

Nagarjuna Fertilizers and Chemicals Limited
Nagarjuna Hills, Hyderabad - 500 082.

Unaudited Standalone Financial Results for the Quarter Ended June 30, 2014

SI No	PARTICULARS	Quarter ended			Rs. in Lakhs
		30-06-2014	31-03-2014	30-06-2013	Year ended
		(Unaudited)	(Audited) Refer Note No.10 below	(Unaudited)	31-03-2014 (Audited)
1	Income from operations				
	a) Sales/Income from operations	46,563.62	84,974.11	56,720.87	345,451.58
	Less: Excise Duty	159.04	219.78	193.87	857.70
	Net Sales/Income from operations	46,404.58	84,754.33	56,527.00	344,593.88
	b) Other Operating Income	35.67	107.40	37.86	249.25
	Total income from operations (net)	46,440.25	84,861.73	56,564.86	344,843.13
2	Expenses				
	a) Cost of materials consumed	16,414.08	20,598.10	18,487.05	71,379.86
	b) Power and Fuel	10,474.63	12,115.26	10,992.80	47,953.39
	c) Purchase of Traded Products	9,770.24	27,874.22	15,441.44	144,382.62
	d) (Increase) / Decrease in Stock	(3,848.02)	3,552.26	(7,345.32)	1,339.85
	e) Employee Benefits Expense	3,457.38	3,129.72	3,151.04	13,688.62
	f) Depreciation and Amortization	2,276.18	3,141.17	3,094.74	12,614.70
	g) Other Expenses	8,198.57	10,437.83	10,148.68	40,948.55
	Total expenses	46,743.06	80,848.56	53,970.43	332,307.59
3	Profit / (Loss) from operations before other income, finance cost and exceptional Items (1-2)	(302.81)	4,013.17	2,594.43	12,535.54
4	Other Income	714.40	681.02	1,428.72	3,228.96
5	Profit from ordinary activities before finance cost and exceptional Items (3+4)	411.59	4,694.19	4,023.15	15,764.50
6	Finance cost	6,029.20	8,209.42	6,707.54	28,174.45
7	Profit / (Loss) from ordinary activities after finance cost but before exceptional Items (5- 6)	(5,617.61)	(3,515.23)	(2,684.39)	(12,409.95)
8	Exceptional Expense	-	6,404.49	6,459.55	20,561.40
9	Profit / (Loss) from ordinary activities before Tax (7-8)	(5,617.61)	(9,919.72)	(9,143.94)	(32,971.35)
10	Tax Expense (net)	20.76	(2,767.24)	(2,574.55)	(9,060.40)
11	Net Profit / (Loss) from ordinary activities after Tax (9-10)	(5,638.37)	(7,152.48)	(6,569.39)	(23,910.95)
12	Extraordinary Items (net of tax expenses)	-	-	-	-
13	Net Profit / (Loss) for the period (11-12)	(5,638.37)	(7,152.48)	(6,569.39)	(23,910.95)
14	Paid-up Equity Share Capital (Face Value of Rs. 1/- per share)	5,980.65	5,980.65	5,980.65	5,980.65
15	Reserves excluding revaluation reserve	-	-	-	208,659.45
16	Earning Per Share (for the quarter ended - not annualised) - Rs. - Basic and Diluted	(0.94)	(1.20)	(1.10)	(4.00)

SI No	PARTICULARS	Quarter ended			Year ended
		30-06-2014	31-03-2014	30-06-2013	31-03-2014
A	PARTICULARS OF SHAREHOLDING				
1	Public Shareholding				
	- Number of shares	290,831,743	290,831,743	290,831,743	290,831,743
	- Percentage of shareholding	48.63	48.63	48.63	48.63
2	Promoters and Promoter group shareholding				
	a) Pledged/Encumbered				
	- Number of shares	116,360,077	132,970,581	132,970,581	132,970,581
	- Percentage of shares (as a % of the total shareholding of Promoter and promoter group)	37.87	43.28	43.28	43.28
	- Percentage of shares (as a % of the total share capital of the Company)	19.46	22.23	22.23	22.23
	b) Non-encumbered				
	- Number of shares	190,873,183	174,262,679	174,262,679	174,262,679
	- Percentage of shares (as a % of the total shareholding of Promoter and promoter group)	62.13	56.72	56.72	56.72
	- Percentage of shares (as a % of the total share capital of the Company)	31.91	29.14	29.14	29.14

SI No	PARTICULARS	Quarter ended
		30-06-2014
B	INVESTOR COMPLAINTS	
	Pending at the beginning of the quarter	NIL
	Received during the quarter	7
	Disposed off during the quarter	7
	Remaining unresolved at the end of the quarter	NIL

Notes:

- 1) The above results were reviewed by the Audit Committee and approved by the Board of Directors at their respective meetings held on July 30, 2014.
- 2) The Statutory Auditors have carried out Limited Review of above financial results.
- 3) Income from urea operations is accounted on the basis of prices notified under Stage III New Pricing Policy by the Government of India (GOI) which has been further extended from April 01, 2010 onwards until further orders. Input escalation / de-escalation, freight subsidy and Import Parity Price benefit are accounted in accordance with parameters notified by GOI. Adjustments, if any, required will be considered on notification of final prices.
- 4) a) Production and sales during the quarter were lower compared to the corresponding period under report due to i) Urea / Ammonia manufacturing unit (Plant-II Kakinada) has been shutdown for a period of 20 days during May, 2014 towards Annual Turn Around as planned. ii) Short supply of Natural Gas.
b) GAIL's inability to supply full gas from July 7, 2014 onwards which resulted in stoppage of plants. The plants can resume operations on restoration of gas supplies.
- 5) Depreciation for the quarter has been provided on the fixed assets other than continuous process plants of the Company, based on the useful lives specified in Schedule II of the Companies Act, 2013. In respect of continuous process plants, the useful lives have been determined based on technical assessment by the Company. Consequently, depreciation for the quarter ended June 30, 2014 is lower by Rs 860.82 Lakhs than it would have been if depreciation were computed as earlier. For assets that had completed their useful lives as on April 1, 2014, the net residual value has been adjusted to Retained Earnings.
- 6) The financial results comprise of the combined operations of the Company relating to Fertilizer, Micro Irrigation, Agri Services and Wind Energy generation businesses. The financial results of Micro Irrigation segment, Wind Energy segment and Agri Services segment being less than the threshold limit prescribed for separate disclosure in Accounting Standard 17, have not been shown separately.
- 7) Tax Expense includes income tax and deferred tax.
- 8) The Company has allotted 1,004,100,000 - 10.25% Secured Redeemable Non-Convertible Non-Cumulative Fully Paid Debentures of Re. 1/- each to its lenders on June 20, 2014 totaling to Rs. 10,041.00 Lakhs in settlement of the recompense amount payable for exiting the CDR.
- 9) The Bombay Stock Exchange vide letter dated December 14, 2011 approved the application of the Company for listing of the equity shares and the National Stock Exchange vide letter dated January 13, 2012 accorded in-principle approval for listing of the equity shares. These approvals are subject to relaxation by Securities and Exchange Board of India (SEBI) from requirements under Rule 19(2)(b) of Securities Contracts (Regulation) Rules, 1957. The Company has furnished all necessary documents/clarifications from time to time after having complied fully with the provisions of the Companies Act, 1956, Listing Agreement and other statutory enactments in force.

An application has been filed by SEBI in the High Court of Bombay at Mumbai challenging the approval granted to the Composite Scheme. The Company is contesting the application, the matter is sub-judice and the High Court of Bombay at Mumbai is hearing the matter.

The Company, in view of the prolonged delay by SEBI, has filed an Application before Securities Appellate Tribunal (SAT) to direct SEBI to grant relaxation/waiver of Rule 19(2)(b) of Securities Contract (Regulation) Rules, 1957.

Adjustments, if any, required to the financial statements will be made on final resolution of this matter.
- 10) The figures of the quarter ended March 31, 2014 are the balancing figures between the audited figures of the full financial year ended March 31, 2014 and the published year to date figures up to third quarter ended December 31, 2013.
- 11) The figures for the corresponding previous periods have been restated / regrouped, wherever necessary, to make them comparable.