

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

Unaudited Financial Results for the Illrd Quarter and Nine Months ended 31st Dec'2009

Rs In Lacs

Particulars	Quarter Ended		Nine Month Ending		12 Months
	31.12.09	31.12.08	31.12.09	31.12.08	Ended 31.03.2009
					Audited
1(a).Net Sales / Income from operation	1.86	1432.79	1958.10	7141.32	9361.11
(b)Other Operating Income	56.40	15.22	208.55	108.87	148.30
Total (a+b)	58.25	1448.01	2166.65	7250.19	9509.41
2 Expenditure					
a) (Increase)/decrease in stock in trade and work in progress.	152.58	286.68	404.57	649.16	1026.78
b) Consumption of raw material	(61.88)	25.67	653.54	574.43	799.45
c) Purchase of Traded Goods	(14.21)	924.01	321.88	4569.47	6325.82
d) Staff Cost	40.80	258.29	310.97	1044.02	1237.49
e) Depreciation	6.45	15.97	31.75	51.76	70.82
f) Other expenditure	58.73	563.38	660.84	2055.25	2740.97
g) Total	182.47	2074.00	2383.55	8944.09	12201.33
3. Profit/(Loss) from Operation before other income,interest & Exceptional items	(124.22)	(625.99)	(216.90)	(1693.90)	(2691.92)
4. Other Income	5.55	184.54	39.62	236.25	1109.34
5. Profit before interest & Exceptional items	(118.67)	(441.45)	(177.29)	(1457.65)	(1582.58)
6. Interest	27.22	-14.45	87.46	263.75	162.77
7. Profit after interest but before Exceptional items	(145.89)	(427.00)	(264.75)	(1721.40)	(1745.35)
8. Exceptional Items				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	(182.42)	0.00	(182.42)	(299.23)
(c) Compensation Charges	0.00	122.50	0.00	210.00	0.00
9. Profit/(Loss) from ordinary activities before tax	(145.89)	(367.08)	(264.75)	(1748.98)	(1446.12)
10. Tax Expenses - Current					
- Fringe Benefit Tax	0.00	4.13	0.00	13.94	17.70
11. Profit/(Loss) from ordinary activities after tax	(145.89)	(371.21)	(264.75)	(1762.92)	(1463.82)
12 Extra Ordinary Items (Net of Tax Expense)					55.32
13. Net Profit (+)/ Loss (-) for the period	(145.89)	(371.21)	(264.75)	(1762.92)	(1408.50)
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	(0.69)	(2.38)	(1.73)	(9.57)	(9.73)
ii) After Exceptional items	(0.69)	(2.05)	(1.73)	(9.73)	(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		7838335		7836589
- Percentage of shares	98.99%		98.99%		98.97%
- Percentage of share capital	36.97%		36.97%		43.22%
b) Non Pledged / Encumbered					
- Nos. of shares					
- Percentage of shares					
Promoter and promoters group	80135		80135		81881
- Percentage of shares	1.01%		1.01%		1.03%
- Percentage of share capital	0.38%		0.38%		0.45%

Place: Kolkatta
Dated 28.01.2010

Segment Reporting

Rs In Lacs

Particulars	Quarter Ended		Nine Month Ending		12 Months
	31.12.09	31.12.08	31.12.09	31.12.08	Ended 31.03.2009
					Audited
Segment Revenue					
a.Fan Segment	59.08	1159.61	1900.21	6238.79	8397.30
b.Appliances	(2.33)	254.55	110.57	726.83	746.67
c.Light & Luminaries	0.00	(1.31)	93.75	45.97	56.96
d. Water Lifting Pump	1.50	35.15	62.13	238.60	308.48
Total	58.26	1448.00	2166.65	7250.19	9509.41
Segment Results					
Profit/(Loss) before tax and Interest					
a.Fan Segment	(54.10)	(322.33)	151.10	(1239.04)	(1475.10)
b.Appliances	(3.60)	(54.13)	(10.29)	(149.94)	(202.77)
c.Light & Luminaries	0.00	(40.48)	(41.64)	(75.37)	(67.38)
d. Water Lifting Pump	4.18	(31.02)	16.00	(27.88)	(49.10)
Total	(53.53)	(447.96)	115.18	(1492.23)	(1794.34)
Less:(i) Interest	27.22	(14.45)	87.46	263.75	162.77
(ii) Other Un-allocable Expenses (net of income)	65.13	(6.49)	292.47	(34.57)	(211.76)
Profit/(Loss) before Tax and Exceptional Items	(145.88)	(427.02)	(264.75)	(1721.41)	(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	182.42	0.00	182.43	299.23
(c) Compensation Charges	0.00	(122.50)	0.00	(210.00)	0.00
Profit/ (Loss) before Tax	(145.88)	(367.10)	(264.75)	(1748.98)	(1446.12)
Capital Employed					
(Segment Assets -Segment Liabilities)					
a.Fan Segment	(3290.11)	(7692.50)	(3290.11)	(7692.50)	(8804.65)
b.Appliances	(10.29)	(370.37)	(10.29)	(370.37)	(421.00)
c.Lightning Segment	134.91	(488.45)	134.91	(488.45)	(480.21)
d. Water Lifting Pump	15.99	(37.39)	15.99	(37.39)	(59.40)
e.Others	(639.95)	5703.09	(639.95)	5703.09	6719.28
Total Capital Employed	(3789.45)	(2885.62)	(3789.45)	(2885.62)	(3045.99)

* Sale Return

Other operating income includes Rs.56.23 Lacs as Foreign Exchange Fluctuation during the quarter

Auditors have qualified their report on the audited accounts for the year ended 31.03.2009 (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 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 66.01 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(s) 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 it's 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. The Company has written a letter dated 22.01.2010 to ARCIL seeking the said details which have not been provided till the date of preparation of this accounts. Hence no accounting treatment has been given in december 09 quarter.

The Company has received a letter dated 26.11.2009 which purport to be a notice u/s 13(2) of the SARFAESI Act 2002 from ARCIL pertaining to the property of the Company situated at A-2 Sector 5, Noida (Ceiling Fan Division). The Company has replied to this letter vide its letter dated 23.01.2010 to withdraw the letter mentioning illegality of the said notice.

The Company has disposed off all its remaining fixed Assets of It's SUMACH division situated at kolkata in December 09 quarter and shifted it's operation to 147 Neelganj Road , Kolkata - 56. In the opinion of the management sale of it's fixed assets will not affect the ability of the Company as a going concern.

The Company in order to concentrate fully on its core business has restructured.its operations and suspended non profit making business segments. Hence resulting lower sale volume in the quarter.

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 & no Complaint outstanding at the end of the quarter.

Figures for the corresponding quarter/nine 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 28.01.2010.

**By Order of the Board
For POLAR INDUSTRIES LIMITED**

**Place: Kolkata
Dated 28.01.2010**

**Anil Agarwal
Chairman & Managing Director**