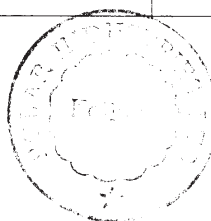


POLAR INDUSTRIES LTD
R.O.: 18, RABINDRA SARANI PODDAR COURT BUILDING, KOLKATA-700 001
Unaudited (Reviewed) Financial Results for the 2nd Quarter & half year ended 30th September 2012

Rs In Lacs

Particulars	3 Months ended 30.09.2012 Unaudited	Preceding 3 months ended 30.06.2012 Unaudited	Corresponding 3 months ended in the previous year 30.09.2011 Unaudited	Year to date figure for current period ended 30.09.2012 Unaudited	Year to date figure for previous period ended 30.09.2011 Unaudited	Previous year ended 31.03.2012 Audited
Part I						
1(a) Net Sales / Income from operation	0.00	0.00	0.00	0.00	0.24	4.68
(b) Other Operating Income	0.00	0.00	0.00	0.00	0.31	0.58
Total (a+b)	0.00	0.00	0.00	0.00	0.55	5.25
2 Expenditure						
a) Consumption of raw material	0.00	0.00	0.00	0.00	0.00	2.78
b) Purchase of Traded Goods	0.00	0.00	0.00	0.00	0.20	0.00
c) (Increase)/decrease in stock in trade and work in progress	0.00	0.00	0.00	0.00	0.00	2.00
d) Staff Cost	0.00	0.00	0.77	0.00	5.89	14.93
e) Depreciation	4.31	3.52	2.86	7.83	5.72	12.84
f) Foreign Exchange Fluctuation	(204.90)	277.94	241.39	73.04	241.39	319.03
g) Other expenditure	8.40	7.20	143.63	15.60	148.48	160.04
Total	(192.19)	288.67	388.64	96.47	401.67	511.62
3. Profit from Operation before other income, interest & Exceptional items	192.19	(288.67)	(388.64)	(96.46)	(401.11)	(506.36)
4. Other Income	381.07	0.00	0.00	381.07	0.00	28.21
5. Profit before interest & Exceptional items	573.26	(288.67)	(388.64)	284.61	(401.11)	(478.15)
6. Interest	6.37	16.18	2.10	22.54	5.89	80.40
7. Profit after interest but before Exceptional items	566.89	(304.84)	(390.74)	262.05	(407.01)	(558.56)
8. Exceptional Items (Interest / Principal written back on restructuring of loan(Net))	0.00	0.00	0.00	0.00	0.00	0.00
9. Profit/(Loss) from ordinary activities before tax	566.89	(304.84)	(390.74)	262.05	(407.01)	(558.56)
10. Tax Expenses - Current						
- Fringe Benefit Tax						
11 Profit/(Loss) from ordinary activities after tax	566.89	(304.84)	(390.74)	262.05	(407.01)	(558.56)
12. Net Profit (+) / Loss (-) for the period	566.89	(304.84)	(390.74)	262.05	(407.01)	(558.56)
13. Share of profit/(loss) of associates	NA	NA	NA	NA	NA	NA
14. Minority interest	NA	NA	NA	NA	NA	NA
15. Net Profit / (loss) after taxes, minority interest and share of profit/(loss) of associates						
16. Paid up equity share capital (Face value Rs. 10/- per share)	2120.21	2120.21	2120.21	2120.21	2120.21	2120.21
17. Reserve (Excluding Revaluation Reserve) as per last audit balancesheet					0	
18. Earning per share (before extraordinary items) (Face value Rs 10/- per share)						
a) Basic	2.67	(1.44)	(1.84)	1.24	(1.92)	(2.65)
b) Diluted	2.67	(1.44)	(1.84)	1.24	(1.92)	(2.65)
19. Earning per share (After extraordinary items) (Face value Rs 10/- per share)						
a) Basic	3.31	(1.44)	(1.84)	1.25	(1.92)	(2.65)
b) Diluted	3.31	(2.75)	(1.84)	1.25	(1.92)	(2.65)
Part II						
A) PARTICULARS OF SHARE HOLDING						
16. Public shareholdings (Aggregate of non-promoter shareholdings)						
Number of shares	13653795	13653795	13363733	13653795	13363733	13363733
-Percentage of shareholdings	64.40%	64.40%	63.03%	64.40%	63.03%	63.03%
17. Promoters and Promoter group Share holding						
a) Pledged / Encumbered						
Nos. of shares	7548273	7548273	7548273	7548273	7548273	7548273
-Percentage of shares	100.00%	100.00%	96.29%	100.00%	96.29%	96.29%
-Percentage of share capital	35.60%	35.60%	35.60%	35.60%	35.60%	35.60%
b) Non Encumbered						
Nos. of shares	0	0	290062		290062	
Percentage of shares	0.00%	0.00%	3.70%		3.70%	
-Percentage of share capital	0.00%	0.00%	1.37%		1.37%	
B) INVESTOR COMPLAINTS						
Pending at the beginning of the quarter	Nil	Nil		Nil		Nil
Received during the quarter	Nil	Nil		Nil		Nil
Disposed of during the quarter	Nil	Nil		Nil		Nil
Remainning unresolved at the end of the quarter	Nil	Nil		Nil		Nil
Segment Reporting						
Segment Revenue						
a. Fan Segment	0.00	0.00	0.00	0.00	0.55	5.25
b. Others Segment						
Total	0.00	0.00	0.00	0.00	0.55	5.25
Segment Results						
Profit/(Loss) before tax and interest						
a. Fan Segment	573.26	(288.67)	(388.64)	284.61	(401.11)	(478.15)
b. Others Segment	0.00	0.00	0.00	0.00	0.00	0.00
Total	573.26	(288.67)	(388.64)	284.61	(401.11)	(478.15)
Less (i) Interest	6.37	16.18	2.10	22.54	5.89	80.40
(ii) Other Un-allocable Expenses (net of income)						
Profit/(Loss) before Tax and Exceptional Items	566.89	(304.84)	(390.74)	262.05	(407.01)	(558.56)
Add -Extra Exceptional Items						
Interest/Principal written back on restructuring of loans (Net)	0.00	0.00	0.00	0.00	0.00	0.00
Profit/(Loss) before Tax	566.89	(304.84)	(390.74)	262.05	(407.01)	(558.56)
Capital Employed (Segment Assets - Segment Liabilities)						
a. Fan Segment	(4419.33)	(5012.54)	(4705.53)	(4419.33)	(4705.53)	(4845.79)
b. Others Segment	86.40	86.40	86.40	86.40	86.40	86.40
c. Others - Un-allocable	(1541.78)	(1541.78)	(1541.78)	(1541.78)	(1541.78)	(1541.78)
Total Capital Employed	(5874.71)	(6467.92)	(6160.91)	(5874.71)	(6160.91)	(6301.17)



Anil Kumar

Statement of Assets And Liabilities as on 30.09.2012

Particulars	30.09.2012	31.03.2012
I. EQUITY AND LIABILITIES		
(1) Shareholders' Funds		
(a) Share Capital	2145.21	2145.21
(b) Reserves and Surplus	(11628.56)	(11888.53)
(2) Non-Current Liabilities		
(a) Long-term borrowings	0.00	0.00
(3) Current Liabilities		
(a) Short-term borrowings	722.01	552.77
(b) Trade payables	5542.36	5645.50
(c) Other current liabilities	4648.16	5216.06
(d) Short-term provisions	18.98	18.98
Total	1448.17	1689.98
II Assets		
(1) Non-current assets		
(a) Fixed assets		
(i) Tangible assets	90.77	319.61
(b) Non-current investments	8.11	8.11
(c) Long term loans and advances	348.36	342.77
(d) Other non-current assets	676.33	676.33
(2) Current assets		
(a) Current investments	0.00	0.00
(b) Inventories	87.41	87.41
(c) Trade receivables	22.72	22.72
(d) Cash and bank balance	18.84	37.40
(e) Short-term loans and advances	0.00	0.00
(f) Other current assets	195.63	195.63
Total (A + B)	1448.17	1689.98

- 1 Auditors have qualified their report on the audited accounts for the year ended 31.03.2012 (a) regarding corporate guarantees given to Financial Institution and Govt Bodies in excess of approved limit (b)(i) regarding debt acquired by ARCIL subject to compliance of terms & condition and recalling of loan and demanding of other payment and consequent impact on the liquidity position of the Company and consequent impact on the ability of the Company to continue business (ii) regarding sale of residential property and provisional adjustment thereof in accounts and possession of another property by ARCIL -unable to comment about impact on profit for the year due to non availability of required information (c) regarding valuation of finished stock pertaining to discontinued segment and non provision of interest demurrages etc on the goods lying in custom bonded warehouse (d) preparation of accounts on going concern basis as the network has become negative (e) regarding pending recovery of advance / dues from various parties and ex- employees. (f) regarding refusal of insurance claim by the Insurance Companies (g) regarding remuneration paid in earlier year to an ex director for which Cent (h) regarding non provision and non ascertainment of penalties on outstanding statutory dues (i) Mortgage of one of the Property in favour of Co-operative bank (j) Regarding the after sale services expenses related to prior period reimbursement to a marketing Company for which necessary details/documents were not available
- The management reply to the Auditors' qualification are (a) Notice or letter have not been received by the Company from the Financial Institution & Govt Bodies for invocation of the corporate guarantee (b)(i) Company has placed its proposal for the One Time Settlement (OTS) of the dues of ARCIL and the same is under discussion (b) (ii) Considered a minimum reserve price for the purpose of provisional adjustment in the books of accounts (c) Company is taking necessary steps to liquidate the same at the best realisable value (d) On OTS of the above dues (as referred above) induction of further working capital closure of non profitable segments and future profit the network may become positive (e) Company is taking necessary steps to recover advance and dues (f) Company is awaiting the decision of National Consumer Forum (g) Company has received sanctioned from Central Government for part remuneration. The Company would be approaching the Central Government for waiver of excess remuneration paid to him (h) Company is taking step to pay undisputed outstanding statutory dues (i) The same not being a usufructuary mortgage hence the provision of section 293(1) (a) of the Companies Act 1956 is not attracted (j) Company have shown available documents and taken further necessary step
- 2 The Company has received a letter dated 31.03.2010 u/s 13(4) of the SARFAESI Act 2002 from ARCIL pertaining to the property of the Company situated at A-2 Sector 5, Noida (Ceiling Fan Division). This property seized by ARCIL was already seized by the U.P. Sales Tax Department
- 3 The Company has presently its operation in the temporary state of suspension and is continuously on the look out for new business opportunity
- 4 During the quarter one of the secured creditor has sold mortgage Siddul property and adjusted its dues Profit Rs 381.07 Lacs on sale of the same is shown in the other income
- 5 Basic & Diluted EPS has been calculated after considering arrears of dividend on cumulative preference shares
- 6 Figures for the corresponding quarter and that of previous year are regrouped / reclassified wherever considered necessary
- 7 The above results have been approved by the Board of Directors at their meeting held on 09.11.2012

By Order of the Board
For POLAR INDUSTRIES LIMITED

Anil Agarwal

Place Kolkata
Date 09.11.2012

Anil Agarwal
Chairman & Managing Director



Review Report

The Board of Directors,
M/s. Polar Industries Limited
18, Rabindra Sarani,
Poddar Court Building
Kolkata-700001

1. We have reviewed the accompanying statement of unaudited financial results of M/s. Polar Industries Limited for the quarter and half year ended 30th September 2012 except for the disclosures regarding 'Public Shareholding' and 'Promoter and Promoter Group Shareholding' which have been traced from disclosures made by the management and have not been audited by us. 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 these financial statements based on our review.
2. We conducted our review in accordance with the Standard on Review Engagement (SRE) 2410, Review of Interim Financial Information Performed by the Independent Auditor of the Entity issued by the Institute of Chartered Accountant of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the financial statements are free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provide less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.
3. We referred below our qualifications in the audited accounts for the year ended 31 March' 2012 as follows with status as on 30th September 2012.
 - (a) Regarding corporate guarantees given in excess of limit approved by the shareholders and considered the same as contingent liability by the management and not provided for as referred in note no. 31.2.
 - (b) (i) Regarding debt acquired by ARCIL which is subject to compliance of terms & conditions and recalling of loan and demanding of others payments by ARCIL as referred in note no 31.4 . Pending negotiation with the ARCIL we are unable to comment about impact on the liquidity position of the company due to recalling of loan / demanding of others payments and consequent impact on the ability of the company to continue business.
(ii) Regarding sale of residential property and provisional adjustment thereof in accounts and possession of another property by ARCIL as referred in note no 31.4(e) We are unable to comment about impact on the profit for the quarter and half year ended 30th September 2012 due to non availability of required information.
 - (c) Regarding valuation of finished goods stock for Rs. 86.41 Lacs pertaining to discontinued business segment and non provision of interest, demurrages etc on the goods lying in custom bonded warehouse for which amount was not ascertained as referred in note no.31.5. We are unable to comment about the extent of realization on such stock and impact thereof including non-provision referred above on profit for the quarter and half year ended 30th September 2012.
 - (d) Regarding preparation of accounts ongoing concern basis as referred in note no.31.6. The company has sold a substantial part of its fixed assets and so far not made any plan to replace the substantial part of the fixed assets that have been sold. The company has also negative net worth, substantial negative working capital, inability to pay its debts repayments / creditors etc indicating that going concern assumption may no longer be appropriate. Therefore, in our opinion, there exists substantial doubt that the company will be able to continue as a going concern for the foreseeable future. Consequently, adjustment may be required to the recorded amount of assets and classification of liabilities. The financial statement (and notes thereto) do not disclose this fact.



Singhi & Co.

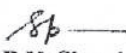
Chartered Accountants

- (e) Regarding pending recovery of advances / dues aggregating Rs 220.87 lacs as on 30th September 2012 from various parties and ex- employees as referred note no 31.7. We are unable to comment about the extent of realization of such advances / dues due to uncertainty involved.
- (f) Regarding refusal of insurance claim for Rs. 676.27 Lacs by the insurance company but considered good by the company as referred note no 31.12. We are unable to comment about the realizability of the claim pending decision of the National Consumer Forum.
- (g) Regarding remuneration paid in earlier year to an ex executive director for which Central Government approval is awaited as referred in note no 31.16. Approval has since received and balance Rs. 4.12 lacs are recoverable. Pending recovery no adjustment has been made in the accounts.
- (h) Regarding non-provision and non-ascertainment of penalties upto 30th September 2012 on various outstanding statutory dues as referred in note no 31.17. We are unable to comment about the impact on the profit for the quarter and half year ended 30th September 2012 due to non ascertainment of amount
- (i) Regarding mortgage of one of the property having original value Rs 247.26 lacs in favour of Co-operative bank as a collateral security for obtaining loan by a body corporate as referred in Note No 31.13 for which share holder approval has not obtained by the company. During the quarter the asset has been sold and sale proceeds has been appropriate by the secured creditor against its dues.
- (j) Regarding after sale services expenses aggregating to Rs. 137.85 Lacs related to prior period reimbursement to a marketing company for which necessary details / documents were not available till date hence we are unable to comments on such provision.
- 4 Due to non-ascertainment of impact on profit for the quarter and half year ended 30th September 2012 arises out of qualifications referred in Para 3 above, we are not in a position to comment about the consequent impact on accumulated debit balance of profit and loss under Reserve and Surplus.
- 5 Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying statements of un-audited financial results, except to the extent our qualifications in Para 3 and 4 above, prepared in accordance with applicable accounting standards and other recognized accounting practices and policies, has not disclosed the information required to be disclosed in terms of Clause 41 of the Listing Agreement including the manner in which it is to be disclosed, or that it contains any material misstatement.

Place: New Delhi
Date: 9th November 2012



For SINGHI & CO.
Chartered Accountants
Firm reg. No. 302049E


B.K. Sipani
Partner
Membership No. 088926