

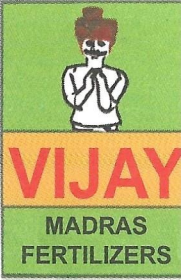
मद्रास फ़र्टिलाइज़र्स लिमिटेड Madras Fertilizers Limited

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

पोस्ट बैग सं. 2, मणलि, चेन्नै - 600 068. भारत दूर : 2594 1001 / फ़ैक्स सं. 044-25941010
Post Bag No. 2, Manali, Chennai - 600 068. INDIA. Tel: 2594 1001 / Fax No. 044 -25941010
कार्मिक / Per 25945210 संयंत्र / Plant 25941133 विप. / Mktg 25941285 वित्त/Fin 25941072
Website : www.madrasfert.nic.in email : gmpasec@madrasfert.co.in

CIN : L3220 1TN 1966 GO1005469

GSTIN - 33AAACM5198E1ZK



CS/NSE/2022/938
February 10, 2022

National Stock Exchange of India Ltd
Plot No.C/I "G" Block
Bandra Kurla Complex
Bandra (E)
Mumbai – 400 051

Dear Sir,

Sub: Unaudited Financial Results for the Quarter and Nine months ended December 31, 2021 and Limited Review Report

Pursuant to Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we enclose herewith a copy of Unaudited Financial Results for the Quarter and Nine months ended December 31, 2021 and Limited Review Report issued by the Auditors thereon for the above period for your information and records.

Very truly yours,

v.  10/2/22

Priya Ranjan Panda
Company Secretary

Encl. : a/a

एम.एफ.एल.



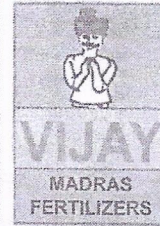
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MADRAS FERTILIZERS LIMITED
(A Govt. of India Undertaking)
Regd. Office : Manali, Chennai 600 068

Part I Statement of Unaudited Results for the Quarter and Nine months ended 31-12-2021 (₹ in lakhs)							
SL.No.	Particulars	Quarter ended	Quarter ended	Quarter ended	9 Months ended	9 Months ended	Year ended
		31-12-2021	30-09-2021	31-12-2020	31-12-2021	31-12-2020	31-03-2021
		Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
1	Income from Operations						
	(a) Revenue from operations	64,617	38,217	44,187	1,52,519	1,07,193	1,53,279
	(b) Other income	270	199	199	558	442	727
	Total income	65,087	38,416	44,386	1,53,077	1,07,635	1,54,006
2	Expenses						
	(a) Cost of Materials consumed	43,891	25,888	25,176	1,00,457	63,121	91,630
	(b) Purchase of stock-in-trade	199	242	143	571	445	524
	(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	(1,891)	(876)	2,418	(2,890)	2,094	(108)
	(d) Operating and Maintenance Expenses	11,322	8,641	9,522	30,536	25,646	36,324
	(e) Employee benefits expense	2,712	2,335	2,440	7,636	7,276	10,097
	(f) Finance cost	1,980	1,951	2,425	5,926	6,926	9,848
	(g) Depreciation and amortization expense	814	813	702	2,440	2,106	3,114
	(h) Other expenses	734	565	969	1,733	2,393	2,290
	Total expenses	59,761	39,559	43,795	1,46,409	1,10,007	1,53,719
3	Profit / (Loss) before exceptional items and tax (1-2)	5,326	(1,143)	591	6,668	(2,372)	287
4	Exceptional items						
5	Profit/ (Loss) before tax (3+4)	5,326	(1,143)	591	6,668	(2,372)	287
6	Tax Expense						
	(a) Current tax						
	(b) Deferred tax						
7	Profit / (Loss) for the period (5-6)	5,326	(1,143)	591	6,668	(2,372)	287
8	Other comprehensive income for the period						
	(a) (i) Items that will not be reclassified to profit or loss				4,688		3,154
	(ii) Income tax relating to items that will not be reclassified to profit or loss						
	(b) (i) Items that will be reclassified to profit or loss						
	(ii) Income tax relating to items that will be reclassified to profit or loss						
	Other comprehensive income for the period		4,688		4,688		3,154
9	Total comprehensive income for the period (7+8)	5,326	3,545	591	11,356	(2,372)	3,441
10	Earnings Per Share (of ₹ /- each) (not annualised):						
	- (a) Basic	3.31	(0.71)	0.37	4.14	(1.47)	0.18
	- (b) Diluted	3.31	(0.71)	0.37	4.14	(1.47)	0.18
11	Paid-up equity share capital (Face Value ₹ 10 per Share)	16,110	16,110	16,110	16,110	16,110	16,110

FOR, ANAND & PONNAPPAN
CHARTERED ACCOUNTANTS
(FRN 000111S)

B. Hariharan
(B. HARIHARAN)
MEMB. NO. 207896
PARTNER

U. Saravanan
यू. सरवणन / U. SARAVANAN
अध्यक्ष एवं संचालक निदेशक
Chairman & Managing Director
मद्रास फर्टिलाइजर्स लिमिटेड
MADRAS FERTILIZERS LIMITED
मणालि / Manali, चेन्नै / Chennai - 600 068

Notes:

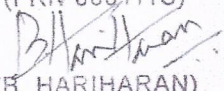
- 1 The above financial results have been reviewed by the Audit Committee and approved by the Board of Directors at their meeting held on February 10, 2022. The results for the quarter ended 31st December 2021 have been subjected to Limited Review by the Statutory Auditors.
- 2 Financial results for all the periods have been prepared in accordance with the recognition and measurement principles laid down in the Ind AS 34 "Interim Financial Reporting" prescribed under Section 133 of the Companies Act, 2013. The interim financial results are prepared and presented in accordance with the significant accounting policies and methods as adopted in the audited financial statements for the year ended 31st March, 2021.
- 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 Ind AS 108 (Segment Reporting).
- 4 During the period ended 31st Dec, 2021, the Company has recognised price subsidy income for Neem Coated Urea amounting to Rs.368.42 Crore towards escalation in input prices which has been considered as receivable from Department of Fertilizers, Government of India under New Pricing Scheme (NPS). Adjustments towards escalation / de-escalation in input prices are subject to annual revision based on the actual prices as notified by the Department of Fertilizers.
- 5 The Company has not defaulted in payment of interest or repayment of principal amount on loans or borrowings from banks or financial institutions except in the case of Government of India (GOI) Loans towards repayment of principal of Rs.554.24 Cr and payment of Interest of Rs.768.31 Cr for the period ended 31st Dec, 2021.
- 6 In view of the carry forward losses and allowances available for set off up to the year ended 31st December 2021, the provision for current tax is not considered necessary.
- 7 The Statutory Auditors, in their Audit Report on the Standalone Financial Statements for the year ended 31st March, 2021, have brought out the following qualifications:


- a. **Goods and Service Tax (GST) Accounting:**

The balance of Input Tax Credit ("ITC") available in the books of accounts is higher by Rs.56.83 crores as compared to the balance reflected in the Electronic Credit Ledger maintained in GST portal as on 31st March, 2021. Pending completion of reconciliation process, identification of entries requiring correction and its probable impact on the standalone financials' results could not be ascertained.

FOR, ANAND & PONNAPPAN
CHARTERED ACCOUNTANTS

(FRN 000111S)


(B. HARIHARAN)
MEMB. NO. 207896
PARTNER


U. SARAVANAN
அனந்த் & பண்ணப்பன்
Chairman & Managing Director
மாண்பு மின்னியல், உரல் கிளியிட்டு
MADRAS FERTILIZERS LIMITED
சென்னை / Chennai, இந்தியா / Chennai - 600 008

Accordingly, they have expressed qualified conclusion in their limited review report in respect of the statement filed with stock exchange/s.

b. Confirmation of Balances:

The outstanding balances reflected under Trade receivables (excl. Subsidy receivable from Government), Trade payables and Advance from customers as on 31st March,2021 are subject to confirmation from the parties. The probable impact of this qualification on the standalone financials' results could not be ascertained.

Accordingly, they have expressed qualified conclusion in their limited review report in respect of the statement filed with stock exchange/s.

8 Company's position for qualifications referred in Note No.7 above:

- a. The company has appointed a consultant for preparation' and filing of GST returns. The company is in the process of obtaining the list of suppliers who have not filed the GSTR-I and the consequent, credit to the electronic credit ledger. Once, the suppliers filed/rectified the GSTR returns, the credit will be availed by the company subject to the time limit available in the GST Law.

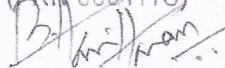
The company will strive to recover the GST amount from the suppliers, in case they have not filed/rectified, since they will be holding the GST collected from the company. Further, the Company is working on the process of identifying the ITC not availed in the cases of import of goods since 1st July 2017, if there exist any amount pending to be availed, then the same will be availed before the end of this financial year, as there is no time limit for availing such ITC in GST Law. The company is confident of reconciling the difference and availing the pending ITC in the legitimate way. Further, to avoid above deficiency the Company has introduced a policy of making vendor / supplier payment without GST and only when such Vendors/Suppliers shows our purchase in their GST Return and which will in turn appear in our Portal, the GST amount will be released.


Based on the foregoing submissions, it is informed that there will no impact in the financial statements/results, once the above corrective action is carried out.

- b. The company has requested all suppliers and customers to confirm the balance as on 31st December 2021 at the earliest with a copy to our statutory auditors in electronic mode and is in the process of the obtaining confirmations. Since, all the customers and suppliers are currently doing business with the company; the company doesn't foresee any discrepancies in the reconciliation process. The company has also taken the security deposits and retention monies from suppliers and customers in order to protect the credit exposure of the company.

**FOR, ANAND & PONNAPPAN
CHARTERED ACCOUNTANTS**

(FRN 000111S)


(B. HARIHARAN)
MEMB. NO. 207896
PARTNER


K. VENKATESH A.J. SARAVANAN
अध्यक्ष एवं प्रबंध निदेशक
Chairman & Managing Director
मद्रास उर्वरक लिमिटेड
MADRAS FERTILIZERS LIMITED
मद्रास / Madras, चेन्नै / Chennai - 600 088

9 **COVID-19 Impact Analysis:**

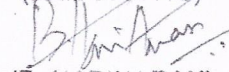
The Company has taken into account potential impact of COVID-19 in the preparation of the financial results. Based on the Information currently available there is no material impact on carrying amounts of inventories, trade receivables, investments and other financial assets though management continues to monitor changes on future economic conditions. The Impact of COVID-19 on the financial results may differ from that estimated as at the date of approval of these financial results.

- 10 The figures for the previous periods have been re-grouped, wherever necessary, so as to conform to the current period's classification.

Date : February 10, 2022
Place : Chennai

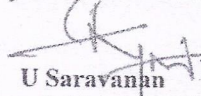
FOR, ANAND & PONNAPPAN
CHARTERED ACCOUNTANTS

(ERN 000115)



(B. HARIHARAN)
MEMB. NO. 207896
PARTNER

By order of the Board



U Saravanan
Chairman & Managing Director
DIN 07274628

U. சரவணன் / U. SARAVANAN
அரசாங்க சேவை நிர்வாகி
Chairman & Managing Director
மதுரை கரிசலாமிலா கமிட்டி லிமிடெட்
MADRAS FERTILIZERS LIMITED
மதுரை / Madurai, திண்டுக்கோடு / Chennai - 600 080

ANAND & PONNAPPAN

Chartered Accountants

Limited Review Report on review of Interim Financial Results

To
The Board of Directors,
Madras Fertilizers Limited.

Introduction:

We have reviewed the accompanying statement of unaudited financial results of **Madras Fertilizers Limited** ("the Company") for the quarter and nine months ended **31.12.2021**. The results included in the Statement which is the responsibility of the Company's Management and approved by the Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in the Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013 read with 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.

Scope of Review:

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 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 provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.

Basis of Qualified Conclusion:

1. Goods and Service Tax (GST) Accounting:

The balance of Input Tax Credit ("ITC") available in the books of accounts is higher by Rs.5459.98 lakhs as compared to the balance reflected in the Electronic Credit Ledger maintained in GST portal as on 31st Dec,2021. Pending completion of reconciliation process, identification of entries requiring correction and its probable impact on the interim financials' results could not be ascertained.

2. Confirmation of Balances:

The outstanding balances reflected under Trade receivables (excl. Subsidy receivable from Government), Trade payables and Advance from customers as on 31st Dec,2021 are subject to confirmation from the parties. The probable impact of this qualification on the interim financials' results could not be ascertained.



Qualified Conclusion:

Based on our review, with the exception to matters described in the preceding paragraph, nothing has come to our attention that causes us to believe that the accompanying statement of unaudited financial results prepared in accordance with the accounting standards specified under section 133 of the Companies Act 2013 read with Rule 7 of the Companies (Accounts) Rule 2014(as amended) and other recognized accounting practices and policies has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 including the manner in which it is to be disclosed, or that it contains any material misstatement.

For Anand & Ponnappan
Chartered Accountants
FRN000111S



B. Hariharan
B. Hariharan
Partner
MRN:207896

Place: Chennai
Date: 10.02.2022
UDIN: 22207896ABCSME9073