



Southern Petrochemical Industries Corporation Limited

Principal Office : SPIC House, 88 Mount Road, Guindy, Chennai - 600 032.

Phone : 2235 0245 Fax : 2235 2163 Grams : SOUTH PETRO Email : spiccorp@spic.co.in Website : www.spic.co.in

BY FAX (No.022 - 26598237 / 38)

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26th April 2011

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 31st March 2011**

In terms of Clause 41 of the Listing Agreement, we enclose the unaudited financial results of the Company for the quarter ended 31st March 2011, which were approved by the Board of Directors of the Company at its meeting held today, the 26th April 2011.

Thanking you,

Yours faithfully
For SOUTHERN PETROCHEMICAL
INDUSTRIES CORPORATION LTD.

N RAMAKRISHNAN
SECRETARY

Encl: As above

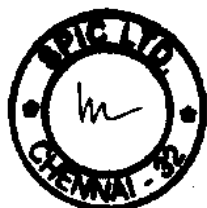
SOUTHERN PETROCHEMICAL INDUSTRIES CORPORATION LIMITED

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

UNAUDITED FINANCIAL RESULTS (STANDALONE) FOR THE FOURTH QUARTER ENDED 31ST MARCH 2011

(Rupees in Lac)

S.No.	Description	Quarter ended 31st Mar 2011 (Jan'11 - Mar'11) (Unaudited)	Quarter ended 31st Mar 2010 (Jan'10 - Mar'10) (Unaudited)	Year ended 31st Mar 2011 (Apr'10 - Mar'11) (Unaudited)	Year ended 31st March 2010 (Apr'09 - Mar'10) (Audited)
1	Income				
	(a) Net sales/Income from Operations	86355.80	8827.41	172905.21	41706.51
	(b) Other operating income	452.69	3162.56	1893.33	5025.82
	Total Income	86808.49	11989.97	174798.54	46732.13
2	Expenditure				
	(a) (Increase)/decrease in stock in trade and work in progress	(3234.54)	467.46	(4410.83)	2632.39
	(b) Consumption of raw materials	44600.90	2724.85	92269.90	19053.96
	(c) Materials and Equipments for Construction Contracts	11529.53	1122.68	19970.91	3746.48
	(d) Purchase of traded goods	269.06	578.68	1864.37	1599.83
	(e) Power and fuel charges	15384.81	769.44	31307.18	4327.65
	(f) Employees cost	1920.21	1258.88	6326.82	5689.36
	(g) Depreciation	2170.51	3517.43	8894.90	9687.44
	(h) Exchange (Gain)/Loss(Net)	(114.85)	(1034.16)	(481.99)	(3750.85)
	(i) Other expenditure	8755.91	4488.35	19832.79	11699.58
	Total Expenditure	81261.34	13891.41	175594.05	54645.74
3	Profit/(Loss) from Operations before Other Income, Interest and Exceptional items (1-2)	5547.15	(1901.44)	(795.51)	(7913.61)
4	Other Income	184.18	131.45	951.38	1799.91
5	Profit/(Loss) before Interest and Exceptional Items (3+4)	5731.33	(1769.99)	155.87	(6113.70)
6	Interest	855.95	(3127.50)	2551.04	2049.51
7	Profit/(Loss) after Interest but before Exceptional Items (5-6)	4875.38	1357.51	(2395.17)	(8163.21)
8	Exceptional Items				
	(a) Profit/(Loss) on Sale of Fixed assets (Net) (Including estimated loss on proposed sale of assets)	455.70	(1602.90)	(3493.19)	(1315.50)
	(b) Provision for Diminution in value of Investment		(30809.63)	-	(30809.63)
	(c) Profit on sale of Investments (Joint venture/ Subsidiary/Associate/Other companies)	2761.72	7694.45	14048.95	7694.45
	(d) Excess liability for interest on loans written back		17065.40	-	17065.40
	(e) Provision for claims no longer required written back		2871.92	-	2871.92
9	Profit/(Loss) after Exceptional Items but before tax (7+8)	8092.80	(3223.25)	8190.59	(12456.57)
10	Tax expenses	-	-	-	-
11	Profit/(Loss) for the period before extraordinary items (9-10)	8092.80	(3223.25)	8190.59	(12456.57)
12	Extraordinary item (net of tax expense)	-	-	-	-
13	Profit/(Loss) for the period after extraordinary items(11-12)	8092.80	(3223.25)	8190.59	(12456.57)
14	Paid-up equity share capital (Face Value Rs. 10 per share).	16627.84	13117.35	16627.84	13117.35
15	Reserve excluding revaluation reserves				25628.80
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)	5.52	(3.02)	5.50	(11.89)
	b) Diluted earnings per share before and after extraordinary items (EPS) (Rs) (Not annualised)	5.52	(2.53)	5.50	(9.77)
18	Public shareholding (Excluding shares against which GDR's are issued)				
	(a) Number of Shares	78948314	65040879	78948314	65040879
	(b) Percentage of Shareholding	52.96	57.08	52.96	57.08
19	Promoters & Promoter group shareholding (Excluding shares against which GDR's are issued)				
	a) Pledged/Encumbered				
	- Number of shares	10488639	10531639	10488639	10531639
	- Percentage of shares(as a % of the total shareholding of promoters and promoter group)	14.95	21.53	14.95	21.53
	- Percentage of shares(as a % of the total share capital of the Company)	6.31	8.03	6.31	8.03
	b) Non - Encumbered				
	- Number of shares	58647871	38383770	58647871	38383770
	- Percentage of shares(as a % of the total shareholding of promoters and promoter group)	85.05	78.47	85.05	78.47
	- Percentage of shares(as a % of the total share capital of the Company)	35.87	29.26	35.87	29.26



**SEGMENT WISE REVENUE, RESULTS AND CAPITAL EMPLOYED
FOR THE FOURTH QUARTER ENDED 31ST MARCH 2011**

(Rupees in Lac)

S.No	Description	Quarter ended 31st Mar 2011 (Jan'11 - Mar'11) (Unaudited)	Quarter ended 31st Mar 2010 (Jan'10 - Mar'10) (Unaudited)	Year ended 31st Mar 2011 (Apr'10 - Mar'11) (Unaudited)	Year ended 31st Mar 2010 (Apr'09 - Mar'10) (Audited)
A	Segment Revenue				
	a) Agro Inputs	72586.23	7622.90	146297.49	30038.06
	b) Bulk Drugs & Formulation	310.82	1326.47	1373.86	5036.80
	c) SMO	13516.37	2039.19	24827.74	8438.43
	d) Others	388.68	484.17	2207.20	2565.83
	e) Unallocated Income	190.57	648.69	1043.63	2452.92
	Sales / Income from operations	86992.67	12121.42	175749.92	48532.04
B	Segment Results (Loss) (Before Tax and Interest) For each Segment				
	a) Agro Inputs	7849.41	1667.17	5180.53	(2677.52)
	b) Bulk Drugs & Formulation	(1913.99)	(1880.92)	(5277.47)	(4365.20)
	c) SMO	186.32	104.23	727.92	262.40
	d) Others	(11.40)	(491.17)	78.56	(468.98)
	e) Unallocated	2838.41	(5750.06)	10032.09	(3157.76)
	Total	8948.75	(6350.75)	10741.63	(10407.06)
	Less: Interest	855.95	(3127.50)	2551.04	2049.51
	Profit/(Loss) Before Tax	8092.80	(3223.25)	8190.59	(12456.57)
C	Capital Employed (Segment Assets - Segment Liabilities)				
	a) Agro Inputs	37207.38	26033.34	37207.38	26033.34
	b) Bulk Drugs & Formulation	1785.85	8394.47	1785.85	8394.47
	c) SMO	7573.13	7460.92	7573.13	7460.92
	d) Others	3232.35	3016.39	3232.35	3016.39
	e) Unallocated	(152416.27)	(158458.25)	(152416.27)	(158458.25)
	Total	(102617.56)	(113553.13)	(102617.56)	(113553.13)



Rs in Lac

STATEMENT OF ASSETS AND LIABILITIES AS AT 31st MARCH 2011		
	As at 31.03.2011 (Unaudited)	As at 31.03.2010 (Audited)
Shareholders fund		
(a) Capital	17877.84	18186.79
(c) Reserves & surplus	28682.86	25628.90
Loan funds	173259.84	217194.53
Total	219820.54	261010.22
Fixed Assets including CWIP*		
Investments	85763.53	107716.26
Current Assets, Loans and advances	5606.45	23854.42
(a) Interest accrued on Investments	-	6.35
(b) Inventories	16992.90	10802.53
(c) Sundry Debtors	9418.61	7171.39
(d) Cash and Bank balances	9950.86	18264.72
(e) Loans and Advances	26874.08	15123.27
Less: Current liabilities and provisions		
(a) Liabilities	83493.57	78870.03
(b) Provisions	470.56	427.52
Net Current Assets	(20727.68)	(27929.29)
Profit and loss account	149178.24	157368.83
Total	219820.54	261010.22

* Includes assets held for sale amounting to Rs 2150 Lac (Previous year : Rs. 9466.62 lac)

Place: Chennai
Date: 26.04.2011



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Notes:

1. a. The Company has re-commenced the production of Urea from 9th October 2010 and the production has stabilized. The production of Phosphatic fertilizers continued throughout the quarter. The other Divisions viz SPIC Maintenance Organization, Enzymes, API and Formulation Units and Agribusiness continued their operations throughout the quarter. Company has earned operating profit of Rs.4875.38 lac for the quarter.

b. As on 31st March 2011, 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 during March 2010. The Company has commenced payment of dues (with delay in payment of some instalments which will entail additional outflow) as per the rework package. Since the company has adequate liability in the books, no provision has been made for the additional outflow. Credit has not been taken for expected relief in loan/interest liabilities pending satisfactory completion/compliance of the conditions stipulated in the package. In the event of the Company not being able to comply with the stipulated conditions as per the rework package, the same shall be withdrawn.
2. These financial results have been prepared on a going concern basis on account of the developments mentioned in the Note 1 above.
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 is 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.

Under the New Pricing Scheme for Urea, the Government of India reimburses the difference between the price based on the cost of production and the selling price realised from the farmers, as fixed by the Government from time to time. In the case of increase in the input costs for which the price is yet to be announced, the company makes a reasonable estimate of incremental amount due and accrues the same as income for the period

4. The Pen G operations were shut down from 15th January 2010 due to the prevailing unremunerative prices on account of Chinese competition and have not been restarted due to liquidity constraints. In pursuance of Accounting Standard 28 - Impairment of Assets (AS - 28) Issued by the Institute of Chartered Accountants of India, the Company has reviewed its carrying cost of assets viz., Land, buildings and plant and machinery relating to Pen G unit and has provided for impairment loss estimated at Rs.920.02 lac which is included in "Other Expenditure".

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5. a. Pursuant to, the approvals of the Board at its meeting held on 25th January 2010 and the shareholders at the EGM held on 22nd February 2010, M/s FICON Holdings Ltd, Mauritius (FICON) a promoter group entity was allotted 2,77,77,777 Fully and Compulsorily Convertible Preference shares (FCCP) of Rs. 18 each with each FCCP compulsorily and mandatorily convertible in multiple tranche into one equity share of Rs. 10 each, fully paid up at an issue price of Rs.18, which is inclusive of a premium of Rs. 8 per share, in accordance with the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 ("SEBI ICDR Regulations"). At the meetings of the Committee of the Board of Directors held on 30th March 2010 and 31st March 2010, 65,58,676 FCCP were converted into Equity shares of the face value of Rs.10 each fully paid up at a premium of Rs. 8 per share. The balance outstanding 2,12,19,101 FCCP were converted into Equity shares of the face value of Rs.10 each fully paid up at a premium of Rs. 8 per share at the meeting of the Committee of the Board of Directors held on 12th October 2010 after obtaining the exemption from SEBI under SEBI Takeover Code, vide its order dated 28th September 2010, from the requirement of making of a public announcement.
- b. Pursuant to, the approvals of the Board at its meeting held on 6th August 2010 and the shareholders at the AGM held on 21st September 2010, secured lenders were allotted 32,14,734 Equity shares of Rs 10 each fully paid up, at an issue price of Rs 19 per share inclusive of premium of Rs 9 per share in accordance with SEBI ICDR Regulations, 2009, at the meeting of the Committee of the Board of Directors held on 8th November 2010 by conversion of secured debt of Rs 610.80 Lac into equity.
- c. Pursuant to, the approvals of the Board at its meeting held on 28th October 2010 and the shareholders at the EGM held on 29th November 2010, ARCIL was allotted 1,06,71,001 Equity shares of Rs 10 each fully paid up, at an issue price of Rs 20 per share inclusive of premium of Rs 10 per share in accordance with SEBI ICDR Regulations, 2009, at the meeting of the Committee of the Board of Directors held on 8th December 2010 by conversion of secured debt of Rs 2134.20 Lac into equity.
6. 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.
7. Previous period's figures have been regrouped / recast, wherever necessary, to conform to the classification of the current quarter.
8. During the quarter, the committee of Directors at its meeting held on 16th February 2011 approved the transfer of the 6,58,66,053 equity shares of Rs.5/- each held by the Company in its associate Manali Petrochemical Limited, in one or more tranches, to promoters inter se, at market related price. Out of the said shares 5,44,05,000 shares were sold as at 31st March 2011 and the profit on sale of Rs. 2761.72 lac is included under exceptional items.



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9. During the quarter ended 31st March 2011, no investor complaint was received. No investor complaint was pending at the beginning and at the end of the quarter.
10. 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 26th April 2011

For and on behalf of the Board

Chennai
26th April 2011


A.C.MUTHIAH
CHAIRMAN

