

# Walker Chandiook & Co LLP

**Walker Chandiook & Co LLP**  
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## **Independent Auditor's Review Report on Quarterly and Year to Date Financial Results of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015**

### **To the Board of Directors of Ester Industries Limited**

1. We have reviewed the accompanying statement of unaudited financial results ('Statement') of Ester Industries Limited ('the Company') for the quarter ended 31 December 2018 and the year to date results for the period 01 April 2018 to 31 December 2018, being submitted by the Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. This Statement is the responsibility of the Company's Management and has been approved by the Board of Directors. Our responsibility is to issue a report on the 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. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying Statement prepared in accordance with applicable Indian Accounting Standards specified under Section 133 of the Companies Act, 2013 and SEBI Circulars CIR/CFD/CMD/15/2015 dated 30 November 2015 and CIR/CFD/FAC/62/2016 dated 5 July 2016, and other recognised accounting practices and policies has not disclosed the information required to be disclosed in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, including the manner in which it is to be disclosed, or that it contains any material misstatement.

### **For Walker Chandiook & Co LLP**

Chartered Accountants  
Firm Registration No: 001076N/N500013

  
**Anupam Kumar**  
Partner  
Membership No. 501531



**Place:** New Delhi  
**Date:** 11 February 2019

**ESTER INDUSTRIES LIMITED**

Regd. Office : Sohan Nagar, P.O. Charubeta, Khatima - 262 308. Distt. Udham Singh Nagar (Uttarakhand)

CIN - L24111UR1985PLC015063, Website : www.esterindustries.com; Email : investor@ester.in

Phone: (05943) 250153-57; Fax: (05943) 250158

Statement of Unaudited Results for the Quarter and Nine month ended 31 December 2018

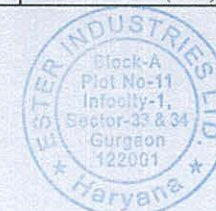
(Rs. in lacs)

Sr. No	Particulars	Quarter ended	Preceding quarter ended	Corresponding quarter ended	Nine months ended	Corresponding Nine months ended	Previous Year ended
		31 December 2018	30 September 2018	31 December 2017	31 December 2018	31 December 2017	31 March 2018
		(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
<b>PART I</b>							
1	<b>Income</b>						
a)	Revenue from operations (refer note 2 and 3)	26,986.04	27,641.25	20,218.98	77,301.44	60,444.82	82,449.00
b)	Other Income	77.52	151.32	230.00	329.72	458.64	567.05
	<b>Total income (a+b)</b>	<b>27,063.56</b>	<b>27,792.57</b>	<b>20,448.98</b>	<b>77,631.16</b>	<b>60,903.46</b>	<b>83,016.05</b>
2	<b>Expenses</b>						
a)	Cost of materials consumed	18,788.98	19,181.74	12,860.96	54,487.61	38,225.49	52,674.23
b)	Excise duty (refer note 2)	-	-	-	-	1,774.84	1,774.84
c)	Changes in inventories of finished goods and work in progress	27.74	205.10	679.16	(1,164.33)	1,332.06	1,251.80
d)	Employee benefits expenses	1,088.23	1,069.63	1,043.35	3,283.36	3,244.42	4,428.46
e)	Finance cost	884.97	905.43	815.70	2,642.62	2,471.89	3,278.44
f)	Depreciation and amortisation expense	821.72	812.24	784.90	2,422.98	2,331.72	3,102.37
g)	Other expenses (refer note 3)	4,290.78	4,612.11	4,206.51	12,763.69	11,572.29	15,757.08
	<b>Total expenses (a+b+c+d+e+f+g)</b>	<b>25,902.42</b>	<b>26,786.25</b>	<b>20,390.58</b>	<b>74,435.93</b>	<b>60,952.71</b>	<b>82,267.22</b>
3	<b>Profit/(loss) from ordinary activities before tax (1-2)</b>	<b>1,161.14</b>	<b>1,006.32</b>	<b>58.40</b>	<b>3,195.23</b>	<b>(49.25)</b>	<b>748.83</b>
4	Tax expense						
-	Current tax	256.31	245.05	3.56	734.30	3.56	177.58
-	Deferred tax expense/(credit)	68.90	32.38	6.60	155.69	(21.66)	41.85
5	<b>Net profit/(loss) for the period / year (3-4)</b>	<b>835.93</b>	<b>728.89</b>	<b>48.24</b>	<b>2,305.24</b>	<b>(31.15)</b>	<b>529.40</b>
6	Other Comprehensive Income						
a)	Items that will not be reclassified to profit and loss						
i)	Actuarial (loss) /gain on remeasurement of defined benefit plan	(19.60)	15.81	31.61	7.05	70.72	43.37
ii)	Income tax effect	5.43	(4.36)	(10.45)	(1.96)	(23.38)	(14.34)
	<b>Other comprehensive income for the period/year (a(i+ii))</b>	<b>(14.17)</b>	<b>11.45</b>	<b>21.16</b>	<b>5.09</b>	<b>47.34</b>	<b>29.03</b>
7	<b>Total comprehensive income for the period/year (5+6)</b>	<b>821.76</b>	<b>740.34</b>	<b>69.40</b>	<b>2,310.33</b>	<b>16.19</b>	<b>558.43</b>
8	Paid-up equity share capital (face value of share Rs. 5 each)	4,169.69	4,169.69	4,169.69	4,169.69	4,169.69	4,169.69
9	Other equity						24,155.96
10	Earning per share (face value of Rs. 5 each) (net annualised)						
	Basic EPS (in Rs)	1.00	0.87	0.06	2.76	(0.04)	0.63
	Diluted EPS (in Rs)	1.00	0.87	0.06	2.76	(0.04)	0.63

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Statement of Unaudited Results for the Quarter and Nine month ended 31 December 2018

Segment Wise Revenue, Results, Assets and Liabilities for the Quarter and Nine months ended 31 December 2018

(Rs. in lacs)

Sr. No	Particulars	Quarter ended	Preceding quarter ended	Corresponding quarter ended	Nine months ended	Corresponding Nine months ended	Previous Year ended
		31 December 2018	30 September 2018	31 December 2017	31 December 2018	31 December 2017	31 March 2018
		(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
1	<b>Segment revenue (refer note 2 and 3)</b>						
a)	Polyester chips & film	22,312.53	21,734.59	15,777.19	62,505.51	47,436.25	64,833.89
b)	Engineering plastic	4,673.51	5,906.66	4,441.79	14,795.93	13,008.57	17,615.11
	<b>Revenue from operations</b>	<b>26,986.04</b>	<b>27,641.25</b>	<b>20,218.98</b>	<b>77,301.44</b>	<b>60,444.82</b>	<b>82,449.00</b>
2	<b>Segment results</b>						
	<b>Profit/(loss) before tax and interest</b>						
a)	Polyester chips & film	3,120.61	2,772.22	1,451.88	8,642.57	4,411.96	6,863.30
b)	Engineering plastic	147.76	196.09	403.02	615.29	999.13	1,253.92
	<b>Total</b>	<b>3,268.37</b>	<b>2,968.31</b>	<b>1,854.90</b>	<b>9,257.86</b>	<b>5,411.09</b>	<b>8,117.22</b>
	Less :						
a)	Finance cost	884.97	905.43	815.70	2,642.62	2,471.89	3,278.44
b)	Other un-allocable expenditure net off from un-allocable income	1,222.26	1,056.56	980.80	3,420.01	2,988.45	4,089.95
	<b>Profit/(loss) before tax</b>	<b>1,161.14</b>	<b>1,006.32</b>	<b>58.40</b>	<b>3,195.23</b>	<b>(49.25)</b>	<b>748.83</b>
3	<b>Segment assets</b>						
a)	Polyester chips & film	45,050.34	45,933.58	43,678.12	45,050.34	43,678.12	45,067.92
b)	Engineering plastic	12,072.62	11,766.75	9,766.37	12,072.62	9,766.37	10,739.54
c)	Unallocated	13,745.86	13,155.92	14,108.71	13,745.86	14,108.71	14,466.73
	<b>Total</b>	<b>70,868.82</b>	<b>70,856.25</b>	<b>67,553.20</b>	<b>70,868.82</b>	<b>67,553.20</b>	<b>70,274.19</b>
4	<b>Segment liabilities</b>						
a)	Polyester chips & film	5,819.92	5,488.84	6,316.99	5,819.92	6,316.99	6,586.43
b)	Engineering plastic	633.52	694.39	700.99	633.52	700.99	764.23
c)	Unallocated	33,779.11	34,858.80	32,833.61	33,779.11	32,833.61	34,597.88
	<b>Total</b>	<b>40,232.55</b>	<b>41,042.03</b>	<b>39,851.59</b>	<b>40,232.55</b>	<b>39,851.59</b>	<b>41,948.54</b>

**NOTES :**

1 The above results for the quarter ended 31 December 2018 have been reviewed by the Audit Committee and have been approved by the Board of Directors at the meeting held on 11 February 2019. The statutory auditors have carried out limited review of the financial results of the Company for the quarter ended 31 December 2018.

2 Revenue for the quarters ended 31 December 2018, 30 September 2018 and nine month ended 31 December 2018 is net of Goods and Service Tax (GST) which is applicable from 01 July 2017, however, revenue for the nine month ended 31 December 2017 is net of VAT but gross of excise duty. Accordingly, revenue for the quarters ended 31 December 2018, 30 September 2018 and nine month ended 31 December 2018 is not comparable with the previous periods presented in the financial results. Similarly, cost of goods sold and expenses are also not comparable.

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Statement of Unaudited Results for the Quarter and Nine month ended 31 December 2018

**Break up for income from operation**

(Rs. in lacs)

Sr. No	Particulars	Quarter ended	Preceding quarter ended	Corresponding quarter ended	Nine months ended	Corresponding Nine months ended	Previous Year ended
		31 December 2018	30 September 2018	31 December 2017	31 December 2018	31 December 2017	31 March 2018
		(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
1	<b>Segment Revenue</b>						
	Polyester Chips & Film	22,312.53	21,734.59	15,777.19	62,505.51	47,436.25	64,833.89
	Engineering Plastic	4,673.51	5,906.66	4,441.79	14,795.93	13,008.57	17,615.11
	<b>Gross Income From Operations</b>	<b>26,986.04</b>	<b>27,641.25</b>	<b>20,218.98</b>	<b>77,301.44</b>	<b>60,444.82</b>	<b>82,449.00</b>
2	<b>Excise Duty</b>						
	Polyester Chips & Film	-	-	-	-	1,292.06	1,292.06
	Engineering Plastic	-	-	-	-	482.78	482.78
	<b>Excise Duty</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,774.84</b>	<b>1,774.84</b>
3	<b>Segment Revenue</b>						
	Polyester Chips & Film	22,312.53	21,734.59	15,777.19	62,505.51	46,144.19	63,541.83
	Engineering Plastic	4,673.51	5,906.66	4,441.79	14,795.93	12,525.79	17,132.33
	<b>Net Income From Operations</b>	<b>26,986.04</b>	<b>27,641.25</b>	<b>20,218.98</b>	<b>77,301.44</b>	<b>58,669.98</b>	<b>80,674.16</b>

3 The Company has adopted Ind AS 115 "Revenue from contracts with Customers" applying a modified retrospective transition approach, which replaces earlier revenue recognition standard. The Company has assessed that, in case of contracts with customers, some performance obligations comprise arranging for another party to provide certain services to the customers. Accordingly, revenue for such performance obligations is recognized as the difference between the consideration allocated for services provided to customers and the related costs for arranging the same. However, there is no impact on retained earnings of Company as at 01 April 2018 and its profit for the quarter ended 31 December 2018 and 30 September 2018 and nine month ended 31 December 2018.

Had the Company not adjusted the above mentioned amounts, the revenue from operations for the quarter ended 31 December 2018, 30 September 2018 and nine month ended 31 December 2018 would have been Rs. 27,182.95 lacs, Rs. 27,824.64 lacs and Rs. 77,843.87 lacs respectively and other expenses for these period would have been Rs 4,487.69 lacs, Rs 4,795.50 lacs, and Rs.13,306.12 lacs.



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For Ester Industries Limited

*(Signature)*  
Arvind Singhania  
Chairman & CEO



Place : New Delhi  
Date: 11 February 2019