



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



MADRAS FERTILIZERS LIMITED
(A Govt. of India Undertaking)
Regd. Office : Manali, Chennai 600 068

Part I Statement of Unaudited Results for the Quarter ended 31/12/2013. (₹ in lakhs)						
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 the previous year ended	Previous year ended
	(31/12/2013)	(30/09/2013)	(31/12/2012)	(31/12/2013)	(31/12/2012)	(31/03/2013)
	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
1 Income from Operations						
(a) Net Sales/Income from Operations (Net of excise duty)	77465	65908	76447	209765	179152	234629
(b) Other Operating Income						
Total income from Operations (net)	77465	65908	76447	209765	179152	234629
2 Expenses						
(a) Cost of Materials consumed	64553	52695	65984	171475	163808	205424
(b) Purchase of stock-in-trade	137	413	55	636	307	337
(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	(351)	3244	(513)	2270	(7946)	(3791)
(d) Employee benefits expense	2212	2251	2194	6588	6405	7389
(e) Depreciation and amortisation expense	1043	1043	1196	3129	3589	4173
(f) Other Expenses	3578	2971	3080	10044	9030	12174
Total Expenses	71172	62617	71996	194142	175193	225706
3 Profit / (Loss) from Operations before Other Income, finance costs and Exceptional Items (1-2)	6293	3291	4451	15623	3959	8923
4 Other Income	165	227	80	900	243	882
5 Profit / (Loss) from Ordinary activities before finance costs and exceptional items (3+4)	6458	3568	4531	16523	4202	9805
6 Finance costs	2052	1851	1810	5776	5274	7361
7 Profit / (Loss) from Ordinary activities after finance costs but before exceptional items (5-6)	4406	1717	2721	10747	(1072)	2444
8 Exceptional Items	-	-	-	-	-	-
9 Profit / (Loss) from Ordinary Activities before tax (7 + 8)	4406	1717	2721	10747	(1072)	2444
10 Tax Expense	-	-	-	-	-	-
11 Net Profit / (Loss) from Ordinary Activities after tax (9 - 10)	4406	1717	2721	10747	(1072)	2444
12 Extraordinary Items (net of tax expense)	-	-	-	-	-	-
13 Net Profit / (Loss) for the period (11+12)	4406	1717	2721	10747	(1072)	2444
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)	4406	1717	2721	10747	(1072)	2444
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	-	-	-	-	-	(46837)
19 i Earnings Per Share (before extraordinary items) (of ₹ 10/- each) (not annualised):						
- (a) Basic	2.73	1.07	1.69	6.67	(0.67)	1.52
- (b) Diluted	2.73	1.07	1.69	6.67	(0.67)	1.52
19 ii Earnings Per Share (after extraordinary items) (of ₹ 10/- each) (not annualised):						
- (a) Basic	2.73	1.07	1.69	6.67	(0.67)	1.52
- (b) Diluted	2.73	1.07	1.69	6.67	(0.67)	1.52

For B. Thiagarajan & Co.,
Chartered Accountants
C.No. 004371S

Ram Srinivasan
Partner
M.No.220112

13/02/2014

Dr. 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 31/12/2013.					(₹ in lakhs)
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 the previous year ended	Previous year ended	
	(31/12/2013)	(30/09/2013)	(31/12/2012)	(31/12/2013) (9 months)	(31/12/2012) (9 months)	(31/03/2013) (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	3 months ended 31/12/2013						
Pending at the beginning of the quarter	Nil						
Received during the quarter	3						
Disposed of during the quarter	3						
Remaining unresolved at the end of the quarter	Nil						

For B. Thiagarajan & Co.,
Chartered Accountants
F.R.No.004371S

Partner
Ram Srinivasan
M.No.220112



Dr. VIJAYAKUMAR, I.R.S.
Chairman & Managing Director
MADRAS FERTILIZERS LIMITED
Manali, Chennai - 600 068.

**Note :**

- 1 Urea Plant was shut down for 9 hours during the quarter on account of Power failure and minor maintenance jobs.
- 2 Complex Fertilizer Plants were shut down for 54 days during the quarter on account of Non- announcement of matching subsidy for Nutrient "N", Adverse marketing condition, Raw material limitation, etc.
- 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 carry forward losses and allowances available for set off, 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 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.

By order of the Board

Dr I Vijayakumar
Chairman & Managing Director

Date : Feb 13, 2014
Place : Chennai



For B. Thiagarajan & Co.,
Chartered Accountants
F.R.No.004371S

Ram Srinivasan
Partner
Ram Srinivasan
M.No.220112

B/02/2014



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 31st December 2013, 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.
3. The company has not complied with Accounting standard on valuation of inventories (AS-2) and Accounting standard on Provisions, Contingent Liabilities and Assets (AS-29) issued by the Institute of Chartered



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Accountants of India, the impact of which is detailed in paragraph (a) to (d) as given below:

- (a) Subsidy for urea for the period ended December 2013 has been calculated at Rs 47,178/- per MT (arrived at as per FICC norms pending receipt of notification) as against the notified price of Rs 45,510/- per MT by FICC. The value of subsidy for the difference between the notified price and adopted price is Rs. 67.50 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 53.60 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 53.60 crores is not recoverable and has the effect of understatement of accumulated losses profit for the quarter ended 31st December 2013 and Other Current Assets as at 31st December 2013 to that extent.*
- (c) Other Current Assets include items including Price concession scheme (Rs 0.29 crores) and Pan Queen (Rs 0.01 crores) aggregating to Rs 0.30 crores which are pending for a long time and in our opinion, provision should have been made. This has the result of understatement of accumulated losses and over statement of other current assets by Rs 0.30 crores.*
- (d) 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 (d) on the accounts is not ascertainable and Para 3 (b) and (c) above has the effect of understatement of accumulated losses for the period ended 31st December 2013 by Rs 53.90 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 *31st December 2013*.
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: *13th February 2014*

Ram Srinivasan
Partner
M No. 220112