

# Rama Petrochemicals Limited

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## UNAUDITED FINANCIAL RESULTS FOR THE QUARTER ENDED 31ST DECEMBER 2010

(Rs. in Lacs)

PARTICULARS	Quarter Ended		Year to Date		Year Ended
	31.12.2010 (Unaudited)	31.12.2009 (Unaudited)	31.12.2010 (Unaudited)	31.12.2009 (Unaudited)	31.03.2010 (Audited)
1 a) Net Sales / Income from Operations	-	-	-	-	202.86
b) Other Operating Income	0.32	0.44	1.45	2.14	51.71
	0.32	0.44	1.45	2.14	254.57
2 Expenditure					
a) Cost of Construction	-	-	-	-	85.49
b) Employee Cost	21.52	21.03	63.30	67.77	88.29
c) Depreciation	2.92	2.97	8.75	8.89	11.77
d) Repairs and Maintenance on Plant and Machinery	6.96	5.93	17.19	16.88	21.63
e) Power and Fuel	7.15	7.62	20.32	21.75	28.70
f) Consumption of Stores and Spares	0.98	1.56	3.24	24.15	22.59
g) Other Expenditure	24.00	12.89	83.47	44.23	88.19
	63.53	52.00	196.27	183.67	346.66
3 Profit/(Loss) from Operations before Other Income, Financial Charges and Exceptional Items	(63.21)	(51.56)	(194.82)	(181.53)	(92.09)
4 Financial Charges	1.89	-	5.66	-	1.29
5 Profit/(Loss) after Financial Charges but before Exceptional Items	(65.10)	(51.56)	(200.48)	(181.53)	(93.38)
6 Exceptional Items					
Provision for diminution in the value of Investment	-	-	-	-	301.15
7 Profit/(Loss) from Ordinary Activities before Tax	(65.10)	(51.56)	(200.48)	(181.53)	(394.53)
8 Add/(Less) : Prior Period Income/(Expenditure)	0.20	-	0.20	(0.01)	-
9 Tax Expenses					
Deferred - Provision / (Release)	-	-	-	-	(20.13)
10 Net Profit/(Loss) from Ordinary Activities after Tax	(64.90)	(51.56)	(200.28)	(181.54)	(374.40)
11 Extra-Ordinary Items	87.99	-	87.99	-	-
12 Net Profit/(Loss) for the period	23.09	(51.56)	(112.29)	(181.54)	(374.40)
13 Paid up Equity Share Capital (Face Value of Rs. 10/- per Share)	1,046.94	1,046.94	1,046.94	1,046.94	1,046.94
14 Reserves excluding Revaluation Reserves as per balance sheet of previous year					(3,439.75)
15 Earning Per Share (EPS)					
a) Basic and diluted EPS before Extra Ordinary items (not annualized)	(0.62)	(0.49)	(1.91)	(1.73)	(3.58)
b) Basic and diluted EPS after Extra Ordinary items (not annualized)	0.22	(0.49)	(1.07)	(1.73)	(3.58)
16 Aggregate of Public Shareholding					
Number of Shares	4965136	4966646	4965136	4966646	4966646
Percentage of Shareholding (%)	47.43%	47.44%	47.43%	47.44%	47.44%
17 Promoters and Promoter Group Shareholding					
a) Pledged / Encumbered					
Number of Shares	1358865	1358865	1358865	1358865	1358865
Percentage of Shareholding (as a % of the total shareholding of Promoters and Promoters group)	24.69%	24.69%	24.69%	24.69%	24.69%
Percentage of Shareholding (as a % of the total sharecapital of the company)	12.98%	12.98%	12.98%	12.98%	12.98%
b) Non encumbered					
Number of Shares	4145399	4143889	4145399	4143889	4143889
Percentage of Shareholding (as a % of the total shareholding of Promoters and Promoters group)	75.31%	75.31%	75.31%	75.31%	75.31%
Percentage of Shareholding (as a % of the total sharecapital of the company)	39.59%	39.58%	39.59%	39.58%	39.58%


PARTICULARS	Quarter Ended		Year to Date		Year Ended
	31.12.2010 (Unaudited)	31.12.2009 (Unaudited)	31.12.2010 (Unaudited)	31.12.2009 (Unaudited)	31.03.2010 (Audited)
Segment Revenue					
a) Methanol	-	-			-
b) Construction	-	-			202.86
Total	-	-	-	-	202.86
Less : Intersegment Revenue	-	-			-
<b>Net Sales / Income from Operation</b>	-	-	-	-	202.86
<b>Segment Profit / (Loss) before Tax and Interest</b>					
a) Methanol	(63.21)	(51.56)	(194.82)	(181.53)	(207.70)
b) Construction	-	-			115.61
Total	(63.21)	(51.56)	(194.82)	(181.53)	(92.09)
Less :					
a) Financial Charges	1.89	-	5.66	-	1.29
b) Other unallocable expenditure net of unallocable income	-	-	-	-	-
<b>Total Profit / (Loss) before Tax and Exceptional Items</b>	<b>(65.10)</b>	<b>(51.56)</b>	<b>(200.48)</b>	<b>(181.53)</b>	<b>(93.38)</b>
<b>Capital Employed</b>					
Total Segment Assets					
Methanol			842.34	871.82	896.91
Construction			50.51	131.33	123.58
Total			892.85	1,003.15	1,020.49
Total Segment Liabilities					
Methanol			3,328.27	3,319.22	3,343.62
Construction			42.40	137.61	42.40
Total			3,370.67	3,456.83	3,386.02
Unallocated Segment Assets					
Investment			-	301.15	-
Unallocated Segment Liabilities					
Deferred Tax Liability			27.28	47.41	27.28

Notes :

- 1) Due to non viability the production / other activities continue to remain suspended.
- 2) Provision / (Release) of Deferred Tax Assets / Liability will be made at the end of the year.
- 3) The provision for leave encashment and gratuity has been provided on the basis of the best estimate of the management of the company and actuarial valuation will be done at the end of the year.
- 4) Interest of Rs. 63.42 lacs payable on working capital limits of banks is not provided for the period Apr'10 - Dec'10 as required under Accounting Standard - 5 "Net Profit or Loss for the year , Prior Period items and change in Accounting Policies" as issued by the Institute of Chartered Accountants of India and hence due to this the profit is overstated and secured loans are under stated by Rs. 22.12 lacs for the current quarter (Loss and secured loans are understated by Rs. 18.72 for the quarter ended 31.12.09).
- 5) Interest of Rs. 5.19 lacs payable on unpaid custom duty is not provided for the period Apr'10 - Dec'10 and hence due to this profit for the current quarter is overstated Rs. 1.74 lacs. (Loss is understated by Rs. 1.74 lacs for the quarter ended 31.12.09).
- 6) The Company has assigned sales tax liability to another company in 1999 - 2001. Since the assignee company has failed in paying the sales tax dues, the assignor is responsible to pay the same. The company is registered under BIFR and no dues have been paid to the sales tax department.
- 7) The operation of company's methanol division has been unviable and in turn forced the company to suspend its production activities since Sept'1999. However the company is making efforts to obtain alternative main feed stock for its methanol plant to make the operation viable. Considering the fact that laying of pipeline for supply of gas by Gas Authority of India Ltd. (GAIL) is completed, the company is hopeful to restart its plant soon. Accordingly the company continues to prepare accounts on the basis of "Going Concern Concept"
- 8) In view of the valuation report dated May 25, 2010 of registered valuer, the management is of the opinion that there is no impairment loss for its methanol division.
- 9) The Company is only primary segment which is business segment with no secondary segment.
- 10) **Auditor's Observations in the Audited Accounts :**
  - a) Non provision of interest on working capital loan upto March 31, 2010 amounting to Rs. 242.33 Lacs.
  - b) Non provision of interest on unpaid custom duty upto March 31, 2010 aggregating to Rs. 57.31 Lacs.
  - c) Non payment of statutory liability on account of sales tax aggregating to Rs. 2626.26 Lacs upto March 31, 2010 assigned to the subsidiary company by the company.
  - d) Amounts written back during the year Rs.47.72 lacs and debit / credit balances are subject to confirmation / reconciliation.
  - e) Non disclosure / Non availability of information for Micro, Small & Medium Enterprise, Development Act, 2006.
- 11) **Management's Opinion :**
  - a) The company has not provided for interest on working capital loan in view of the difficult financial position and closure of the plant during the entire year under review.
  - b) The company has not provided for interest on custom duty in view of the difficult financial position and closure of the plant during the entire year under review.
  - c) The company has not paid statutory liability on account of sales tax dues due to difficult financial position and closure of the plant during the entire year under review.
  - d) The company is in the process of obtaining confirmation of debit / credit balances.
  - e) The Company has not disclosed information regarding dues to Micro, Small and Medium enterprises since no information is available regarding their status.
- 12) The figures in the financial results have been regrouped / rearranged wherever necessary to make them comparable.
- 13) Information on investors complaints for the quarter :

Total number of complaints pending at the beginning of the quarter	00
Total number of complaints received during the quarter	01
Total number of complaints disposed off during the quarter	01
Total number of complaints pending at the end of the quarter	00
- 14) The above financial results have been reviewed by the audit committee and approved by the Board of Directors at their meeting held on 31st January 2011.

For and on behalf of the Board  
For RAMA PETROCHEMICALS LTD.

  
H. D. RAMSINGHANI  
CHAIRMAN

Place : Mumbai  
Date : 31st January, 2011