

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

Statement of Unaudited Standalone Financial Results for the Quarter / Nine Months Ended December 31, 2017

₹ in Lakhs

| SI No | PARTICULARS | Quarter ended | | | Nine Months ended | | Year ended |
|-------|--|---------------------------|---------------------------|---------------------------|---------------------------|---------------------------|-------------------------|
| | | 31-12-2017 (Unaudited) | 30-09-2017 (Unaudited) | 31-12-2016 (Unaudited) | 31-12-2017 (Unaudited) | 31-12-2016 (Unaudited) | 31-03-2017 (Audited) |
| I | Revenue from Operations | 100,188.93 | 103,611.95 | 87,298.37 | 290,272.96 | 262,177.25 | 338,506.62 |
| II | Other Income | 411.72 | 1,718.63 | 112.18 | 3,684.34 | 1,161.46 | 3,527.32 |
| III | Total income (I+II) | 100,600.65 | 105,330.58 | 87,410.55 | 293,957.30 | 263,338.71 | 342,033.94 |
| IV | Expenses | | | | | | |
| | a) Cost of materials consumed | 34,397.56 | 30,059.81 | 30,677.47 | 97,651.42 | 86,179.23 | 116,457.86 |
| | b) Purchase of Stock-in-Trade | 13,841.24 | 16,571.72 | 9,703.58 | 41,266.03 | 43,505.81 | 46,156.44 |
| | c) Changes in inventories of finished goods, stock-in-trade and work in progress | (734.43) | 7,864.86 | (554.94) | 1,936.44 | (851.58) | 1,309.75 |
| | d) Power and Fuel | 24,732.52 | 23,517.32 | 21,949.34 | 72,129.19 | 62,106.44 | 84,068.01 |
| | e) Employee Benefits Expense | 4,301.97 | 4,397.15 | 3,966.46 | 13,053.01 | 11,395.01 | 15,451.61 |
| | f) Finance costs | 8,199.15 | 7,597.98 | 8,218.55 | 23,273.62 | 25,310.50 | 32,489.97 |
| | g) Depreciation and Amortization Expense | 2,255.41 | 2,255.04 | 2,225.16 | 6,718.14 | 6,736.40 | 8,920.56 |
| | h) Excise Duty | - | - | 239.05 | 228.19 | 691.00 | 879.40 |
| | i) Other Expenses | 15,028.92 | 12,957.96 | 13,783.13 | 39,588.22 | 38,011.62 | 52,108.60 |
| | Total expenses | 102,022.34 | 105,221.84 | 90,207.80 | 295,844.26 | 273,084.43 | 357,842.20 |
| V | Profit / (Loss) before exceptional items and tax (III-IV) | (1,421.69) | 108.74 | (2,797.25) | (1,886.96) | (9,745.72) | (15,808.26) |
| VI | Exceptional Items | - | - | - | - | - | - |
| VII | Profit / (Loss) before Tax (V-VI) | (1,421.69) | 108.74 | (2,797.25) | (1,886.96) | (9,745.72) | (15,808.26) |
| VIII | Tax Expense: | | | | | | |
| | (a) Current Tax | - | - | (46.88) | - | - | - |
| | (b) Adjustments relating to earlier years | 56.91 | - | (628.84) | 56.91 | (628.84) | (628.84) |
| | (c) Deferred Tax | (469.85) | 74.36 | (94.62) | (501.25) | (2,147.13) | (3,001.71) |
| | | (412.94) | 74.36 | (770.34) | (444.34) | (2,775.97) | (3,630.55) |
| IX | Profit / (Loss) from continuing operations (VII-VIII) | (1,008.75) | 34.38 | (2,026.91) | (1,442.62) | (6,969.75) | (12,177.71) |
| X | Profit / (Loss) from discontinued operations | - | - | - | - | - | - |
| XI | Tax expense of discontinued operations | - | - | - | - | - | - |

₹ in Lakhs

| SI No | PARTICULARS | Quarter ended | | | Nine Months ended | | Year ended |
|-------|---|---------------------------|---------------------------|---------------------------|---------------------------|---------------------------|-------------------------|
| | | 31-12-2017 (Unaudited) | 30-09-2017 (Unaudited) | 31-12-2016 (Unaudited) | 31-12-2017 (Unaudited) | 31-12-2016 (Unaudited) | 31-03-2017 (Audited) |
| XII | Profit / (Loss) from discontinued operations after tax (X-XI) | - | - | - | - | - | - |
| XIII | Profit / (Loss) for the period (IX+XII) | (1,008.75) | 34.38 | (2,026.91) | (1,442.62) | (6,969.75) | (12,177.71) |
| XIV | Other Comprehensive Income (net of tax) | | | | | | |
| | A Items that will not be reclassified to profit or loss | | | | | | |
| | (i) Re-measurement gains / (losses) on defined benefit plans | - | - | - | - | - | 46.44 |
| | (ii) Income tax relating to these items | - | - | - | - | - | (16.07) |
| | B (i) Items that will be reclassified to profit or loss | - | - | - | - | - | - |
| | (ii) Income tax relating to these items | - | - | - | - | - | - |
| | Total Other Comprehensive income, net of tax | - | - | - | - | - | 30.37 |
| XV | Total Comprehensive Income (XIII+XIV) | (1,008.75) | 34.38 | (2,026.91) | (1,442.62) | (6,969.75) | (12,147.34) |
| XVI | 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 |
| XVII | Earning Per Share (of ₹ 1/- each) (not annualised) (for continuing operations) | | | | | | |
| | - Basic and Diluted | (0.17) | 0.01 | (0.34) | (0.24) | (1.17) | (2.04) |
| XVIII | Earning Per Share (of ₹ 1/- each) (not annualised) (for discontinued operations) | | | | | | |
| | - Basic and Diluted | - | - | - | - | - | - |
| XIX | Earning Per Share (of ₹ 1/- each) (not annualised) (for discontinued and continuing operations) | | | | | | |
| | - Basic and Diluted | (0.17) | 0.01 | (0.34) | (0.24) | (1.17) | (2.04) |

Notes:

- 1) The above results were reviewed by the Audit Committee and approved by the Board of Directors at their respective meetings held on February 9, 2018.
- 2) The Statutory Auditors have carried out Limited Review of above financial results for the quarter / nine months ended December 31, 2017.
- 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) 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 has been legally advised that the award is not maintainable.

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.

Since the matter being sub-judice, the said claim has been treated as a contingent liability.

- 5) 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. However, pending notification of the final prices by Government of India, the recognition of the same is based on the Management estimates.

Adjustments, if any, required will be considered on notification of final prices.

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

HYDERABAD
February 9, 2018

Sd/-
K. RAHUL RAJU
MANAGING DIRECTOR