



# मद्रास फ़र्टिलाइज़र्स लिमिटेड Madras Fertilizers Limited

(भारत सरकार का उपक्रम / A Government of India Undertaking)

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Part I							(₹ in lakhs)
Statement of Unaudited Results for the Quarter ended 30/09/2012.							
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	
	(30/09/2012)	(30/06/2012)	(30/09/2011)	(30/09/2012)	(30/09/2011)	(31/03/2012)	
	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited	
<b>1</b> Income from Operations							
(a) Net Sales/Income from Operations (Net of excise duty)	66836	35869	55759	102705	110622	220777	
(b) Other Operating Income							
Total income from Operations (net)	66836	35869	55759	102705	110622	220777	
<b>2</b> Expenses							
(a) Cost of Materials consumed	57895	39929	44203	97824	89016	176613	
(b) Purchase of stock-in-trade	211	41	177	252	204	348	
(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	(3113)	(4320)	(77)	(7433)	(544)	3552	
(d) Employee benefits expense	2060	2151	1926	4211	3864	8727	
(e) Depreciation and amortisation expense	1197	1196	1172	2393	2344	4034	
(f) Other Expenses	2689	3261	2742	5950	5043	11532	
Total Expenses	60939	42258	50143	103197	99927	204806	
<b>3</b> Profit / (Loss) from Operations before Other Income, finance costs and Exceptional Items (1-2)	5897	(6389)	5616	(492)	10695	15971	
<b>4</b> Other Income	92	71	221	163	382	1097	
<b>5</b> Profit/ (Loss) from Ordinary activities before finance costs and exceptional items (3+4)	5989	(6318)	5837	(329)	11077	17068	
<b>6</b> Finance costs	1702	1762	1636	3464	3273	6000	
<b>7</b> Profit/ (Loss) from Ordinary activities after finance costs but before exceptional items (5+6)	4287	(8080)	4201	(3793)	7804	11068	
<b>8</b> Exceptional Items	-	-	-	-	-	-	
<b>9</b> Profit / (Loss) from Ordinary Activities before tax (7 + 8)	4287	(8080)	4201	(3793)	7804	11068	
<b>10</b> Tax Expense	-	-	-	-	-	-	
<b>11</b> Net Profit / (Loss) from Ordinary Activities after tax (9 - 10)	4287	(8080)	4201	(3793)	7804	11068	
<b>12</b> Extraordinary Items (net of tax expense)			133		133	131	
<b>13</b> Net Profit / (Loss) for the period (11+12)	4287	(8080)	4334	(3793)	7937	11199	
<b>14</b> Share of Profit/(Loss) of associates	-	-	-	-	-	-	
<b>15</b> Minority Interest	-	-	-	-	-	-	
<b>16</b> Net Profit / (Loss) after taxes, minority interest and share of profit / (Loss) of associates (13+14+15)	4287	(8080)	4334	(3793)	7937	11199	
<b>17</b> Paid-up equity share capital (Face Value ₹ 10 per Share)	16110	16110	16110	16110	16110	16110	
<b>18</b> Reserve excluding Revaluation Reserves as per balance sheet of previous accounting year	-	-	-	-	-	(49281)	
<b>19</b> i Earnings Per Share (before extraordinary items) (of ₹10/- each) (not annualised):							
- (a) Basic	2.66	(5.02)	2.61	(2.35)	4.84	6.87	
- (b) Diluted	2.66	(5.02)	2.61	(2.35)	4.84	6.87	
<b>19</b> ii Earnings Per Share (after extraordinary items) (of ₹10/- each) (not annualised):							
- (a) Basic	2.66	(5.02)	2.69	(2.35)	4.93	6.95	
- (b) Diluted	2.66	(5.02)	2.69	(2.35)	4.93	6.95	



Part II						
Select Information for the Quarter and Year Ended 30/09/2012.						
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
	(30/09/2012)	(30/06/2012)	(30/09/2011)	(30/09/2012) (6 months)	(30/09/2011) (6 months)	(31/03/2012) (12 months)
	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
<b>A PARTICULARS OF SHAREHOLDING</b>						
<b>1. Public Shareholding</b>						
- Number of Shares	23733100	23733100	23733100	23733100	23733100	23733100
- Percentage of shareholding	14.73	14.73	14.73	14.73	14.73	14.73
<b>2. Promoters and Promoter Group Share holding</b>						
<b>a) Pledged / Encumbered</b>						
- 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>b) Non-Encumbered</b>						
- 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

Particulars		3 months ended 30/09/2012
<b>B INVESTOR COMPLAINTS</b>		
Pending at the beginning of the quarter		NIL
Received during the quarter		12
Disposed of during the quarter		12
Remaining unresolved at the end of the quarter		NIL



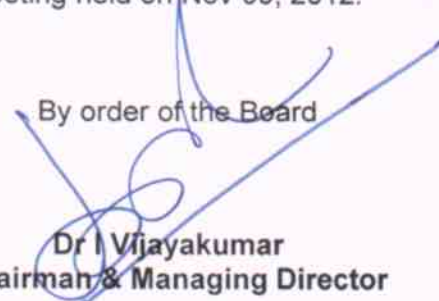
(₹ in lakhs)		
Statement of Assets and Liabilities		
Particulars	As at half year end (30/09/2012)	As at previous year end (31/03/2012)
<b>A EQUITY AND LIABILITIES</b>		
<b>1</b> Shareholders' funds		
(a) Share Capital	16214	16214
(b) Reserves and Surplus	(53074)	(49281)
(c) Money received against share warrants	-	-
Sub-total - Shareholders' fund	<b>(36860)</b>	<b>(33067)</b>
<b>2</b> Share application money pending allotment	-	-
<b>3</b> Minority interest	-	-
<b>4</b> Non-current liabilities	78482	77354
(a) Long-term borrowings	-	-
(b) Deferred tax liabilities (net)	1076	509
(c) Other long-term liabilities	2319	2319
(d) Long-term provisions	-	-
Sub-total - Non-current liabilities	<b>81877</b>	<b>80182</b>
<b>5</b> Current liabilities	5905	645
(a) Short-term borrowings	34468	23523
(b) Trade payables	11222	9236
(c) Other current liabilities	749	439
(d) Short-term provisions	-	-
Sub-total - Current liabilities	<b>52344</b>	<b>33843</b>
<b>TOTAL - EQUITY AND LIABILITIES</b>	<b>97361</b>	<b>80958</b>
<b>B ASSETS</b>		
<b>1</b> Non-current assets	24792	25913
(a) Fixed assets	-	-
(b) Goodwill on consolidation	40	40
(c) Non-current investments	-	-
(d) Deferred tax assets (net)	1467	1116
(e) Long-term loans and advances	-	1
(f) Other non-current assets	-	-
Sub-total - Non-current assets	<b>26299</b>	<b>27070</b>
<b>2</b> Current assets	-	-
(a) Current investments	41372	30294
(b) Inventories	484	7
(c) Trade receivables	600	5711
(d) Cash and cash equivalents	1133	599
(e) Short-term loans and advances	27473	17277
(f) Other current assets	-	-
Sub-total - Current assets	<b>71062</b>	<b>53888</b>
<b>TOTAL - ASSETS</b>	<b>97361</b>	<b>80958</b>



**Note :**

- 1 Ammonia and Urea Plants were shut down for 1 day and 2 days respectively during the quarter on account of TNEB power failure etc.
- 2 Complex Fertilizer Plants were shut down for 61 days during the quarter for want of raw materials.
- 3 Catalyst in process valued at ₹ 18.75 Cr has been fully charged during the period per revised Schedule VI of Companies Act 1956 and ICAI Guidelines.
- 4 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).
- 5 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).
- 6 BIFR at its hearing held on 27.08.2012 directed Operating Agency (OA) to verify the Draft Rehabilitation Scheme (DRS) submitted by the Company and submit the fully tied up DRS. Next hearing is posted on 05.12.2012.
- 7 The unaudited results have been subjected to Limited Review by Statutory Auditors.
- 8 The above results have been reviewed and recommended by the Audit Committee and approved by the Board of Directors at their meeting held on Nov 09, 2012.

By order of the Board

  
Dr I Vijayakumar  
Chairman & Managing Director

Date : November 9, 2012  
Place : Chennai



**B. THIAGARAJAN & Co.**  
CHARTERED ACCOUNTANTS

## Limited Review Report

### Review Report to the Members of Madras Fertilizers Limited, Chennai

We have reviewed the accompanying statement of unaudited financial results of Madras Fertilizers Limited, Chennai 600 068 for the quarter ended 30<sup>th</sup> September 2012. 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 these financial statements based on our review.

We conducted our review in accordance with the Standard on Review Engagement (SRE) 2400, Engagements to Review Financial Statements, 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 financial statements are 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.

Based on our review conducted as above and subject to our observations as given in 1(a) to (c) and 2 below,

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

- (a) *Subsidy for urea for the period July 2012 to September 2012 has been calculated @ Rs 44,764/- per MT (arrived at as per FICC norms pending receipt of notification) as against the notified price of Rs 41,731/- per MT by FICC. The value of subsidy for the difference between the notified price and adopted price is Rs. 31.34 Cr which is reckoned as income of the period and adjustments may arise in future on receipt of final fixation/receipt of subsidy amount.*



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- (b) *Loans and Advances include items such as deposits with ESI authorities (Rs 63.09 lakhs), Price concession scheme (Rs 28.93 lakhs) and Pan Queen (Rs 0.70 lakhs) aggregating to Rs 92.72 lakhs which are pending for a long time and in our opinion, provision should have been made. This has the result of over statement of profit for the current quarter and understatement of accumulated losses and over statement of loans and advances by Rs 92.72 lakhs.*
- (c) *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 1 (a) and (c) on the accounts is not ascertainable and Para 1 (b) above has the effect of overstatement of profit for the current quarter by Rs 92.72 lakhs, understatement of accumulated losses and overstatement of current Assets, Loans and Advances to the same extent.

Nothing has come to our attention that causes us to believe that the accompanying statement of unaudited financial results prepared in accordance with applicable accounting standards 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 B. Thiagarajan & Co.,  
Chartered Accountants  
Firm Regn. No. 004371S



*Ram Srinivasan*  
Ram Srinivasan  
Partner  
M. No. 220112

Place: Chennai  
Date: 9-11-2012