

Walker Chandiook & Co LLP

Walker Chandiook & Co LLP
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Independent Auditor's Review Report on 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

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 30 September 2018 and the year to date results for the period 01 April 2018 to 30 September 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



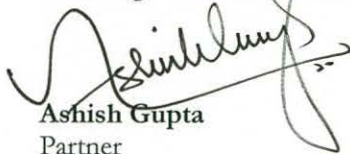
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SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, including the manner in which it is to be disclosed, or that it contains any material misstatement.

For Walker Chandiok & Co LLP

Chartered Accountants

Firm Registration No: 001076N/N500013



Ashish Gupta

Partner

Membership No. 504662



Place: New Delhi

Date: 02 November 2018

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 month ended 30 September 2018

(Rs. in lacs)

Sr. No	Particulars	Quarter ended	Preceding quarter ended	Corresponding quarter ended	Six months ended	Corresponding Six months ended	Previous Year ended
		30 September 2018	30 June 2018	30 September 2017	30 September 2018	30 September 2017	31 March 2018
		(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
PART I							
1	Income						
a)	Revenue from operations (refer note 2 and 3)	27,641.25	22,674.15	19,743.35	50,315.40	40,225.84	82,449.00
b)	Other Income	151.32	100.88	116.80	252.20	228.64	567.05
	Total income (a+b)	27,792.57	22,775.03	19,860.15	50,567.60	40,454.48	83,016.05
2	Expenses						
a)	Cost of materials consumed	19,181.74	16,516.89	12,322.51	35,698.63	25,364.53	52,674.23
b)	Excise duty (refer note 2)	-	-	29.78	-	1,774.84	1,774.84
c)	Changes in inventories of finished goods and work in progress	205.10	(1,397.17)	1,390.69	(1,192.07)	652.90	1,251.80
d)	Employee benefits expenses	1,069.63	1,125.50	1,101.70	2,195.13	2,201.07	4,428.46
e)	Finance cost	905.43	852.22	776.41	1,757.65	1,546.83	3,278.44
f)	Depreciation and amortisation expense	812.24	789.02	811.42	1,601.26	1,656.19	3,102.37
g)	Other expenses (refer note 3)	4,612.11	3,860.80	3,515.27	8,472.91	7,365.78	15,757.08
	Total expenses (a+b+c+d+e+f+g)	26,786.25	21,747.26	19,947.78	48,533.51	40,562.14	82,267.22
3	Profit/(loss) from ordinary activities before tax (1-2)	1,006.32	1,027.77	(87.63)	2,034.09	(107.66)	748.83
4	Tax expense						
-	Current tax	245.05	232.94	-	477.99	-	177.58
-	Deferred tax expense/(credit)	32.38	54.41	(21.74)	86.79	(28.26)	41.85
5	Net profit/(loss) for the period / year (3-4)	728.89	740.42	(65.89)	1,469.31	(79.40)	529.40
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	15.81	10.84	28.27	26.65	39.11	43.37
ii)	Income tax effect	(4.36)	(3.03)	(9.35)	(7.39)	(12.93)	(14.34)
	Other comprehensive income for the period/year (a(i+ii))	11.45	7.81	18.92	19.26	26.18	29.03
7	Total comprehensive income for the period/year (5+6)	740.34	748.23	(46.97)	1,488.57	(53.22)	558.43
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)	0.87	0.89	(0.08)	1.76	(0.10)	0.63
	Diluted EPS (in Rs)	0.87	0.89	(0.08)	1.76	(0.10)	0.63

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Statement of Unaudited Results for the Quarter and Six month ended 30 September 2018

Segment Wise Revenue, Results, Assets and Liabilities for the Quarter and Six months ended 30 September 2018

(Rs. in lacs)

Sr. No	Particulars	Quarter ended	Preceding quarter ended	Corresponding quarter ended	Six months ended	Corresponding Six months ended	Previous Year ended
		30 September 2018	30 June 2018	30 September 2017	30 September 2018	30 September 2017	31 March 2018
		(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
1	Segment revenue (refer note 2 and 3)						
a)	Polyester chips & film	21,734.59	18,458.39	15,728.88	40,192.98	31,659.06	64,833.89
b)	Engineering plastic	5,906.66	4,215.76	4,014.47	10,122.42	8,566.78	17,615.11
	Revenue from operations	27,641.25	22,674.15	19,743.35	50,315.40	40,225.84	82,449.00
2	Segment results						
	Profit/(loss) before tax and interest						
a)	Polyester chips & film	2,772.22	2,749.74	1,406.38	5,521.96	2,960.08	6,863.30
b)	Engineering plastic	196.09	271.44	171.19	467.53	596.11	1,253.92
	Total	2,968.31	3,021.18	1,577.57	5,989.49	3,556.19	8,117.22
	Less :						
a)	Finance cost	905.41	852.23	811.42	1,757.64	1,656.19	3,278.44
b)	Other un-allocable expenditure net off from un-allocable income	1,056.58	1,141.18	853.78	2,197.76	2,007.66	4,089.95
	Profit/(loss) before tax	1,006.32	1,027.77	(87.63)	2,034.09	(107.66)	748.83
3	Segment assets						
a)	Polyester chips & film	45,933.58	45,445.13	43,788.07	45,933.58	43,788.07	45,067.92
b)	Engineering plastic	11,766.75	11,581.09	10,169.25	11,766.75	10,169.25	10,739.54
c)	Unallocated	13,155.92	14,004.58	14,169.51	13,155.92	14,169.51	14,466.73
	Total	70,856.25	71,030.80	68,126.83	70,856.25	68,126.83	70,274.19
4	Segment liabilities						
a)	Polyester chips & film	5,488.84	5,287.00	6,714.45	5,488.84	6,714.45	6,586.43
b)	Engineering plastic	694.39	682.66	527.20	694.39	527.20	764.23
c)	Unallocated	34,858.80	35,987.26	33,252.80	34,858.80	33,252.80	34,597.88
	Total	41,042.03	41,956.92	40,494.45	41,042.03	40,494.45	41,948.54

NOTES :

- The above results for the quarter ended 30 September 2018 have been reviewed by the Audit Committee and have been approved by the Board of Directors at the meeting held on 02 November 2018. The statutory auditors have carried out limited review of the financial results of the Company for the quarter ended 30 September 2018.
- Revenue for the quarters ended 30 September 2018, 30 June 2018 and six month ended 30 September 2018 is net of Goods and Service Tax (GST) which is applicable from 01 July 2017, however, revenue for the six month ended 30 September 2017 is net of VAT but gross of excise duty. Accordingly, revenue for the quarters ended 30 September 2018, 30 June 2018 and six month ended 30 September 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 Six month ended 30 September 2018

Break up for income from operation

(Rs. in lacs)

Sr. No	Particulars	Quarter ended	Preceding quarter ended	Corresponding quarter ended	Six months ended	Corresponding Six months ended	Previous Year ended
		30-Sep-18 (Unaudited)	30 June 2018 (Unaudited)	30-Sep-17 (Unaudited)	30-Sep-18 (Unaudited)	30-Sep-17 (Unaudited)	31 March 2018 (Audited)
1	Segment Revenue						
	Polyester Chips & Film	21,734.59	18,458.39	15,728.88	40,192.98	31,659.06	64,833.89
	Engineering Plastic	5,906.66	4,215.76	4,014.47	10,122.42	8,566.78	17,615.11
	Gross Income From Operations	27,641.25	22,674.15	19,743.35	50,315.40	40,225.84	82,449.00
2	Excise Duty						
	Polyester Chips & Film	-	-	29.78	-	1,292.06	1,292.06
	Engineering Plastic	-	-	-	-	482.78	482.78
	Excise Duty	-	-	29.78	-	1,774.84	1,774.84
3	Segment Revenue						
	Polyester Chips & Film	21,734.59	18,458.39	15,699.10	40,192.98	30,367.00	63,541.83
	Engineering Plastic	5,906.66	4,215.76	4,014.47	10,122.42	8,084.00	17,132.33
	Net Income From Operations	27,641.25	22,674.15	19,713.57	50,315.40	38,451.00	80,674.16

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 30 September 2018 and 30 June 2018 and six month ended 30 September 2018.

Had the Company not adjusted the above mentioned amounts, the revenue from operations for the quarter ended 30 September 2018, 30 June 2018 and six month ended 30 September 2018 would have been Rs. 27,824.64 lacs, Rs. 22,836.28 lacs and Rs. 50,660.92 lacs respectively and other expenses for these period would have been Rs 4,795.50 lacs, Rs.4,022.93 lacs and Rs.8,818.43 lacs.

Place : New Delhi
Date: 02 November 2018



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For Ester Industries Limited

Arvind Singhania
Chairman & CEO



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Statement of Assets and Liabilities as at 30 September 2018

		(Rs. in lacs)	
Sr. No	Particulars	As at 30 September 2018 (Unaudited)	As at 31 March 2018 (Audited)
A	ASSETS		
1	Non-current assets		
	Property, plant and equipment	39,008.02	39,659.59
	Capital work-in-progress	329.02	127.43
	Intangible assets	182.08	194.04
	Financial assets		
	Loans	724.59	728.19
	Other financial assets	8.48	94.63
	Other non-current assets	198.39	22.16
	Sub total non-current assets	40,450.58	40,826.04
2	Current assets		
	Inventories	13,582.16	11,418.91
	Financial assets		
	Investments	17.69	27.07
	Trade receivables	14,155.52	14,818.60
	Cash and cash equivalents	29.82	70.24
	Other bank balances	694.02	642.37
	Loans	65.11	47.18
	Other financial assets	64.55	57.95
	Other current assets	1,796.80	2,365.83
	Sub total current assets	30,405.67	29,448.15
	Total	70,856.25	70,274.19
B	EQUITY AND LIABILITIES		
1	Equity		
	Equity share capital	4,169.69	4,169.69
	Other equity	25,644.53	24,155.96
	Sub total equity	29,814.22	28,325.65
	Liabilities		
2	Non - current liabilities		
	Financial liabilities		
	Borrowings	6,534.71	2,752.92
	Other financial liabilities	137.87	191.42
	Provisions	856.82	893.99
	Deferred tax liabilities (net)	1,858.13	1,763.96
	Other non-current liabilities	2,854.57	2,927.53
	Sub total non-current liabilities	12,242.10	8,529.82
3	Current liabilities		
	Financial liabilities		
	Borrowings	21,312.32	23,613.27
	Trade payables		
	a) total outstanding dues of micro enterprises and small enterprises	21.23	37.40
	b) total outstanding dues of creditors other than micro enterprises and small enterprises	3,112.37	4,164.98
	Other financial liabilities	3,709.13	4,779.34
	Provisions	421.39	645.77
	Current tax liabilities (net)	122.44	110.10
	Other current liabilities	101.05	67.86
	Sub total current liabilities	28,799.93	33,418.72
	Total	70,856.25	70,274.19

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