

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

Standalone and Consolidated Audited Financial Results for the Quarter / Year Ended March 31, 2017

₹ in Lakhs

SI No	PARTICULARS	Standalone					Consolidated	
		Quarter ended		Year ended			Year ended	
		31-03-2017 (Audited)	31-12-2016 (Unaudited)	31-03-2016 (Audited)	31-03-2017 (Audited)	31-03-2016 (Audited)	31-03-2017 (Audited)	31-03-2016 (Audited)
1	Income from operations							
	a) Sales / Income from operations	76,283.18	87,273.52	84,452.93	338,305.05	397,551.76	338,305.05	397,551.76
	b) Other Operating Income	46.19	24.85	33.75	201.57	212.63	201.57	212.63
	Total income from operations	76,329.37	87,298.37	84,486.68	338,506.62	397,764.39	338,506.62	397,764.39
2	Expenses							
	a) Cost of materials consumed	30,278.63	30,677.47	29,748.68	116,457.86	115,434.30	116,457.86	115,434.30
	b) Purchase of Traded Products	2,650.63	9,703.58	2,438.61	46,156.44	90,949.20	46,156.44	90,949.20
	c) (Increase) / Decrease in Stock	2,161.33	(554.94)	4,650.42	1,309.75	(6,008.03)	1,309.75	(6,008.03)
	d) Power and Fuel	21,961.57	21,949.34	21,160.09	84,068.01	86,400.40	84,068.01	86,400.40
	e) Employee Benefits Expense	4,056.60	3,966.46	3,448.39	15,451.61	14,795.23	15,453.89	14,803.11
	f) Depreciation and Amortization	2,184.16	2,225.16	2,398.66	8,920.56	9,265.57	8,920.56	9,298.73
	g) Excise Duty	188.40	239.05	217.37	879.40	779.67	879.40	779.67
	h) Other Expenses	14,096.98	13,783.13	18,491.20	52,108.60	69,104.51	52,109.21	68,720.10
	Total expenses	77,578.30	81,989.25	82,553.42	325,352.23	380,720.85	325,355.12	380,377.48
3	Profit / (Loss) from operations before other income, finance cost and exceptional Items (1-2)	(1,248.93)	5,309.12	1,933.26	13,154.39	17,043.54	13,151.50	17,386.91
4	Other Income	2,365.86	112.18	1,230.68	3,527.32	3,193.06	3,528.57	3,194.05
5	Profit / (Loss) from ordinary activities before finance cost and exceptional Items (3+4)	1,116.93	5,421.30	3,163.94	16,681.71	20,236.60	16,680.07	20,580.96
6	Finance cost	7,179.47	8,218.55	10,410.69	32,489.97	32,889.53	32,489.98	32,890.32
7	Profit / (Loss) from ordinary activities after finance cost but before exceptional Items (5- 6)	(6,062.54)	(2,797.25)	(7,246.75)	(15,808.26)	(12,652.93)	(15,809.91)	(12,309.36)
8	Exceptional Items	-	-	-	-	-	-	-
9	Profit / (Loss) from ordinary activities before Tax (7-8)	(6,062.54)	(2,797.25)	(7,246.75)	(15,808.26)	(12,652.93)	(15,809.91)	(12,309.36)
10	Tax Expense / (Credit) (net)	(854.58)	(770.34)	(318.71)	(3,630.55)	(3,379.22)	(3,630.55)	(3,379.07)
11	Net Profit / (Loss) from ordinary activities after Tax (9-10)	(5,207.96)	(2,026.91)	(6,928.04)	(12,177.71)	(9,273.71)	(12,179.36)	(8,930.29)
12	Minority Interest	-	-	-	-	-	(0.00)	(0.01)
13	Net Profit / (Loss) after taxes and minority interest (11+12)	(5,207.96)	(2,026.91)	(6,928.04)	(12,177.71)	(9,273.71)	(12,179.36)	(8,930.28)
14	Other Comprehensive Income (net of tax)	30.37	-	38.98	30.37	38.98	30.37	38.98
15	Total Comprehensive Income (13+14)	(5,177.59)	(2,026.91)	(6,889.06)	(12,147.34)	(9,234.73)	(12,148.99)	(8,891.30)
16	Paid-up Equity Share Capital (Face Value of ₹ 1/- per share)	5,980.65	5,980.65	5,980.65	5,980.65	5,980.65	5,980.65	5,980.65
17	Reserves excluding revaluation reserve as per Balance Sheet of previous accounting year	-	-	-	115,404.67	124,639.41	115,402.44	124,228.17
18	Earning Per Share (of ₹ 1/- each) (not annualised)							
	- Basic and Diluted	(0.87)	(0.34)	(1.16)	(2.04)	(1.55)	(2.04)	(1.49)

Statement of Assets and Liabilities

₹ in Lakhs

Particulars	Standalone		Consolidated	
	As At March 31, 2017 (Audited)	As At March 31, 2016 (Audited)	As At March 31, 2017 (Audited)	As At March 31, 2016 (Audited)
I. ASSETS				
1. Non-Current Assets				
(a) Property, Plant and Equipment	263,792.29	275,744.41	263,792.29	275,744.40
(b) Capital work-in-progress	809.58	708.61	809.58	708.61
(c) Other Intangible Assets	1,965.60	2,457.00	1,965.60	2,500.93
(e) Financial Assets				
(i) Investment in Subsidiaries / associates etc., at cost	1,796.17	1,803.29	-	-
(ii) Loans and Advances	2,417.97	1,869.51	4,231.82	3,683.36
(iii) Other Financial Assets	33.22	33.69	49.09	50.18
(e) Other Non-Current Assets	66.46	747.45	66.46	747.45
Total non-current Assets	270,881.29	283,363.96	270,914.84	283,434.93
2. Current Assets				
(a) Inventories	21,248.75	22,815.72	21,248.75	22,815.72
(b) Financial Assets				
(i) Trade Receivables	119,232.27	198,999.44	119,232.27	198,999.44
(ii) Cash and Cash Equivalents	5,688.82	2,817.30	5,689.03	2,821.94
(iii) Bank Balances other than (ii) above	5,742.45	6,585.26	5,742.45	6,585.26
(iii) Loans and Advances	3,317.01	227.23	3,317.01	205.57
(iv) Other Financial assets	725.17	527.58	725.86	528.48
(c) Current Tax Assets (Net)	573.48	459.69	573.73	459.96
(d) Other Current Assets	2,020.05	4,870.47	2,020.05	4,870.47
Total current assets	158,548.00	237,302.69	158,549.15	237,286.84
Total - Assets	429,429.29	520,666.65	429,463.99	520,721.77
II. EQUITY AND LIABILITIES				
Equity				
(a) Equity Share Capital	5,980.65	5,980.65	5,980.65	5,980.65
(b) Other Equity	103,257.32	115,404.67	103,256.64	115,402.44
Total Equity	109,237.97	121,385.32	109,237.29	121,383.09
Liabilities				
1. Non-Current Liabilities				
(a) Financial Liabilities				
(i) Borrowings	55,880.97	71,620.52	55,880.97	71,620.52
(ii) Other Financial Liabilities	7,525.65	7,384.47	7,525.65	7,384.47
(b) Provisions	709.56	443.32	709.56	443.32
(c) Deferred Tax Liabilities (Net)	38,181.60	41,167.23	38,181.60	41,167.22
(d) Government grants	2,089.58	2,405.66	2,089.58	2,405.66
Total non-current liabilities	104,387.36	123,021.20	104,387.36	123,021.19
2. Current Liabilities				
(a) Financial Liabilities				
(i) Borrowings	101,306.76	93,437.41	101,306.76	93,437.41
(ii) Trade Payables				
(A) Micro, Small, Medium Enterprises (MSMEs)	-	4.36	-	4.36
(B) Other than MSMEs	94,743.79	165,491.36	94,744.08	165,513.68
(iii) Other Financial Liabilities	18,347.47	15,855.19	18,382.56	15,890.23
(b) Other Current Liabilities	933.58	1,000.50	933.58	1,000.50
(c) Government grants	343.67	343.67	343.67	343.67
(d) Provisions	128.69	127.64	128.69	127.64
Total current liabilities	215,803.96	276,260.13	215,839.34	276,317.49
Total liabilities	320,191.32	399,281.33	320,226.70	399,338.68
Total Equity and Liabilities	429,429.29	520,666.65	429,463.99	520,721.77

Notes:

- 1) The above results were reviewed by the Audit Committee and approved by the Board of Directors at their respective meetings held on May 26, 2017. The Standalone financial statements are prepared in accordance with the Indian Accounting Standards (Ind-AS) as prescribed under Section 133 of the Companies Act, 2013 read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016 and Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as modified by circular no CIR/CFD/FAC/62/2016 dt. July 05, 2016.
- 2) On account of transition from the previous Indian Generally Accepted Accounting Principles (IGAAP) to Ind AS, the reconciliation of Statement of Profit and Loss and Other Comprehensive Income is as follows:

Particulars	₹ in Lakhs		
	Standalone		Consolidated
	Quarter ended	Year ended	Year ended
	31-03-2016	31-03-2016	31-03-2016
Net Profit / (Loss) under Previous GAAP (After Tax)	(7,496.62)	(11,401.36)	(11,057.93)
Government grant - Reclassification of Deferred Sales Tax Loan	85.92	343.67	343.67
Interest on Sales Tax deferral	51.71	51.71	51.71
Actuarial (gain) / loss on employee benefit plans	(59.61)	(59.61)	(59.61)
Exchange (gain)/ loss on foreign currency exposure	20.39	20.39	20.39
Deferred tax adjustments	470.17	1,771.49	1,771.49
Net Profit / (Loss) under Ind AS (After Tax)	(6,928.04)	(9,273.71)	(8,930.28)
Other Comprehensive Income	38.98	38.98	38.98
Total Comprehensive Income under Ind AS	(6,889.06)	(9,234.73)	(8,891.30)

- 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) Tax Expense for the current quarter under report comprises-deferred tax.

- 5) 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.

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

- 6) 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.

- 7) The figures of the current quarter and quarter ended March 31, 2016 are the balancing figures between the audited figures of the full financial year ended March 31, 2017 and March 31, 2016 (Ind AS), respectively and the published year to date figures (Ind AS) up to third quarter ended December 31, 2016 and December 31, 2015, respectively.

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

HYDERABAD
May 26, 2017

Sd/-
K. RAHUL RAJU
MANAGING DIRECTOR