

IRSL:STEXCH:2016-17:
31st August 2016

National Stock Exchange of India Limited

Exchange Plaza, 5th Floor,
Bandra - Kurla Complex,
Bandra (E)
Mumbai - 400 051.
Thru.: **NEAPS**
Stock Code NSE: **INDORAMA**

BSE Limited

Floor 25,
P. J. Towers,
Dalal Street,
Mumbai - 400 001.
Thru.: **BSE Listing Centre**
Stock Code BSE: **500207**

ISIN: INE156A01020

Indo Rama Synthetics (India) Limited - CIN L17124MH1986PLC166615

Sub.: Outcome of the Board Meeting held on 31st August 2016

Dear Sirs,

This is in continuation to our earlier letter dated 23rd August 2016.

As per the SEBI Circular No. CIR/CFD/FAC/62/2016 dated 5th July 2016 and pursuant to the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we would like to inform you that the Board of Directors, in their meeting held today, i.e., 31st August 2016, have taken the following decisions:

1. Un-audited Financial Results for the quarter ended 30th June 2016:

The Board has approved the Un-audited Financial Results of the Company for the quarter ended 30th June 2016 and enclosing herewith Un-audited Financial Results along with the Limited Review Report of Auditors, as **Annexure - A**.

We are arranging to publish these results in the Newspapers as per the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

2. Appointment of Independent Director:

The Board has approved the appointment of Dr. Arvind Pandalai, as Independent Director with effect from 31st August 2016.

3. Scheme of Amalgamation:

The Board has approved the Scheme of Amalgamation of Indo Rama Renewables Limited, (100% Wholly Owned Subsidiary Company) and its two 100% step-down Subsidiary Companies, i.e., Indo Rama Renewables Porbandar Limited and Indo Rama Renewables Ramgarh Limited (Transferor Companies) with Indo Rama Synthetics (India) Limited (Transferee Company).

The proposed Scheme will be subject to all necessary permissions and approvals as may be required.

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



4. **30th Annual General Meeting:**

The 30th Annual General Meeting of the Company will be held on **Friday, 30th September 2016** at A-31, MIDC Industrial Area, Butibori - 441122, Nagpur, Maharashtra.

5. **Book Closure:**

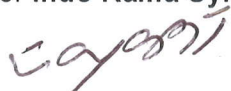
The Register of Members and Share Transfer books will remain closed from Friday, 23rd September 2016 to Friday, 30th September 2016 (both days inclusive) for the purpose of payment of dividend and 30th Annual General Meeting.

The meeting of the Board of Directors commenced at 3:30 PM and concluded at 5:05 PM.

This is for your kind information and record.

Thanking You.

Yours faithfully,
for **Indo Rama Synthetics (India) Ltd.**


Jayantk Sood
Head-Corporate & Company Secretary
(ICSI Membership No.: FCS 4482)



Encl.: As above.

INDO RAMA SYNTHETICS (INDIA) LIMITED

Registered Office : A-31, MIDC Industrial Area, Butibori-441122, District Nagpur, Maharashtra.

Corporate Office : 20th Floor, DLF Square, DLF City Phase II, Gurgaon -122002, Haryana

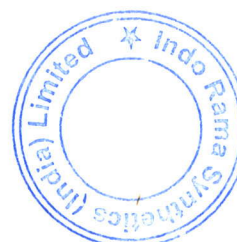
Tel.: 07104-663000 / 01 Fax: 07104-663200, Email: investor-relations@indorama-ind.com, Website: www.indoramaindia.com, CIN: L17124MH1986PLC166615

STATEMENT OF STANDALONE UNAUDITED FINANCIAL RESULTS FOR THE QUARTER ENDED 30 JUNE 2016

(Rs. in crores, unless otherwise indicated)

S.No.	Particulars	Quarter-Ended	
		30.06.2016	30.06.2015
		Unaudited	Unaudited (Refer note 1)
1	Income from operations		
	(a) Net sales/income from operations (net of excise duty)	632.45	627.92
	(b) Other operating income (refer note 4)	14.69	14.56
	Total income from operations (net)	647.14	642.48
2	Expenses		
	(a) Cost of materials consumed	509.52	554.94
	(b) Changes in inventories of finished goods and work-in-progress	4.77	(72.33)
	(c) Employee benefits expense	26.14	27.55
	(d) Other expenses	102.76	99.78
	Total expenses before depreciation and amortisation, finance costs and foreign exchange fluctuation	643.19	609.94
3	Profit from operations before depreciation and amortisation, other income, finance costs and foreign exchange fluctuation	3.95	32.54
	(1-2)		
4	Depreciation and amortisation expense	19.47	20.25
5	Total expenses after depreciation and amortisation but before finance costs and foreign exchange fluctuation	662.66	630.19
	(2+4)		
6	Profit / (Loss) from operations before other income, finance costs and foreign exchange fluctuation	(15.52)	12.29
	(1-5)		
7	Other income	17.73	3.30
8	Profit from ordinary activities before finance costs and foreign exchange fluctuation	2.21	15.59
	(6+7)		
9	Finance costs	20.69	10.62
10	Foreign exchange fluctuation gain / (loss)	(6.80)	3.27
11	Profit / (Loss) from ordinary activities before tax	(25.28)	8.24
	(8-9+10)		
12	Income tax expense / (credit) (refer note 2)	(8.72)	2.38
13	Net Profit / (Loss) for the period	(16.56)	5.86
	(11-12)		
14	Other comprehensive income after tax (OCI)	-	-
15	Total comprehensive income after tax	(16.56)	5.86
	(13+14)		
16	Paid-up equity share capital (face value of Rs.10 per share)	151.82	151.82
17	Basic and diluted EPS for the period (Rs. per share of Rs. 10 each)	(1.09)	0.39

See accompanying notes to the unaudited financial results.



- Financial results for the quarter ended 30 June 2016 are in compliance with the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Companies Act, 2013 and other recognised accounting practices and policies to the extent applicable. Beginning 1 April 2016, the Company has, for the first time adopted Ind AS with a transition date of 1 April 2015. Consequently, erstwhile Indian Generally Accepted Accounting Principles (IGAAP) results for the quarter ended 30 June 2015 have been restated to make them comparable. The reconciliation of net profit reported under erstwhile IGAAP and as restated under Ind AS is given below:

Particulars	(Rs in crore)	
	Quarter ended	30.06.2015
Net profit as per previous GAAP		4.91
Fair valuation of investments, classified as fair value through profit and loss (refer note (i) below)		1.77
Incremental borrowings cost (refer note (ii) below)		(0.04)
Others (refer note (iii) below)		0.02
Tax impact of above adjustments		(0.80)
Net profit as per Ind AS		5.86

- Investments (other than investments in subsidiaries) have been classified as "fair value through profit or loss" under Ind AS as against cost basis under erstwhile IGAAP and consequential adjustments has been considered in the period in which fair value has changed.
- Represents additional borrowing cost pursuant to adjustment of processing fee paid at the time of disbursement of term loans against the carrying value of loans as on the date of transition to conform the effective interest rate method required under Ind AS.
- Others include adjustments for depreciation on reversal of revaluation reserve created on leasehold lands and fair value adjustments for security deposits given.

The Ind AS-compliant corresponding figures in the previous year have not been subjected to review / audit. However, the Company's management has exercised necessary due diligence to ensure that such financial results provide a true and fair view of its affairs.

- The Company's business comprises of Polyester products, which is highly competitive and in the last few years there has been an over-supply in the industry. This has resulted in lower profit margins. However, the Company has taken several initiatives to improve its operational performance in terms of specialty products, higher capacity utilization, cost control initiatives and addition of new customers. Based on the above the Company believes that the profitability will improve over the next few years. The Company is confident that the deferred tax assets carried at the end of the period is fully recoverable.

- Tax expense includes deferred tax charge / (credit).



4. During the quarter ended 30 June 2016, the Company has recognised interest of Rs.0.73 crore under 'other operating income' on the insurance claim recoverable for the loss of certain assets and loss suffered due to business interruption under loss of profit policy relating to fire incidence at its plant in 2007-08. As legally advised, the Company is of the view that the amount recognised is fully recoverable. This is in line with accounting treatment adopted in the previous periods.
5. The Company's business activity falls within a single primary business segment viz. 'Polyester'.
6. The Audit Committee reviewed the above results. The Board of Directors, at their meeting held on 31 August 2016, has approved the above results.
7. The statement does not include Ind AS - compliant results for the immediately preceding quarter and previous year ended 31 March 2016 as the same are not mandatory as per SEBI's circular dated 5 July 2016.
8. The Statutory Auditors of the Company have reviewed the financial results for the quarter ended 30 June 2016, and report has been issued subject to item 2 and 4 above. The report of the Statutory Auditors is being filed with the BSE Limited and the National Stock Exchange of India Limited. For more details on unaudited results, visit Investor Relations section of our website at www.indoramaindia.com and Financial Results under Corporates section of www.nseindia.com and www.bseindia.com.
9. Previous period figures have been regrouped / recast, wherever necessary, to make them comparable.



For and on behalf of the Board of Directors
Indo Rama Synthetics (India) Limited

Om Prakash Lohia
Chairman & Managing Director
DIN: 00206807

Place: Gurgaon
Date: 31 August 2016

B S R and Associates

Chartered Accountants

Building No.10, 8th Floor, Tower-B
DLF Cyber City, Phase - II
Gurgaon - 122 002 (India)

Telephone: + 91 124 2358 610
Fax: + 91 124 2358 613

Review Report to Board of Directors of Indo Rama Synthetics (India) Limited

1. We have reviewed the accompanying statement of unaudited financial results ('the Statement') of Indo Rama Synthetics (India) Limited ('the Company') for the quarter ended 30 June 2016 attached herewith, being submitted by the Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Attention is drawn to the fact that the figures for the corresponding quarter ended 30 June 2015 including the reconciliation of profit under Ind AS of the corresponding quarter with profit reported under erstwhile GAAP, as reported in these financial results have been approved by the Company's Board of Directors but have not been subjected to review. This Statement is the responsibility of the Company's Management and has been approved by the Board of Directors on 31 August 2016. Our responsibility is to issue a report on this Statement, based on our review.
2. We conducted our review in accordance with the Standard on Review Engagement (SRE) 2410, 'Review of Interim Financial Information Performed by the Independent Auditor of the Entity' issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review is limited primarily to inquiries of Company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.
3. (a) Attention is drawn to note 2 of the Statement relating to Deferred Tax Assets amounting to Rs.8.72 crores as at 30 June 2016 recognised by the Company on the basis of future outlook of business confirming that sufficient future taxable income will be available against which these assets will be realised. In view of losses suffered in the current as well as preceding periods, and in view of other unused tax losses available to the Company, we are not in agreement with the deferred tax assets recognized. Had such asset not been recognized, the net loss after tax for the quarter would have been higher by Rs.8.72 crores.

(b) Attention is drawn to note 4 of the Statement, which enumerates recognition of interest of Rs.0.73 crore for the quarter ended 30 June 2016 on the insurance claim recoverable by the Company from the insurance company for the loss of certain assets and loss suffered due to business interruption at its plant in 2007-08. The said recognition of asset, is not in accordance with accounting principle stated in Ind AS 37, 'Provisions, Contingent Liabilities and Contingent Assets'. Had such income not been recognised, the net loss before tax for the quarter and net loss after tax for the quarter would have been higher by Rs.0.73 crore respectively.
4. Based on our review conducted as explained in para 1 and 2 above, except for the matters referred to in paragraph 3 above and related disclosure of impact on the financial results, which has been explained in that para, nothing has come to our attention that causes us to believe that the accompanying statement

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B S R and Associates

prepared in accordance with applicable accounting standards i.e. Ind AS prescribed under Section 133 of the Companies Act, 2013 and other recognized accounting practices and policies, has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and SEBI Circular dated 5 July 2016 including the manner in which it is to be disclosed, or that it contains any material misstatement.

tg

For B S R and Associates

Chartered Accountants

ICAI Firm registration no. : 128901W

Jiten Chopra

Partner

Membership No.: 092894

Place: Gurgaon

Date: 31 August 2016