

IRSL:STEXCH:2014-15:
16th March 2015

National Stock Exchange of India Limited

Exchange Plaza, 5th Floor,
Bandra - Kurla Complex,
Bandra (E)
Mumbai -400 051.
Fax: 022-2659 8237 / 8238 / 8347 / 8348

BSE Limited

Floor 25,
P. J. Towers,
Dalal Street,
Mumbai - 400 001.
Fax: 022-2272 3121

Sub: Credit Rating - Indo Rama Synthetics (India) Limited

Dear Sir,

We are pleased to inform you that our Credit Rating as assigned by CARE as under:

Facilities	Amount (Rs. Crore)	Ratings
Long-term Bank Facilities	31.55	CARE BBB- (Triple B Minus)
Short-term Bank Facilities	80.00	CARE A3 (A Three)
Long/Short-term Bank Facilities	788.45	CARE BBB- / CARE A3 (Triple B Minus / A Three)
Total Bank Facilities	900.00	

Copy of Rating Rationale as received is attached.

This is for your kind information and record.

Thanking you.

Yours faithfully,
for **Indo Rama Synthetics (India) Limited**

Jayant K Sood
Head-Corporate & Company Secretary



Encl.: As above.

INDO RAMA SYNTHETICS (INDIA) LTD.

Corporate Office : 20th Floor, DLF Square, DLF Phase-2, NH-8, Gurgaon - 122002, Haryana, India. Tel : 0124-4997000, Fax : 0124-4997070
Registered Office & Manufacturing Complex : A-31, MIDC Industrial Area, Butibori, Nagpur - 441122, Maharashtra, India. Tel : 07104-663000 / 01, Fax : 07104-663200

E-mail : corp@indorama-ind.com • Website : www.indoramaindia.com

CIN : L17124MH1986PLC166615

MARCH 12, 2015

CARE ASSIGNS 'CARE BBB-' AND 'CARE A3' RATINGS TO THE BANK FACILITIES OF INDO RAMA SYNTHETICS (INDIA) LIMITED

Rating

Facilities	Amount (Rs. crore)	Ratings ¹	Remarks
Long-term Bank Facilities	31.55	CARE BBB- (Triple B Minus)	Assigned
Short-term Bank Facilities	80.00	CARE A3 (A Three)	Assigned
Long/ Short-term Bank Facilities	788.45	CARE BBB-/CARE A3 (Triple B Minus/A Three)	Assigned
Total Bank Facilities	900		

Rating Rationale

The ratings assigned to the bank facilities of Indo Rama Synthetics (India) Limited (IRSL) derive strength from the promoter's experience in polyester business, established track record and market position of the company, economies of scale owing to large capacities and fiscal benefits available with the company.

The ratings, however, are constrained on account of moderate financial risk profile of the company, low capacity utilization levels and its exposure to raw material price fluctuations risk and foreign exchange fluctuation risk.

Going forward the company's ability to improve its capacity utilizations while improving profitability and manage its liquidity position would be the key rating sensitivities.

Background

Incorporated in 1986, IRSL commenced polyester manufacturing in 1989 and currently is India's second largest polyester manufacturer. The Company manufactures a wide range of polyester products which include Polyester Staple Fiber (PSF), Partially Oriented Yarn (POY), Draw Texturised Yarn (DTY), Fully Drawn Yarn (FDY) and Polyester Chips. IRSL has an integrated manufacturing complex spread over 250 acres at Butibori, near Nagpur with installed capacity of 610,050 metric tons per annum (MTPA) of polyester. The company has several technical collaborations with companies like DuPont of USA, Toyobo of Japan, Zimmer AG of Germany among others. IRSL is promoted by Mr O P Lohia (current Chairman & Managing Director) and family.

During FY14 (refers to the period April 1 to March 31), IRSL reported net loss of Rs.8 crore on a total operating income of Rs.2640 crore as against Rs.41crore of PAT on a total income of Rs.2922 crore in FY13. Based on the provisional financials, the company has reported net loss of Rs.52 crore on total operating income of Rs.2130 crore during 9MFY15.

Analyst Contact

Name: Gaurav Dixit

Tel: 011-45333235

Email: gaurav.dixit@careratings.com

****For detailed Rationale Report and subscription information, please contact us at www.careratings.com**

CARE has classified instruments rated by it on the basis of complexity. This classification is available at www.careratings.com. Investors/market intermediaries/regulators or others are welcome to write to care@careratings.com for any clarifications.

¹ Complete definition of the ratings assigned are available at www.careratings.com and other CARE publications

Disclaimer: CARE's ratings are opinions on credit quality and are not recommendations to sanction, renew, disburse or recall the concerned bank facilities or to buy, sell or hold any security. CARE has based its ratings on information obtained from sources believed by it to be accurate and reliable. CARE does not, however, guarantee the accuracy, adequacy or completeness of any information and is not responsible for any errors or omissions or for the results obtained from the use of such information. Most entities whose bank facilities/instruments are rated by CARE have paid a credit rating fee, based on the amount and type of bank facilities/instruments.

In case of partnership/proprietary concerns, the rating assigned by CARE is based on the capital deployed by the partners/proprietor and the financial strength of the firm at present. The rating may undergo change in case of withdrawal of capital or the unsecured loans brought in by the partners/proprietor in addition to the financial performance and other relevant factors.

CONTACT

Head Office Mumbai

Mr. D.R. Dogra

Managing Director
 Mobile: +91-98204 16002
 E-mail: dr.dogra@careratings.com

Mr. Rajesh Mokashi

Dy. Managing Director
 Mobile: +91-98204 16001
 E-mail: rajesh.mokashi@careratings.com

Ms. Meenal Sikchi

Vice President - Bank Loan & Instrument Rating
 Mobile: +91-9819009839
 E-mail: meenal.sikchi@careratings.com

Mr. Ankur Sachdeva

Vice President - Bank Loan & Financial Services
 Mobile: +91-9819698985
 E-mail: ankur.sachdeva@careratings.com

CREDIT ANALYSIS & RESEARCH LIMITED

Corporate Office: 4th Floor, Godrej Coliseum, Somaiya Hospital Road, Off Eastern Express Highway, Sion (East), Mumbai - 400 022
 Tel: +91-22-6754 3456 | Fax: +91-22-6754 3457 | E-mail: care@careratings.com

Other Office:

503, Kaledonia, Sahar Road, Near Andheri Railway Station, Andheri (E), Mumbai - 400 069
 Tel: +91-22-6144 3456 | Fax: +91-22-6144 3556

AHMEDABAD
Mr. Mehul Pandya

32, Titanium, Prahaladnagar Corporate Road,
 Satellite, Ahmedabad - 380 015
 Cell: +91-98242 56265
 Tel: +91-79-4026 5656
 E-mail: mehul.pandya@careratings.com

JAIPUR
Mr. Harsh Raj Sankhla

304, Pashupati Akshat Heights, Plot No. D-91,
 Madho Singh Road, Near Collectorate Circle,
 Bani Park, Jaipur - 302 016.
 Cell: +91 - 94139 69100
 Tel: +91-141-402 0213 / 14
 E-mail: harshraj.sankhla@careratings.com

BENGALURU
Mr. Dinesh Sharma

Unit No. 1101-1102, 11th Floor, Prestige Meridian II,
 No. 30, M.G. Road, Bangalore - 560 001.
 Cell: +91-99000 41975
 Tel: +91-80-4115 0445, 4165 4529
 E-mail: dinesh.sharma@careratings.com

KOLKATA
Ms. Priti Agarwal

3rd Floor, Prasad Chambers, (Shagun Mall Bldg.)
 10A, Shakespeare Sarani, Kolkata - 700 071.
 Cell: +91-98319 67110
 Tel: +91-33- 4018 1600
 E-mail: priti.agarwal@careratings.com

CHANDIGARH
Mr. Sajan Goyal

2nd Floor, S.C.O. 196-197, Sector 34-A,
 Chandigarh - 160 022.
 Cell: +91 99888 05650
 Tel: +91-172-5171 100 / 09
 Email: sajan.goyal@careratings.com

NEW DELHI
Ms. Swati Agrawal

13th Floor, E-1 Block, Videocon Tower,
 Jhandewalan Extension, New Delhi - 110 055.
 Cell: +91-98117 45677
 Tel: +91-11-4533 3200
 E-mail: swati.agrawal@careratings.com

CHENNAI
Mr. V Pradeep Kumar

Unit No. O-509/C, Spencer Plaza, 5th Floor,
 No. 769, Anna Salai, Chennai - 600 002.
 Cell: +91 98407 54521
 Tel: +91-44-2849 7812 / 0811
 Email: pradeep.kumar@careratings.com

PUNE
Mr. Rahul Patni

9th Floor, Pride Kumar Senate,
 Plot No. 970, Bhamburda, Senapati Bapat Road,
 Shivaji Nagar, Pune - 411 015.
 Cell: +91-78754 33355
 Tel: +91-20- 4000 9000
 E-mail: rahul.patni@careratings.com

HYDERABAD
Mr. Saikat Roy

401, Ashoka Scintilla, 3-6-502, Himayat Nagar,
 Hyderabad - 500 029.
 Tel: +91-40-4010 2030
 E-mail: saikat.roy@careratings.com

CIN - L67190MH1993PLC071691