SOUTHERN PETROCHEMICAL INDUSTRIES CORPORATION LIMITED

Regd. Office: SPIC House, 88 Mount Road, Guindy, Chennai - 600 032
CIN : L11101TN1969PLC005778

STATEMENT OF STANDALONE UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND NINE MONTHS ENDED 31 DECEMBER 2014

PART I

(Rupees in lac)

S.No	Particulars	3 months ended 31/12/2014	Preceding 3 months ended 30/09/2014	Previous year Corresponding 3 months ended 31/12/2013	Year to date figures for current period ended 31/12/2014	Year to date figures for the previous year ended 31/12/2013	Previous year ended 31/03/2014
		(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
1	**Income from operations**						
	(a) Net sales/Income from Operations (Net of excise duty)	2138.44	79973.80	28213.38	159857.21	92719.67	133374.54
	(b) Other operating income	272.47	328.89	302.41	968.67	814.80	1172.65
	Total Income from operations (net)	**2410.91**	**80302.69**	**28515.79**	**160825.88**	**93534.47**	**134547.19**
2	**Expenses**						
	(a) Cost of materials consumed	63.55	49128.16	16156.28	97909.38	55211.86	79486.41
	(b) Purchases of stock-in-trade	(0.54)	0.27	0.33	-	(0.81)	(0.55)
	(c) Changes in inventories of finished goods and work-in-progress	1548.15	(1118.64)	(556.37)	169.65	(622.01)	(187.08)
	(d) Employee benefits expense	1312.43	902.61	914.74	3146.72	2843.68	3730.04
	(e) Depreciation and Amortisation expense	235.68	1060.81	1071.34	2349.67	3245.06	4367.21
	(f) Power and Fuel charges	349.21	20099.49	6968.97	40125.05	24373.74	35101.44
	(g) Other expenses	1577.58	6030.59	2337.61	12651.30	7349.11	11365.57
	Total Expenses	**5086.06**	**76103.29**	**26892.90**	**156351.77**	**92400.63**	**133863.04**
3	**Profit / (Loss) from Operations before Other Income, Exchange gain/(loss), Finance costs and Exceptional items (1-2)**	**(2675.15)**	**4199.40**	**1622.89**	**4474.11**	**1133.84**	**684.15**
4a.	Other Income	472.74	15.26	66.43	535.43	332.12	847.58
4b.	Exchange Gain /(Loss) (Net)	(1450.07)	(1822.13)	597.36	(3103.86)	(2208.68)	(1324.73)
5	**Profit / (Loss) from ordinary activities before Finance costs and Exceptional items (3+4a+4b)**	**(3652.48)**	**2392.53**	**2286.68**	**1905.67**	**(742.72)**	**207.00**
6	Finance costs	349.65	727.23	524.54	2181.66	1375.19	2091.82
7	**Profit / (Loss) from ordinary activities after Finance costs but before Exceptional items (5-6)**	**(4002.14)**	**1665.30**	**1762.14**	**(275.98)**	**(2117.91)**	**(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)	(2289.81)
9	**Profit / (Loss) from ordinary activities before tax (7+8)**	**(4002.14)**	**1665.30**	**1762.14**	**(275.98)**	**(4313.27)**	**6586.18**
10	**Tax expense**	-	-	-	-	-	-
11	**Net Profit / (Loss) from ordinary activities after tax (9-10)**	**(4002.14)**	**1665.30**	**1762.14**	**(275.98)**	**(4313.27)**	**6586.18**
12	Extraordinary items	-	-	-	-	-	-
13	**Net Profit / (Loss) for the period (11+12)**	**(4002.14)**	**1665.30**	**1762.14**	**(275.98)**	**(4313.27)**	**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						(12158.86)
16	Earnings Per Share (EPS) before and after extraordinary items (of Rs.10/- each)						
	a) Basic	(1.99)	0.80	0.85	(0.20)	(2.18)	3.15
	b) Diluted	(1.99)	0.80	0.85	(0.20)	(2.18)	3.15

See accompanying note to the financial results.

SELECT INFORMATION FOR THE QUARTER AND NINE MONTHS ENDED 31 DECEMBER 2014

PART II

S.No	Particulars	3 months ended 31/12/2014 (Unaudited)	Preceding 3 months ended 30/09/2014 (Unaudited)	Previous year Corresponding 3 months ended 31/12/2013 (Unaudited)	Year to date figures for current period ended 31/12/2014 (Unaudited)	Year to date figures for the previous year ended 31/12/2013 (Unaudited)	Previous year ended 31/03/2014 (Audited)
A	**PARTICULARS OF SHARE HOLDING**						
1	Public Shareholding						
	- Number of shares	81692288	81402638	81402638	81692288	81402638	81402638
	- Percentage of shareholding	43.79	43.63	43.63	43.79	43.63	43.63
2	Promoters and Promoter Group Shareholding						
	a) Pledged / Encumbered						
	- Number of shares	10044904	10044904	10044904	10044904	10044904	10044904
	- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	9.58	9.55	9.55	9.58	9.55	9.55
	- Percentage of shares (as a % of the total share capital of the company)	4.93	4.93	4.93	4.93	4.93	4.93
	b) Non-encumbered			-			
	- Number of shares	94836344	95125994	95125994	94836344	95125994	95125994
	- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	90.42	90.45	90.45	90.42	90.45	90.45
	- Percentage of shares (as a % of the total share capital of the company)	46.57	46.71	46.71	46.57	46.71	46.71

S.No	Particulars	3 months ended 31 December 2014
B	**INVESTOR COMPLAINTS**	
	Pending at the beginning of the quarter	NIL
	Received during the quarter	NIL
	Disposed off during the quarter	NIL
	Remaining unresolved at the end of the quarter	NIL

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SIGNED * CHENNAI-17

SEGMENT WISE REVENUE, RESULTS AND CAPITAL EMPLOYED
FOR THE QUARTER AND NINE MONTHS ENDED 31 DECEMBER 2014

(Rupees in lac)

S.No	Particulars	3 months ended 31/12/2014 (Unaudited)	Preceding 3 months ended 30/09/2014 (Unaudited)	Previous year Corresponding 3 months ended 31/12/2013 (Unaudited)	Year to date figures for current period ended 31/12/2014 (Unaudited)	Year to date figures for the previous year ended 31/12/2013 (Unaudited)	Previous year ended 31/03/2014 (Audited)
A	**Segment Revenue**						
	a) Agro Inputs	2228.82	80124.41	28407.75	160334.13	93113.72	133991.20
	b) Others	187.55	172.57	104.27	481.47	410.19	547.79
	c) Unallocated Income	(5.46)	5.71	3.77	10.28	10.56	8.20
	Net Sales / Income from operations	**2410.91**	**80302.69**	**28515.79**	**160825.88**	**93534.47**	**134547.19**
B	**Segment Results**						
	Profit/(Loss) (Before Tax and Interest)						
	For each Segment						
	a) Agro Inputs	(3136.64)	2862.70	2614.39	3259.94	2699.42	4709.10
	b) Others	(250.42)	(15.49)	(36.11)	(293.16)	(192.25)	(183.27)
	Total	**(3387.07)**	**2847.21**	**2578.28**	**2966.78**	**2507.17**	**4525.83**
	Less: Finance Cost	349.66	727.23	524.54	2181.66	1375.19	2091.82
	Add: Other Net Unallocable Income / (Expenses)	(265.41)	(454.68)	(291.60)	(1061.10)	(5445.25)	4152.17
	Profit/(Loss) Before Tax	**(4002.14)**	**1665.30**	**1762.14**	**(275.98)**	**(4313.27)**	**6586.18**
C	**Capital Employed**						
	(Segment Assets - Segment Liabilities)						
	a) Agro Inputs	24080.49	20279.45	27741.23	24080.49	27741.23	29797.87
	b) Others	124.16	374.16	389.32	124.16	389.32	327.35
	c) Unallocated	(4082.46)	3470.72	(18631.83)	(4082.46)	(18631.83)	(9727.05)
	Total	**20122.19**	**24124.33**	**9498.72**	**20122.19**	**9498.72**	**20398.17**





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 10 February 2015. The statutory auditors have carried out a limited review of these financial results.

2. 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 based operations and that the naphtha based plants, would be eligible for subsidy only upto 30 September 2014. In view of the above, the Ammonia and Urea plants were stopped on 1st October 2014 and critical repair works were carried out and completed.

   The Department of Fertilisers has informed the Company, vide its letter dated 7th January 2015, that the subsidy would be paid based on the Retention Price computed on the lower of naphtha or RLNG price and this would be applicable for a period of 100 days. The Ammonia & Urea Plants recommenced operation from 7th January 2015. The Company proposes to represent to the Government of India seeking extension of the permission for plant operations beyond the period of 100 days.

3. Pursuant to enactment of the Companies Act, 2013 ("the Act") the Company has provided depreciation in accordance with Schedule II of the Act for all assets other than the assets pertaining to Tuticorin plant for which depreciation has been provided based on the useful life of assets determined by a technical evaluation. Management believes that the revised useful life of the assets reflect the periods over which these assets are to be used. As a result, the charge on account of depreciation for the quarter and nine months ended 31st December 2014 is lower by Rs. 832.66 lacs, as compared to the figures in the earlier periods.

4. The VOC Port Trust has raised demand for increase in rental charges from 1.7.2007 onwards and the amount payable as on 31.12.2014 is Rs.585 Lac (from 1.7.2007 to 31.12.2014). 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. 1,413.08 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. During the current quarter ended 31 December 2014, the plant was not in operation for the entire 92 days as against 62 days in the corresponding quarter in the previous year. Hence the results for the current period are not comparable with that of the corresponding period in the previous year.

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

For and on behalf of the Board

Ashwin C Muthiah
CHAIRMAN

Place: Chennai
Date: 10 February 2015

Deloitte
Haskins & Sells

Chartered Accountants
ASV N Ramana Tower
52, Venkatnarayana Road
T. Nagar, Chennai - 600 017

Tel : +91 (44) 6688 5000
Fax : +91 (44) 6688 5050

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

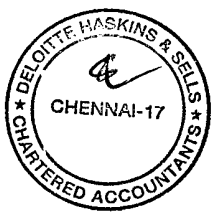
1. We have reviewed the accompanying Statement of Standalone Unaudited Financial Results of **Southern Petrochemical Industries Corporation Limited** ("the Company") for the Quarter and Nine Months ended 31 December 2014 ("the Statement"), being submitted by the Company pursuant to the requirement of Clause 41 of the Listing Agreements with the Stock Exchanges, except for the disclosures in Part II - Select Information referred to in paragraph 7 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. *We draw attention to Note No. 4 of the statement regarding Port Trust Demands towards arrears of rent of Rs. 585 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.*

4. *Trade Receivables as at December 31, 2014 includes Rs. 1413.08 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.*

5. Based on our review conducted as stated above, *except for the possible effects of the matters described in paragraph 3 and 4 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.



6. We draw attention to Note 2 of the statement relating to operation of the ammonia and urea plants. The possible extension of the permission for plant operations through further representation to the government and the impact of the proposed new subsidy policy on the future operations and implication on financial viability of the company are not presently ascertainable. Our report is not qualified in respect of this matter.

7. 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 Nine Months ended 31 December 2014 of the Statement, from the details furnished by the Registrar.

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

Bhavani Balasubramanian
Partner
(Membership No. 22156)

CHENNAI, 10th February, 2015

DELOITTE HASKINS & SELLS * CHENNAI-17 * CHARTERED ACCOUNTANTS