



November 12, 2013

To,

National Stock Exchange of India Ltd.
Exchange Plaza,
Plot no. C/1, G Block,
Bandra-Kurla Complex
Bandra (E)
Mumbai - 400 051.

Dear Sir,

Sub: Unaudited financial results and Limited Review Report

The Board at its meeting held on November 12 2013, has approved the unaudited financial results for the quarter ended 30th September 2013. A copy of the approved results and the Limited Review Report is enclosed herewith.

This is in compliance with clause 41 of the Listing Agreement.

Thanking You,

For ZUARI AGRO CHEMICALS LIMITED

A handwritten signature in black ink, appearing to be 'R.Y. Patil'.

R.Y. Patil
Chief General Manager
& Company Secretary

ZUARI AGRO CHEMICALS LIMITED
(Formerly known as Zuari Holdings Limited)

Registered Office : Jai kisaan Bhawan, Zuarinagar, Goa - 403 726, India.

Telephone : (0832) 2592180, 2592181

FAX : (0832) 2555279

Limited Review Report

**Review Report to
The Board of Directors
Zuari Agro Chemicals Limited**

1. We have reviewed the accompanying statement of unaudited financial results of Zuari Agro Chemicals Limited ('the Company') for the quarter ended September 30, 2013 (the "Statement"), 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 reviewed by us. This Statement is the responsibility of the Company's management and has been approved by the Board of Directors. Our responsibility is to issue a report on the Statement based on our review.
2. We conducted our review in accordance with the Standard on Review Engagement (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 provide less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.
3. Without qualifying our conclusion, we draw attention that the Company has invested in equity shares of Rs. 1,417.60 lacs and receivable of Rs. 2249.48 lacs by way of loans and advances and interest in Zuari Seeds Limited, a wholly owned subsidiary of the Company, whose net worth has been fully eroded. No provision has been made against the above in view of strategic long term investment in the said subsidiary and based on its future profitability projections. Our conclusion is not qualified in respect of this matter.
4. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying Statement of unaudited financial results prepared in accordance with recognition and measurement principles laid down in Accounting Standard 25 "Interim Financial Reporting", notified under the provision of the Companies Act, 1956 and other recognised accounting practices and policies has not disclosed the information required to be disclosed in terms of Clause 41 of the Listing Agreement including the manner in which it is to be disclosed, or that it contains any material misstatement.

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

Anil Gupta

per Anil Gupta
Partner
Membership No.: 87921

Place: Gurgaon

Date:

17/11/2013



ZUARI AGRO CHEMICALS LIMITED

Regd. Office : Jai Kisaan Bhawan, Zuarinagar, Goa -403 726

STATEMENT OF UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND HALF YEAR ENDED 30TH SEPTEMBER 2013

(Rs in Crores except where otherwise stated)

PART-I		Stand-alone Results					
Sr No	Particulars	3 Months Ended 30/09/2013	3 Months Ended 30/06/2013	3 Months Ended 30/09/2012	6 Months Ended 30/09/2013	6 Months Ended 30/09/2012	Year Ended 31/03/2013
		Un Audited	Un Audited	Un Audited	Un Audited	Un Audited	Audited
1	Income from Operations						
	(a) Net Sales/Income from Operations (net of excise duty)	1,421.48	727.10	1,541.69	2,148.58	2,718.41	5,237.41
	(b) Other Operating Income	0.32	2.50	22.92	2.82	12.14	30.65
	Total income from operations (net)	1,421.80	729.60	1,564.61	2,151.40	2,730.55	5,268.06
2	Expenses						
	(a) Cost of materials consumed	598.03	128.05	743.79	726.08	1,114.40	1,962.94
	(b) Purchase of stock-in-trade	699.63	833.80	881.09	1,533.43	1,480.45	2,165.14
	(c) Changes in inventories of finished goods, work- in-progress and stock-in-trade	(156.47)	(386.33)	(377.62)	(542.80)	(430.21)	64.05
	(d) Employee benefit expense	19.03	18.77	21.22	37.80	39.08	75.38
	(e) Depreciation and amortisation expense	5.44	4.75	4.78	10.19	9.84	23.79
	(f) Other expenses	249.86	128.18	227.01	378.04	399.48	763.19
	Total expenses	1,415.52	727.22	1,500.27	2,142.74	2,613.04	5,054.49
3	Profit / (Loss) from operations before other income, finance costs and exceptional items (1-2)	6.28	2.38	64.34	8.66	117.51	213.57
4	Other income	7.03	11.62	6.23	18.65	16.91	27.24
5	Profit / (Loss) from ordinary activities before finance costs and exceptional items (3+ 4)	13.31	14.00	70.57	27.31	134.42	240.81
6	Finance costs	50.01	63.16	44.94	113.17	100.43	210.33
7	Profit / (Loss) from ordinary activities after finance costs and before exceptional items (5+ - 6)	(36.70)	(49.16)	25.63	(85.86)	33.99	30.48
8	Exceptional expenses (refer Note No. 2 below)	(3.10)	(60.86)	-	(63.96)	-	-
9	Profit / (Loss) from ordinary activities before tax (7+ 8)	(39.80)	(110.02)	25.63	(149.82)	33.99	30.48
10	Tax (expense)/credit	0.00	11.68	(6.29)	11.68	(7.03)	(6.03)
11	Net Profit / (Loss) from ordinary activities after tax (9+ - 10)	(39.80)	(98.34)	19.34	(138.14)	26.96	24.45
12	Extraordinary items (net of tax expense)	-	-	-	-	-	-
13	Net Profit / (Loss) for the period (11+ 12)	(39.80)	(98.34)	19.34	(138.14)	26.96	24.45
14	Paid-up equity share capital (face value Rs. 10/-)	42.06	42.06	42.06	42.06	42.06	42.06
15	Reserve excluding Revaluation Reserve as per balance sheet of previous accounting year.	-	-	-	-	-	752.22
16	Earnings per share (before extraordinary items) (of Rs.10/- each) (not annualised):						
	(a) Basic	(9.46)	(23.38)	4.60	(32.84)	6.41	5.81
	(b) Diluted	(9.46)	(23.38)	4.60	(32.84)	6.41	5.81

ZUARI AGRO CHEMICALS LIMITED

Regd. Office : Jai Kisaan Bhawan, Zuarinagar, Goa -403 726

STATEMENT OF UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND HALF YEAR ENDED 30TH SEPTEMBER 2013

PART II

		3 Months Ended 30/09/2013	3 Months Ended 30/06/2013	3 Months Ended 30/09/2012	6 Months Ended 30/09/2013	6 Months Ended 30/09/2012	Year Ended 31/03/2013
Particulars		Un Audited	Un Audited	Un Audited	Un Audited	Un Audited	Audited
A	Particulars of Shareholding						
1	Public Shareholding						
	Number of shares	10,993,939	11,365,547	12,309,231	10,993,939	12,309,231	12,049,231
	Percentage of shareholding	26.14	27.03	29.27	26.14	29.27	28.65
2	Promoters and Promoter Group Shareholding						
	a) Pledged / Encumbered						
	Number of shares	2,728,767	4,258,767	-	2,728,767	-	3,162,000
	Percentage of shares (as a % of the total shareholding of promoter and promoter group)	8.78	13.88	-	8.78	-	10.54
	Percentage of shares (as a% of the total share capital of the company)	6.49	10.13	-	6.49	-	7.52
	b) Non - encumbered						
	Number of shares	28,335,300	26,433,692	29,748,775	28,335,300	29,748,775	26,846,775
	Percentage of shares (as a % of the total shareholding of promoter and promoter group)	91.22	86.12	100.00	91.22	100.00	89.46
	Percentage of shares (as a% of the total share capital of the company)	67.37	62.84	70.73	67.37	70.73	63.83

	Particulars	Quarter Ended September 30, 2013
B	INVESTOR COMPLAINTS	
	Pending at the beginning of the quarter	NIL
	Received during the quarter	4
	Disposed of during the quarter	3
	Remaining unresolved at the end of the quarter	1

ZUARI AGRO CHEMICALS LIMITED

Regd. Office : Jai Kisaan Bhawan, Zuarinagar, Goa -403 726

Statement of Assets and Liabilities as at 30th September, 2013.

		Stand-alone Results (Rs Crores)	
		Unaudited	Audited
	Particulars	As at 30th September, 2013	As at 31st March, 2013
A	EQUITY AND LIABILITIES		
I	Shareholders' funds		
(a)	Share capital	42.06	42.06
(b)	Reserves and surplus	614.08	752.22
	Shareholders' funds	656.14	794.28
II	Non-current liabilities		
(a)	Deferred tax liabilities (net)	-	11.68
(b)	Other non-current liabilities	57.65	54.11
	Sub-total - Non-current liabilities	57.65	65.79
III	Current liabilities		
(a)	Short-term borrowings	2,741.55	2,913.81
(b)	Trade payables	820.30	475.33
(c)	Other current liabilities	85.66	86.40
(d)	Short-term provisions	31.59	46.77
	Sub-total - Current liabilities	3,679.10	3,522.31
	TOTAL -EQUITY AND LIABILITIES	4,392.89	4,382.38
B	ASSETS		
I	Non-current assets		
(a)	Fixed assets	282.96	269.00
(b)	Non-current investments	197.50	197.50
(c)	Long-term loans and advances	221.53	115.48
(d)	Other non-current assets	7.15	8.48
	Sub-total - Non-Current assets	709.14	590.46
II	Current assets		
(a)	Inventories	1,164.01	581.13
(b)	Trade receivables	2,351.95	2,962.90
(c)	Cash and cash equivalents	0.90	156.75
(d)	Short-term loans and advances	99.32	60.84
(e)	Other current assets	67.57	30.30
	Sub-total -Current assets	3,683.75	3,791.92
	TOTAL -ASSETS	4,392.89	4,382.38

Zuari Agro Chemicals Limited

Notes to Accounts

1. Subsidy for Urea has been accounted based on Stage III parameters of the New Pricing Scheme and other adjustments as estimated in accordance with the known Policy parameters in this regard. The stage III of New Pricing Scheme which was operational for the period 1st October, 2006 to 31st March, 2010 has been extended on provisional basis till further orders.
2. Exceptional items represent foreign exchange variation attributable to the sharp depreciation of rupee in the months of June / July 2013.
3. Tax expenses include / net-off deferred tax charge / (credit). Deferred tax asset of Rs. 37.07 crores has not been created in the absence of taxable profit which is available for setoff against profits in subsequent period.
4. During the quarter, Urea and Ammonia plant were fully operational. NPK plant resumed normal production from August 2013, after successful settlement of contract labour issue and good monsoon in the Company's marketing area.
5. Other Expenses for the quarter include foreign exchange variation of Rs. 23.67 crores (Preceding quarter Rs. 15.01 crores). The company has at the quarter end completely hedged its future foreign currency exposure.
6. Under the provision of Accounting Standard (AS17), the Company operates in the single segment of fertiliser operations and therefore separate segment disclosures have not been given.
7. The auditors of the Company in their report on standalone financial statement for the year ended March 31, 2013, had commented upon non provision for diminution in the value of investment in equity shares of Rs. 14.18 crores and receivable of Rs. 13.35 crores (Rs. 22.50 crores as on September 30, 2013) by way of loans and advances of Zuari Seeds Limited, a wholly owned subsidiary of the Company, whose net worth has been fully eroded.

In view of strategic long term investment in the said subsidiary and based on its future profitability projections, no provision is required there against.

8. The auditors have conducted limited review of the financial results for the quarter ended 30th September, 2013. The unaudited financial results have been recommended by the Audit Committee at its meeting held on November 11, 2013 and approved by the Board of Directors at its meeting held on November 12, 2013.

9. Previous period's / year's figures have been regrouped wherever necessary

For and on behalf of the Board of Directors



Suresh Krishnan
Managing Director

Dated ; November 12, 2013

Place ; Gurgaon