

**Nagarjuna Fertilizers and Chemicals Limited**

Nagarjuna Hills, Hyderabad - 500 082.

**Audited Financial Results for the quarter ended 31st, March 2006**



Rs. Crores

SI No	Particulars	Nine months ended 31.12.2005 (unaudited)	Quarter ended		Year ended	
			31.03.2006 (unaudited)	31.03.2005 (unaudited)	31.03.2006 (Audited)	31-03-2005 (Audited)
1	Net Sales/Income from operations	1,103.62	349.33	326.84	1,452.95	1,266.39
2	Other Income	12.95	7.49	(1.24)	20.44	17.67
3	Remission of principal amount of loan	-	-	14.65	-	14.65
4	<b>Total Expenditure</b>					
	a) (Increase)/decrease in stock	1.23	4.61	(18.06)	5.84	(18.78)
	b) Consumption of raw materials	341.55	139.56	94.70	481.11	376.26
	c) Power and Fuel	263.60	68.84	68.25	332.44	282.03
	d) Purchases - traded products	72.61	5.95	36.83	78.56	101.53
	e) Staff Costs	27.78	11.55	8.77	39.33	32.37
	f) Transport & Handling	68.54	22.78	26.87	91.32	92.89
	g) Other expenditure	103.54	35.65	37.58	139.19	113.01
	<b>Total</b>	<b>878.85</b>	<b>288.94</b>	<b>254.94</b>	<b>1,167.79</b>	<b>979.31</b>
5	Interest	98.87	32.12	35.85	130.99	142.79
6	Depreciation	91.26	29.79	30.01	121.05	121.36
7	Profit / (Loss) before tax	47.59	5.97	19.45	53.56	55.25
8	Provision for tax					
	- Current	39.31	2.28	2.16	41.59	5.02
	- Deferred tax (debit) / credit	43.21	13.26	(1.33)	56.47	(20.70)
	- Fringe Benefit Tax	1.43	0.15	-	1.58	-
9	Profit / (Loss) after Tax	50.06	16.80	15.96	66.86	29.53
10	Paid-up Equity Share Capital (Face Value of Rs. 10/- per share)	427.77	427.96	416.61	427.96	416.61
11	Preference Share Capital (Face Value of Rs. 100/- per share)	37.20	37.20	37.20	37.20	37.20
12	Reserves excluding revaluation reserve	435.71	452.49	385.65	452.49	385.65
13	Basic and diluted Earning Per Share (not annualised) - Rs.	1.17	0.39	0.38	1.56	0.70
14	Aggregate of Non-Promoter shareholding					
	- No. of shares	273,634,547	277,307,293	266,132,285	277,307,293	266,132,285
	- Percentage of shareholding	63.91%	64.76%	63.82%	64.76%	63.82%

**Notes:**

- 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.
- Income from Urea operations has been accounted in line with the Group Concession Scheme announced by Government of India.
- During the year the Company allotted 1,11,61,228 equity shares of Rs. 10/- each at par to the shareholders of erstwhile Nagarjuna Palma India Limited which was amalgamated with the Company w.e.f. 01.10.2004 pursuant to the scheme of amalgamation approved by the High Court of AP.
- Depreciation on the increased value of assets due to revaluation is adjusted from revaluation reserve.
- Auditors have given a modified report on the value of investments in subsidiary companies namely NPCL / JESCO in view of the uncertainties in implementation of the projects and in the absence of quantification of diminution in the value of the investments.

The company states that :

The investments in subsidiary companies are long term investments as the projects are long gestation projects and accordingly diminution in value, if any, is considered temporary.

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 March 31, 2006
	NIL	NIL	NIL	NIL

- The above results were reviewed by the Audit Committee and taken on record by the Board of Directors at their meeting held on 27th April, 2006.

HYDERABAD  
27.04.2006

K.S.RAJU  
Vice Chairman & Managing Director

