



Southern Petrochemical Industries Corporation Limited

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28th October 2010

The Manager
Listing Department
National Stock Exchange of India Limited
Exchange Plaza, C-1, Block G
Bandra-Kurla Complex, Bandra (East)
MUMBAI 400 051

Dear Sir,

**Unaudited financial results of the Company
for the second quarter ended 30th September 2010**

In terms of Clause 41 of the Listing Agreement, we enclose the unaudited financial results of the Company for the quarter and half year ended 30th September 2010, which were approved by the Board of Directors of the Company at its meeting held today, the 28th October 2010.

Thanking you,

Yours faithfully
For SOUTHERN PETROCHEMICAL
INDUSTRIES CORPORATION LTD.


N RAMAKRISHNAN
SECRETARY

Encl: As above

SOUTHERN PETROCHEMICAL INDUSTRIES CORPORATION LIMITED

Regd. Office: 73, Armenian Street, Chennai 600 001.

UNAUDITED FINANCIAL RESULTS (STANDALONE) FOR THE SECOND QUARTER ENDED 30TH SEPTEMBER 2010

(Rupees in Lac)

S.No.	Description	Quarter ended 30th Sep 2010 (Jul 10 - Sep 10) (Unaudited)	Quarter ended 30th Sep 2009 (Jul 09 - Sep 09) (Unaudited)	Half Year ended 30th Sep 2010 (Apr 10 - Sep 10) (Unaudited)	Half Year ended 30th Sep 2009 (Apr 09 - Sep 09) (Unaudited)	Year ended 31st March 2010 (Apr 09 - Mar 10) (Audited)
1	Income					
	(a) Net sales/Income from Operations	15948.36	10491.85	25697.85	20146.30	41706.51
	(b) Other operating income	466.56	536.28	1171.05	1177.19	5025.62
	Total Income	16414.92	11028.13	26868.90	21323.49	46732.13
2	Expenditure					
	(a) (Increase)/decrease in stock in trade and work in progress	(365.30)	486.27	272.04	2085.07	2632.39
	(b) Consumption of raw materials	7616.65	4724.14	12102.76	9249.39	19053.96
	(c) Materials and Equipments for Construction Contracts	3095.13	945.15	3919.21	1441.29	3746.48
	(d) Purchase of traded goods	722.35	563.35	1024.57	982.82	1599.83
	(e) Power and fuel charges	901.46	1021.25	1778.93	2099.65	4327.65
	(f) Employees cost	1555.79	1437.80	2869.52	2893.03	5669.36
	(g) Depreciation	2232.68	2058.53	4526.54	4102.71	9667.44
	(h) Exchange (Gain)/Loss(Net)	(1052.74)	88.45	(282.13)	(1858.85)	(3750.95)
	(i) Other expenditure	3576.25	2461.94	5843.96	4593.19	11699.58
	Total Expenditure	18282.27	13786.88	32055.40	25588.30	54645.74
3	(Loss) from Operations before Other Income, Interest and Exceptional Items (1-2)	(1867.35)	(2758.75)	(5186.50)	(4264.81)	(7913.61)
4	Other Income	502.29	656.07	580.05	830.19	1799.91
5	(Loss) before Interest and Exceptional Items (3+4)	(1365.05)	(2102.68)	(4606.45)	(3434.62)	(6113.70)
6	Interest	735.04	1922.38	883.12	4591.17	2049.51
7	(Loss) after Interest but before Exceptional Items (5-6)	(2100.10)	(4025.06)	(5489.57)	(8025.79)	(8163.21)
8	Exceptional Items					
	(a) Profit/(Loss) on Sale of Fixed assets (Net) (Including estimated loss on proposed sale of assets)	(3707.69)	-	(3707.69)	-	(1315.50)
	(b) Provision for Diminution in value of Investment	-	-	-	-	(30609.63)
	(c) Profit on sale of investments (Joint venture/ Subsidiary/ other companies)	224.94	-	8039.33	-	7694.45
	(d) Excess liability for interest on loans written back	-	-	-	-	17065.40
	(e) Provision for claims no longer required written back	-	-	-	-	2871.92
9	(Loss) after Exceptional items but before tax (7+8)	(5582.84)	(4025.06)	(1157.93)	(8025.79)	(12456.57)
10	Tax expenses	-	-	-	-	-
11	(Loss) for the period before extraordinary items (9-10)	(5582.84)	(4025.06)	(1157.93)	(8025.79)	(12456.57)
12	Extraordinary item (net of tax expense)	-	-	-	-	-
13	(Loss) for the period after extraordinary items(11-12)	(5582.84)	(4025.06)	(1157.93)	(8025.79)	(12456.57)
14	Paid-up equity share capital (Face Value Rs. 10 per share).	13117.35	10794.82	13117.35	10794.82	13117.35
15	Reserve excluding revaluation reserves					25628.90
16	Debit balance in Profit and loss account					157368.83
	Earnings Per Share (EPS)					
17	a) Basic earnings per share before and after extraordinary items (EPS) (Rs) (Not annualised)	(4.29)	(3.77)	(0.95)	(7.52)	(11.69)
	b) Diluted earnings per share before and after extraordinary items (EPS) (Rs) (Not annualised)	(3.69)	(3.77)	(0.82)	(7.52)	(9.77)



SOUTHERN PETROCHEMICAL INDUSTRIES CORPORATION LIMITED

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UNAUDITED FINANCIAL RESULTS (STANDALONE) FOR THE SECOND QUARTER ENDED 30TH SEPTEMBER 2010

S.No.	Description	Quarter ended 30th Sep 2010 (Jul 10 - Sep 10) (Unaudited)	Quarter ended 30th Sep 2009 (Jul 09 - Sep 09) (Unaudited)	Half Year ended 30th Sep 2010 (Apr 10 - Sep 10) (Unaudited)	Half Year ended 30th Sep 2009 (Apr 09 - Sep 09) (Unaudited)	Year ended 31st March 2010 (Apr 09 - Mar 10) (Audited)
18	Public shareholding					
	(a) Number of Shares	65041029	48374263	65041029	48374263	65040979
	(b) Percentage of Shareholding	57.08	53.32	57.08	53.32	57.08
19	Promoters & Promoter group shareholding					
	a) Pledged/Encumbered					
	- Number of shares	10531639	10531639	10531639	10531639	10531639
	- Percentage of shares(as a % of the total shareholding of promoters and promoter group)	21.53	24.86	21.53	24.86	21.53
	- Percentage of shares(as a % of the total share capital of the Company)	8.03	9.76	8.03	9.76	8.03
	b) Non - Encumbered					
	- Number of shares	38383770	31825094	38383770	31825094	38383770
	- Percentage of shares(as a % of the total shareholding of promoters and promoter group)	78.47	75.14	78.47	75.14	78.47
	- Percentage of shares(as a % of the total share capital of the Company)	29.26	29.48	29.26	29.48	29.26



**SEGMENT WISE REVENUE, RESULTS AND CAPITAL EMPLOYED
FOR THE SECOND QUARTER ENDED 30TH SEPTEMBER 2010**

(Rupees in Lac)

S.No	Description	Quarter ended 30th Sep 2010 (Jul 10 - Sep 10) (Unaudited)	Quarter ended 30th Sep 2009 (Jul 09 - Sep 09) (Unaudited)	Half Year ended 30th Sep 2010 (Apr 10 - Sep 10) (Unaudited)	Half Year ended 30th Sep 2009 (Apr 09 - Sep 09) (Unaudited)	Year ended 31st March 2010 (Apr 09 - Mar 10) (Audited)
A	Segment Revenue					
	a) Agro Inputs	11787.25	7429.24	19005.53	13300.60	31823.68
	b) Bulk Drugs & Formulation	369.07	690.50	787.60	2261.11	4988.96
	c) SMO	3505.86	1763.58	5585.84	3856.56	8437.13
	d) Others*	812.63	1087.83	1375.87	1766.75	2564.57
	e) Unallocated Income	442.40	713.05	694.11	968.66	4468.65
	Sales / Income from operations	16917.21	11684.20	27448.95	22153.68	52282.99
B	Segment Results (Loss) (Before Tax and Interest) For each Segment					
	a) Agro Inputs	(974.22)	(576.09)	(2653.98)	(2819.14)	(2677.52)
	b) Bulk Drugs & Formulation	(1726.95)	(951.47)	(2548.23)	(1804.08)	(4365.20)
	c) SMO	182.80	3.72	321.69	16.65	262.40
	d) Others	88.58	105.33	134.87	54.23	(468.98)
	e) Unallocated	(2418.01)	(684.17)	4470.84	1117.72	(3157.76)
	Total	(4847.80)	(2102.68)	(274.81)	(3434.62)	(10407.06)
	Less: Interest	735.04	1922.38	883.12	4591.17	2049.51
	(Loss) Before Tax	(5582.84)	(4025.06)	(1157.93)	(8025.79)	(12456.57)
C	Capital Employed (Segment Assets - Segment Liabilities)					
	a) Agro Inputs	33047.37	23865.19	33047.37	23865.19	26033.34
	b) Bulk Drugs & Formulation	5528.16	11651.03	5528.16	11651.03	8394.47
	c) SMO	7474.05	7626.60	7474.05	7626.60	7460.92
	d) Others	3199.35	3333.83	3199.35	3333.83	3016.39
	e) Unallocated	(163960.01)	(163599.03)	(163960.01)	(163599.03)	(158458.25)
	Total	(114711.08)	(117122.38)	(114711.08)	(117122.38)	(113553.13)

Notes:

1. STATEMENT OF ASSETS AND LIABILITIES AS AT 30th SEPTEMBER 2010

Rs in Lac		
	As at 30.09.2010 (Unaudited)	As at 30.09.2009 (Unaudited)
Shareholders fund		
(a) Capital	18186.79	12044.82
(b) Reserves & surplus	25628.90	23770.87
Loan funds	189522.82	251813.82
Total	233338.51	287629.51
Fixed Assets including CWIP	96054.97*	122580.63
Investments	9948.32	54959.71
Current Assets, Loans and advances		
(a) Inventories	9521.42	11207.21
(b) Sundry Debtors	8155.12	8094.64
(c) Cash and Bank balances	9158.41	6273.00
(d) Loans and Advances	10309.80	15065.53
Less: Current liabilities and provisions		
(a) Liabilities	67836.88	82982.87
(b) Provisions	499.41	506.41
Net Current Assets	(31191.54)	(42848.90)
Profit and loss account	158526.76	152938.07
Total	233338.51	287629.51

* Includes assets held for sale aggregating to Rs 6938.89 Lac (stated at lower of net book value and realisable value)



2. a. The Company continued production of Phosphatic fertilizers throughout the quarter. The other Divisions viz SPIC Maintenance Organization, Enzymes, API and Formulation Units and Agribusiness continued their operations throughout the quarter. Pen G operations of Pharma Division were shut down from 15th January 2010 due to the then prevailing unremunerative prices on account of Chinese competition and have not been restarted due to liquidity constraints.

b. As on 30th September 2010 secured lenders covering approximately 84% in value had assigned the financial assistance granted by them along with the attendant security interest in favour of Asset Reconstruction Company (India) Limited (ARCIL). ARCIL and other financial institutions have approved the rework package through CDR mechanism. While the company has commenced payment of dues as per the rework package, credit has not been taken for expected relief in loan/interest liabilities pending satisfactory completion/compliance of the conditions stipulated in the package.

c. The Technical problems encountered during the start up of the Ammonia and Urea plants in April 2010 were rectified during this quarter and the start up activities recommenced on 29th September 2010. The trial production of Urea commenced on 9th October 2010 and the stabilisation of production is in progress.

3. Nutrient Based Subsidy Scheme (NBS) has been implemented by Government of India for Phosphatic Fertilizers effective from 1st April 2010. Concession allowable under the above scheme (NBS) with respect to Phosphatic fertilizers are recognized at the rates notified by the Government for the year 2010-11. Concession is recognized on the basis of the receipt of material at the warehouse / sale at the factory gate to dealers.

4. The Company has carry forward business loss 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, the same has not been recognized.

5. Previous period's figures have been regrouped / recast, wherever necessary, to conform to the classification of the current quarter.

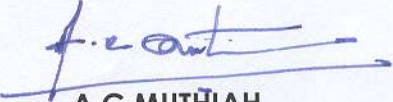
6. Other expenditure for the quarter/half year ended 30th September 2010 includes provision for impairment in value of assets relating to Pharma division amounting to Rs 942.47 Lac.

7. During the quarter ended 30th September 2010, one investor complaint was received and addressed. No investor complaint was pending both at the beginning and at the end of the quarter.



8. These financial results have been prepared on a going concern basis on account of the developments mentioned in the Note 2 above.
9. The statutory auditors of the company have carried out a limited review of the above results and after review by the Audit Committee the results were approved by the Board at its meeting held on 28th October 2010.

For and on behalf of the Board


A.C.MUTHIAH
CHAIRMAN

Chennai
28th October 2010

