

STATEMENT OF STANDALONE UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND SIX MONTHS ENDED 30 SEPTEMBER 2014

PART I

(Rupees in lac)

S.No	Particulars	3 months ended	Preceding 3 months ended	Previous year Corresponding 3 months ended	Year to date figures for current period ended	Year to date figures for the previous year ended	Previous year ended
		30/09/2014	30/06/2014	30/09/2013	30/09/2014	30/09/2013	31/03/2014
		(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
1	Income from operations						
	(a) Net sales/Income from Operations (Net of excise duty)	79973.80	77744.97	64394.50	157718.77	64506.29	133374.54
	(b) Other operating income	328.89	367.31	311.50	696.20	512.39	1172.65
	Total Income from operations (net)	80302.69	78112.28	64706.00	158414.97	65018.68	134547.19
2	Expenses						
	(a) Cost of materials consumed	49128.16	48717.67	39055.58	97845.83	39055.58	79486.41
	(b) Purchases of stock-in-trade	0.27	0.27	0.51	0.54	(1.14)	(0.55)
	(c) Changes in inventories of finished goods and work-in-progress	(1118.64)	(259.86)	(72.18)	(1378.50)	(65.64)	(187.08)
	(d) Employee benefits expense	902.61	931.68	985.01	1834.29	1928.94	3730.04
	(e) Depreciation and Amortisation expense	1060.81	1053.18	1092.74	2113.99	2173.72	4367.21
	(f) Power and Fuel charges	20099.49	19676.35	16972.22	39775.84	17404.77	35101.44
	(g) Other expenses	6030.59	5043.13	4184.89	11073.72	5011.50	11365.57
	Total Expenses	76103.29	75162.42	62218.77	151265.71	65507.73	133863.04
3	Profit / (Loss) from Operations before Other Income, Exchange gain/(loss), Finance costs and Exceptional items (1-2)	4199.40	2949.86	2487.23	7149.26	(489.05)	684.15
4a.	Other Income	15.26	47.42	92.61	62.68	265.69	847.58
4b.	Exchange Gain / (Loss) (Net)	(1822.13)	168.34	(1107.79)	(1653.79)	(2806.04)	(1324.73)
5	Profit / (Loss) from ordinary activities before Finance costs and Exceptional items (3+4a+4b)	2392.53	3165.62	1472.05	558.15	(3029.40)	207.00
6	Finance costs	727.23	1104.76	456.22	1831.99	850.65	2091.82
7	Profit / (Loss) from ordinary activities after Finance costs but before Exceptional items (5-6)	1665.30	2060.86	1015.83	3726.16	(3880.05)	(1884.82)
8	Exceptional Items						
	(a) Loss on Sale of Business undertaking	-	-	-	-	-	(1275.00)
	(b) Loss on sale investment	-	-	-	-	-	(5772.15)
	(c) Provision for diminution in value of investments written back	-	-	-	-	-	6115.45
	(d) Excess Liability written back	-	-	-	-	-	11692.51
	(e) Provision for impairment loss	-	-	(2195.36)	-	(2195.36)	(2289.81)
9	Profit / (Loss) from ordinary activities before tax (7+8)	1665.30	2060.86	(1179.53)	3726.16	(6075.41)	6586.18
10	Tax expense	-	-	-	-	-	-
11	Net Profit / (Loss) from ordinary activities after tax (9-10)	1665.30	2060.86	(1179.53)	3726.16	(6075.41)	6586.18
12	Extraordinary items	-	-	-	-	-	-
13	Net Profit / (Loss) for the period (11+12)	1665.30	2060.86	(1179.53)	3726.16	(6075.41)	6586.18
14	Paid-up equity share capital (Face Value of Rs. 10 per Share)	20364.03	20364.03	20364.03	20364.03	20364.03	20364.03
15	Reserve excluding Revaluation Reserve	-	-	-	-	-	(1215.86)
16	Earnings Per Share (EPS) before and after extraordinary items (of Rs.10/- each)						
	a) Basic	0.80	0.99	(0.60)	1.79	(3.03)	3.15
	b) Diluted	0.80	0.99	(0.60)	1.79	(3.03)	3.15
	See accompanying note to the financial results.						



SELECT INFORMATION FOR THE QUARTER AND SIX MONTHS ENDED 30 SEPTEMBER 2014

PART II

S.No	Particulars	3 months ended	Preceding 3 months ended	Previous year Corresponding 3 months ended	Year to date figures for current period ended	Year to date figures for the previous year ended	Previous year ended
		30/09/2014 (Unaudited)	30/06/2014 (Unaudited)	30/09/2013 (Unaudited)	30/09/2014 (Unaudited)	30/09/2013 (Unaudited)	31/03/2014 (Audited)
A	PARTICULARS OF SHARE HOLDING						
1	Public Shareholding						
	- Number of shares	81402638	81402638	81402638	81402638	81402638	81402638
	- Percentage of shareholding	43.63	43.63	43.63	43.63	43.63	43.63
2	Promoters and Promoter Group Shareholding						
	a) Pledged / Encumbered						
	- Number of shares	10044904	10044904	10486639	10044904	10486639	10044904
	- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	9.55	9.55	9.97	9.55	9.97	9.55
	- Percentage of shares (as a % of the total share capital of the company)	4.93	4.93	5.15	4.93	5.15	4.93
	b) Non-encumbered						
	- Number of shares	95125994	95125994	94684259	95125944	94684259	95125994
	- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	90.45	90.45	90.03	90.45	90.03	90.45
	- Percentage of shares (as a % of the total share capital of the company)	46.71	46.71	46.50	46.71	46.50	46.71

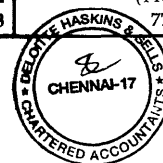
S.No	Particulars	3 months ended 30 September 2014
B	INVESTOR COMPLAINTS	
	Pending at the beginning of the quarter	NIL
	Received during the quarter	NIL
	Disposed of during the quarter	NIL
	Remaining unsolved at the end of the quarter	NIL



**SEGMENT WISE REVENUE, RESULTS AND CAPITAL EMPLOYED
FOR THE QUARTER AND SIX MONTHS ENDED 30 SEPTEMBER 2014**

(Rupees in lac)

S.No	Particulars	3 months ended	Preceding 3 months ended	Previous year Corresponding 3 months ended	Year to date figures for current period ended	Year to date figures for the previous year ended	Previous year ended
		30/09/2014 (Unaudited)	30/06/2014 (Unaudited)	30/09/2013 (Unaudited)	30/09/2014 (Unaudited)	30/09/2013 (Unaudited)	31/03/2014 (Audited)
A	Segment Revenue						
	a) Agro Inputs	80124.41	77980.90	64500.25	158105.31	64705.97	133991.20
	b) Others	172.57	121.35	205.44	293.92	305.92	547.79
	c) Unallocated Income	5.71	10.03	0.31	15.74	6.79	8.20
	Net Sales / Income from operations	80302.69	78112.28	64706.00	158414.97	65018.68	134547.19
B	Segment Results						
	Profit/(Loss) (Before Tax and Interest) For each Segment						
	a) Agro Inputs	2862.70	3533.88	2778.25	6396.58	85.03	4709.10
	b) Others	(15.49)	(27.25)	(88.95)	(42.74)	(156.14)	(183.27)
	Total	2847.21	3506.63	2689.30	6353.84	(71.11)	4525.83
	Less: Finance Cost	727.23	1104.76	456.22	1831.99	850.65	2091.82
	Add: Other Net Unallocable Income / (Expenses)	(454.68)	(341.01)	(3412.61)	(795.69)	(5153.65)	4152.17
	Profit/(Loss) Before Tax	1665.30	2060.86	(1179.53)	3726.16	(6075.41)	6586.18
C	Capital Employed (Segment Assets - Segment Liabilities)						
	a) Agro Inputs	20279.45	32441.52	21409.49	20279.45	21409.49	29797.87
	b) Others	374.16	389.39	416.63	374.16	416.63	327.35
	c) Unallocated	3470.72	(10371.88)	(14089.54)	3470.72	(14089.54)	(9727.05)
	Total	24124.33	22459.03	7736.58	24124.33	7736.58	20398.17



STATEMENT OF ASSETS AND LIABILITIES AS AT 30 SEPTEMBER 2014

(Rupees in lac)

S.No.	Particulars	As at 30.09.2014 (Unaudited)	As at 31.03.2014 (Audited)
A	EQUITY AND LIABILITIES		
1	Shareholders' funds		
	(a) Share capital	21614.03	21614.03
	(b) Reserves and surplus	2510.30	(1215.86)
	Sub-total - Shareholders' funds	24124.33	20398.17
2	Non-current liabilities		
	(a) Long-term borrowings	-	5700.04
	(b) Other long-term liabilities	1933.95	2040.74
	(c) Long-term provisions	290.30	266.61
	Sub-total - Non-current liabilities	2224.25	8007.39
3	Current liabilities		
	(a) Short term borrowings	10901.27	36768.47
	(b) Trade payables	71105.23	61353.99
	(c) Other current liabilities	5025.40	15241.99
	(d) Short-term provisions	82.94	295.45
	Sub-total - Current liabilities	87114.84	113659.90
	TOTAL - EQUITY AND LIABILITIES	113463.42	142065.46
B	ASSETS		
1	Non-current assets		
	(a) Fixed assets		
	i) Tangible Assets	28726.78	30877.35
	ii) CWIP	1279.75	657.74
	(b) Non-current investments	3198.42	3198.42
	(c) Long-term loans and advances	3776.13	3907.18
	Sub-total - Non-current assets	36981.08	38640.69
2	Current assets		
	(a) Inventories	8179.91	18374.88
	(b) Trade receivables	1974.76	1526.72
	(c) Cash and cash equivalents	1758.56	1608.41
	(d) Short-term loans and advances	64344.73	78081.45
	(e) Other current assets	224.38	3833.31
	Sub-total - Current assets	76482.34	103424.77
	TOTAL - ASSETS	113463.42	142065.46



Notes:

1. The above results were reviewed and recommended by the Audit Committee and approved by the Board of Directors at their meeting held on 14 November 2014. The statutory auditors have carried out a limited review of these financial results.
2. (i) During the quarter, the Ammonia and Urea plants were in operation. The production / sale of Urea for the quarter were 1,74,638 MT and 1,77,759 MT respectively.

(ii) Under the Modified New Pricing Scheme III the Department under the Ministry of Chemicals and Fertilizers had issued a directive mandating of the naphtha based fertilizer plants to switch over to gas and that the naphtha based plants, would not be eligible for any subsidy after 30 June 2014. This period was subsequently extended to 30 September 2014. The Company has made a representation to Government of India (GoI) to continue to disburse subsidy till the gas connectivity is achieved for SPIC and to consider the request favorably. The Company awaits further communication from the Ministry of Chemicals and Fertilizers. In view of the above, the Ammonia and Urea plants were stopped on 1st October 2014 and using this opportunity critical repair works were carried out that have been since completed. This matter has been referred to by the auditors in their Limited Review Report.

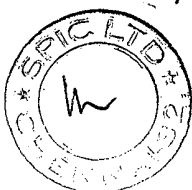
The Management is of the opinion that its request made to the Government of India, as indicated above, would be favorably considered and hence there would not be any adverse financial implications to the Company.

3. The Company is in the process of assessing the potential impact of depreciation on adoption of Schedule II of the Companies Act 2013, which has come into effect from 1 April 2014. Pending such assessment, no adjustments have been made in these results.
4. The VOC Port Trust has raised demand for increase in rental charges from 1.7.2007 onwards and the amount payable as on 30.9.2014 is Rs.562.07 Lac (from 1.7.2007 to 30.9.2014). However no provision has been considered necessary by the Management for the above claim as the Company has been legally advised that the demand is not sustainable. This matter has been referred to by the auditors in their Limited Review Report.

The Management is of the opinion that there would not be any liability which would devolve on the Company based on the legal opinion obtained.

5. Trade receivables include dues receivable from an associate company of Rs. 1,412.99 Lac (net of provision of Rs. 702.45 Lac created in earlier years). Management is actively pursuing the recovery of these dues and is confident that they would be recovered in due course of time. Hence no provision has been considered necessary for the said receivables. This matter has been referred to by the auditors in their Limited Review Report.

Considering the various alternatives and proposals that are being examined by the management for collection of these dues, management is confident that there would not be any shortfall in the ultimate realization of the above dues.



6. There is no provision for tax in view of the brought forward losses / unabsorbed depreciation relating to earlier years available for set off while computing income both under the provisions of section 115-JB and those other than section 115-JB of the Income Tax Act, 1961. The Company has brought forward business losses and unabsorbed depreciation, which give rise to a net deferred tax asset. However in the absence of virtual certainty that sufficient future taxable income will be available against which such deferred tax asset can be realized, this has not been recognized.
7. Previous period's figures have been regrouped / recast, wherever necessary, to conform to the classification of the current period.
8. During the current period ended 30 September 2014, the plant was operational for the entire 183 days against 77 days in the corresponding period in the previous year. Hence the year to date figures for the current period are not comparable with the corresponding period in the previous year.



Place : Chennai
Date : 14 November 2014

For and on behalf of the Board

A handwritten signature in black ink, appearing to read "S.R. Ramakrishnan".

S.R. RAMAKRISHNAN
Whole-Time Director



**INDEPENDENT AUDITORS' REVIEW REPORT
TO THE BOARD OF DIRECTORS OF
SOUTHERN PETROCHEMICAL INDUSTRIES CORPORATION LIMITED**

1. We have reviewed the accompanying Statement of Standalone Unaudited Financial Results of **Southern Petrochemical Industries Limited** ("the Company") for the Quarter and Six Months ended 30 September 2014 ("the Statement"), being submitted by the Company pursuant to the requirement of Clause 41 of the Listing Agreements with the Stock Exchanges, except for the disclosures in Part II - Select Information referred to in paragraph 6 below. 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 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. 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. *The Government of India (Department under the Ministry of Chemicals & Fertilizers) ("GoI") has issued a directive mandating that naphtha based plants would be eligible for subsidy only up to 30 September, 2014. The Company has made a representation to the GoI requesting disbursement of subsidy till gas connectivity is established, as explained in Note 2 of the Statement. The ultimate outcome of this representation made by the Company is currently not ascertainable and hence we are unable to comment on the implications, if any, on financial and operating viability of the Company.*
4. *We draw attention to Note No. 4 of the statement regarding Port Trust Demands towards arrears of rent of Rs. 562.07 lac for which no provision has been made. Although management is of the opinion that the demands are not sustainable in law, we are unable to comment on the ultimate quantum of Liability, if any, that may devolve on the company.*
5. *Trade Receivables reflected under Statement of Assets and Liabilities includes Rs. 1412.99 lac (net of provision of Rs. 702.45 lac made in earlier years) receivable from an associate company, which is considered good and recoverable by the management, as stated in Note 5. However in the absence of any definite plans agreed with the associate company for recoverability of these amounts, we are unable to comment on the ultimate shortfall, if any, on the future recovery of the said amount.*
6. Based on our review conducted as stated above, *except for the possible effects of the matter described in paragraph 3 to 5 above*, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the Accounting Standards specified under the Companies Act, 1956 (which are deemed to be applicable as per Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014) and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Clause 41 of the Listing Agreements with the Stock Exchanges, including the manner in which it is to be disclosed, or that it contains any material misstatement.



Deloitte Haskins & Sells

7. We draw attention to Note 3 of the statement relating to depreciation under Schedule II of the Companies Act, 2013. As explained in the note, the Company is in the process of assessing the potential impact on depreciation under Schedule II of the Companies Act 2013, which has come into effect from 1 April 2014. Pending such assessment, no adjustments have been made in these results. Our report is not qualified in respect of this matter.
8. Further, we also report that we have traced the number of shares as well as the percentage of shareholding in respect of the aggregate amount of public shareholding and the number of shares as well as the percentage of shares pledged/encumbered and non-encumbered in respect of the aggregate amount of promoters and promoter group shareholding in terms of Clause 35 of the Listing Agreements from the details furnished by the Management and the particulars relating to investors complaints disclosed in Part II - Select Information for the Quarter and Six Months ended 30 September 2014 of the Statement, from the details furnished by the Registrar.

For DELOITTE HASKINS & SELLS
Chartered Accountants
(Firm's Registration No. 008072S)

Bhavana Balasub

Bhavani Balasubramanian
Partner
(Membership No. 22156)

CHENNAI, 14 November, 2014

