

Independent Auditor's Review Report on Consolidated Unaudited Quarterly Financial Results and Year to Date Results of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended)

To the Board of Directors of Ester Industries Limited

1. We have reviewed the accompanying statement of unaudited consolidated financial results ('the Statement') of Ester Industries Limited ('the Holding Company') and its subsidiary (the Holding Company and its subsidiary together referred to as 'the Group'), (refer Annexure 1 for the list of subsidiary included in the statement) for the quarter ended 30 September 2020 and the consolidated year to date results for the period 1 April 2020 to 30 September 2020, being submitted by the Holding Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended), including relevant circulars issued by the SEBI from time to time.
2. This Statement, which is the responsibility of the Holding Company's management and approved by the Holding Company's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34, Interim Financial Reporting ('Ind AS 34'), prescribed under section 133 of the Companies Act, 2013 ('the Act'), and other accounting principles generally accepted in India and is in compliance with the presentation and disclosure requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended), including relevant circulars issued by the SEBI from time to time. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410, Review of Interim Financial Information Performed by the Independent Auditor of the Entity, issued by the Institute of Chartered Accountants of India. A review of interim financial information consists of making inquiries, primarily of persons

Chartered Accountants

Offices in Bengaluru, Chandigarh, Chennai, Gurugram, Hyderabad, Kochi, Kolkata, Mumbai, New Delhi, Noida and Pune

Walker Chandlok & Co LLP is registered with limited liability with identification number AAC-2085 and its registered office at L-41 Connaught Circus, New Delhi, 110001, India

Chartered Accountants



Walker Chandiok & Co LLP

Independent Auditor's Review Report on Consolidated Unaudited Quarterly Financial Results and Year to Date Results of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended)

responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with the Standards on Auditing specified under section 143(10) of the Act, and consequently, does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

We also performed procedures in accordance with the SEBI Circular CIR/CFD/CMD1/44/2019 dated 29 March 2019 issued by the SEBI under Regulation 33 (8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended), to the extent applicable.

4. Based on our review conducted and procedures performed as stated in paragraph 3 above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in Ind AS 34, prescribed under Section 133 of the Act, and other accounting principles generally accepted in India, 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 (as amended), including the manner in which it is to be disclosed, or that it contains any material misstatement.

For Walker Chandiok & Co LLP

Chartered Accountants

Firm Registration No: 001076N/N500013

Nitin Toshniwal

Partner

Membership No. 507568

UDIN: - 20507568AAAADU3734



Place: Faridabad

Date: 26 October 2020

Walker Chandio & Co LLP

Independent Auditor's Review Report on Consolidated Unaudited Quarterly Financial Results and Year to Date Results of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended)

Annexure 1

List of entity included in the Statement

1. Ester Filmtech Limited (Wholly-owned subsidiary)

Chartered Accountants



Independent Auditor's Review Report on Standalone Unaudited Quarterly Financial Results and Year to Date Results of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended)

To the Board of Directors of Ester Industries Limited

1. We have reviewed the accompanying statement of standalone unaudited financial results ('the Statement') of Ester Industries Limited ('the Company') for the quarter ended 30 September 2020 and the year to date results for the period 1 April 2020 to 30 September 2020, being submitted by the Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended), including relevant circulars issued by the SEBI from time to time.
2. The Statement, which is the responsibility of the Company's Management and approved by the Company's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34, Interim Financial Reporting ('Ind AS 34'), prescribed under Section 133 of the Companies Act, 2013 ('the Act'), and other accounting principles generally accepted in India and is in compliance with the presentation and disclosure requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended), including relevant circulars issued by the SEBI from time to time. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410, Review of Interim Financial Information Performed by the Independent Auditor of the Entity, issued by the Institute of Chartered Accountants of India. A review of interim financial information consists of making inquiries, primarily of persons

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responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with the Standards on Auditing specified under section 143(10) of the Act, and consequently, does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

4. 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 the recognition and measurement principles laid down in Ind AS 34, prescribed under Section 133 of the Act, and other accounting principles generally accepted in India, 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 (as amended), including the manner in which it is to be disclosed, or that it contains any material misstatement.

For Walker Chandiok & Co LLP

Chartered Accountants

Firm Registration No: 001076N/N500013

Nitin Toshniwal

Partner

Membership No. 507568

UDIN: - 20507568AAAADT2865



Place: Faridabad

Date: 26 October 2020

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 six months ended 30 September 2020

(₹ in lacs)

Sr. No	Particulars	Standalone results						Consolidated results	
		Quarter ended	Preceding quarter ended	Corresponding quarter ended	Six month ended	Corresponding six month ended	Previous year ended	Quarter ended	Six month ended
		30 September 2020	30 June 2020	30 September 2019	30 September 2020	30 September 2019	31 March 2020	30 September 2020	30 September 2020
		(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)	(Unaudited)	(Unaudited)
PART I									
1	Income								
a)	Revenue from operations	25,052.49	18,855.03	25,440.69	43,907.52	53,848.38	1,03,870.15	25,052.49	43,907.52
b)	Other income	216.92	188.47	203.36	405.39	395.43	889.39	216.92	405.39
	Total income (a+b)	25,269.41	19,043.50	25,644.05	44,312.91	54,243.81	1,04,759.54	25,269.41	44,312.91
2	Expenses								
a)	Cost of materials consumed	11,849.98	8,121.99	15,423.78	19,971.97	32,930.12	61,353.48	11,849.98	19,971.97
b)	Changes in inventories of finished goods and work in progress	53.06	589.25	122.03	642.31	336.26	970.30	53.06	642.31
c)	Employee benefits expense	1,510.14	1,434.98	1,173.83	2,945.12	2,347.50	5,404.95	1,510.14	2,945.12
d)	Finance costs	402.42	412.90	702.60	815.32	1,435.21	2,445.52	402.42	815.32
e)	Depreciation and amortisation expense	881.68	882.59	884.25	1,764.27	1,741.55	3,527.78	881.68	1,764.27
f)	Other expenses	4,507.80	3,665.49	4,274.62	8,173.29	8,630.15	17,200.87	4,679.45	8,344.94
	Total expenses (a+b+c+d+e+f)	19,205.08	15,107.20	22,581.11	34,312.28	47,420.79	90,902.90	19,376.73	34,483.93
3	Profit from ordinary activities before tax (1-2)	6,064.33	3,936.30	3,062.94	10,000.63	6,823.02	13,856.64	5,892.68	9,828.98
4	Tax expense								
-	Current tax	1,580.56	1,054.51	658.85	2,635.07	1,475.85	3,011.86	1,580.56	2,635.07
-	Deferred tax (credit) / expense	(106.95)	(56.29)	479.51	(163.24)	1,027.94	894.91	(106.95)	(163.24)
5	Net profit for the period / year (3-4)	4,590.72	2,938.08	1,924.58	7,528.80	4,319.23	9,949.87	4,419.07	7,357.15
6	Other comprehensive income								
a)	Items that will not be reclassified to profit and loss								
i)	Actuarial gain/(loss) on remeasurement of defined benefit plan	6.13	(11.34)	(10.58)	(5.21)	(46.58)	(104.26)	6.13	(5.21)
ii)	Income tax effect	(1.55)	2.88	4.02	1.33	17.09	28.74	(1.55)	1.33
	Other comprehensive income /(loss) for the period/year (a(i+ii))	4.58	(8.46)	(6.56)	(3.88)	(29.49)	(75.52)	4.58	(3.88)
7	Total comprehensive income for the period/year (5+6)	4,595.30	2,929.62	1,918.02	7,524.92	4,289.74	9,874.35	4,423.65	7,353.27
8	Paid-up equity share capital (face value of share ₹ 5 each)	4,169.69	4,169.69	4,169.69	4,169.69	4,169.69	4,169.69	4,169.69	4,169.69
9	Other equity						36,643.57		
10	Earning per share (face value of ₹ 5 each) (net annualized)								
	Basic EPS (in ₹)	5.50	3.52	2.31	9.03	5.18	11.93	5.30	8.82
	Diluted EPS (in ₹)	5.50	3.52	2.31	9.03	5.18	11.93	5.30	8.82



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ESTER INDUSTRIES LIMITED

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Statement of Unaudited Results for the quarter and six months ended 30 September 2020

Segment Wise Revenue, Results, Assets and Liabilities for the quarter and six months ended 30 September 2020

(₹ in lacs)

Sr. No	Particulars	Standalone results						Consolidated results	
		Quarter ended	Preceding quarter ended	Corresponding quarter ended	Six month ended	Corresponding six month ended	Previous year ended	Quarter ended	Six month ended
		30 September 2020	30 June 2020	30 September 2019	30 September 2020	30 September	31 March 2020	30 September	30 September 2020
		(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)	(Unaudited)	(Unaudited)
1	Segment revenue								
a)	Polyester chips and film	20,178.97	17,180.67	21,816.26	37,359.64	46,010.18	87,792.22	20,178.97	37,359.64
b)	Engineering plastic	4,873.52	1,674.36	3,624.43	6,547.88	7,838.20	16,077.93	4,873.52	6,547.88
	Revenue from operations	25,052.49	18,855.03	25,440.69	43,907.52	53,848.38	1,03,870.15	25,052.49	43,907.52
2	Segment results								
	Profit/(loss) before tax and interest								
a)	Polyester chips and film	7,210.01	5,697.61	4,803.34	12,907.62	10,373.71	21,036.97	7,038.36	12,735.97
b)	Engineering plastic	779.15	(66.15)	199.24	713.00	317.72	863.51	779.15	713.00
	Total	7,989.16	5,631.46	5,002.58	13,620.62	10,691.43	21,900.48	7,817.51	13,448.97
	Less :								
a)	Finance costs	402.42	412.90	702.60	815.32	1,435.21	2,445.52	402.42	815.32
b)	Other un-allocable expenditure net of un-allocable income	1,522.41	1,282.26	1,237.04	2,804.67	2,433.20	5,598.32	1,522.41	2,804.67
	Profit before tax	6,064.33	3,936.30	3,062.94	10,000.63	6,823.02	13,856.64	5,892.68	9,828.98
3	Segment assets								
a)	Polyester chips and film	45,241.88	46,858.49	44,500.29	45,241.88	44,500.29	45,882.85	45,071.06	45,071.06
b)	Engineering plastic	9,031.05	8,127.18	9,793.10	9,031.05	9,793.10	9,546.41	9,031.05	9,031.05
c)	Unallocated	17,667.03	12,110.02	13,208.84	17,667.03	13,208.84	13,677.92	17,667.03	17,667.03
	Total	71,939.96	67,095.69	67,502.23	71,939.96	67,502.23	69,107.18	71,769.14	71,769.14
4	Segment liabilities								
a)	Polyester chips and film	5,122.84	5,807.64	5,973.02	5,122.84	5,973.02	5,254.48	5,123.67	5,123.67
b)	Engineering plastic	1,569.19	725.25	905.11	1,569.19	905.11	1,500.06	1,569.19	1,569.19
c)	Unallocated	18,994.59	16,819.93	25,395.45	18,994.59	25,395.45	21,539.38	18,994.59	18,994.59
	Total	25,686.62	23,352.82	32,273.58	25,686.62	32,273.58	28,293.92	25,687.45	25,687.45

NOTES :

- The above results for the quarter and six months ended 30 September 2020 have been reviewed by the Audit Committee and have been approved by the Board of Directors at the meeting held on 26 October 2020. The Statutory Auditors have carried out limited review of the financial results of the Company for the quarter and six months ended 30 September 2020.
- During the quarter ended 30 September 2020, Ester Industries Limited ("the parent company") has formed a wholly owned subsidiary Ester Filmtech Limited ("the Subsidiary Company"). Consequently the consolidated financial results have been presented for quarter and six months period ended 30 September 2020. In the absence of comparative numbers, same have not been presented in the consolidated financial results.
- The Board of Directors has declared payment of Interim Dividend for financial year 2020-21 at the rate of Rs. 1.50/- (Rs. One and Paise fifty only) per share (of face value of Rs. 5/- each) subject to TDS/withholding tax as per the applicable provisions of the Income Tax Act. The Record date for payment of Interim Dividend for financial year 2020-21 shall be Tuesday, 3 November 2020.

Place : Gurugram
Date : 26 October 2020



For Ester Industries Limited

Arvind Singhania
Chairman & CEO

ESTER INDUSTRIES LIMITED
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Statement of Assets and Liabilities as at 30 September 2020

(₹ in lacs)

Sr. No	Particulars	Standalone		Consolidated
		As at 30 September 2020 (Unaudited)	As at 31 March 2020 (Audited)	As at 30 September 2020 (Unaudited)
A	ASSETS			
1	Non-current assets			
	Property, plant and equipment	34,877.71	35,925.93	34,877.71
	Right of use asset	202.68	255.26	202.68
	Capital work-in-progress	4,297.61	2,269.18	4,297.61
	Intangible assets	144.69	188.21	144.69
	Financial assets			
	Investments	2,895.00	-	-
	Loans	761.35	734.72	761.35
	Other financial assets	225.72	218.72	244.67
	Income tax assets (net)	319.97	319.97	319.97
	Other non-current assets	542.19	691.01	3,098.71
	Sub total non-current assets	44,266.92	40,603.00	43,947.39
2	Current assets			
	Inventories	10,538.16	11,036.84	10,538.16
	Financial assets			
	Investments	72.78	22.78	72.78
	Trade receivables	12,133.51	12,124.69	12,133.51
	Cash and cash equivalents	249.99	23.26	394.13
	Other bank balances	2,594.42	1,363.73	2,594.42
	Loans	89.05	136.23	89.05
	Other financial assets	644.21	2,132.40	644.21
	Other current assets	1,350.92	1,664.25	1,355.49
	Sub total current assets	27,673.04	28,504.18	27,821.75
	Total	71,939.96	69,107.18	71,769.14
B	EQUITY AND LIABILITIES			
1	Equity			
	Equity share capital	4,169.69	4,169.69	4,169.69
	Other equity	42,083.65	36,643.57	41,912.00
	Sub total equity	46,253.34	40,813.26	46,081.69
	Liabilities			
2	Non-current liabilities			
	Financial liabilities			
	Borrowings	6,724.67	5,565.76	6,724.67
	Provisions	1,030.86	993.55	1,030.86
	Deferred tax liabilities (net)	3,090.12	3,168.10	3,090.12
	Other non-current liabilities	2,420.61	2,552.40	2,420.61
	Sub total non-current liabilities	13,266.26	12,279.81	13,266.26
3	Current liabilities			
	Financial liabilities			
	Borrowings	3,199.88	7,681.17	3,199.88
	Trade payables			
	a) total outstanding dues of micro enterprises and small enterprises; and	192.13	102.80	192.13
	b) total outstanding dues of creditors other than micro enterprises and small enterprises	3,434.10	3,197.47	3,434.17
	Other financial liabilities	4,173.90	4,242.80	4,173.90
	Other current liabilities	582.25	509.76	583.01
	Provisions	201.98	203.84	201.98
	Current tax liabilities (net)	636.12	76.27	636.12
	Sub total current liabilities	12,420.36	16,014.11	12,421.19
	Total	71,939.96	69,107.18	71,769.14

For Ester Industries Limited



Arvind Singhania
Chairman & CEO

Place : Gurugram
Date: 26 October 2020

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Unaudited statement of cash flow for the six months ended 30 September 2020

(₹ in lacs)

	Standalone		Consolidated
	For the six months ended 30 September 2020	For the six months ended 30 September 2019	For the six months ended 30 September 2020
A Cash flow from operating activities			
Profit before tax	10,000.63	6,823.02	9,828.98
Adjustments for:			
Depreciation and amortisation expense	1,764.27	1,741.55	1,764.27
Loss on sale of property, plant and equipments (net)	0.21	103.84	0.21
Finance costs	815.32	1,435.21	815.32
Interest income on financial assets measured at amortised cost	(68.33)	(52.51)	(68.33)
Unrealised foreign exchange loss/(gain) (net)	0.36	(7.65)	0.36
Mark to market loss on derivative contracts	-	2.86	-
Provisions/liabilities no longer required written back	(104.79)	(48.73)	(104.79)
Income recognised on account of government assistance	(126.80)	(127.00)	(126.80)
(Reversal)/ Provision of provision for doubtful debts/ advances	(3.48)	48.13	(3.48)
Provision for obsolete inventories	-	1.52	-
Operating profit before working capital changes and other adjustments:	12,277.39	9,920.24	12,105.74
Working capital changes and other adjustments:			
Decrease/(increase) in current and non-current loans	20.55	(32.19)	20.55
Decrease/(increase) in other non-current and current assets	436.55	(350.06)	436.55
Decrease/(increase) in inventories	497.43	(834.84)	497.43
(Decrease)/increase in other financial and non-financial liabilities	(235.75)	514.81	(235.00)
Increase in provisions	30.24	48.83	30.24
Decrease/(increase) in other non-current and current financial assets	1,338.39	(8.74)	1,314.88
Decrease in trade receivables	2.98	783.89	2.98
Increase in trade payables	322.13	1,162.40	322.20
Cash flow from operating activities post working capital changes	14,689.91	11,204.34	14,495.57
Income tax paid (net of refunds)	(1,988.63)	(921.35)	(1,988.63)
Net cash flow from operating activities (A)	12,701.28	10,282.99	12,506.94
B Cash flows from investing activities			
Purchase of property plant and equipments (including capital work-in-progress and intangible assets)	(2,262.59)	(1,990.67)	(4,819.11)
Sale of property plant and equipments	0.02	-	0.02
Investment in bank deposits	(8,191.31)	(707.14)	(8,191.31)
Proceeds of deposits matured	6,979.55	530.38	6,979.55
Interest received	68.00	33.85	68.00
Investment in subsidiary	(2,895.00)	-	-
Purchase of investments in liquid funds	(44.12)	(8.14)	(44.12)
Net cash used in investing activities (B)	(6,345.45)	(2,141.72)	(6,006.97)
C Cash flows from financing activities			
Proceeds from long-term borrowings	2,942.75	584.27	2,942.75
Repayment of long-term borrowings	(1,642.46)	(1,048.88)	(1,642.46)
Repayment of lease liability	(65.49)	-	(65.49)
Repayment of short-term borrowings (net)	(4,481.29)	(5,686.47)	(4,481.29)
Finance costs paid	(797.77)	(1,421.12)	(797.77)
Dividend paid (including tax)	(2,084.84)	(502.68)	(2,084.84)
Net cash used in financing activities (C)	(6,129.10)	(8,074.88)	(6,129.10)
D Net increase in cash and cash equivalents (A+B+C)	226.73	66.39	370.87
E Cash and cash equivalents at the beginning of the year	23.26	20.79	23.26
F Cash and cash equivalents at the end of the year (D+E)	249.99	87.18	394.13

Place : Gurugram
Date: 26 October 2020



For Ester Industries Limited

Arvind Singhania
Chairman & CEO