



Ester Industries enters into long term agreement with Shaw Industries Group Inc, USA

To supply circa 2,500 tonnes per annum of Stain Resistant Master Batch to world's leading carpet manufacturer

Order value estimated to be more than double business' FY2017 revenues

Tie up a reflection of Ester's Speciality Polymer R&D and innovative capabilities

New Delhi, 29th January, 2018: Ester Industries Limited, India's leading manufacturer of Polyester Films, Engineering Plastics and Specialty Polymers, has entered into a long term agreement with Shaw Industries Group Inc, USA, a wholly owned subsidiary of Berkshire Hathaway, Inc to supply circa 2,500 tonnes per year of its stain resistant Master batch MB-03. The total size of this single order is estimated to be around Rs 900 million per year which is more than double the Company's FY2017 Speciality Polymer revenues which amounted to Rs 430 million. The agreement is open ended with the first purchase order received and shipment slated to commence in February 2018.

MB-03 is a PET based master batch, which imparts permanent stain resistance in nylon carpets. Ester has received both product and process patents for MB-03 in August 2017. The present largely used technology options for stain resistance are either Sulphonated Nylon or Topical coating. While the use of Sulphonated Nylon suffers from higher cost and inflexibility in usage, Topical coating faces challenges with regard to wash fastness & longevity. MB-03 on the other hand provides total flexibility to producers of nylon yarns for carpets to adjust the content of the active ingredient for stain resistance to their specific requirement, resultantly offering a totally flexible production process and significantly reducing operating costs.

Speaking on the development, Mr Arvind Singhania, Chairman, Ester Industries said, "This order is a reflection of Ester Industries' strong R&D and innovative capabilities. It is a game changer for Ester Industries and reinforces our confidence and optimism for our Specialty Polymer business. As we have consistently said, the product offerings from this business are not like to like substitutions but new and different, which while offering



tremendous value also necessitate a change in production processes at the customer's end. Hence while the time and effort invested is significant, the satisfaction derived from the successful introduction of a launch is that much sweeter. This is even moreso when it is with a market leader like Shaw.

This engagement is another milestone in our focus on transitioning from a quasi-commodity company to one which is more technology and innovation driven. Our R&D team has developed some other exciting products too that we believe have tremendous potential in various applications. We are extremely excited about the promise of this business."

Shaw Industries Group, Inc. supplies carpet, resilient, hardwood, laminate, tile and stone flooring products and synthetic turf to residential and commercial markets worldwide. It is a wholly owned subsidiary of Berkshire Hathaway, Inc. with approximately 20,000 associates across the globe. Shaw is headquartered in Dalton, Georgia, with salespeople and/or offices located throughout the U.S. as well as Australia, Brazil, Canada, Chile, China, France, India, Mexico, Singapore, United Arab Emirates and the United Kingdom. The Group's products are sold to commercial and residential customers worldwide.

Ester Industries continues to be focused on innovating and launching new products from its manufacturing facilities in Khatima in Uttarakhand. The Specialty Polymer business already has a Product portfolio of 18 products with 9 patents having been filed, of which two for MB-03 have been received.

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About Ester Industries:

Ester Industries Limited is a public limited company incorporated in 1985 promoted by the Singhanian family. The company is one of India's leading producers of Polyester Films, Engineering Plastics and Specialty Polymers having a track record of continually developing new and innovative products for customers across the globe. Ester Industries has state of the art manufacturing facilities in Khatima in Uttarakhand with the capacity of 67,000 TPA of Polyester Resin, 57,000 TPA of Polyester Film, 30,000 TPA of Specialty Polymers and 16,500 TPA of Engineering Plastics. The company currently exports more than 30% of its production of Polyester Films with sales and distribution network in more than 56 countries across the world resulting in strong customer relationship. Specialty Polymers are manufactured primarily for the European and US markets.

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