



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 संयंत्र / Plant 25940005 विप. / Mktg. 25941862
विच / Fin. 25943033 ई-मेल / E-mail : mfl@madrasfert.nic.in Website : www.madrasfert.nic.in



CIN - L32201TN1966GOI005469

MADRAS FERTILIZERS LIMITED, MANALI, CHENNAI 600068

| Part I | | | | | | | (₹ in lakhs) |
|--|----------------|--------------------------|---|---|--|-----------------------------|--------------|
| Statement of Unaudited Results for the Quarter ended 30/09/2014. | | | | | | | |
| Particulars | 3 months ended | Preceding 3 months ended | Corresponding 3 months ended in the previous year | Year to date figures for Current period ended | Year to date figures for the previous year ended | Previous year ended | |
| | (30/09/2014) | (30/06/2014) | (30/09/2013) | (30/09/2014) (6 months) | (30/09/2013) (6 months) | (31/03/2014) (12 months) | |
| | Unaudited | Unaudited | Unaudited | Unaudited | Unaudited | Audited | |
| 1 Income from Operations | | | | | | | |
| (a) Net Sales/Income from Operations (Net of excise duty) | 69521 | 45767 | 65908 | 115288 | 132300 | 259347 | |
| (b) Other Operating Income | | | | | | | |
| Total income from Operations (net) | 69521 | 45767 | 65908 | 115288 | 132300 | 259347 | |
| 2 Expenses | | | | | | | |
| (a) Cost of Materials consumed | 56413 | 48342 | 52695 | 104755 | 106922 | 208206 | |
| (b) Purchase of stock-in-trade | 208 | 104 | 413 | 312 | 499 | 678 | |
| (c) Changes in inventories of finished goods, work-in-progress and stock-in-trade | 1592 | (5274) | 3244 | (3682) | 2622 | 5949 | |
| (d) Employee benefits expense | 2249 | 2238 | 2251 | 4487 | 4376 | 8793 | |
| (e) Depreciation and amortisation expense | 1060 | 1060 | 1043 | 2120 | 2086 | 4241 | |
| (f) Other Expenses | 3673 | 3048 | 2971 | 6721 | 6465 | 13871 | |
| Total Expenses | 65195 | 49518 | 62617 | 114713 | 122970 | 241738 | |
| 3 Profit / (Loss) from Operations before Other Income, finance costs and Exceptional Items (1-2) | 4326 | (3751) | 3291 | 575 | 9330 | 17609 | |
| 4 Other Income | 124 | 140 | 277 | 264 | 735 | 1250 | |
| 5 Profit/ (Loss) from Ordinary activities before finance costs and exceptional items (3+4) | 4450 | (3611) | 3568 | 839 | 10065 | 18859 | |
| 6 Finance costs | 2089 | 1781 | 1851 | 3870 | 3724 | 8279 | |
| 7 Profit/ (Loss) from Ordinary activities after finance costs but before exceptional items (5+6) | 2361 | (5392) | 1717 | (3031) | 6341 | 10580 | |
| 8 Exceptional Items | - | - | - | - | - | - | |
| 9 Profit / (Loss) from Ordinary Activities before tax (7 + 8) | 2361 | (5392) | 1717 | (3031) | 6341 | 10580 | |
| 10 Tax Expense | - | - | - | - | - | 576 | |
| 11 Net Profit / (Loss) from Ordinary Activities after tax (9 - 10) | 2361 | (5392) | 1717 | (3031) | 6341 | 10004 | |
| 12 Extraordinary Items (net of tax expense) | | | | | | | |
| 13 Net Profit / (Loss) for the period (11+12) | 2361 | (5392) | 1717 | (3031) | 6341 | 10004 | |
| 14 Share of Profit/(Loss) of associates | - | - | - | - | - | - | |
| 15 Minority Interest | - | - | - | - | - | - | |
| 16 Net Profit / (Loss) after taxes, minority interest and share of profit / (Loss) of associates (13+14+15) | 2361 | (5392) | 1717 | (3031) | 6341 | 10004 | |
| 17 Paid-up equity share capital (Face Value ₹ 10 per Share) | 16110 | 16110 | 16110 | 16110 | 16110 | 16110 | |
| 18 Reserve excluding Revaluation Reserves as per balance sheet of previous accounting year | | | | | | (36833) | |
| 19 i Earnings Per Share (before extraordinary items) (of ₹ /- each) (not annualised): | | | | | | | |
| - (a) Basic | 1.47 | (3.35) | 1.07 | (1.88) | 3.94 | 6.21 | |
| - (b) Diluted | 1.47 | (3.35) | 1.07 | (1.88) | 3.94 | 6.21 | |
| 19 ii Earnings Per Share (after extraordinary items) (of ₹ /- each) (not annualised): | | | | | | | |
| - (a) Basic | 1.47 | (3.35) | 1.07 | (1.88) | 3.94 | 6.21 | |
| - (b) Diluted | 1.47 | (3.35) | 1.07 | (1.88) | 3.94 | 6.21 | |

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



Partner
Ram Srinivasan
M.No.220112

11/11/2014

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



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| Part II | | | | | | |
|--|----------------|--------------------------|---|---|--|-----------------------------|
| Select Information for the Quarter and Year Ended 30/09/2014. | | | | | | |
| Particulars | 3 months ended | Preceding 3 months ended | Corresponding 3 months ended in the previous year | Year to date figures for Current period ended | Year to date figures for the previous year ended | Previous year ended |
| | (30/09/2014) | (30/06/2014) | (30/09/2013) | (30/09/2014) (6 months) | (30/09/2013) (6 months) | (31/03/2014) (12 months) |
| | Unaudited | Unaudited | Unaudited | Unaudited | Unaudited | Audited |
| A PARTICULARS OF SHAREHOLDING | | | | | | |
| 1. Public Shareholding | | | | | | |
| - Number of Shares | 23733100 | 23733100 | 23733100 | 23733100 | 23733100 | 23733100 |
| - Percentage of shareholding | 14.73 | 14.73 | 14.73 | 14.73 | 14.73 | 14.73 |
| 2. Promoters and Promoter Group Share holding | | | | | | |
| a) Pledged / Encumbered | | | | | | |
| - Number of Shares | Nil | Nil | Nil | Nil | Nil | Nil |
| - Percentage of shares (as a % of the total shareholding of promoter and promoter group) | Nil | Nil | Nil | Nil | Nil | Nil |
| - Percentage of shares (as a % of the total share capital of the company) | Nil | Nil | Nil | Nil | Nil | Nil |
| b) Non-Encumbered | | | | | | |
| - Number of Shares | 137368200 | 137368200 | 137368200 | 137368200 | 137368200 | 137368200 |
| - Percentage of shares (as a % of the total shareholding of promoter and promoter group) | 100 | 100 | 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 | 85.27 | 85.27 |
| B INVESTOR COMPLAINTS | | | | | | |
| Pending at the beginning of the quarter | | | | Nil | | |
| Received during the quarter | | | | 10 | | |
| Disposed of during the quarter | | | | 10 | | |
| Remaining unresolved at the end of the quarter | | | | Nil | | |

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

Ram Srinivasan
Partner
Ram Srinivasan
M.No.220112

11/11/2014

Dr. J. VIJAYAKUMAR, I.R.S.
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| (₹ in lakhs) | | |
|--|-----------------------------------|---|
| Statement of Assets and Liabilities | | |
| Particulars | As at Quarter end (30/09/2014) | As at previous year end (31/03/2014) |
| A EQUITY AND LIABILITIES | | |
| 1 Shareholders' funds | | |
| (a) Share Capital | 16214 | 16214 |
| (b) Reserves and Surplus | (39864) | (36833) |
| (c) Money received against share warrants | - | - |
| Sub-total - Shareholders' fund | (23650) | (20619) |
| 2 Share application money pending allotment | - | - |
| 3 Minority interest | - | - |
| 4 Non-current liabilities | | |
| (a) Long-term borrowings | 22314 | 22922 |
| (b) Deferred tax liabilities (net) | - | - |
| (c) Other long-term liabilities | - | - |
| (d) Long-term provisions | 1803 | 1803 |
| Sub-total - Non-current liabilities | 24117 | 24725 |
| 5 Current liabilities | | |
| (a) Short-term borrowings | 26694 | 23566 |
| (b) Trade payables | 25065 | 69006 |
| (c) Other current liabilities | 77590 | 76314 |
| (d) Short-term provisions | 870 | 564 |
| Sub-total - Current liabilities | 130219 | 169451 |
| TOTAL - EQUITY AND LIABILITIES | 130686 | 173557 |
| B ASSETS | | |
| 1 Non-current assets | | |
| (a) Fixed assets | 19740 | 21351 |
| (b) Goodwill on consolidation | - | - |
| (c) Non-current investments | 40 | 40 |
| (d) Deferred tax assets (net) | - | - |
| (e) Long-term loans and advances | 1972 | 1456 |
| (f) Other non-current assets | - | - |
| Sub-total - Non-current assets | 21751 | 22847 |
| 2 Current assets | | |
| (a) Current investments | - | - |
| (b) Inventories | 27272 | 22370 |
| (c) Trade receivables | 263 | 9 |
| (d) Cash and cash equivalents | 2296 | 2276 |
| (e) Short-term loans and advances | 936 | 1264 |
| (f) Other current assets | 78168 | 124791 |
| Sub-total - Current assets | 108935 | 150710 |
| TOTAL - ASSETS | 130686 | 173557 |

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.

Note :

- 1 Urea Plant was shut down for 2 days during the quarter on account of power failure and K111 HP CO2 Compressor maintenance jobs.
- 2 Complex Fertilizer Plants were shut down for around 24 days during the quarter on account of raw materials and empty bags limitation in addition to analysis correction, equipment cleaning & other maintenance jobs.
- 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 In view of the loss during the half yearly period, provision for current tax is not considered necessary. Also, as a prudent policy no deferred tax asset has been recognized per AS 22 (Accounting for Taxes on Income).
- 5 BIFR at its hearing held on 18.09.2013 directed the Company and Govt. of India to expedite revival of the Company within a period of three months. Next hearing, earlier scheduled on 13.01.2014, 19.03.2014, 16.06.2014 & 14.08.2014 has been postponed and the revised date of hearing is yet to be announced.
- 6 The unaudited results have been subjected to Limited Review by Statutory Auditors.



Date : November 11, 2014
Place : Chennai

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

Ram Srinivasan
Partner
Ram Srinivasan
M.No.220112
11/11/2014

By order of Board

Dr. I. Vijayakumar
Chairman & Managing Director

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



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 30th September 2014, 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 211(3C) of the Companies Act, 1956 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 September 2014 has been calculated at Rs 49,118/- per MT (arrived at as per FICC norms pending receipt of notification) as against the notified price of Rs 47,978/- per MT by FICC. The value of subsidy for the difference between the notified price and adopted price is Rs. 24.51 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 68.20 crores 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 68.20 crores is not recoverable and has the effect of understatement of accumulated losses for the quarter ended 30th September 2014 and Other Current Assets as at 30th September 2014 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 and Para 3 (b) above has the effect of understatement of accumulated losses for the period ended 30th September 2014 by Rs 68.20 crores, and overstatement of other current Assets to the same extent.



4. 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 *30th September 2014*.
5. 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.

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



Place: Chennai
Date: 11.11.2014


Ram Srinivasan
Partner
M No. 220112