



# मद्रास फ़र्टिलाइज़र्स लिमिटेड

## Madras Fertilizers Limited

(भारत सरकार का उपक्रम / A Government of India Undertaking)

पोस्ट बैग सं. 2, मणलि, चेन्नै - 600 068, भारत. दूर : 25941001 / 25941201 (10 लाइनें)  
 Post Bag No. 2, Manali, Chennai - 600 068, INDIA. Tel : 25941001 / 25941201 (10 lines)  
 फ़ैक्स / Fax : कार्मिक / Per. 25941010 सयंत्र / Plant 25940005 विप. / Mktg. 25941862  
 वित्त / Fin. 25943033 ई-मेल / E-mail : mfl@madrasfert.nic.in Website : www.madrasfert.nic.in



**MADRAS FERTILIZERS LIMITED**  
 (A Govt. of India Undertaking)  
 Regd. Office : Manali, Chennai 600 068  
 CIN NO.L32201TN1966GOI005469

Part I		(₹ in lakhs)			
Statement of Unaudited Results for the Quarter ended 30/06/2015.					
Particulars	3 months ended	Preceding 3 months ended	Corresponding 3 months ended in the previous year	Previous year ended	
	(30/06/2015)	(31/03/2015)	(30/06/2014)	(31/03/2015)	(12 months)
	Unaudited	Unaudited	Unaudited	Audited	
<b>1 Income from Operations</b>					
(a) Net Sales/Income from Operations (Net of excise duty)	15559	42900	45767	170187	
(b) Other Operating Income					
<b>Total income from Operations (net)</b>	15559	42900	45767	170187	
<b>2 Expenses</b>					
(a) Cost of Materials consumed	16499	33176	48342	151306	
(b) Purchase of stock-in-trade	207	73	104	521	
(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	(353)	3223	(5274)	675	
(d) Employee benefits expense	2300	2638	2238	9298	
(e) Depreciation and amortisation expense	547	(1419)	1060	1761	
(f) Other Expenses	2390	4771	3048	13453	
<b>Total Expenses</b>	21590	42462	49518	177014	
<b>3 Profit / (Loss) from Operations before Other</b>	(6031)	438	(3751)	(6827)	
<b>4 Other Income</b>	63	1310	140	1755	
<b>5 Profit/ (Loss) from Ordinary activities before</b>	(5968)	1748	(3611)	(5072)	
<b>6 Finance costs</b>	2063	2470	1781	8397	
<b>7 Profit/ (Loss) from Ordinary activities after</b>	(8031)	(722)	(5392)	(13469)	
<b>8 Exceptional Items</b>	-	-	-	-	
<b>9 Profit / (Loss) from Ordinary Activities before tax</b>	(8031)	(722)	(5392)	(13469)	
<b>10 Tax Expense</b>	-	-	-	-	
<b>11 Net Profit / (Loss) from Ordinary Activities after</b>	(8031)	(722)	(5392)	(13469)	
<b>12 Extraordinary Items (net of tax expense)</b>	-	-	-	-	
<b>13 Net Profit / (Loss) for the period (11+12)</b>	(8031)	(722)	(5392)	(13469)	
<b>14 Share of Profit/(Loss) of associates</b>	-	-	-	-	
<b>15 Minority Interest</b>	-	-	-	-	
<b>16 Net Profit / (Loss) after taxes, minority interest</b>	(8031)	(722)	(5392)	(13469)	
<b>17 Paid-up equity share capital (Face Value ₹ 10 per</b>	16110	16110	16110	16110	
<b>18 Reserve excluding Revaluation Reserves as per</b>	-	-	-	(36833)	
<b>19 i Earnings Per Share (before extraordinary items) (of ₹ /- each) (not annualised):</b>					
- (a) Basic	(4.99)	(0.45)	(3.35)	(8.36)	
- (b) Diluted	(4.99)	(0.45)	(3.35)	(8.36)	
<b>19 ii Earnings Per Share (after extraordinary items) (of ₹ /- each) (not annualised):</b>					
- (a) Basic	(4.99)	(0.45)	(3.35)	(8.36)	
- (b) Diluted	(4.99)	(0.45)	(3.35)	(8.36)	

For B. Thiagarajan & Co.,  
 Chartered Accountants  
 F.R.No.004371S

Partner  
 Ram Srinivasan  
 M.No.220112



Dr. J. VIJAYAKUMAR, I.R.S.  
 Chairman & Managing Director  
 MADRAS FERTILIZERS LIMITED  
 Manali, Chennai - 600 068.



# मद्रास फ़र्टिलाइज़र्स लिमिटेड Madras Fertilizers Limited

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Part II				
Statement of Unaudited Results for the Quarter ended 30/06/2015.				
Particulars	3 months ended	Preceding 3 months ended	Corresponding 3 months ended in the previous year	Previous year ended
	(30/06/2015)	(31/03/2015)	(30/06/2014)	(31/03/2015)
	Unaudited	Unaudited	Unaudited	Audited
<b>A PARTICULARS OF SHAREHOLDING</b>				
<b>1. Public Shareholding</b>				
- Number of Shares	23733100	23733100	23733100	23733100
- Percentage of shareholding	14.73	14.73	14.73	14.73
<b>2. Promoters and Promoter Group Share holding</b>				
<b>a) Pledged / Encumbered</b>				
- Number of Shares	Nil	Nil	Nil	Nil
- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	Nil	Nil	Nil	Nil
- Percentage of shares (as a % of the total share capital of the company)	Nil	Nil	Nil	Nil
<b>b) Non-Encumbered</b>				
- Number of Shares	137368200	137368200	137368200	137368200
- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	100	100	100	100
- Percentage of shares (as a % of the total share capital of the company)	85.27	85.27	85.27	85.27

Particulars		3 months ended 30/06/2015
<b>B INVESTOR COMPLAINTS</b>		
Pending at the beginning of the quarter		Nil
Received during the quarter		8
Disposed of during the quarter		8
Remaining unresolved at the end of the quarter		Nil

For B. Thiagarajan & Co.,  
Chartered Accountants  
F.R.No.004371S

Ram Srinivasan  
M.No.220112



Dr. I. VIJAYAKUMAR, I.R.S.  
Chairman & Managing Director  
MADRAS FERTILIZERS LIMITED  
Manali, Chennai - 600 068.

**Note :**

- 1 Ammonia & Urea Plant operations were suspended from April 17, 2015 in view of the GOI policy decision for not extending subsidy for urea production using Naphtha as feedstock. Annual Turnaround Activities and Annual Statutory Boiler Inspection were carried out during the shutdown period. Ammonia and Urea Plants were restarted on June 16, 2015 and June 17, 2015 on receipt of approval of Govt. to produce Urea with Naphtha feedstock.
- 2 Complex Fertilizer Plants were not in line for 69 days due to raw materials and empty bags limitation in addition to maintenance jobs during the quarter.
- 3 Fertilizer manufacture is the only main business segment and trading operations are less than 10% of the total revenue. Further, the Company is engaged in providing and selling its products in single economic environment in India i.e., there is a single geographical segment. Hence, there is no requirement of segment reporting for the Company as per AS 17 (Segment Reporting).
- 4 The Company has incurred loss during the period ending June 30, 2015 and hence the provision for current tax does not arise.
- 5 The draft rehabilitation scheme (DRS) submitted by the Operating Agency to BIFR is presently under the perusal and consideration of GOI. The BIFR hearing scheduled to be held on February 12, 2015 stands postponed and the date for the next hearing is yet to be announced.

By order of the Board

Dr I Vijayakumar  
Chairman & Managing Director

Dr. I. VIJAYAKUMAR, I.R.S.  
Chairman & Managing Director  
MADRAS FERTILIZERS LIMITED  
Manali, Chennai - 600 068.

Date : August 10, 2015

Place : Chennai

For B. Thiagarajan & Co.,  
Chartered Accountants  
F.R.No.0043715

Partner  
Ram Srinivasan  
M.No.220112





**B. THIAGARAJAN & Co.**  
CHARTERED ACCOUNTANTS

**Auditor's Report On Quarterly Financial Results of Madras Fertilizers Limited Pursuant to the Clause 41 of the Listing Agreement**

To

Board of Directors of **Madras Fertilizers Limited**

1. We have audited the quarterly financial results of **Madras Fertilizers Limited** for the quarter ended 30<sup>th</sup> June 2015, attached herewith, being submitted by the company pursuant to the requirement of clause 41 of the Listing Agreement 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. These quarterly financial results have been prepared on the basis of the interim financial statements, which are the responsibility of the company's management. Our responsibility is to express an opinion on these financial results based on our audit of such interim financial statements, which have been prepared in accordance with the recognition and measurement principles laid down in Accounting Standard (AS) 25, Interim Financial Reporting, issued pursuant to the Companies (Accounting Standards) Rules, 2006 as per Section 133 of the Companies Act, 2013 and other accounting principles generally accepted in India.
2. We conducted our audit in accordance with the auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial results are free of material misstatement(s). An audit includes examining, on a test basis, evidence supporting the amounts disclosed as financial results. An audit also includes assessing the accounting principles used and significant estimates made by management. We believe that our audit provides a reasonable basis for our opinion.

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3. The company has not complied with Accounting standard on Revenue Recognition (AS-9) and valuation of inventories (AS-2) issued by the Institute of Chartered Accountants of India, the impact of which is detailed in paragraph (a) to (c) as given below:

- (a) *Subsidy for urea for the period ended June 2015 has been calculated at Rs 26,103/- per MT for the month of April 2015 and at Rs.27,471/- for the month of June 2015 (arrived at as per FICC norms pending receipt of notification) as against the notified price of Rs 42,848/- per MT by FICC. The value of subsidy for the difference between the notified price and adopted price is Rs.59.42 Cr which is reckoned as adjustment to income of the period and adjustments may arise in future on receipt of final fixation/receipt of subsidy amount.*
- (b) *Other Current Assets includes a sum of Rs 92.00 crores (pertaining to previous year ended 31<sup>st</sup> March 2015) towards additional compensation under Nutrient Based Subsidy (NBS) for producing P&K fertilizers which has been considered as receivable from Department of Fertilizers (DOF). As the proposal to extend the scheme for additional compensation is still under consideration by DOF as at the period end, in our opinion, the above sum of Rs 92.00crores is not recoverable and has the effect of understatement of accumulated losses for the quarter ended 30<sup>th</sup> June 2015 and Other Current Assets as at 30<sup>th</sup> June 2015 to that extent.*
- (c) *As per the Significant Accounting policies of the Company regarding valuation of Inventories, Ammonia is valued at cost which is not in accordance with Accounting Standard - 2 (Valuation of Inventories) which requires inventory to be valued at lower of cost or Net Realizable value (NRV).*

The effect of Para 3 (a) and (c) on the accounts is not ascertainable.

Para 3 (b) above has the effect of understatement of accumulated losses for the period ended 30<sup>th</sup> June 2015 by Rs 92.00 crores, and overstatement of other current Assets to the same extent.



Subject to our comments in Para 3, in our opinion and to the best of our information and according to the explanations given to us these quarterly financial results:

- (i) Are presented in accordance with the requirements of clause 41 of the Listing Agreement in this regard; and
  - (ii) Give a true and fair view of the net profit and other financial information for the quarter ended *30<sup>th</sup> June 2015*.
4. Further, we also report that we have, on the basis of the books of account and other records and information and explanations given to us by the management, also verified the number of shares as well as percentage of shareholdings in respect of aggregate amount of public shareholdings, as furnished by the company in terms of clause 35 of the Listing Agreement and found the same to be correct.



Place: Chennai

Date: *10 - Aug - 15*

For B Thiagarajan & Co.  
Chartered Accountants  
Firm Regn No. 004371S

Ram Srinivasan  
Partner  
M No. 220112