



Ester Industries announces Q3 & 9M FY17 results

9M FY17 Total Income : Rs. 507 crore; EBITDA: Rs. 32 crore

Patent filed under PCT for Master Batch to produce Speciality polyester yarn

Setting up a world class R & D and Innovation complex at Gurgaon

New Delhi, 7th February, 2017: Ester Industries Limited, India's leading manufacturer of Polyester Films, Engineering Plastics and Specialty Polymers, announced its financial results for the quarter and nine month ended December 31, 2016.

Q3FY17 performance overview compared with Q3FY16

- Total Income stood to Rs. 177 crore v/s Rs. 174 crore, up 2%
 - Subdued performance of the dominant film business resulting in moderate revenue growth / contraction in revenue for the period.
- EBITDA stood at Rs. 11 crore compared to Rs. 12 crore
 - Lower proportion of high margin Specialty Polymer business resulting in reduction of operational profitability and margins. Working towards improving the overall product mix by increasing the share of value added products.
- Loss after tax was Rs. 4 crore

Commenting on the performance, Mr. Arvind Singhania, Chairman, Ester Industries said:

"We have moved a step forward towards transforming the existing business profile of the Company. Our efforts towards strengthening the innovation and executional capabilities of Specialty Polymer business should help us quicken the transitioning phase.

Specialty Polymer business, our key focus area is shaping up well and continues to be extremely promising. The filing of patent for Master Batch to produce Specialty Polyester yarn, and collaboration with leading global players should help us further improve our proficiencies. The setting up of innovation and R&D complex will enable us to undertake downstream analytics and pilot scale manufacturing internally in-turn resulting in lowering the lead time.

We are also working towards improving the performance of our legacy businesses namely polyester film and engineering plastics through a two pronged approach of value enhancement and optimizing cost efficiencies. This is reflected in an improving trend for both these businesses

Going ahead, we are confident of delivering strong and consistent returns post completion of our transition process."



Key Highlights

- **Patent filed under PCT for Master Batch to produce Speciality polyester yarn**
 - Filed a patent for Master Batch to produce specialized polyester yarn - The Master batch is for a Cationic Dyeable Yarn which offers value advantages both from a quality and cost perspective
 - Product already approved by some Indian Entities
 - Overall patent filing under Specialty Polymer business – 9
- **Setting up a world class R & D and Innovation complex at Gurgaon –**
 - Plans to set up R&D and Innovation complex at an approx. cost of Rs. 50 crore. This is expected to further enhance the Specialty Polyester business and stimulate the existing collaboration with companies like DuPont for development of certain other Specialty Polyester polymers
 - To bring downstream analytics and pilot scale manufacturing functions in-house, in a bid to lower the lead time
 - Proposes to house 40 scientists/ engineers responsible for researching and developing breakthrough innovations
- **Promoter hikes stake in Company– reflection of confidence in the business**
 - Purchased 4.92% recently, resulting in increasing overall stake in the Company to 59.14% from earlier 54.22%. Heightened stake, indicative of promoter’s belief and confidence in long term performance of the business
- **Shift towards being more cost effective by focusing on Cost optimisation –**
 - The Company has aligned its operational efficiencies towards meeting the future goals by optimizing operational cost
 - Emphasis on value addition, value added offerings presently comprise ~15% of portfolio

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 Speciality 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.



For more information contact:

Pradeep Kumar Rustagi (CFO)
Ester Industries Ltd.

Tel: +91 124 2656 100
Fax: +91 124 2656 199
E-mail: pradeep.rustagi@ester.in

Gavin Desa / Suraj Digawalekar / Snighter Albuquerque
CDR India

Tel: +91 22 6645 1237 / 1235 / 1250
Fax: +91 22 6645 1213
E-mail: gavin@cdr-india.com
suraj@cdr-india.com
snighter@cdr-india.com

CIN: L24111UR1985PLC015063

*Regd. Office : Sohan Nagar, P.O. Charubeta, Khatima– 262308 Distt. Udham Singh Nagar, Uttarakhand
Phone: EPABX No. (05943) 250153-57; Fax No.: (05943) 250158;
Email: info@ester.in; Website: www.esterindustries.com*

