Mangalore Chemicals
& Fertilizers Limited

MCFL/SE/2018

February 9, 2018

The Asst. Vice President,
National Stock Exchange of India Limited
Exchange Plaza, C-1, Block G,
Bandra Kurla Complex,
Bandra (E)
MUMBAI - 400 051

Department of Corporate Services - CRD
BSE Limited,
Floor 25, Phiroze Jeejeebhoy Towers,
Dalal Street
MUMBAI - 400 001

Dear Sir,

Sub: Outcome of the Board Meeting under Regulation 30 of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015

With reference to the subject mentioned above, we hereby write to inform you that the Board of Directors of the Company in its meeting held today, February 9, 2018, inter alia, has considered and approved the unaudited financial results of the Company for the quarter and nine months ended December 31, 2017 as recommended by the Audit Committee at its meeting held today, February 9, 2018.

We attach herewith copy of the unaudited financial results for the quarter and nine months ended December 31, 2017 along with the Limited Review Report of the Statutory Auditors.

Thanking you,

Yours faithfully,
for Mangalore Chemicals and Fertilizers Limited

Vijayamahantesh V. Khannur
Company Secretary

Mangalore Chemicals & Fertilizers Limited

MANGALORE CHEMICALS AND FERTILISERS LIMITED

Registered Office : Level 11, UB Tower, UB City, 24, Vittal Mallya Road, Bengaluru - 560 001
Phone: 080-39855599, Fax: 080-39855588 CIN: L24123KA1966PLC0002036
Email: shares@mangalorechemicals.com Website: www.mangalorechemicals.com

STATEMENT OF STANDALONE UNAUDITED RESULTS FOR THE QUARTER AND NINE MONTHS PERIOD ENDED DECEMBER 31, 2017

(Rupees in lakhs)

PART I

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 previous period ended	Previous year ended
	31.12.2017	30.09.2017	31.12.2016	**31.12.2017**	31.12.2016	31.03.2017
	Unaudited	Unaudited	Unaudited	**Unaudited**	Unaudited	Audited
1 INCOME						
(a) Revenue from operations (gross of excise duty)	**66,810.66**	80,610.71	55,044.39	**206,719.00**	195,767.08	250,359.68
(b) Other income	**103.79**	144.42	33.39	**295.11**	104.44	826.80
Total income	**66,914.45**	80,755.13	55,077.78	**207,014.11**	195,871.52	251,186.48
2 EXPENSES						
(a) Cost of materials consumed	**33,579.87**	29,168.43	27,458.67	**93,173.05**	85,384.86	111,331.89
(b) Purchases of stock-in-trade	**16,947.93**	6,178.91	11,559.55	**60,750.55**	62,621.78	68,638.78
(c) Change in inventories of finished goods, work-in-progress and stock-in-trade	**(4,990.20)**	24,173.33	(2,766.95)	**(6,832.95)**	(6,876.71)	(721.77)
(d) Excise duty on sale of goods	**-**	-	346.65	**397.15**	1,110.00	1,466.90
(e) Employee benefits expense	**1,828.98**	1,850.45	1,705.18	**5,356.13**	5,016.58	6,873.03
(f) Finance costs	**1,751.57**	2,204.65	3,157.08	**6,256.54**	10,021.12	11,148.14
(g) Depreciation and amortisation expense	**1,078.53**	902.68	875.19	**2,867.81**	2,603.41	3,526.65
(h) Power, fuel and water	**6,212.39**	4,836.00	5,109.56	**16,129.30**	13,705.25	17,966.62
(i) Outward freight	**5,407.87**	6,045.13	4,964.88	**15,627.05**	14,381.39	18,253.71
(j) Other expenses	**1,603.55**	2,285.17	1,456.33	**7,092.18**	5,660.51	9,690.61
Total expenses	**63,420.49**	77,644.75	53,866.14	**200,816.81**	193,628.19	248,174.56
3 Profit before tax (1-2)	**3,493.96**	3,110.38	1,211.64	**6,197.30**	2,243.33	3,011.92
4 Tax expense / (credit)						
(a) Current tax						
MAT	**692.55**	617.45	284.00	**1,310.00**	495.00	680.00
MAT credit entitlement	**(692.55)**	(617.45)	(284.00)	**(1,310.00)**	(495.00)	(680.00)
(b) Deferred tax charge	**1,199.62**	1,058.01	437.94	**2,169.53**	770.55	1,070.45
Total tax expense	**1,199.62**	1,058.01	437.94	**2,169.53**	770.55	1,070.45
5 Net Profit from the period / year (3-4)	**2,294.34**	2,052.37	773.70	**4,027.77**	1,472.78	1,941.47
6 Other comprehensive income/(expense)						
Items that will not be reclassified to profit or loss in subsequent periods						
Re-measurement gains/(losses) on defined benefit plan	**(29.93)**	(63.89)	(42.15)	**(89.80)**	(156.61)	16.27
Income tax effect on above	**10.36**	22.11	14.59	**31.08**	54.20	(5.63)
Total other comprehensive income/(expense)	**(19.57)**	(41.78)	(27.56)	**(58.72)**	(102.41)	10.64
7 Total comprehensive income (5+6)	**2,274.77**	2,010.59	746.14	**3,969.05**	1,370.37	1,952.11
8 Paid-up equity share capital (Face value of Rs. 10 per share)	**11,854.87**	11,854.87	11,854.87	**11,854.87**	11,854.87	11,854.87
9 Other equity (excluding revaluation reserve) as per balance sheet of previous accounting year						24,476.72
10 Earnings per equity share (of Rs. 10/- each) (not annualised):						
(a) Basic (in Rs.)	**1.94**	1.73	0.65	**3.40**	1.24	1.64
(b) Diluted (in Rs.)	**1.94**	1.73	0.65	**3.40**	1.24	1.64

Notes:

1. The financial results for the quarter ended December 31, 2017 and year to date from April 1, 2017 to December 31, 2017 of Mangalore Chemicals and Fertilisers Limited ("the Company") have been reviewed by the Audit Committee and approved by the Board of Directors at its meetings held on February 9, 2018 and have been subjected to limited review by the statutory auditors of the Company.

2. The financial results have been prepared in accordance with the recognition and measurement principles laid down in the applicable Indian Accounting Standards ("Ind AS") prescribed under Section 133 of the Companies Act, 2013, read with relevant rules thereunder and in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and SEBI Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016.

3. The Company is engaged in the manufacture and sale of fertilisers which constitutes a single operating segment.

4. The urea concession has been estimated and accounted as per the Government of India notification dated June 17, 2015.

   The subsidy on phosphatic and complex fertilisers has been accounted based on the rates announced by the Government of India under Nutrient Based Subsidy Policy, from time to time.

5. The Company had engaged an independent firm to carry out forensic review of certain transactions relating to investment in preference shares of Bangalore Beverages Limited and advances to United Breweries (Holdings) Limited, which indicated that these transactions may have involved irregularities. These investment and advances aggregating to Rs. 21,668.20 Lakhs were fully provided for during the year ended March 31, 2016.

   Zuari Fertilisers and Chemicals Limited, the holding company (now merged with Zuari Agro Chemicals Limited) had filed a petition before the National Company Law Tribunal, Bengaluru ("NCLT") to claim accountability of erstwhile promoter group for the aforesaid irregularities. The matter is currently pending before the NCLT.

6. Revenue from operations for the quarters ended December 31, 2017 and September 30, 2017 are not comparable with previous periods, since revenue in these quarters are net of Goods and Service Tax (GST) whereas Excise duty formed part of expenses in previous periods / year.

7. The previous period/year's figures have been regrouped where necessary to confirm to this period's classification.

For and on behalf of the Board of Directors



N Suresh Krishnan
Managing Director

Place : Gurugram
Date : February 9, 2018

S.R. BATLIBOI & CO. LLP
Chartered Accountants

3rd & 6th Floor, Worldmark - 1
IGI Airport Hospitality District
Aerocity New Delhi - 110 037, India
Tel : +91 11 6671 8000
Fax : +91 11 6671 9999

Limited Review Report

Review Report to
The Board of Directors
Mangalore Chemicals and Fertilisers Limited

1. We have reviewed the accompanying statement of unaudited financial results of Mangalore Chemicals and Fertilisers Limited ("the Company") for the quarter ended December 31, 2017 and year to date from April 1, 2017 to December 31, 2017 ("the Statement") attached herewith, being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, read with SEBI Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016.

2. The preparation of the Statement, in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34, Interim Financial Reporting (Ind AS 34) prescribed under Section 133 of the Companies Act, 2013 read with Rule 3 of Companies (Indian Accounting Standards) Rules, 2015 and read with SEBI Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016, is the responsibility of the Company's management and has been approved by the Board of Directors of the Company. Our responsibility is to express a conclusion on the Statement based on our review.

3. We conducted our review in accordance with the Standard on Review Engagements (SRE) 2410, Review of Interim Financial Information Performed by the Independent Auditor of the Entity issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.

4. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in the applicable Indian Accounting Standards ("Ind AS") prescribed under Section 133 of the Companies Act, 2013, read with relevant rules thereunder and other recognised accounting practices and policies, has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, read with SEBI Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016, including the manner in which it is to be disclosed, or that it contains any material misstatement.

5. The comparative Ind AS financial information of the Company for the corresponding quarter ended December 31, 2016 and the year to date from April 1, 2016 to December 31, 2016 were reviewed by the predecessor auditor who expressed an unmodified conclusion on those financial information on January 28, 2017. Also, the Ind AS financial statements of the Company for the year ended March 31, 2017, was audited by predecessor auditor who expressed an unmodified opinion on those financial information on May 18, 2017.

For S.R. Batliboi & Co. LLP
ICAI Firm registration number: 301003E/E300005
Chartered Accountants

per Anil Gupta
Partner
Membership No.: 87921

Place : New Delhi
Date : February 9, 2018

S.R. BATLIBOI & CO. LLP * NEW DELHI *