

# INDO RAMA

Indo Rama Synthetics (India) Ltd.

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Press Release

For Immediate Publication

## Net Profit jumps 37.57% to Rs. 171.71 crore: Company announces 20% dividend

New Delhi, April 20, 2004: Indo Rama Synthetics (I) Ltd. (IRSL), the country's largest dedicated polyester manufacturer, today announced its annual results for the financial year ended March 31, 2004. In synergy with projections, the company's Net Profits for the financial year 2003-04 increased 37.57% to Rs. 171.71 crore from Rs. 124.82 crore last year. The company recorded an increase of 6.89% in the Operating Profits (EBIDTA), which improved to Rs. 395.97 crore in FY 2003-04, rising from Rs. 370.44 crore in the last year. The growth pattern of FY 2003-04 was also visible in the PBT as it increased to Rs. 252.58 crore from Rs. 213.78 crore in the last year, registering an increase of 18.15%. The interest for FY 2003- 04 went down by 24.34% to Rs. 46.93 crore from Rs. 62.03 crore. Sales turnover was maintained at Rs. 2,196.41 crore as against Rs. 2,173.05 crore last year. The company announced a dividend of 20%.

Highlights of Annual Results (2003-04) Rs. Crore			
	03-04	02-03	% Change
Net Profit	171.71	124.82	37.57
Sales	2,196.41	2,173.05	
EBIDTA	395.97	370.44	6.89
Cash Profits	349.04	308.42	13.17
PBT	252.58	213.78	18.15

Speaking on the occasion, Mr OP Lohia, Managing Director, Indo Rama Synthetics (I) Ltd. said, "This is the first year of operations of Indo Rama Synthetics (I) Ltd after the de-merger of its spinning operations into a separate company. Our robust financial performance further endorses the decision to re-structure and augment operational efficiencies. The buoyancy in the annual results reflects our strong position. Our internal initiatives to enhance capacities and build efficiencies, coupled with external triggers, including healthy economic growth and increased access to international markets post the end of the Multi-Fibre Agreement, promise a bright future for the

company." He further added, "In a quota free world, Indo Rama is confident of positioning itself as the most viable trade partner across the global markets."

For the quarter ended March 31, 2004, IRSL recorded a jump of 360.56% in the Net Profits to Rs. 52.78 crore from Rs. 11.46 crore in the corresponding quarter last year. The Cash Profit (PBT) for the last quarter in FY 2003-04 also rose 89% to Rs. 99.98 crore from 52.82 crore.

The capacity of the Company's highly cost efficient world-class Butibori plant (in Nagpur) is in the process of being doubled from 800 tonnes per day to 1600 tonnes per day. This will considerably strengthen its position both on a domestic as well as a global scale.

IRSL is optimistic of the opportunities post the completion of the Multi-Fibre Agreement at the end of current year. There is expected to be significant increase in opportunity for Indian companies in the US and European Union markets. This will further enhance company's position.