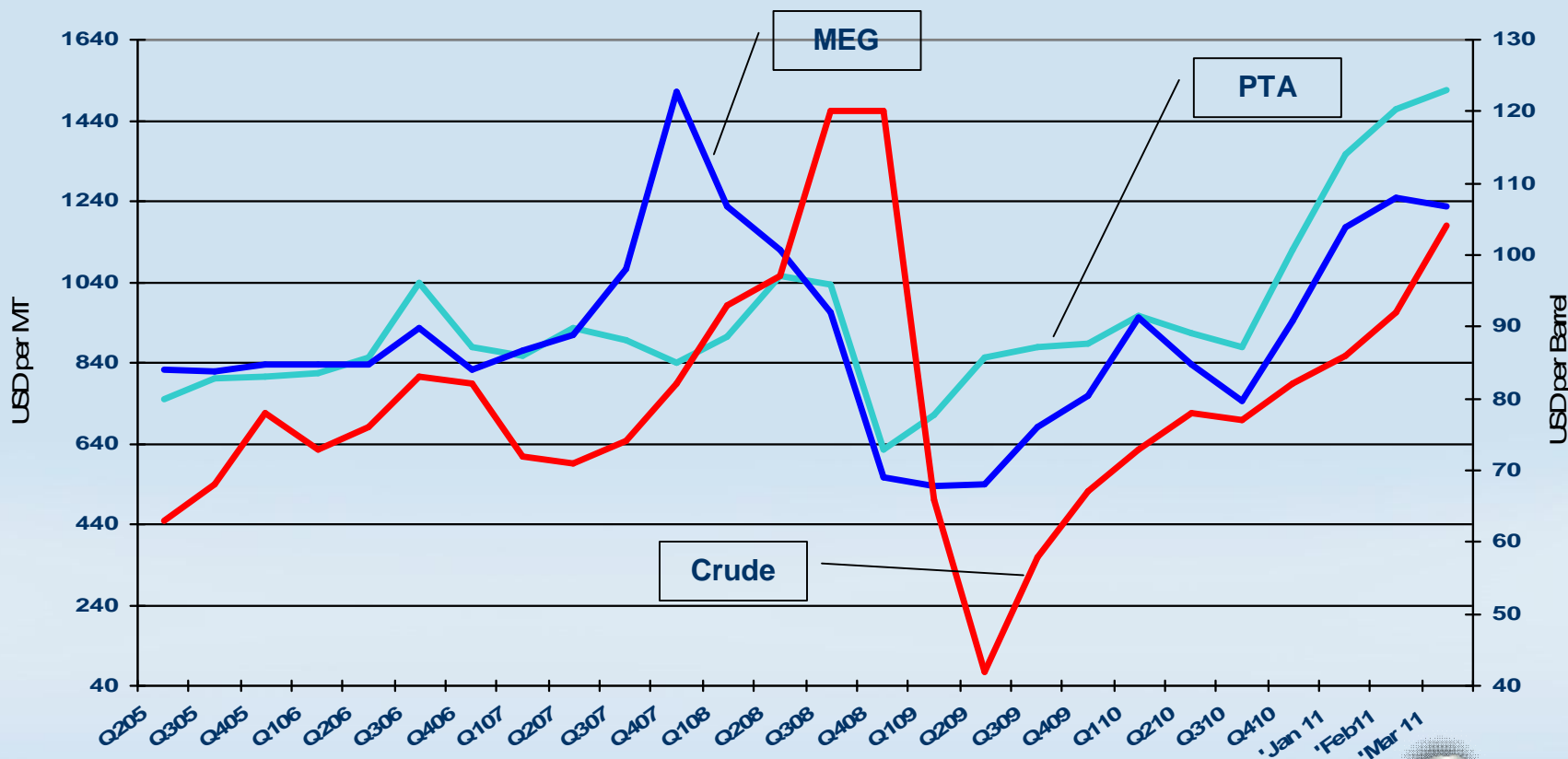


2012-2015 Projected Figure



Crude vs. Raw Material

* Oil prices are in USD/Barrel. All other prices are in USD/MT CFR



Correlation between crude and PTA / MEG not significant



Who We Are

INDO RAMA
Synthetics (India) Limited

One of the largest single site polyester manufacturer in India

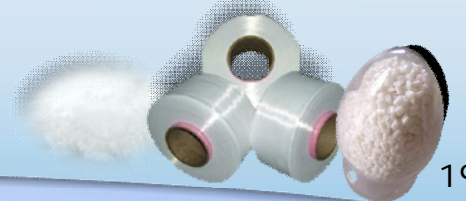
Amongst the most efficient manufacturers in the country

Over 20 years of presence in the polyester space.

6,10,050 ton capacity centrally located at Butibori in Nagpur.

Capabilities across all fibers – PSF, POY, FDY & DTY

INDO RAMA





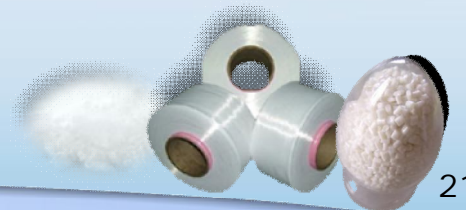
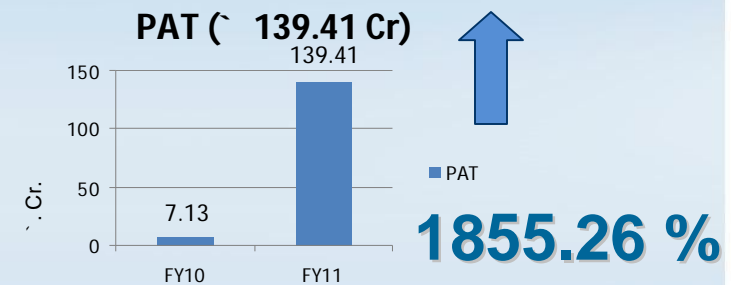
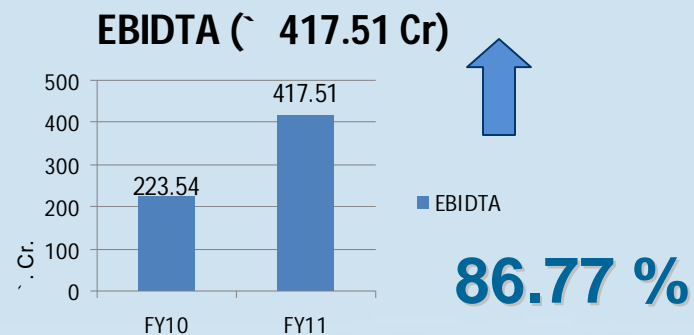
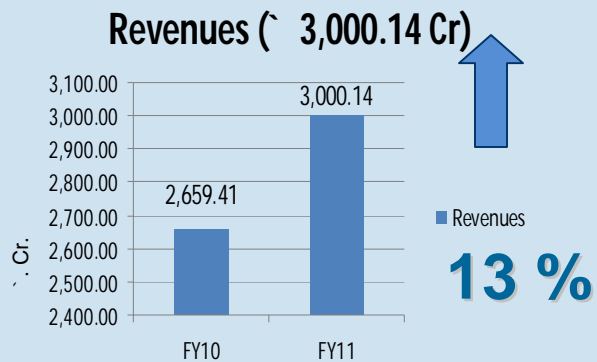
Financial Results

for the Quarter / Year ended March 31, 2011

HIGHLIGHTS

Financial Year 2010-11

(April, 2010 – March, 2011)



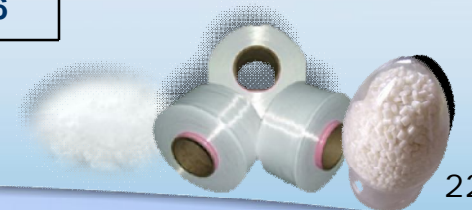
FINANCIAL HIGHLIGHTS

FY 2011

₹. in crore

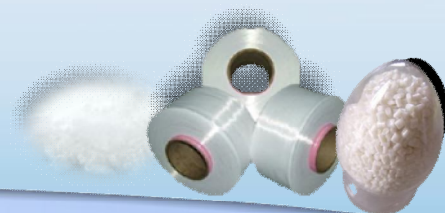
PARTICULARS	2010-11	2009-10	% Change
Gross Turnover	3,000.14	2,659.41	12.81
Expenses:			
Raw materials cost	2,154.87	1,929.35	11.69
Employees cost	63.58	56.71	12.11
Total Expenditure	2,581.16	2,482.18	3.99

PARTICULARS	2010-11	2009-10	% Change
EBIDTA	417.51	223.54	86.77
Interest	59.27	66.77	(11.23)
Depreciation	149.90	149.15	0.50
Profit Before Tax	208.34	7.62	2634.12
Profit After Tax	139.41	7.13	1855.26



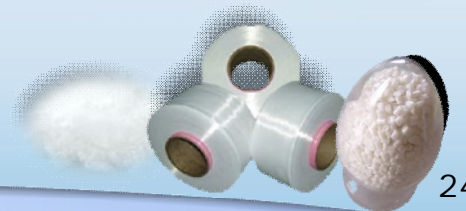
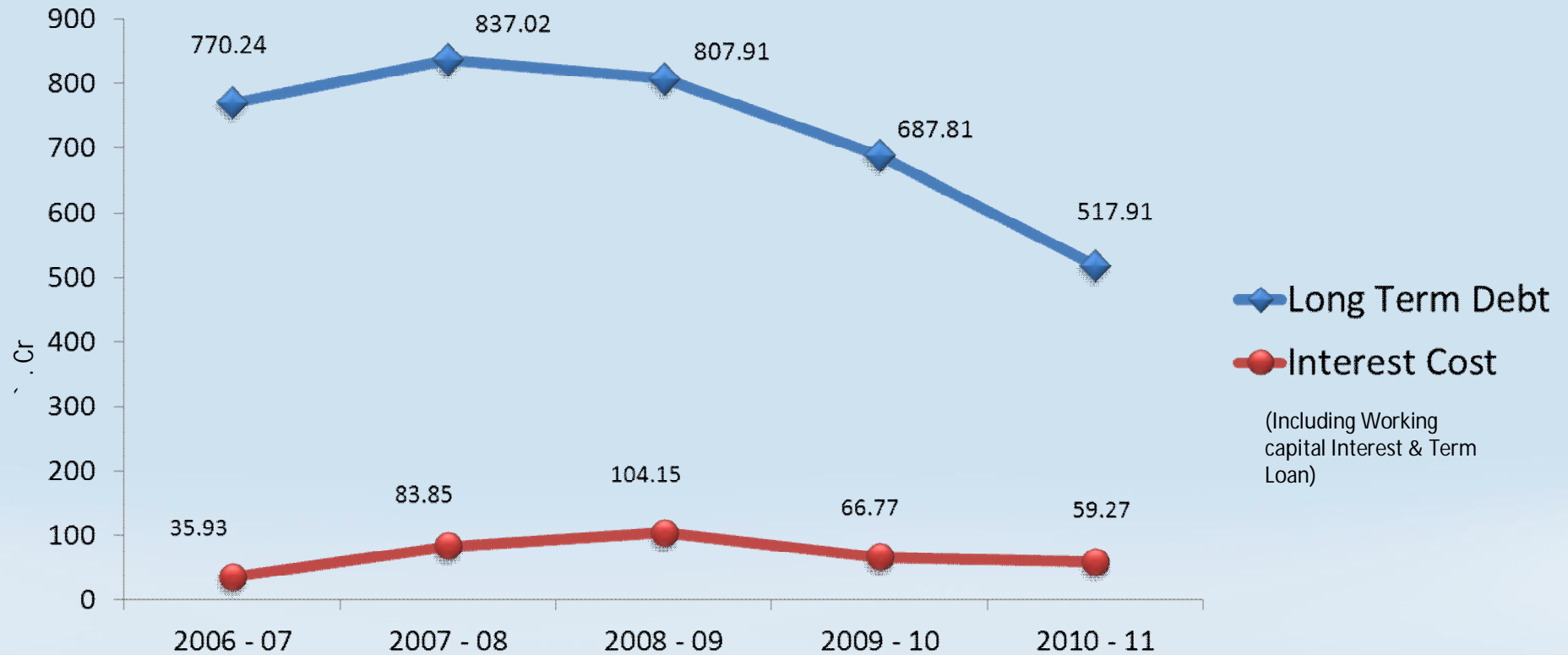
Annual Financial Ratios

Particulars	F.Y. 2010-11	F.Y. 2009-2010
Debt/Equity Ratio	0.93	1.66
Interest Coverage Ratio	7.04	3.35
Debt Service Coverage Ratio	1.59	1.56
Current Ratio	1.00	0.84
Fixed Asset Coverage Ratio	2.47	1.94
Return on Capital Employed	29.48%	19.22%



Finance Cost Reduction

Fig. in ` . Cr.





Major Value Addition / Cost Cutting Measures

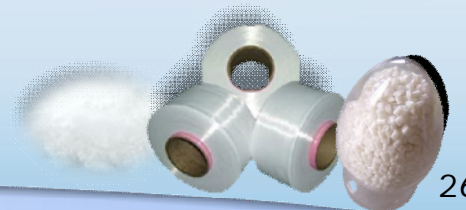
DTY Capacity Expansion

Expansion of value added product capacity by the addition of 22 new high capacity Draw Texturized Yarn (DTY) machines.

- With 8 new high capacity DTY machines already commissioned, the capacity has increased to 64,800 TPA from 43,000 TPA in February, 2011

Further enhancement of plant capacity by adding 14 new DTY machines which will be commissioned from August, 2011 to January, 2012

- Post commissioning : Capacity: - 98,000 TPA
- Total Cost of Project : ` 32 crore
- Payback period for the project: 2 years



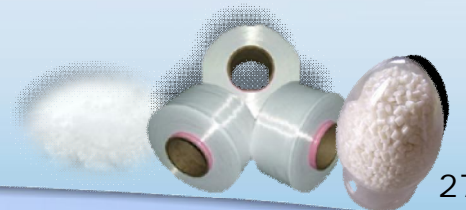
Operational enhancement

Existing dowtherm Heating System based on Furnace Oil (FO) to be replaced by a coal based plant which will be commissioned by July, 2011.

- Under this project four coal based heaters will be commissioned
- Total Cost for this project would be ` 73 Crore
- Expected payback period : 1.5 Years

To set up a Steam turbine generator with a capacity of 11 MW, utilizing the available Steam capacity for captive use, reducing dependency on Furnace Oil based DG set.

- Steam Turbine Generator to be commissioned by November 2011
- Total Cost for this project: ` 36 Crore
- Expected payback period : 2 Years





THANK YOU