

Media Release

Mumbai, June 30, 2007 – Indian Petrochemicals Corporation Limited (IPCL) announced its audited results for the year ended 31st March 2007.

AUDITED FINANCIAL RESULTS FOR THE QUARTER/ YEAR ENDED 31st MARCH 2007

(Rs. Crore, except per share data)

Sr. No.	PARTICULARS	9 Months Ended 31st December	Quarter Ended 31st March		Year Ended 31st March	
			2006	2007	2006	2007 (Audited)
1	Turnover	10,307	3,388	3,267	13,695	12,362
	Less: Excise Duty Recovered on Sales	1,185	381	354	1,566	1,440
2	Net Turnover	9,122	3,007	2,913	12,129	10,922
3	Other Income	254	50	37	304	147
4	Total Expenditure					
	(a) (Increase) / decrease in stock in trade	30	160	13	190	(233)
	(b) Consumption of raw materials / purchases (Including traded goods)	4,816	1,534	1,489	6,350	5,809
	(c) Staff cost	386	134	115	520	455
	(d) Other expenditure	2,013	589	732	2,602	2,867
5	Interest	70	13	13	83	65
6	Finance Charge on leased assets	50	17	17	67	70
7	Depreciation	411	148	135	559	561
8	Profit before tax and Extra Ordinary / exceptional and non recurring items	1,600	462	436	2,062	1,475
9	Extra ordinary/exceptional and non recurring income/(expenses)		(470)		(470)	120
10	Profit/(Loss) before tax	1,600	(8)	436	1,592	1,595
11	Provision for Current Tax	562	113	85	675	309
12	Provision for Deferred Tax (Asset) / Liability	24	(139)	30	(115)	122
13	Net Profit	1,014	18	321	1,032	1,164
14	Paid up Equity Share Capital, Equity Shares of Rs 10/- each.	302	302	249	302	249
15	Reserves excluding revaluation reserves (as per balance sheet)				5,967	4,682
16	Earnings per share (of Rs. 10)					
	Basic (before extra ordinary items)	34.53	16.23	29.34	49.95	34.50
	Basic (After extra ordinary items)	34.53	0.60	29.34	34.33	40.29
	Diluted (before extra ordinary items)	34.53	16.63	29.34	51.18	36.03
	Diluted (After extra ordinary items)	34.53	0.60	29.34	35.17	40.21
17	Aggregate of non-promoter shareholding					
	- Number of Shares (in crores)				15.80	13.40
	- Percentage of Shareholding				52.55	53.97

Corporate Communications

Corporate Office
Petrochemicals Township
Vadodara 391 345 India

Website: www.ipcl.co.in

Telephone (+91 265) 3067352
Facsimile (+91 265) 3067333
Wireless (+91 265) 3120684

Media Release

Notes:

- 1) The figures for the corresponding periods have been restated, wherever necessary, to make them comparable.
- 2) The Scheme of amalgamation of the company with Reliance Industries Limited (RIL) has been approved by the shareholders and creditors of both the companies and submitted to the Hon'ble High Court of judicature at Mumbai and Gujarat for sanction u/s 391 and 394 of the Companies Act, 1956. The Hon'ble High Court of Mumbai has sanctioned the scheme of amalgamation on 12th June, 2007. The sanction of Hon'ble High Court of Gujarat is pending. In terms of the scheme, the appointed date for amalgamation is 1st April 2006.
- 3) During the quarter, the Company has disbursed interim dividend @ Rs. 6 per fully paid-up equity share, aggregating to Rs. 109 crore (US\$ 25 Million), including dividend distribution tax and the same has been proposed as the final dividend.
- 4) The company announced a Voluntary Separation Scheme and Special Separation Scheme for the employees of Vadodara unit in March 2007. Over 2,600 employees accepted the VRS offered by the Company. A sum of Rs. 376 crore (US\$ 86 million) has been provided for in the results of the current Quarter towards the payment of the Separation Schemes.

Further the company has also provided Rs. 94 crore (US\$ 22 million) towards diminution in the value of investment in equity shares of Gujarat Chemicals Port Terminal Company Limited (GCPTCL) and Indian Vaccines Corporation Limited (IVCOL) due to the continuous erosion of the net worth of these Companies.

The above two items being extra ordinary, exceptional and non-recurring in nature, has been included as part of extra ordinary items.

- 5) The Allahabad unit of the company was under lock out for 67 days from 4th February 2007 to 11th April 2007 due to labour unrest.

Corporate Communications

Corporate Office
Petrochemicals Township
Vadodara 391 345 India

Website: www.ipcl.co.in

Telephone (+91 265) 3067352
Facsimile (+91 265) 3067333
Wireless (+91 265) 3120684

Media Release

- 6) Pursuant to the adoption of Accounting Standard on Employee Benefits (AS-15) (Revised 2005) issued by the Institute of Chartered Accountants of India, additional liability of Rs. 48 crore (US\$ 11 million) up to 31st March 2006 net of deferred tax of Rs 16 crore (US\$ 4 million) has been adjusted against the opening balance of revenue reserves. The additional charge on account of the above is Rs 24 crore (US\$ 6 million) for the year.
- 7) Provision for current tax includes provision for Fringe Benefit Tax (FBT) of Rs. 0.97 crore (US\$ 0.22 million) for the quarter and Rs. 3.59 crore (US\$ 0.83 million) for the year ended 31st March 2007.
- 8) The Company is a Petrochemicals manufacturing company. All other activities of the company revolve around the main business. As such, there are no separate reportable segments, as defined by AS-17 (Segment Reporting) issued by the Institute of Chartered Accountants of India. The Capital employed as on 31st March 2007 was Rs. 8,542 Crore (US \$ 1,965 million). The Net worth and total assets as on 31st March 2007 was Rs.6,268 crore (US\$ 1,442 million) and Rs. 12,080 crore (US\$ 2,779 million)
- 9) There was no complaint from Investors pending re-dressal as on 1st January 2007. The numbers of complaints received during the quarter ended March 31, 2007 were 937. All complaints were disposed off during the quarter. No complaint was pending on March 31, 2007.
- 10) The Statutory Auditors of the Company have audited the results for the year ended 31st March 2007.
- 11) The above statement has been reviewed by the audit committee and placed before the Board of Directors at the Board meeting held on 30th June 2007 approved the above results and its release.

Corporate Communications

Corporate Office
Petrochemicals Township
Vadodara 391 345 India

Website: www.ipcl.co.in

Telephone (+91 265) 3067352
Facsimile (+91 265) 3067333
Wireless (+91 265) 3120684