

**POLAR INDUSTRIES LTD**  
**R.O.: 18, RABINDRA SARANI PODDAR COURT BUILDING. KOLKATA-700 001**  
**Unaudited (Reviewed) Financial Results for the 3rd Quarter ended as at 31st Dec 2011**

| Particulars                                                                            | Quarter Ended |            | Previous Quarter | 9 Month period ended |            | 12 Months Ended |
|----------------------------------------------------------------------------------------|---------------|------------|------------------|----------------------|------------|-----------------|
|                                                                                        | 31.12.2011    | 31.12.2010 | 30.09.2011       | 31.12.2011           | 31.12.2010 | 31.03.2011      |
|                                                                                        | reviewed      | reviewed   | reviewed         | reviewed             | reviewed   | Audited         |
| 1(a) Net Sales / Income from operation                                                 | 3.44          | 0.00       | 0.00             | 3.68                 | 23.73      | 35.92           |
| (b) Other Operating Income                                                             | 0.27          | 0.00       | 0.00             | 0.58                 | 18.22      | 26.96           |
| Total (a+b)                                                                            | 3.71          | 0.00       | 0.00             | 4.26                 | 41.95      | 62.88           |
| 2 Expenditure                                                                          |               |            |                  |                      |            |                 |
| a) (Increase)/decrease in stock in trade and work in progress.                         | 3.00          | 0.00       | 0.00             | 3.00                 | 22.06      | 19.06           |
| b) Consumption of raw material                                                         | 0.40          | 0.00       | 0.00             | 0.60                 | 0.00       | 13.55           |
| c) Purchase of Traded Goods                                                            | 0.00          | 0.00       | 0.00             | 0.00                 | 0.00       | 0.00            |
| d) Staff Cost                                                                          | 3.11          | 17.01      | 0.77             | 9.00                 | 39.84      | 33.51           |
| e) Depreciation                                                                        | 2.86          | 3.84       | 2.86             | 8.57                 | 12.98      | 14.56           |
| f) Foreign Exchange Fluctuation                                                        | 178.67        | 0.00       | 241.39           | 420.06               | 0.00       |                 |
| g) Other expenditure                                                                   | 2.33          | 11.35      | 143.63           | 150.81               | 44.90      | 66.94           |
| Total                                                                                  | 190.37        | 32.20      | 388.64           | 592.04               | 119.78     | 147.63          |
| 3. Profit from Operation before other income, interest & Exceptional items             | (186.66)      | (32.20)    | (388.64)         | (587.77)             | (77.84)    | (84.75)         |
| 4. Other Income                                                                        | 0.00          | 0.00       | 0.00             | 0.00                 | 0.00       | 0.00            |
| 5. Profit before interest & Exceptional items                                          | (186.66)      | (32.20)    | (388.64)         | (587.77)             | (77.84)    | (84.75)         |
| 6. Interest                                                                            | 5.45          | 5.56       | 2.10             | 11.35                | 51.97      | 32.76           |
| 7. Profit after interest but before Exceptional items                                  | (192.11)      | (37.76)    | (390.74)         | (599.13)             | (129.81)   | (117.49)        |
| 8. Exceptional Items (Interest / Principal written back on restructuring of loan(Net)) | 0.00          | 0.00       | 0.00             |                      | 501.55     | 501.55          |
| 9. Profit/(Loss) from ordinary activities before tax                                   | (192.11)      | (37.76)    | (390.74)         | (599.13)             | 371.74     | 384.04          |
| 10. Tax Expenses - Current                                                             |               |            |                  |                      |            |                 |
| - Fringe Benefit Tax                                                                   |               |            |                  |                      |            |                 |
| 11. Profit/(Loss) from ordinary activities after tax                                   | (192.11)      | (37.76)    | (390.74)         | (599.13)             | 371.74     | 384.04          |
| 12. Net Profit (+) / Loss (-) for the period                                           | (192.11)      | (37.76)    | (390.74)         | (599.13)             | 371.74     | 384.04          |
| 13. Paid up equity share capital                                                       | 2120.21       | 2120.21    | 2120.21          | 2120.21              | 2120.21    | 2120.21         |
| (Face value Rs. 10 per share)                                                          |               |            |                  |                      |            |                 |
| 14. Reserve (Excluding Revaluation Reserve) as per last audit balancesheet.            |               |            |                  |                      |            | 2963.32         |
| 15. Basic and Diluted EPS                                                              |               |            |                  |                      |            |                 |
| (Face value Rs. 10/- per share)                                                        |               |            |                  |                      |            |                 |
| i) Before Exceptional items                                                            | (0.91)        | (0.18)     | (1.84)           | (2.83)               | (0.61)     | (0.55)          |
| ii) After Exceptional items                                                            | (0.91)        | (0.18)     | (1.84)           | (2.83)               | 1.75       | 1.81            |
| 16. Public shareholdings (Aggregate of non-promoter shareholdings)                     |               |            |                  |                      |            |                 |
| - Number of shares                                                                     | 13363733      | 13363733   | 13363733         | 13363733             | 13363733   | 13363733        |
| - Percentage of shareholdings                                                          | 63.03%        | 63.03%     | 63.03%           | 63.03%               | 63.03%     | 63.03%          |
| 17. Promoters and Promoter group Share holding                                         |               |            |                  |                      |            |                 |
| a) Pledged / Encumbered                                                                |               |            |                  |                      |            |                 |
| - Nos. of shares                                                                       | 7548273       | 7838335    | 7548273          | 7548273              | 7838335    | 7838335         |
| - Percentage of shares                                                                 | 96.29%        | 100.00%    | 96.29%           | 96.29%               | 100.00%    | 100.00%         |
| - Percentage of share capital                                                          | 35.60%        | 36.97%     | 35.60%           | 35.60%               | 36.97%     | 36.97%          |
| b) Non Encumbered                                                                      |               |            |                  |                      |            |                 |
| - Nos. of shares                                                                       | 290062        |            | 290062           | 290062               |            | N/A             |
| - Percentage of shares                                                                 | 3.70%         |            | 3.70%            | 3.70%                |            |                 |
| - Percentage of share capital                                                          | 1.37%         |            | 1.37%            | 1.37%                |            |                 |
| Segment Reporting                                                                      |               |            |                  |                      |            |                 |
| Segment Revenue                                                                        |               |            |                  |                      |            |                 |
| a. Fan Segment                                                                         | 3.71          | 0.00       | 0.00             | 4.26                 | 41.95      | 62.88           |
| b. Others Segment                                                                      |               |            |                  |                      |            |                 |
| Total                                                                                  | 3.71          | 0.00       | 0.00             | 4.26                 | 41.95      | 62.88           |
| Segment Results                                                                        |               |            |                  |                      |            |                 |
| Profit/(Loss) before tax and Interest                                                  |               |            |                  |                      |            |                 |
| a. Fan Segment                                                                         | (186.66)      | 0.00       | (388.64)         | (587.77)             | (45.64)    | (84.75)         |
| b. Others Segment                                                                      | 0.00          | (32.20)    | 0.00             | 0.00                 | (32.20)    | 0.00            |
| Total                                                                                  | (186.66)      | (32.20)    | (388.64)         | (587.77)             | (77.84)    | (84.75)         |
| Less: (i) Interest                                                                     | 5.45          | 5.56       | 2.10             | 11.35                | 51.97      | 32.76           |
| (ii) Other Un-allocable Expenses (net of income)                                       |               |            |                  |                      |            | 0.00            |
| Profit/(Loss) before Tax and Exceptional Items                                         | (192.11)      | (37.76)    | (390.74)         | (599.13)             | (129.81)   | (117.49)        |
| Add: Extra Exceptional Items                                                           |               |            |                  |                      |            |                 |
| Interest/Principal written back on restructuring of loans (Net)                        | 0.00          | 0.00       | 0.00             | 0.00                 | 501.55     | 501.55          |
| Profit/(Loss) before Tax                                                               | (192.11)      | (37.76)    | (390.74)         | (599.13)             | 371.73     | 384.04          |
| Capital Employed (Segment Assets - Segment Liabilities)                                |               |            |                  |                      |            |                 |
| a. Fan Segment                                                                         | (4893.02)     | (5821.06)  | (4705.53)        | (4893.02)            | (5821.06)  | (4219.50)       |
| b. Others Segment                                                                      | 86.40         | (157.98)   | 86.40            | 86.40                | (157.98)   | 86.40           |
| e. Others - Unallocable                                                                | (1541.78)     | (17.85)    | (1541.78)        | (1541.78)            | (17.85)    | (1541.78)       |
| Total Capital Employed                                                                 | (6348.40)     | (5996.89)  | (6160.91)        | (6348.40)            | (5996.89)  | (5674.88)       |

1 Auditors have qualified their report on the audited accounts for the year ended 31.03.2011 (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. (c) regarding valuation of finished stock pertaining to discontinued 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 network has become negative (e) regarding pending recovery of advance / dues from various parties and ex- employees. (f) regarding refusal of insurance claim by the Insurance Companies (g) regarding remuneration paid in earlier year to an ex director for which Central Government approval is awaited (h) regarding non provision and non ascertainment of interest and penalties on outstanding statutory dues. (i) Mortgage of one of the Property in favour of Co-operative bank.

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 (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 network 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 sanctioned from Central Government for part remuneration. The Company would be approaching the central Government for waiver of excess remuneration paid to him (h) Company is taking step to pay undisputed outstanding statutory dues. (i) The same not being a usufructuary mortgage, hence the provision of section 293(1) of the Company Act 1956 is not attracted.

2 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.

3 The Company has presently its operation in the temporary state of suspension and is continuously on the look out for new business opportunity.

4 Basic & Diluted EPS has been calculated after considering arrears of dividend on cumulative preference shares.

5 During the quarter nil investor complaints / requests were received and No complaint is outstanding at the end of the quarter.

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

7 The above results have been approved by the Board of Directors at their meeting held on 14.02.2012.

Place: Kolkata  
 Dated 14.02.2012



By Order of the Board  
 For POLAR INDUSTRIES LIMITED

Anil Agarwal  
 Chairman & Managing Director

(Chairman & Managing Director)