

POLAR INDUSTRIES LTD
R.O.: 51 2nd Floor Ezra Street Kolkata-700 001
Unaudited (Reviewed) Financial Results for the Quarter ended 30th September '2010

Rs In Lacs

| Particulars | Quarter Ended | | Six Month Ending | | 12 Months |
|---|---------------|---------------|------------------|----------------|---------------------|
| | 30.09.2010 | 30.09.2009 | 30.09.2010 | 30.09.2009 | Ended 31.03.2010 |
| | | (Reviewed) | | | Audited |
| 1(a).Net Sales / Income from operation | 0.00 | 682.86 | 23.73 | 1956.24 | 1982.04 |
| (b)Other Operating Income | 83.97 | 16.84 | 18.22 | 152.04 | 301.48 |
| Total (a+b) | 83.97 | 699.70 | 41.95 | 2108.28 | 2283.52 |
| 2 Expenditure | | | | | |
| a) (Increase)/decrease in stock in trade and work in progress. | 0.00 | 70.89 | 22.06 | 251.99 | 939.96 |
| b) Consumption of raw material | 0.00 | 273.11 | 0.00 | 715.42 | 717.07 |
| c) Purchase of Traded Goods | 0.00 | 4.69 | 0.00 | 336.09 | 249.18 |
| d) Staff Cost | 11.45 | 129.71 | 22.84 | 270.17 | 332.38 |
| e) Depreciation | 6.14 | 11.19 | 9.14 | 25.29 | 42.93 |
| f) Other expenditure | 9.98 | 230.07 | 33.55 | 602.11 | 1041.12 |
| Total | 27.58 | 719.65 | 87.59 | 2201.08 | 3322.64 |
| 3. Profit from Operation before other income, interest & Exceptional items | 56.38 | (19.95) | (45.64) | (92.80) | (1039.12) |
| 4. Other Income | 0.00 | 31.43 | 0.00 | 34.07 | 2724.09 |
| 5. Profit before interest & Exceptional items | 56.38 | 11.48 | (45.64) | (58.73) | 1684.97 |
| 6. Interest | 21.29 | 24.85 | 46.41 | 60.24 | 92.53 |
| 7. Profit after interest but before Exceptional items | 35.09 | (13.37) | (92.04) | (118.97) | 1592.44 |
| 8. Exceptional Items (Interest / Principal written back on restructuring of loan(Net)) | 501.55 | | 501.55 | | |
| 9. Profit/(Loss) from ordinary activities before tax | 536.64 | (13.37) | 409.50 | (118.97) | 1592.44 |
| 10. Tax Expenses - Current | | | | | |
| - Fringe Benefit Tax | | | | | |
| 11. Profit/(Loss) from ordinary activities after tax | 536.64 | (13.37) | 409.50 | (118.97) | 1592.44 |
| 12 Extra Ordinary Items (Net of Tax Expense) | 0.00 | | 0.00 | | 0.00 |
| 13. Net Profit (+)/ Loss (-) for the period | 536.64 | (13.37) | 409.50 | (118.97) | 1592.44 |
| 14. Paid up equity share capital | 2120.21 | 2120.21 | 2120.21 | 2120.21 | 2120.21 |
| (Face value Rs. 10 per share) | | | 0.00 | | |
| 15. Reserve (Excluding Revaluation Reserve) as per last audit balance sheet | | | 0.00 | | |
| 16. Basic and Diluted EPS | | | | | |
| (Face value Rs.10/- per share) | | | | | |
| i) Before Exceptional items | 0.16 | (0.07) | 0.16 | (0.58) | 7.84 |
| ii) After Exceptional items | 2.53 | (0.07) | 2.53 | (0.58) | 7.84 |
| 17. Public shareholdings (Aggregate of non-promoter shareholdings) | | | | | |
| -Number of shares | 13283598 | 13283598 | 13283598 | 13283598 | 13283598 |
| -Percentage of shareholdings | 62.65% | 62.65% | 62.65% | 62.65% | 62.65% |
| 18. Promoters and promoter group Share holding | | | | | |
| a) Pledged / Encumbered | | | | | |
| - Nos. of shares | 7838335 | 7838335 | 7838335 | 7838335 | 7838335 |
| -Percentage of shares | 98.99% | 98.99% | 98.99% | 98.99% | 98.99% |
| -Percentage of share capital | 36.97% | 36.97% | 36.97% | 36.97% | 36.97% |
| 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 | 80135 | 80135 | 80135 | 80135 | 80135 |
| -Percentage of shares | 1.01% | 1.01% | 1.01% | 1.01% | 1.01% |
| -Percentage of share capital | 0.38% | 0.38% | 0.38% | 0.38% | 0.38% |

Place: Kolkata
Dated 03.11.2010

Segment Reporting

| Particulars | Quarter Ended | | Six Month Ending | | 12 Months Ended |
|---|---------------|--------------------------|------------------|------------|-----------------------|
| | 30.09.2010 | 30.09.2009 (Reviewed) | 30.09.2010 | 30.09.2009 | 31.03.2010 Audited |
| Segment Revenue | | | | | |
| a.Fan Segment | 83.97 | 590.23 | 41.95 | 1841.01 | 2039.58 |
| b.Others Segment | | 109.47 | | 267.27 | 243.94 |
| Total | 83.97 | 699.70 | 41.95 | 2108.28 | 2283.52 |
| Segment Results | | | | | |
| Profit/(Loss) before tax and Interest | | | | | |
| a.Fan Segment | 56.42 | 78.93 | (45.56) | 205.10 | (779.33) |
| b.Others Segment | (0.04) | (3.44) | (0.08) | (36.49) | (93.63) |
| Total | 56.38 | 75.48 | (45.64) | 168.61 | (872.96) |
| Less:(i) Interest | 21.29 | 24.85 | 46.41 | 60.24 | 92.53 |
| (ii) Other Un-allocable Expenses (net of income) | | 64.01 | | 227.34 | (2557.94) |
| Profit/(Loss) before Tax and Exceptional Items | 35.09 | (13.37) | (92.04) | (118.97) | 1592.44 |
| Add:-Extra Exceptional Items | | | | | |
| Interest/Principal written back on restructuring of loans (Net) | 501.55 | | 501.55 | | 0.00 |
| Profit/ (Loss) before Tax | 536.64 | (13.37) | 409.50 | (118.97) | 1592.43 |
| Capital Employed | | | | | |
| (Segment Assets -Segment Liabilities) | | | | | |
| a.Fan Segment | (5802.70) | (8505.98) | (5802.70) | (8505.98) | (5167.85) |
| b.Others Segment | (157.98) | (839.62) | (157.98) | (839.62) | (633.96) |
| e.Others - Unallocable | (17.85) | 5220.15 | (17.85) | 5220.15 | (17.85) |
| Total Capital Employed | (5978.53) | (4125.47) | (5978.53) | (4125.47) | (5819.66) |
| Statement of Assets and Liabilities as at 30th September 2010 | | | | | |
| Particular | As at | As at | | | |
| | 30.09.2010 | 30.09.2009 | | | |
| Liabilities | | | | | |
| Shareholders fund : | | | | | |
| (a) Capital | 2257.51 | 2257.51 | | | |
| (b) Reserves and Surplus | 2893.48 | 3080.01 | | | |
| Loan fund | 3173.56 | 6838.12 | | | |
| Total | 8324.55 | 12175.63 | | | |
| Assets | | | | | |
| Fixed Assets | 349.90 | 984.69 | | | |
| Investment | 26.57 | 61.23 | | | |
| Current Assets, Loan and Advances | | | | | |
| (a) Inventories | 86.41 | 800.03 | | | |
| (b) Cash and Bank balance | 14.05 | 17.43 | | | |
| (c) Other Current assets | 34.73 | 1305.85 | | | |
| (e) Loan and advances | 1232.15 | 1267.73 | | | |
| Less : Current Liabilities and Provision | | | | | |
| (a) Liabilities | 7657.64 | 8281.13 | | | |
| (b) Provision | 64.70 | 281.29 | | | |
| Net Current Assets | (6355.00) | (5171.39) | | | |
| PROFIT & LOSS ACCOUNT-DEBIT BALANCE | 14303.07 | 16301.10 | | | |
| Total | 8324.55 | 12175.63 | | | |
| <p>Auditors have qualified their report on the audited accounts for the year ended 31.03.2010 (a) regarding corporate guarantees given to Financial Institution and Govt Bodies in excess of approved limit (b)(i) regarding debt acquired by ARCIL subject to compliance of terms & condition and recalling of loan and demanding of other payment and consequent impact on the liquidity position of the Company and consequent impact on the ability of the Company to continue business (ii) regarding sale of residence property and provisional adjustment thereof in accounts and possession of another property by ARCIL -unable to comment about impact on profit for the year due to non availability of required information (iii) regarding non provision of interest of Rs 9.43 lac for the quarter (till date 94.30 lacs) on remaining loan and consequent impact thereof on the profit for the period and for the year. (c) regarding valuation of finished stock pertaining to discounted segment and non provision of interest, demurrages etc on the goods lying in custom bonded warehouse. (d) preparation of accounts on going concern basis as the networth has become negative (e) regarding pending recovery of advance (f) regarding refusal of insurance claim by the Insurance Company. (g) regarding remuneration paid in earlier year to an ex director for for which Central Government approval is awaited (h) regarding non provision and non ascertainment of interest and penalties on outstanding statutory dues.</p> <p>The management reply to the Auditors' qualification are (a)Notice or letter have not been received by the Company from the Financial Institution & Govt Bodies for invocation of the corporate guarantee (b)(i)Company has placed its proposal for the One Time Settlement (OTS) of the dues to ARCIL and the same is under discussion (b) (ii) Considered a minimum reserve price for the purpose of provisional adjustment in the books of accounts b(iii) refer note no 2 of the result (c) Company is taking necessary steps to liquidate the same at the best resalable value.(d) 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 (e)Company is taking necessary steps to recover advance and dues (f) Company is awaiting the decision of National Consumer Forum.(g) Company has received part sanctioned from Central Government, balance recovery to be recoverable from Ex - Director (h) Company is taking step to pay undisputed outstanding statutory dues.</p> <p>During the quarter the company has settle due of IIBI debt aggregating of Rs 679.76 lacs by OTS of Rs 178.21 lacs and interest / principal of Rs 501.55 lacs has been written back on restructuring of loan and shown as exceptional items.</p> <p>The Company has received a letter dated 31.03.2010 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 ARCIL was already seized by the U.P. Sales Tax Department.</p> <p>The Company has presently its operation in the temporary state of suspension and is continuously on the look out for new business opportunity.</p> <p>Basic & Diluted EPS has been calculated after considering arrears of dividend on cumulative preference shares.</p> <p>There were no complaints from investors outstanding at the beginning of the quarter and received three complaints during the quarter & no complaint outstanding at the end of the quarter.</p> <p>Figures for the corresponding quarter and that of previous year are regrouped / reclassified wherever considered necessary.</p> <p>The above results have been approved by the Board of Directors at their meeting held on 03.11.2010.</p> | | | | | |
| <p>By Order of the Board For POLAR INDUSTRIES LIMITED</p> | | | | | |
| <p>Anil Agarwal Chairman & Managing Director</p> | | | | | |
| <p>Place: Kolkata Dated 03.11.2010</p> | | | | | |