

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



August 9, 2017

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 ended June 30, 2017 in accordance with Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The Un-audited Financial Results for the quarter ended June 30, 2017 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

Nagarjuna Fertilizers and Chemicals Limited
Nagarjuna Hills, Hyderabad - 500 082.
Website: www.nagarjunafertilizers.com
CIN: L24129AP2006PLC076238

Statement of Unaudited Standalone Financial Results for the Quarter Ended June 30, 2017

₹ in Lakhs

Sl No	PARTICULARS	Quarter ended			Year ended
		30-06-2017 (Unaudited)	31-03-2017 (Audited)	30-06-2016 (Unaudited)	31-03-2017 (Audited)
I	Revenue from Operations	86,472.08	76,329.37	64,079.36	3,38,506.62
II	Other Income	1,553.99	2,365.86	583.02	3,527.32
III	Total income (I+II)	88,026.07	78,695.23	64,662.38	3,42,033.94
IV	Expenses				
	a) Cost of materials consumed	33,194.05	30,278.63	24,303.53	1,16,457.86
	b) Purchase of Stock-in-Trade	10,853.07	2,650.63	7,535.58	46,156.44
	c) Changes in inventories of finished goods, stock-in-trade and work in progress	(5,193.99)	2,161.33	(3,917.14)	1,309.75
	d) Power and Fuel	23,879.35	21,961.57	17,618.17	84,068.01
	e) Employee Benefits Expense	4,353.89	4,056.60	3,599.77	15,451.61
	f) Finance costs	7,476.49	7,179.47	9,296.05	32,489.97
	g) Depreciation and Amortization Expense	2,207.69	2,184.16	2,289.76	8,920.56
	h) Excise Duty	228.19	188.40	200.84	879.40
	i) Other Expenses	11,601.34	14,096.98	9,490.76	52,108.60
	Total expenses	88,600.08	84,757.77	70,417.32	3,57,842.20
V	Profit / (Loss) before exceptional items and tax (III-IV)	(574.01)	(6,062.54)	(5,754.94)	(15,808.26)
VI	Exceptional Items	-	-	-	-
VII	Profit / (Loss) before Tax (V-VI)	(574.01)	(6,062.54)	(5,754.94)	(15,808.26)
VIII	Tax Expense:				
	(a) Current Tax	-	-	58.69	-
	(b) Income tax relating to earlier years	-	-	-	(628.84)
	(c) Deferred Tax	(105.76)	(854.58)	(2,080.55)	(3,001.71)
		(105.76)	(854.58)	(2,021.86)	(3,630.55)
IX	Profit / (Loss) from continuing operations (VII-VIII)	(468.25)	(5,207.96)	(3,733.08)	(12,177.71)
X	Profit / (Loss) from discontinued operations	-	-	-	-
XI	Tax expense of discontinued operations	-	-	-	-
XII	Profit / (Loss) from discontinued operations after tax (X-XI)	-	-	-	-
XIII	Profit / (Loss) for the period (IX+XII)	(468.25)	(5,207.96)	(3,733.08)	(12,177.71)
XIV	Other Comprehensive Income (net of tax)				
	A Items that will not be reclassified to profit or loss				
	(i) Re-measurement gains / (losses) on defined benefit plans	-	46.44	-	46.44
	(ii) Income tax relating to these items	-	(16.07)	-	(16.07)
	B (i) Items that will be reclassified to profit or loss	-	-	-	-
	(ii) Income tax relating to these items	-	-	-	-
	Total Other Comprehensive income, net of tax	-	30.37	-	30.37
XV	Total Comprehensive Income (XIII+XIV)	(468.25)	(5,177.59)	(3,733.08)	(12,147.34)
XVI	Paid-up Equity Share Capital (Face Value of ₹ 1/- per share)	5,980.65	5,980.65	5,980.65	5,980.65
XVII	Earning Per Share (of ₹ 1/- each) (not annualised) (for continuing operations)				
	- Basic and Diluted	(0.08)	(0.87)	(0.62)	(2.04)
XVIII	Earning Per Share (of ₹ 1/- each) (not annualised) (for discontinued operations)				
	- Basic and Diluted	-	-	-	-
XIX	Earning Per Share (of ₹ 1/- each) (not annualised) (for discontinued and continuing operations)				
	- Basic and Diluted	(0.08)	(0.87)	(0.62)	(2.04)

Notes:

- 1) The above results were reviewed by the Audit Committee and approved by the Board of Directors at their respective meetings held on August 9, 2017.
- 2) The Statutory Auditors have carried out Limited Review of above financial results for the quarter ended June 30, 2017.
- 3) The financial results comprise the combined operations of the Company relating to Fertilizer, Micro Irrigation and Agri Services businesses. The financial results of Micro Irrigation 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.
- 4) In relation to some of the contracts for purchase of fertilisers, an international Arbitration Award has been passed against the Company in September 2016 for USD 1,43,98,188 and GBP 690,630 and interest as applicable apart from costs based on a claim filed by one of the Suppliers of Fertilizers to the Company.

The Company is of the view that the Award has been obtained based on documents tampered with and mis-representations of facts by said supplier. The Company is contesting the enforcement of the Award in the Courts in India and has also filed a Criminal Complaint before the Metropolitan Magistrate of Hyderabad against the supplier and its officials.

The said claim has been disclosed as a contingent liability in the annual financial statements as at March 31, 2017.

- 5) Government of India announced New Urea Policy (NUP)-2015 and Gas Pooling Policy for Fertilizer(Urea) Sector which are effective from June 1, 2015. Income from Urea Operations has been accounted in accordance with the said policies, with Income towards freight subsidy, Reimbursement claims towards additional fixed cost, Input escalation / de-escalation, and for production beyond reassessed capacity have been accounted for during the quarter in terms of the said policies based on the Management estimates pending notification of final prices.

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

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

HYDERABAD
August 9, 2017


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**

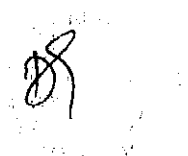
1. We have reviewed the accompanying Statement of standalone unaudited financial results of NAGARJUNA FERTILIZERS AND CHEMICALS LIMITED ("the Company") for the Quarter ended June 30, 2017 ("the statement"), being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as modified from time to time. 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:

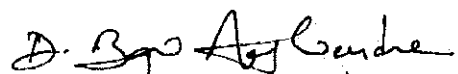
- a) Note 4 regarding Arbitration awards passed against the Company for USD 14398188 and GBP 690630, the impact of which has not been recognised in the Financial Statements, for the reasons stated in the said note;
- b) Note 5 regarding Income from urea operations including reimbursement claims for additional 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 from time to time, including the manner in which it is to be disclosed, or that it contains any material misstatement.

For M. Bhaskara Rao & Co.
Chartered Accountants
Firm Registration No.000459S


D. Bapu Raghavendra

Partner

Membership No: 213274

Hyderabad, August 09, 2017