

POLAR INDUSTRIES LTD
R.O.: 113, Park Street, Kolkata-700 016

Audited Financial Results for the Quarter And 12 Months ended 31st March '2010

Rs In Lacs

Particulars	Quarter Ended		12 Month Ending		12 Months
	31.03.2010	31.03.2009	31.03.2010	31.03.2009	Ended
	Audited		Audited		Audited
1(a).Net Sales / Sales Return / Income from operation (Net of Sales Return)	(39.59)	2219.79	1982.04	9361.11	9361.11
(b)Other Operating Income	92.93	39.43	301.48	148.30	148.30
Total (a+b)	53.34	2259.22	2283.52	9509.41	9509.41
2 Expenditure					
a) (Increase)/decrease in stock in trade and work in progress.	535.39	377.61	939.96	1026.78	1026.78
b) Consumption of raw material	0.00	225.02	717.07	799.45	799.45
c) Purchase of Traded Goods (Net of Purchase Return)	(73.32)	1756.35	249.18	6325.82	6325.82
d) Staff Cost	28.47	193.46	332.38	1237.49	1237.49
e) Depreciation	10.40	19.06	42.93	70.82	70.82
f) Other expenditure	381.00	475.73	1041.12	2740.97	2740.97
g) Total	881.94	3047.23	3322.64	12201.33	12201.33
3. Profit from Operation before other income,interest & Exceptional items	(828.59)	(788.01)	(1039.12)	(2691.92)	(2691.92)
4. Other Income	2684.07	873.09	2724.09	1109.34	1109.34
5. Profit before interest & Exceptional items	1855.48	85.08	1684.97	(1582.58)	(1582.58)
6.Interest	4.07	(100.99)	92.56	162.77	162.77
7. Profit after interest but before Exceptional items	1851.41	186.07	1592.44	(1745.35)	(1745.35)
8. Exceptional Items	0.00		0.00		
(a) Bad Debts written off	0.00	0.00	0.00	0.00	0.00
(b) Interest/Principal written back on restructuring of loans (Net)	0.00	(116.81)	0.00	(299.23)	(299.23)
9. Profit/(Loss) from ordinary activities before tax	1851.41	302.87	1592.44	(1446.12)	(1446.12)
10. Tax Expenses - Current					
- Fringe Benefit Tax	0.00	3.76	0.00	17.70	17.70
11.Profit/(Loss) from ordinary activities after tax	1851.41	299.11	1592.44	(1463.82)	(1463.82)
12 Extra Ordinary Items (Net of Tax Expense)					
13. Net Profit (+)/ Loss (-) for the period	1851.41	299.11	1592.44	(1463.82)	(1463.82)
14.Paid up equity share capital (Face value Rs. 10 per share)	2120.21	1812.78	2120.21	1812.78	1812.78
15. Reserve (Excluding Revaluation Reserve) as per last audit balance sheet				-	-
16.Basic and Diluted EPS (Face value Rs.10/- per share)					
i) Before Exceptional items	8.73	1.01	7.84	(9.73)	(9.73)
ii) After Exceptional items	8.73	1.65	7.84	(8.08)	(8.08)
17.Public shareholdings (Aggregate of non-promoter shareholdings)					
-Number of shares	13283598	10209298	13283598	10209298	10209298
-Percentage of shareholdings	62.65%	56.32%	62.65%	56.32%	56.32%
18.Promoters and promoter group Share holding					
a) Pledged / Encumbered					
- Nos. of shares	7838335	7836589	7838335	7836589	7836589
-Percentage of shares	98.99%	98.97%	98.99%	98.97%	98.97%
-Percentage of share capital	36.97%	43.22%	36.97%	43.22%	43.22%
b) Non Pledged / Encumbered					
- Nos. of shares	N/A	N/A	N/A	N/A	N/A
-Percentage of shares					
c) Promoter and promoters group					
-Percentage of shares	1.01%	1.03%	1.01%	1.03%	1.03%
-Percentage of share capital	0.38%	0.45%	0.38%	0.45%	0.45%

Place: Kolkata
Dated 29.05.2010

Segment Reporting

Rs In Lacs

Particulars	Quarter Ended		Twelve Month Ending		12 months
	31.03.2010	31.03.2009	31.03.2010	31.03.2009	Ended
	Audited		Audited		31.03.2009
					Audited
Segment Revenue					
a.Fan Segment	76.61	2158.51	2039.58	8397.30	8397.30
b.Appliances	15.52	19.84	126.09	746.67	746.67
c.Light & Luminaries	(46.13)	10.99	47.62	56.96	56.96
d. Water Lifting Pump	7.34	69.88	70.23	308.48	308.48
Total	53.34	2259.21	2283.52	9509.41	9509.41
Segment Results					
Profit/(Loss) before tax and Interest					
a.Fan Segment	(848.06)	(236.05)	(695.57)	(1475.10)	(1475.10)
b.Appliances	(28.27)	(52.83)	(37.28)	(202.77)	(202.77)
c.Light & Luminaries	71.62	7.99	29.98	(67.38)	(67.38)
d. Water Lifting Pump	(17.84)	(21.22)	(4.68)	(49.10)	(49.10)
Total	(822.54)	(302.12)	(707.54)	(1794.34)	(1794.34)
Less:(i) Interest	4.07	(100.99)	92.53	162.77	162.77
(ii) Other Un-allocable Expenses (net of income)	(2843.44)	(177.18)	(2557.60)	(211.76)	(211.76)
Profit/(Loss) before Tax and Exceptional Items	2016.83	(23.94)	1757.50	(1745.35)	(1745.35)
Add:-Extra Exceptional Items					
(a) Provision for doubtful debts	0.00	0.00	0.00	0.00	0.00
(b) Interest/Principal written back on restructuring of loans (Net)	0.00	116.81	0.00	299.23	299.23
Profit/ (Loss) before Tax	1851.03	92.86	1757.86	(1446.12)	(1446.12)
Capital Employed					
(Segment Assets -Segment Liabilities)					
a.Fan Segment	(9601.37)	(8804.65)	(9598.80)	(8804.65)	(8804.65)
b.Appliances	(34.71)	(421.00)	(37.28)	(421.00)	(421.00)
c.Lightning Segment	(532.24)	(480.21)	(532.24)	(480.21)	(480.21)
d. Water Lifting Pump	(64.44)	(59.40)	(64.44)	(59.40)	(59.40)
e.Others	5281.06	6719.38	4413.11	6719.38	6719.38
Total Capital Employed	(4951.70)	(3045.89)	5819.66	(3045.89)	(3045.89)

* Sale Return

Other operating income includes Rs.92.93 Lacs as Foreign Exchange Fluctuation during the quarter

Auditors have qualified their report on the audited accounts for the year ended 31.03.2010 (a) for preparation of accounts on going concern basis as the networth has become negative (b) regarding remuneration paid in earlier year to an ex director for which Central Government approval is awaited (c) regarding written back of dues to banks and financial institutions on OTS/ restructuring which is subject to compliance of terms and conditions and non provision of interest of Rs 9.43 lac (till Date Rs 75.44 lac) on remaining loan. (d) regarding uncertainty in the realisation of finished goods stocks of suspended line of business segments (e) regarding non provision of diminution in value of long term investment and (f) regarding recalling of loan by a secured lender (g) regarding corporate guarantee given to financial institute and Govt bodies in excess of approved limit and due to financial constraints all the parties have suspended their operation .

The management reply to the auditors' qualification are (a) on OTS of the above dues (as referred above) , induction of further working capital, closure of non profitable segments and future profit, the networth may become positive (b) company has already applied to the Central Government and sanction is awaited (c) company has taken necessary steps for compliance of terms of restructuring (d) company has sold part of the inventories and balance is being disposed off (e) these investment are of strategic nature and market value of the same shall be recovered in due course.(f) ARCIL has taken over possession of property situated at Maharani Bagh New Delhi u/s 13(4) of the SARFAESI Act and the matter is under discussion with ARCIL for settlement of their total principal dues.(g) Notice or letter have not been received by the company from institution Govt bodies for invocation of the corporate guarantee

ARCIL has taken over Company's residential property situated at A-8 Maharani Bagh, New Delhi 110 065 U/S 13(4) of SARFESI Act on 31.07.2009. The Company has received information from its sources that ARCIL has sold this property in December -09 quarter. No details of the sale, sale consideration or appropriation thereof have been furnished by ARCIL to the Company. The Company has written various letters to ARCIL seeking the said details which have not been provided till the date of preparation of this accounts. Hence the Company considered minimum reserve price i.e Rs 27.50 crores as per mentioned in the published news paper dated 4th sept 2009 for adjusting in the books of account if any variance shall be made after the require details received from ARCIL.

The Company has received a letter dated 31.03.2010 notice u/s 13(4) of the SARFAESI Act 2002 from ARCIL pertaining to the property of the Company situated at A-2 Sector 5, Noida (Ceiling Fan Division). This property seized by the ARCIL which was already seized by the U.P. Sales Tax Department.

The Company has received a letter dated 31.03.2010 notice u/s 13(4) of the SARFAESI Act 2002 from IIBI pertaining to the property of Polar Marmo Agglomerates Ltd. situated at SP - 1 - 3 Industrial Area, Pratap Nagar, Udaipur, Rajasthan. The Company has replied to IIBI vide its letter dated 20.05.2010 requesting to give consent to the settlement terms of CDR to enable the Company to make payment.

The Company in order to concentrate fully on its core business has restructured its operations and suspended non profit making business segments.

Basic & Diluted EPS has been calculated after considering arrears of Dividend on Cumulative Preference Shares.

There were no complaints from investors outstanding at the beginning of the quarter and received one complaint during the quarter & no Complaint outstanding at the end of the quarter.

Figures for the corresponding quarter/twelve months and that of previous year are regrouped / reclassified wherever considered necessary.

The above results have been approved by the Board of Directors at their meeting held on 29.05.2010.

By Order of the Board
For POLAR INDUSTRIES LIMITED

Place: Kolkata
Dated 29.05.2010

Anil Agarwal
Chairman & Managing Director