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**Press Release** **For Immediate Publication**

# Indo Rama Synthetics (India) Ltd. announces Q3 FY10-11 Results

**Three months Profit After Tax at Rs. 47.08 crore from Rs. 9lakh**

**Nine months Profit After Tax up at Rs.38.73 crore from Rs. 2.10 crore**

**Gurgaon, February 14, 2011:** Indo Rama Synthetics (India) Limited, India's largest dedicated polyester manufacturer, today announced its unaudited results for Q3 ended December 31, 2010.

Net sales for the quarter stood at Rs. 651.88 crore, an increase of 6.2% as compared to Rs. 613.33 crore in the corresponding quarter. EBIDTA for the quarter has been Rs.121.03 crore as compared to Rs. 50.66 crore in the same period last year, a marked increase of 139%. During the quarter, the Profit after Tax was Rs.47.08 crore as against Rs.9 lakh in the corresponding period.

In the 9 months ended December 31, 2010 while the net sales has been Rs.1941.45 crore as against Rs.1897.94 crore in the previous year, the Profit after Tax for the period has jumped to Rs.38.73 crore from Rs.2.10 crore in the corresponding period.

The performance of polyester business continues to be robust during the quarter with increased demand both in the domestic and overseas markets. On the back of strong demand growth, steep cotton prices and no further expansions in the polyester capacities, the company could garner higher margins in its product lines and the company is hopeful that this trend is going to continue in coming quarters also. The concerted efforts towards cost management have further contributed to better margins during the quarter.

The Company is already in process of expanding its production capacity for its value added product Draw Texturized Yarn (DTY). In this connection the company has installed 8 new DTY machines to take its DTY capacity from the existing 43800 Tonnes Per Annum, to 64,800 Tonnes Per Annum. Further, 8 more DTY machines will be added which will be operational in phases from July 2011 onwards and complete by end of the year, and will take the total DTY capacity to 84000 Tonnes Per Annum.

To achieve better cost efficiency, the company is replacing the existing heat treatment media based on Furnace oil to coal based with project cost of Rs. 73 crores. The payback period of this capex is only 2.2 years. The company is also adding 11 MW of Power to utilize the spare boiler capacity.

Keeping in view the good performance of the company, The Board has recommended an Interim dividend of 10% to its shareholders.

**Commenting on the Results, O P Lohia, Chairman and Managing Director, said:**
*"The quarter has been quite encouraging, with the market continuing to be buoyant and textile sector set for further growth. The Cotton prices will continue to remain firm in foreseeable future which will lead to higher PSF demand with equally remunerative prices. Our thrust on value added products and optimization of inventory levels have contributed to our good performance. Because of good results of the Company and bright future prospects, we have declared an Interim dividend of 10% to all our shareholders."*