

GUJARAT FLUORO CHEMICALS LIMITED

Registered Office: 16/3, 26 & 27, Village Ranjitnagar, Taluka Goghamba, District Panchmahals, Gujarat 389 380

STANDALONE UNAUDITED FINANCIAL RESULTS

FOR THE QUARTER AND HALF YEAR ENDED 30th SEPTEMBER, 2008

Rs in Lakhs

Sr. No.	Particulars	Quarter Ended (Unaudited)		Half Year Ended (Unaudited)		Year Ended (Audited)
		30 th September 2008	30 th September 2007	30 th September 2008	30 th September 2007	31 st March 2008
		1	Income			
	a) Net Sales / Income from operations	30355	19245	51112	30669	72322
	b) Other Operating Income	23	424	73	2210	3176
	Total Income	30378	19669	51185	32879	75498
2	Expenditure					
	a) Increase (-) / (+) Decrease in stock-in-trade	(1819)	(946)	(2771)	(822)	(965)
	b) Consumption of materials	5748	3557	10282	6856	16195
	c) Purchase of traded goods	9	41	46	145	302
	d) Employees cost	1454	857	2557	1481	3731
	e) Power & Fuel	2120	1515	4241	2853	6954
	f) Foreign exchange fluctuation loss (Net)	2001	0	3966	0	0
	g) Depreciation (including amortization)	1208	1776	2450	3360	1383
	h) Other expenses	2712	1851	5238	3564	10207
	i) Expenditure capitalized	0	0	0	0	(378)
	j) Total Expenditure (a to i)	13433	8651	26009	17437	37429
3	Profit from Operations before Other Income, Interest & Exceptional Items (1-2)	16945	11018	25176	15442	38069
4	Other Income	1087	1526	1732	4923	8992
5	Profit before Interest & Exceptional Items (3+4)	18032	12544	26908	20365	47061
6	Interest	1171	538	2238	1049	2764
7	Profit after Interest but before Exceptional Items (5-6)	16861	12006	24670	19316	44297
8	Exceptional Items	0	0	0	0	0
9	Profit from Ordinary Activities before tax (7+8)	16861	12006	24670	19316	44297
10	Tax Expense					
	a) Current Tax	4607	3141	6340	4498	8377
	b) Deferred Tax	316	606	690	1143	3830
	c) Fringe Benefit Tax	13	11	25	18	45
	Total Provision for Taxation (a to c)	4936	3758	7055	5659	12252
11	Net Profit from Ordinary Activities	11925	8248	17615	13657	32045
12	Extraordinary Item (net of tax)	0	0	0	0	0
13	Net Profit	11925	8248	17615	13657	32045

14	Cash Profit (Net Profit+ Depreciation+ Deferred Tax)	13449	10630	20755	18160	37258
15	Paid-up Equity Share Capital (Face value of Re 1/- each)	1150.01	1157.80	1150.01	1157.80	1157.80
16	Reserves (excluding revaluation reserves)					97911
17	Basic and Diluted Earnings per share (Rs) (Face value of Re 1/- each)- Not annualized	10.30	7.12	15.22	11.80	27.68
18	Aggregate of public shareholding					
	- Number of shares	38067319	38756888	38067319	38756888	38846460
	- Percentage of shareholding	32.88%	33.47%	32.88%	33.47%	33.55%

SEGMENT WISE REVENUE, RESULTS AND CAPITAL EMPLOYED
FOR THE QUARTER AND HALF YEAR ENDED 30th SEPTEMBER, 2008

Rs in Lakhs

Sr. No.	Particulars	Quarter Ended		Half Year Ended		Year Ended
		(Unaudited)		(Unaudited)		(Audited)
		30 th September 2008	30 th September 2007	30 th September 2008	30 th September 2007	31 st March 2008
1	Segment Revenue					
a)	Chemicals	29377	19090	49707	31955	74298
b)	Power	3773	1869	6903	3527	8792
c)	Other Segment, Un-allocable and Corporate	1087	1526	1732	4923	8992
	Total Segment Revenue	34237	22485	58342	40405	92082
	Less: Inter Segment Revenue – Power	2772	1290	5425	2603	7352
	Total External Revenue	31465	21195	52917	37802	84490
2	Segment Result					
a)	Chemicals	16647	11439	25114	16413	37570
b)	Power	1777	(329)	2757	(804)	1909
	Total Segment Result	18424	11110	27871	15609	39479
	Add/(less): Un-allocable Income/(expenses) (Net of Un-allocable expenses/income)	(392)	1434	(963)	4756	7582
	Less: Interest expenses	1171	538	2238	1049	2764
	Total Profit Before Tax	16861	12006	24670	19316	44297
3	Segment Capital Employed (Segment Assets – Segment Liabilities)					
a)	Chemicals	62370	52905	62370	52905	59020
b)	Power	45423	21909	45423	21909	31170
c)	Other Segment, Un-allocable and corporate	7881	10471	7881	10471	8879
	Total	115674	85285	115674	85285	99069

Notes:-

1. The above results, reviewed by the Audit Committee, were approved by the Board of Directors at their meeting held on 25th October, 2008 and have undergone “Limited Review” by the Statutory Auditors.
2. Corresponding figures for the previous period / year have been regrouped / recast wherever necessary to correspond to current period / year classification.
3. The Board of Directors of the Company at its meeting held on 21st March, 2008, has approved a proposal, in accordance with Article 8A of the Articles of Association of the Company, and other applicable regulatory provisions, to purchase / buy-back fully paid equity shares of Re 1 each of the Company at a price not exceeding Rs 300 per equity share so that the maximum amount to be utilized for buy-back of shares shall not exceed Rs 6143 lacs which represents 10 % of paid up capital and free reserves of the Company as on 31st March, 2007. The Securities and Exchange Board of India has, vide its order dated 24th July, 2008, been pleased to grant an exemption to the Promoter / Promoter Group from making a public offer in terms of the Takeover Regulations. In pursuance of the above buy-back, the Company has, up to 30th September, 2008, purchased 1,387,031 equity shares, out of which 779,141 equity shares were extinguished.
4. Net Sales / Income from Operations include income from Certified Emissions Reductions (Carbon Credits). “Chemicals” segment includes figures pertaining to Carbon Credits.
5. The Company has entered into a fixed price long term Gas Supply Agreement (GSA), with Gujarat Gas Company Limited (GGCL), on 14 March, 2006, valid till 31st March, 2011, with a price reset clause pursuant to which the fixed price, of US \$ 4.60 per MMBTU, valid till 31st March, 2008, was to be mutually negotiated and revised, by 31st December, 2007, to be effective from 1st April, 2008. On GGCL failing to make any endeavours to negotiate the price of gas effective from 1st April, 2008 despite repeated reminders from the Company, the Company approached the Honourable High Court of Delhi, which, vide interim orders, directed GGCL to continue to supply gas to the Company, on the Company paying GGCL an amount of US \$ 4.60 per MMBTU (subsequently revised to US \$ 10 per MMBTU), and submitting to the Court a bank guarantee for a further US \$ 10 per MMBTU. Despite the above order, GGCL wrongfully purported to terminate the GSA, effective from 1st April, 2008 and has been raising invoices on the Company at US \$ 24.62 per MMBTU, for gas supplied from 1st April, 2008. The Company has also commenced arbitration proceedings against GGCL, contending that GGCL has forfeited its right to revise the price, as also to terminate the GSA, after 1st April, 2008. In view of the above pending proceedings the Company has made provision in its books of accounts for the gas supplied, at a rate of US \$ 4.60 per MMBTU. The difference between the price billed for by GGCL to the Company, and the amount provided by the Company for the quarter, is Rs. 3929 lakhs (previous quarter Rs. 3590 lakhs).
6. Up to and including the financial year 2006-07, depreciation on Plant and Machinery and Wind Mills was provided on written down value method, at the rates and in the manner specified in the Schedule XIV to the Companies Act, 1956. At the time of finalization of accounts for the financial year 2007-08, it was decided to provide depreciation on Plant and Machinery and Wind Mills on straight line method, at the rates and in the manner specified in the Schedule XIV to the Companies Act, 1956, since, in the opinion of the management, this would result in a more appropriate presentation in the financial statements of the Company. Hence, the depreciation figures for the quarter and half-year ended 30th September, 2008 and those of the corresponding earlier periods, is not directly comparable.

7. In addition to the 23.10 MW Wind Power Farm in Maharashtra, which was commissioned during the financial year ended 31st March 2007, the Company has commissioned another 12.00 MW Wind Power Farm in Rajasthan during the quarter ended 30th June 2008.
8. There were no investors' complaints pending at the beginning of the quarter. The Company received 23 complaints during the quarter. The Company has disposed all 23 complaints and there were no complaints outstanding at the end of the quarter.

On behalf of the Board of Directors
For Gujarat Fluorochemicals Limited

25th, October 2008
Noida

VIVEK JAIN
Managing Director