



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)
फैक्स / Fax : कार्मिक / Per. 25941010 संपत्र / Plant 25940005 विप. / Mktg. 25941862
वित्त / Fin. 25943033 ई-मेल / E-mail : mfl@madrasfert.nic.in Website : www.madrasfert.nic.in



CIN - L32201TN1966GOI005469

CS/NSE/2014/634

Nov 11, 2014

Mr K Hari
Asst Vice President
National Stock Exchange of India Ltd
Plot No.C/I "G" Block
Bandra Kurla Complex
Bandra (E)
Mumbai - 400 051

Fax No : 22 - 26598237 / 38
Email : cm1ist@nse.co.in

Dear Sir,

**Sub: Unaudited Financial Results for the period ending September 30, 2014
and Limited Review Report**

Pursuant to the Listing Agreement, we enclose herewith a copy of Unaudited Financial Results for the period ended September 30, 2014 and Auditor's Certificate of Limited Review of the Unaudited Financial Results of the Company for the above period for your information and records.

Very truly yours

V. Muralidharan
11/11/2014

V Muralidharan
Company Secretary

Encl: a.a.



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CIN - L32201TN1966GOI005469

MADRAS FERTILIZERS LIMITED, MANALI, CHENNAI 600068

Part I						
Statement of Unaudited Results for the Quarter ended 30/09/2014.						
(₹ in lakhs)						
Particulars	3 months ended (30/09/2014)	Preceding 3 months ended (30/06/2014)	Corresponding 3 months ended in the previous year (30/09/2013)	Year to date figures for Current period ended (30/09/2014) (6 months)	Year to date figures for the previous year ended (30/09/2013) (6 months)	Previous year ended (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. V. 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 (30/09/2014)	Preceding 3 months ended (30/06/2014)	Corresponding 3 months ended in the previous year (30/09/2013)	Year to date figures for Current period ended (30/09/2014) (6 months)	Year to date figures for the previous year ended (30/09/2013) (6 months)	Previous year ended (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
11/11/2014
Ram Srinivasan
M.No.220112



Dr. J. VIJAYAKUMAR, I.R.S.
Chairman & Managing Director
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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