

**Nagarjuna Fertilizers and Chemicals Limited**

Nagarjuna Hills, Hyderabad - 500 082.

Unaudited Financial Results (Provisional) for the half year ended 30th, September 2005



Rs. Crores

SI No	Particulars	Quarter ended		Half year ended		Year ended
		30.09.2005	30.09.2004	30.09.2005	30.09.2004	31-03-2005 (Audited)
1	Net Sales/Income from operations	466.12	422.64	680.17	594.48	1,266.39
2	Other Income	3.07	6.93	6.94	10.98	17.67
3	Remission of principal amount of loan	-	-	-	-	14.65
4	Total Expenditure					
	a) (Increase)/decrease in stock	93.12	115.55	17.64	(3.20)	(18.78)
	b) Consumption of raw materials	117.78	85.99	201.20	179.80	376.26
	c) Power and Fuel	82.06	74.43	141.52	142.37	282.03
	d) Purchases - traded products	15.76	19.49	20.52	22.58	101.53
	e) Staff Costs	9.57	7.02	18.11	14.48	32.37
	f) Transport & Handling	26.23	24.07	40.28	41.14	92.89
	g) Other expenditure	30.21	30.89	76.50	50.62	113.01
	Total	374.73	357.44	515.77	447.79	979.31
5	Interest	31.87	35.66	67.06	71.09	142.79
6	Depreciation	30.53	30.48	60.81	60.65	121.36
7	Profit / (Loss) before tax	32.06	5.99	43.47	25.93	55.25
8	Provision for tax - Current	19.35	0.47	30.41	2.03	5.02
	- Deferred tax (debit) / credit	14.40	(3.55)	28.93	(16.18)	(20.70)
	- Fringe Benefit Tax	0.32	-	0.61	-	-
9	Profit / (Loss) after Tax	26.79	1.97	41.38	7.72	29.53
10	Paid-up Equity Share Capital (Face Value of Rs. 10/- per share)	427.77	416.61	427.77	416.61	416.61
11	Preference Share Capital (Face Value of Rs. 100/- per share)	37.20	-	37.20	-	37.20
12	Reserves excluding revaluation reserve	427.00	366.74	427.00	366.74	385.65
13	Basic and diluted Earning Per Share (not annualised) - Rs.	0.63	0.05	0.97	0.19	0.70
14	Aggregate of Non-Promoter shareholding					
	- No. of shares	273,728,777	264,013,747	273,728,777	264,013,747	266,132,285
	- Percentage of shareholding	63.93%	63.31%	63.93%	63.31%	63.82%

**Notes:**

- Income from Urea operations has been accounted on the basis of provisional prices as per the Group Concession Scheme of the Govt. of India.
- The financial results relate mainly to Fertilizer segment. The financial results of Micro Irrigation segment, being less than the limit for separate disclosure as per Accounting Standard 17, has not been shown separately.
- In respect of Audited Accounts for the year ended 31.03.2005, the Auditors in their Report have commented:  
  
Non-compliance of Accounting Standard-13 relating to Accounting for Investments, non-provisioning towards diminution in the carrying value of Investments  
  
The company states that:  
The investments in the subsidiary / associate companies are long term investments as the projects are long gestation projects and accordingly diminution in value, if any, is considered temporary.  
  
The Company will  
Comply with the Accounting Standard-13 whenever in the opinion of the management, there is permanent diminution in the value of Investments.
- Additional Depreciation on the increased amount due to revaluation of assets is adjusted from revaluation reserve.
- The Auditors of the Company have carried out a limited review of the above Financial Results.

6	No. of Investor complaints pending at the beginning of the quarter	No. of complaints received during the quarter	No. of complaints resolved	No. of complaints unresolved as on September 30, 2005
	NIL	1	NIL	1

- The above results were reviewed by the Audit Committee and taken on record by the Board of Directors at their meeting held on 28th October, 2005.

HYDERABAD  
28.10.2005

K.S.RAJU  
Vice Chairman & Managing Director