

INDO RAMA

Indo Rama Synthetics (India) Ltd.

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Press Release

For Immediate Publication

Q3 / 9 months FY2009 Financial Results Communication

Indo Rama Synthetics (India) Ltd. announces its Q3 FY09 Results

New Delhi, 28 January, 2009: Indo Rama Synthetics (India) Limited, the country's largest dedicated polyester manufacturer, today announced its FY 2008-09 unaudited results for the Q3 and nine months ending December 31, 2008.

In the quarter ended December 31, 2008 Net Sales was recorded at Rs.536.14 crore as against Rs.545.06 crore in the corresponding period last year. EBIDTA was marginally lower at Rs.63.72 crore as compared to Rs.68.68 crore in the corresponding quarter. Net Loss for the quarter stood at Rs.36.36 crore as against Net Profit of Rs.7.21 crore last year.

During the quarter there has been a foreign exchange fluctuation loss to the tune of Rs.55.11 crore as against a loss of Rs.3.71 crore in the corresponding quarter previous year.

The cost of raw material came down significantly during the quarter due to softening of crude prices. Owing to lower prices the relative positioning of polyester amongst competing fibers like cotton has improved which will have a positive impact on the polyester segment.

Commenting on the Results, Mr. O. P. Lohia, Chairman and Managing Director, IRSL said, "Though the textile sector has been impacted with the economic slowdown, the government intervention with the fiscal stimulus packages will improve the situation. Measures such as reduction of 4% in central excise duties, interest subvention of 2% on export credit, restoration of DEPB rates, extension of the DEPB scheme, etc. will benefit the sector. At Indo Rama, to meet the slowdown challenges, we have implemented a range of cost cutting measures."

"In our power business, which continues to do well, we have made arrangements for selling additional power from the current level of 22MW to 40MW. We see a major improvement in the performance of the power business of our company in the coming days" added Mr. Lohia.