



# Unaudited financial results for the quarter ended December 31, 2008

Quarter ended		Particulars	Nine months ended		Year ended 31st March, 2008 (Audited)
31st Dec., 2008	31st Dec., 2007		31st Dec., 2008	31st Dec., 2007	
15,260.65	15,611.85	1. a) Net sales	53,183.06	46,559.18	64,017.87
1,801.95	560.56	b) Other operating income @	5,539.39	2,006.67	7,767.04
17,062.60	16,172.41	Total income	58,722.45	48,565.85	71,784.91
1,896.24	361.00	2. Expenditure	(1,231.85)	(1,959.35)	(1,215.30)
10,722.24	12,361.38	a) (Increase)/ Decrease in stock in trade and work in progress			
1,313.39	1,441.02	b) Consumption of raw materials *	43,875.73	36,425.70	49,545.77
1,287.48	1,171.81	c) Employee costs	4,141.30	4,279.99	5,589.92
2,470.07	1,835.81	d) Depreciation	3,789.08	3,211.91	4,519.74
17,689.42	17,171.02	e) Other expenditure	6,890.96	5,160.46	8,179.40
(626.82)	(998.61)	f) Total	57,465.22	47,118.71	66,619.53
2,159.45	1,241.10	3. Profit/ (Loss) from operations before interest & exceptional items (1-2)	1,257.23	1,447.14	5,165.38
(2,786.27)	(2,239.71)	4. Interest	5,168.67	3,302.17	4,365.28
-	-	5. Profit/ (Loss) after interest but before exceptional items (3-4)	(3,911.44)	(1,855.03)	800.10
(2,786.27)	(2,239.71)	6. Exceptional items - Refer Note 1	3,050.47	-	-
(2,343.00)	(61.00)	7. Profit/ (Loss) from ordinary activities before tax (5-6)	(6,961.91)	(1,855.03)	800.10
(443.27)	(2,178.71)	8. Tax expense - Refer Note 2	(2,313.00)	91.00	152.00
-	-	9. Profit/ (Loss) from ordinary activities after tax (7-8)	(4,648.91)	(1,946.03)	648.10
(443.27)	(2,178.71)	10. Reversal of income tax provision relating to earlier years	-	-	70.02
4,798.19	4,798.19	11. Net Profit/ (Loss) for the period (9+10)	(4,648.91)	(1,946.03)	718.12
(0.09)	(0.45)	12. Paid-up equity share capital	4,798.19	4,798.19	4,798.19
119954860	119954860	13. Reserves excluding revaluation reserves (as per Balance Sheet of previous year)			20,518.69
25.00%	25.00%	14. Basic and Diluted EPS ** (Rs.)	(0.97)	(0.41)	0.15
		15. Public shareholding			
		- Number of Shares of Re.1/- each	119954860	119954860	119954860
		- 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 December 31, 2008 - Rs.379.10 lakhs and quarter ended December 31, 2007 - Rs.416.96 lakhs (during the nine months ended December 31, 2008 - Rs.501.76 lakhs and nine months ended December 31, 2007 - Rs.1777.89 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 December 31, 2008 - Rs.1245.13 lakhs and quarter ended December 31, 2007 - Rs.Nil (during the nine months ended December 31, 2008 - Rs.3658.42 lakhs and nine months ended December 31, 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 December 31, 2008 - Rs.Nil and quarter ended December 31, 2007 - Rs.Nil (during the nine months ended December 31, 2008 - Rs.835.13 lakhs and nine months ended December 31, 2007 - Rs.Nil and during the year ended March 31, 2008 - Rs.32.71 lakhs).
- d) includes profit on sale of helicopter for Rs.248.80 lakhs during the quarter ended December 31, 2008 and quarter ended December 31, 2007 - Rs.Nil (during the nine months ended December 31, 2008 Rs.248.80 lakhs and nine months ended December 31, 2007 - Rs.Nil and during the year ended March 31, 2008 - Rs.Nil)

#### Notes:

- The sudden steep fall in prices of crude oil and the global financial crisis had led to collapse of petrochemical prices during August and September 2008 by almost 50%. Since both inputs and finished products price levels had been deflated, margins had not been affected significantly on an ongoing basis. However, as a measure of conservatism, and in line with generally accepted accounting principles, the company had written down the carrying value of stocks of major raw materials, intermediates and finished products, to levels corresponding to the net realisable value of finished products as on September 30, 2008. This had led to an exceptional charge of Rs.3050.47 lakhs during the quarter ended September 30, 2008.
- The company has recognised deferred tax asset arising out of unabsorbed depreciation and business losses during the quarter ended December 31, 2008 for Rs.2344 lakhs, which includes Rs.1406 lakhs pertaining to half year ended September 30, 2008. The company is of the opinion that there is a virtual certainty that sufficient future taxable income will be available against which such deferred tax asset, can be realised.
- These financial results were approved by the Board of Directors at their meeting held on January 24, 2009.
- The statutory auditors have carried out a limited review of the statement of unaudited financial results for the quarter ended December 31, 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.
- During December 2008, the company successfully commissioned the project for manufacture of PVC Pipes at Shinoli, Maharashtra.
- 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.

Place : Chennai  
Date : January 24, 2009

for CHEMPLAST SANMAR LIMITED  
P.S. JAYARAMAN  
Chairman

## CHEMPLAST SANMAR LIMITED

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

Kalamkriya/CSL/363/2009