

**Unaudited Financial Results for the Quarter ended 30.06.2012**

**PART I**

( ₹ In Lakhs except face value of share)

Sr.No.	Particulars	Quarter Ended			Year Ended
		30.06.2012	31.03.2012	30.06.2011	31.03.2012
		Unaudited	Unaudited	Unaudited	Audited
1	<b>Income from Operations</b>				
	a) Net Sales / Income from Operations (net of Excise duty)	4,789.43	3,664.75	2,931.92	15,481.92
	b) Other Operating Income	76.05	60.82	1,451.54	2,540.45
	<b>Total Income from Operations (Net)</b>	<b>4,865.48</b>	<b>3,725.57</b>	<b>4,383.47</b>	<b>18,022.37</b>
2	<b>Expenses</b>				
	a) Cost of materials consumed	4,920.65	3,328.35	3120.21	15,422.20
	b) Change in Inventories of Finished goods/Work in Progress	(342.63)	256.89	131.57	(19.78)
	c) Power & Fuel	837.32	549.86	396.01	2,257.24
	d) Employee benefits expense	320.42	332.60	335.61	1,333.94
	e) Selling & Distribution expenses	74.31	121.98	76.40	475.07
	f) Depreciation & Amortization expense	333.06	322.04	318.83	1,316.57
	g) Foreign Exchange Loss/(Gain)	71.58	(179.07)	135.93	291.70
	h) Other expenses	169.61	198.98	154.80	697.73
	<b>Total Expenses</b>	<b>6,384.31</b>	<b>4,931.63</b>	<b>4,669.36</b>	<b>21,774.67</b>
3	<b>Profit/(Loss) from operations before other income, finance cost and exceptional items (1-2)</b>	<b>(1,518.83)</b>	<b>(1,206.06)</b>	<b>(285.89)</b>	<b>(3,752.30)</b>
4	Other Income	8.34	14.65	6.55	85.87
5	<b>Profit/ (Loss) before finance cost &amp; exceptional items (3+4)</b>	<b>(1,510.49)</b>	<b>(1,191.41)</b>	<b>(279.34)</b>	<b>(3,666.43)</b>
6	Finance costs	287.67	381.82	281.56	1,388.30
7	<b>Profit/ (Loss) after finance cost &amp; before exceptional items(5-6)</b>	<b>(1,798.18)</b>	<b>(1,573.24)</b>	<b>(560.91)</b>	<b>(5,054.72)</b>
8	Exceptional Items.	-	-	-	75.12
9	<b>Profit/(Loss) Before Tax (7+8)</b>	<b>(1,798.18)</b>	<b>(1,573.24)</b>	<b>(560.91)</b>	<b>(4,979.61)</b>
10	Tax Expense	-	-	-	-
11	<b>Profit / (Loss) after Tax (9-10)</b>	<b>(1,798.18)</b>	<b>(1,573.24)</b>	<b>(560.91)</b>	<b>(4,979.61)</b>
12	Paid-up Equity Share Capital (Face Value of ₹10 per share)	12,265.58	12,265.58	12,265.58	12,265.58
13	Reserves excluding Revaluation Reserves as per balance sheet of previous accounting year	-	-	-	(4,744.86)
14	Earnings per Share (EPS)				
	- Basic & Diluted EPS Before Exceptional items ( ₹)	(1.47)	(1.28)	(0.46)	(4.12)
	- Basic & Diluted EPS After Exceptional items ( ₹)	(1.47)	(1.28)	(0.46)	(4.06)
	See accompanying notes to the financial results				

**PART II Select information for the quarter ended 30.06.2012**

A..	Particulars of shareholding				
1	Public shareholding				
	- Number of shares	30,743,301	30,743,301	31,441,265	30,743,301
	- Percentage of shareholding	25.1%	25.1%	25.6%	25.1%
2	Promoters and Promoter Group Shareholding				
	(a) Pledged / Encumbered				
	- Number of shares	5,000,000	5,000,000	-	5,000,000
	- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	5.4%	5.4%	-	5.4%
	- Percentage of shares (as a % of the total share capital of the Company)	4.1%	4.1%	-	4.1%
	(b) Non-encumbered				
	- Number of shares	86,912,464	86,912,464	91,214,500	86,912,464
	- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	94.6%	94.6%	100.0%	94.6%
	- Percentage of shares (as a % of the total share capital of the Company)	70.9%	70.9%	74.4%	70.9%

B.	Particulars	Quarter ended 30.06.2012
	<b>Investor Complaints.</b>	
	- Pending at the beginning of the quarter	Nil
	- Received during the quarter	Nil
	- Disposed off during the quarter	Nil
	- Remaining unresolved at the end of the quarter	Nil

**Notes:**

- 1) The above financial results have been taken on record by the Audit Committee and subsequently adopted by the Board of Directors in its meeting held on 14th August 2012. The statutory auditors of the Company have carried out a Limited Review of these results.
- 2) In terms of clause 46A of AS 11 on "The Effect of changes in Foreign Exchange Rates" as per notification No. GSR 914(E) issued by Ministry of Corporate Affairs on 29<sup>th</sup> December 2011, in Q3 of 2011-12; the Company opted to capitalise exchange difference on long-term foreign currency monetary items funding the acquisition of fixed assets. Accordingly, the exchange loss of 432.37 lakhs for the quarter ended 30th June 2012 (previous quarter: gain Rs.120 lakhs; previous year: loss Rs.673.12 lakhs) has been capitalised/adjusted to/in fixed assets.
- 3) The Company is engaged primarily in the business of manufacturing and selling polyester filament yarn (PFY) made from a blend of conventional feedstocks and post-consumer PET bottles (feedstock from recycled sources). All of the Company's operations are based in India and are subject to the same risks and returns. Therefore, no separate reportable segment in terms of Accounting Standard – 17, i.e. Segment Reporting, is provided.
- 4) The Company continues to incur losses due to weak market conditions. The product made with proportionately less feedstock from recycled sources realises a lower margin. The Company is in the process of making necessary additions and improvements to its existing plant at Nashik to increase the feedstock from recycled sources in its products to improve the margins. The company is implementing the project in a phased manner.
- 5) The qualification in the Auditors' Report for the year ended 31st March, 2012, which has been repeated with respect to the above results, is addressed below:  
*Deferred tax asset was recognized in December 2008 in accordance with Accounting Standard 22- "Accounting for Taxes on Income" issued by the Companies (Accounting Standards) Rules, 2006. As indicated in Note 4 above, the management is confident that there will be sufficient future income against which the deferred tax assets will be fully realised. Further, as a matter of prudence, no further increase in the deferred tax asset is being recognised for the losses incurred from 2011-12 and thereafter.*
- 6) At the EGM held on 21st April 2012; the Shareholders authorised the Board to issue up to 22,200,000 CCPS of Rs.10 each at a premium of Rs.33 per CCPS on a preferential basis. The Company received Rs.9490.05 lakhs towards CCPS application. The proceeds have been deployed towards working capital/ project expansion. Subsequent to the quarter end on 3rd July 2012 the Company allotted 22,069,886 CCPS of Rs.10 each at a premium of Rs.33 per CCPS.
- 7) As previously reported, in 2009 the Company procured term debt in the form of External Commercial Borrowing (ECB) loans amounting to Euro 15 Million (equivalent to Rs. 10612 Lakhs as on 30th June 2012). The ECB lenders have agreed to defer the payment of interest which had fallen due on 15<sup>th</sup> July 2010, 15<sup>th</sup> Jan 2011, 15<sup>th</sup> July 2011, 15<sup>th</sup> Jan 2012 and 15<sup>th</sup> July 2012. The Company has provided for accrued interest liability upto 30<sup>th</sup> June 2012 of Rs.1670.39 lakhs (equivalent to Euros 2.36 Million) on the above loans.
- 8) The previous year's/ period's figures have been re-grouped / re-arranged wherever necessary, to conform to the current period's presentation.

Place: Mumbai

Date: 14<sup>th</sup> August 2012



*Marc Lopresto*

Marc Lopresto  
Wholetime Director

