

Registered Office :
Nagarjuna Hills,
Hyderabad - 500 082. INDIA
Phones : 23357200, 23357204
23357589, 23356859
Fax : (91-40)23354788
Website: www.nagarjunafertilizers.com
CIN - L24129AP2006PLC076238



December 2, 2016

The Manager
Listing Department
National Stock Exchange of India Ltd.
Exchange Plaza, Plot No.C-1, Block 'G'
Bandra – Kurla Complex
Bandra (E)
Mumbai - 400 051

Dear Sir,

Scrip Code : NAGAFERT

The Board of Directors of the Company met today to consider the Un-audited Financial Results for the quarter / half-year ended September 30, 2016 in accordance with Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The Limited Reviewed Report consisting of Un-audited Financial Results for the quarter / half-year ended September 30, 2016 accompanied by the Limited Review Report of M/s. M Bhaskara Rao & Co., Chartered Accountants, Hyderabad, the Statutory Auditors of the Company, are enclosed.

Thanking you,

Yours faithfully,
for Nagarjuna Fertilizers and Chemicals Limited

M Ramakanth
Sr. Vice President – Legal & Company Secretary

Statement of Unaudited Standalone Financial Results for the Quarter / Half Year Ended September 30, 2016

SI No	PARTICULARS	Quarter ended				Half year ended		₹ in Lakhs
		30-09-2016 (Unaudited)	30-06-2016 (Unaudited)	30-09-2015 (Unaudited)	30-09-2016 (Unaudited)	30-09-2015 (Unaudited)	30-09-2015 (Unaudited)	
1	Income from operations a) Sales / Income from operations b) Other Operating Income	1,10,691.63 107.89	64,056.72 22.64	1,17,556.11 60.20	1,74,748.35 130.53		1,83,354.83 158.82	
	Total income from operations	1,10,799.52	64,079.36	1,17,616.31	1,74,878.88		1,83,513.65	
2	Expenses a) Cost of materials consumed b) Purchase of Traded Products c) (Increase) / Decrease in Stock d) Power and Fuel e) Employee Benefits Expense f) Depreciation and Amortization g) Other Expenses	31,198.23 26,266.65 3,620.50 22,538.93 3,828.78 2,221.48 14,988.84	24,303.53 7,535.58 (3,917.14) 17,618.17 3,599.77 2,289.76 9,691.60	34,632.95 31,594.63 (2,808.00) 28,020.69 3,481.72 2,298.21 17,012.60	55,501.76 33,802.23 (296.64) 40,157.10 7,428.55 4,511.24 24,680.44		51,742.90 47,321.92 (3,831.11) 41,178.06 6,925.42 4,569.28 30,326.53	
	Total expenses	1,04,663.41	61,121.27	1,14,232.80	1,65,784.68		1,78,233.00	
3	Profit / (Loss) from operations before other income, finance cost and exceptional Items (1-2)	6,136.11	2,958.09	3,383.51	9,094.20		5,280.65	
4	Other Income	466.26	583.02	539.45	1,049.28		828.84	
5	Profit / (Loss) from ordinary activities before finance cost and exceptional Items (3+4)	6,602.37	3,541.11	3,922.96	10,143.48		6,109.49	
6	Finance cost	7,795.90	9,296.05	7,691.38	17,091.95		15,186.51	
7	Profit / (Loss) from ordinary activities after finance cost but before exceptional Items (5- 6)	(1,193.53)	(5,754.94)	(3,768.42)	(6,948.47)		(9,077.02)	
8	Exceptional Items	-	-	-	-		-	
9	Profit / (Loss) from ordinary activities before Tax (7-8)	(1,193.53)	(5,754.94)	(3,768.42)	(6,948.47)		(9,077.02)	
10	Tax Expense / (Credit) (net)	16.23	(2,021.86)	(2,491.58)	(2,005.63)		(2,993.71)	
11	Net Profit / (Loss) from ordinary activities after Tax (9-10)	(1,209.76)	(3,733.08)	(1,276.84)	(4,942.84)		(6,083.31)	
12	Other Comprehensive Income (net of tax)	-	-	-	-		-	
13	Total Comprehensive Income (11+12)	(1,209.76)	(3,733.08)	(1,276.84)	(4,942.84)		(6,083.31)	
14	Paid-up Equity Share Capital (Face Value of ₹ 1/- per share)	5,980.65	5,980.65	5,980.65	5,980.65		5,980.65	
15	Earning Per Share (of ₹ 1/- each) (not annualised) - Basic and Diluted	(0.20)	(0.62)	(0.21)	(0.83)		(1.02)	

Standalone Statement of Assets and Liabilities

₹ in Lakhs		As At September 30, 2016 (Un-Audited)
I. ASSETS		
1. Non-Current Assets		
(a) Property, Plant and Equipment		2,67,046.29
(b) Capital work-in-progress		963.36
(c) Other Intangible Assets		2,258.55
(d) Financial Assets		
(i) Investments		1,803.29
(ii) Loans and Advances		2,193.20
(e) Other Non-Current Assets		56.58
		2,74,321.27
2. Current Assets		
(a) Inventories		23,471.59
(b) Financial Assets		
(i) Trade Receivables		1,32,070.49
(ii) Cash and Cash Equivalents		7,519.03
(iii) Loans and Advances		1,385.12
(iv) Other Financial assets		552.95
(c) Current Tax Assets (Net)		490.28
(d) Other Current Assets		3,910.12
		1,69,399.58
Total Assets		4,43,720.85
II. EQUITY AND LIABILITIES		
Equity		
(a) Equity Share Capital		5,980.65
(b) Other Equity		1,10,488.64
		1,16,469.29
Liabilities		
1. Non-Current Liabilities		
(a) Financial Liabilities		
(i) Borrowings		64,859.91
(ii) Others		7,689.88
(b) Provisions		607.00
(c) Deferred Tax Liabilities (Net)		39,114.72
(d) Government grants		2,233.83
		1,14,505.34
2. Current Liabilities		
(a) Financial Liabilities		
(i) Borrowings		96,132.83
(ii) Trade Payables		
(A) Micro, Small, Medium Enterprises (MSMEs)		-
(B) Other than MSMEs		1,00,446.88
(iii) Other Financial Liabilities		14,291.02
(b) Other Current Liabilities		1,531.82
(c) Government grants		343.67
		2,12,746.22
Total Equity and Liabilities		4,43,720.85

Notes:

1) The above results were reviewed by the Audit Committee and approved by the Board of Directors at their respective meetings held on December 2, 2016. The Standalone financial statements are prepared in accordance with the Indian Accounting Standards (Ind-AS) as prescribed under Section 133 of the Companies Act, 2013 read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016 and Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as modified by circular no CIR/CFD/FAC/62/2016 dt. July 05, 2016.

2) On account of transition from the previous Indian Generally Accepted Accounting Principles (IGAAP) to Ind AS, the reconciliation of Statement of Profit and Loss and Other Comprehensive Income is as follows:

Particulars	₹ in Lakhs	
	Quarter ended	Half Year ended
	30-09-2015	30-09-2015
Net Profit / (Loss) under Previous GAAP (After Tax)	(1,829.38)	(7,128.94)
Government grant - Reclassification of Deferred Sales Tax Loan	85.92	171.83
Deferred tax adjustments	466.62	873.80
Net Profit / (Loss) under Ind AS (After Tax)	(1,276.84)	(6,083.31)
Other Comprehensive Income	-	-
Total Comprehensive Income under Ind AS	(1,276.84)	(6,083.31)

3) The Statutory Auditors have carried out Limited Review of above financial results for the quarter / half year ended September 30, 2016. The financial results for the quarter / half year ended September 30, 2015, and the reconciliation thereof, presented under the Ind AS format in the above statements have not been reviewed by the Auditors and are presented based on the information compiled by the management after making the necessary adjustments to give a true and fair view of the results in accordance with Ind AS.

4) The financial results comprise the combined operations of the Company relating to Fertilizer, Micro Irrigation, Agri Services and Wind Energy generation businesses. The financial results of Micro Irrigation, Wind Energy and Agri Services being below the reportable thresholds, and since they do not have similar economic characteristics and do not share any of the aggregation criteria, are neither disclosed as separate segments nor are combined as "all other segments" for the purposes of disclosures under Ind AS 108 - Operating Segments.

5) Tax Expense for the current quarter under report comprises current tax / deferred tax.

6) In relation to contracts for supply of fertilisers, Arbitration awards have been passed against the Company in September 2016 amounting to USD 1,43,98,188 and GBP 690,630 and interest as applicable and its impact thereof has not been considered in the accounts for the quarter / half year ended September 30, 2016. The extant contingent liability in respect thereof was disclosed in the financial statements for the year ended March 31, 2016. The Company is taking necessary steps to contest the awards.

7) Government of India announced New Urea Policy (NUP)-2015 and Gas Pooling Policy for Fertilizer(Urea) Sector which is effective from June 1, 2015. Income from urea operations including Reimbursement claims for additional fixed cost, Input escalation / de-escalation and freight subsidy have been accounted for during the quarter in accordance with the said policies.

Adjustments, if any, required will be considered on notification of final prices.

8) There is a possibility that these quarterly results may require adjustment before constituting the final Ind AS financial statements as of and for the year ending March 31, 2017 due to changes in financial reporting requirements arising from new or revised standards or interpretations issued by MCA or changes in the use of one or more optional exemptions from full retrospective application of certain Ind AS as permitted under Ind AS 101.

9) The figures for the corresponding previous periods have been restated / regrouped, wherever necessary, to make them comparable.



K. RAHUL RAJU
MANAGING DIRECTOR

**Independent Auditors' Report on Limited Review of the Interim Financial Results
To The Board of Directors
NAGARJUNA FERTILIZERS AND CHEMICALS LIMITED**

1. We have reviewed the accompanying Statement of standalone unaudited financial results of NAGARJUNA FERTILIZERS AND CHEMICALS LIMITED ("the Company") for the Quarter/Half year ended September 30, 2016 ("the statement"), being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as modified by the Circular No. CIR/CFD/FAC/62/2016 dated July 05, 2016. This statement which is the responsibility of the Company's management and has been approved by its Board of Directors, has been prepared 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 the relevant Rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to issue a report on the statement, based on our review.
2. We conducted our review of the said Statement 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 from material misstatements. A review is limited primarily to inquiries of Company's 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.

3. Emphasis of Matter

Attention is invited to following Notes to the Statement:

- a) Note 6 regarding Arbitration awards passed against the Company for USD 143,98,188 and GBP 690630, the impact of which has not been recognised in the Financial Statements, since the Company is taking necessary steps to contest the same as stated in the said note;
- b) Note 7 regarding Income from urea operations including reimbursement claims for additional fixed cost, input escalation/de-escalation and freight subsidy being accounted as per New Urea Policy 2015, pending notification of final prices and consequential adjustments, if any that may arise.

Our conclusion herein is not modified in respect of above matters.



4. Based on our review as conducted as above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the aforesaid Indian Accounting Standards and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as modified by the Circular No. CIR/CFD/FAC/62/2016 dated July 05, 2016, including the manner in which it is to be disclosed, or that it contains any material misstatement.
5. We have not reviewed the financial results and other financial information for the quarter /half year ended September 30, 2015 presented in the Statement under report, which have been presented solely based on the financial information compiled by the Management.

for M. Bhaskara Rao & Co.

Chartered Accountants

Firm Registration No.000459S



D. Bapu Raghavendra

Partner

Membership No: 213274

Hyderabad, December 02, 2016