



Unaudited financial results for the half year ended September 30, 2008

Quarter ended		Particulars	Half year ended		Year ended 31st March, 2008 (Audited)
30th Sept., 2008	30th Sept., 2007		30th Sept., 2008	30th Sept., 2007	Rs. Lakhs
18,841.64	14,757.31	1. a) Net sales	37,922.41	30,956.33	64,017.87
1,392.09	101.79	b) Other operating income @	3,737.44	1,446.11	7,767.04
20,233.73	14,859.10	Total income	41,659.85	32,402.44	71,784.91
(1,382.71)	738.82	2. Expenditure	(3,128.09)	684.32	(1,215.30)
16,589.26	9,823.86	a) (Increase)/ Decrease in stock in trade and work in progress	33,153.49	21,118.00	49,545.77
1,373.22	1,334.88	b) Consumption of raw materials *	2,827.91	2,778.57	5,589.92
1,269.83	1,085.54	c) Employee costs	2,501.60	2,055.10	4,519.74
2,064.31	1,757.17	d) Depreciation	4,420.89	3,265.65	8,179.40
19,913.91	14,740.27	e) Other expenditure	39,775.80	29,901.64	66,619.53
319.82	118.83	f) Total	1,884.05	2,500.80	5,165.38
1,696.26	1,016.39	3. Profit from operations before interest & exceptional items (1-2)	3,009.22	2,079.51	4,365.28
(1,376.44)	(897.56)	4. Interest	(1,125.17)	421.29	800.10
3,050.47	-	5. Profit/ (Loss) after interest but before exceptional items (3-4)	3,050.47	-	-
(4,426.91)	(897.56)	6. Exceptional items - Refer Note 1	(4,175.64)	421.29	800.10
(117.00)	(383.00)	7. Profit/ (Loss) from ordinary activities before tax (5-6)	30.00	182.00	152.00
(4,309.91)	(514.56)	8. Tax expense	(4,205.64)	239.29	648.10
-	-	9. Profit/ (Loss) from ordinary activities after tax (7-8)	-	-	70.02
(4,309.91)	(514.56)	10. Reversal of income tax provision relating to earlier years	(4,205.64)	239.29	718.12
4,798.19	4,798.19	11. Net Profit/ (Loss) for the period (9+10)	4,798.19	4,798.19	4,798.19
-	-	12. Paid-up equity share capital Face value per share - Re.1/-	-	-	20,518.69
(0.90)	(0.11)	13. Reserves excluding revaluation reserves (as per Balance Sheet of previous year)	(0.88)	0.05	0.15
119954860	119954860	14. Basic and Diluted EPS ** (Rs.)	25.00%	25.00%	25.00%
25.00%	25.00%	15. Public shareholding - Number of Shares of Re.1/- each - Percentage of Shareholding	25.00%	25.00%	25.00%

* Includes power and fuel and stores consumed.

** Refers to the relevant period only (Periods less than a year not annualised).

@ a) includes compensation received from Multilateral Fund for phase out of Carbon Tetra Chloride and Chlorofluorocarbons under the Montreal Protocol for the quarter ended September 30, 2008 - Rs.107.40 lakhs and quarter ended September 30, 2007 - Rs.92.60 lakhs (during the six months ended September 30, 2008 - Rs.122.66 lakhs and six months ended September 30, 2007 - Rs.1360.93 lakhs and during the year ended March 31, 2008 - Rs.1777.89 lakhs).

b) includes income from Certified Emission Reduction (CER) reckoned on incineration of HFC 23 at Mettur and on production of steam from Waste Heat Recovery Boiler at Karaikal - for the quarter ended September 30, 2008 - Rs.1079.41 lakhs and quarter ended September 30, 2007 - Rs.Nil (during the six months ended September 30, 2008 - Rs.2299.98 lakhs and six months ended September 30, 2007 - Rs.Nil and during the year ended March 31, 2008 - Rs.5022.83 lakhs).

c) includes liabilities no longer required written back - for the quarter ended September 30, 2008 - Rs.Nil and quarter ended September 30, 2007 - Rs.Nil (during the six months ended September 30, 2008 - Rs.835.13 lakhs and six months ended September 30, 2007 - Rs.Nil and during the year ended March 31, 2008 - Rs.32.71 lakhs).

- The sudden steep fall in prices of crude oil and the global financial crisis have led to collapse of petrochemical prices over the last couple of months by almost 50%. Since both inputs and finished products price levels have been deflated, margins have not been affected significantly on an ongoing basis. However, as a measure of conservatism, and in line with generally accepted accounting principles, the company has written down the carrying value of stocks of major raw materials, intermediates and finished products, to levels corresponding to the current net realisable value of finished products. This has led to an exceptional charge of Rs.3050.47 lakhs.
- These financial results were approved by the Board of Directors at their meeting held on October 31, 2008.
- The statutory auditors have carried out a limited review of the statement of unaudited financial results for the quarter ended September 30, 2008.
- There were no investor complaints pending at the beginning of the quarter. Four complaints were received during the quarter and all of them have been resolved.
- The company is principally engaged in a single business segment viz., Chemicals and Allied products and operates in one geographical segment as per Accounting Standard 17 on "Segment Reporting" issued by the Institute of Chartered Accountants of India.
- Based on the revised computation of full year tax liability, the excess tax provision made during the quarter ended June 30, 2008 has been reversed in the quarter ended September 30, 2008.
- During August 2008, the company successfully commissioned the project for manufacture of polyisilcon at its Mettur complex.
- The Board of Directors have approved, subject to compliance with all related formalities, the company raising equity resources on rights basis (share capital and premium) not exceeding Rs.20000 lakhs. The company has filed draft offer documents with SEBI on September 26, 2008 for an aggregate rights issue amount of Rs.16000 lakhs. The company has received an advance of Rs.12000 lakhs from Sanmar Holdings Limited, the Company's holding company towards their rights entitlement.
- Prior period figures have been regrouped, wherever necessary.

for CHEMPLAST SANMAR LIMITED
P.S. JAYARAMAN
Managing Director

Place : Chennai
Date : October 31, 2008

CHEMPLAST SANMAR LIMITED

No. 9, Cathedral Road, Chennai - 600 086.

Kalamkriya/CSL/362/2008