

**STATEMENT OF UNAUDITED STANDALONE RESULTS FOR THE QUARTER AND HALF YEAR ENDED SEPTEMBER 30, 2018**

(Rupees in lakhs)

PART I Particulars	3 months ended	Preceding 3 months ended	Corresponding 3 months ended in the previous year	Year to date figures for current period ended	Year to date figures for previous period ended	Previous year ended
	30.09.2018	30.06.2018	30.09.2017	30.09.2018	30.09.2017	31.03.2018
	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
<b>1 INCOME</b>						
(a) Revenue from operations (gross of excise duty) (Refer Notes 6 and 7)	<b>99,878.53</b>	67,064.19	80,174.40	<b>166,942.72</b>	139,472.03	269,290.26
(b) Other income	<b>235.99</b>	267.24	144.42	<b>503.23</b>	191.32	1,184.77
<b>Total income</b>	<b>100,114.52</b>	67,331.43	80,318.82	<b>167,445.95</b>	139,663.35	270,475.03
<b>2 EXPENSES</b>						
(a) Cost of materials consumed	<b>46,314.63</b>	29,468.43	29,168.43	<b>75,783.06</b>	59,593.18	127,168.92
(b) Purchases of stock-in-trade	<b>15,977.88</b>	24,143.36	5,742.60	<b>40,121.24</b>	43,366.31	72,396.40
(c) Change in inventories of finished goods, work-in-progress and stock-in-trade	<b>8,261.49</b>	(3,834.39)	24,173.33	<b>4,427.10</b>	(1,842.75)	(11,390.39)
(d) Excise duty on sale of goods	-	-	-	-	397.15	397.15
(e) Employee benefits expense	<b>1,765.21</b>	1,790.44	1,850.45	<b>3,555.65</b>	3,527.15	6,820.77
(f) Finance costs	<b>3,418.51</b>	3,320.90	2,204.65	<b>6,739.41</b>	4,504.97	9,042.30
(g) Depreciation and amortisation expense	<b>945.65</b>	903.94	902.68	<b>1,849.59</b>	1,789.28	3,699.35
(h) Power, fuel and water	<b>9,788.88</b>	4,473.91	4,836.00	<b>14,262.79</b>	9,916.91	22,846.84
(i) Outward freight	<b>5,653.21</b>	4,363.19	6,045.13	<b>10,016.40</b>	10,219.18	19,658.30
(j) Other expenses	<b>3,512.16</b>	3,387.27	2,285.17	<b>6,899.43</b>	5,488.63	12,330.69
<b>Total expenses</b>	<b>95,637.62</b>	68,017.05	77,208.44	<b>163,654.67</b>	136,960.01	262,970.33
<b>3 Profit / (loss) before tax (1-2)</b>	<b>4,476.90</b>	(685.62)	3,110.38	<b>3,791.28</b>	2,703.34	7,504.70
<b>4 Tax expense / (credit)</b>						
(a) Current tax (MAT)	<b>829.95</b>	-	617.45	<b>829.95</b>	617.45	1,767.20
(b) Deferred tax charge/(credit)	<b>738.53</b>	(294.35)	440.56	<b>444.18</b>	352.46	(320.76)
<b>Total tax expense / (credit)</b>	<b>1,568.48</b>	(294.35)	1,058.01	<b>1,274.13</b>	969.91	1,446.44
<b>5 Net Profit / (loss) from the period / year (3-4)</b>	<b>2,908.42</b>	(391.27)	2,052.37	<b>2,517.15</b>	1,733.43	6,058.26
<b>6 Other comprehensive income/(expense)</b>						
Items that will not be reclassified to profit or loss in subsequent periods						
Re-measurement gains/(losses) on defined benefit plan	<b>6.45</b>	18.03	(63.89)	<b>24.48</b>	(59.87)	(24.53)
Income tax effect on above	<b>(2.26)</b>	(6.30)	22.11	<b>(8.56)</b>	20.72	8.57
Total other comprehensive income/(expense)	<b>4.19</b>	11.73	(41.78)	<b>15.92</b>	(39.15)	(15.96)
<b>7 Total comprehensive income / (expense) (5+6)</b>	<b>2,912.61</b>	(379.54)	2,010.59	<b>2,533.07</b>	1,694.28	6,042.30
<b>8 Paid-up equity share capital (Face value of Rs. 10 per share)</b>	<b>11,854.87</b>	11,854.87	11,854.87	<b>11,854.87</b>	11,854.87	11,854.87
<b>9 Other equity</b>						35,877.71
<b>10 Earnings / (Loss) per equity share</b>						
(of Rs. 10/- each) (not annualised for quarters):						
(a) Basic (in Rs.)	<b>2.45</b>	(0.33)	1.73	<b>2.12</b>	1.46	5.11
(b) Diluted (in Rs.)	<b>2.45</b>	(0.33)	1.73	<b>2.12</b>	1.46	5.11

See accompanying notes to the financial results



## MANGALORE CHEMICALS AND FERTILIZERS LIMITED

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### STATEMENT OF STANDALONE ASSETS AND LIABILITIES

(Rupees in lakhs)

	As at September 30, 2018	As at March 31, 2018
	Unaudited	Audited
<b>ASSETS</b>		
<b>Non-current assets</b>		
(a) Property, plant and equipment	60,958.60	60,994.71
(b) Capital work-in-progress	3,172.65	3,303.21
(c) Intangible assets	105.14	96.13
(d) Financial assets		
(i) Loans	778.95	739.60
(ii) Others	60.45	40.98
(e) Income tax assets (net)	-	44.03
(f) Other non-current assets	43.30	70.15
	<b>65,119.09</b>	<b>65,288.81</b>
<b>Current assets</b>		
(a) Inventories	33,738.81	39,690.86
(b) Financial assets		
(i) Trade receivables	115,201.47	118,468.49
(ii) Cash and cash equivalents	5,475.10	11,264.04
(iii) Other bank balances	2,002.66	823.99
(iv) Others	8,202.28	12,121.52
(c) Other current assets	5,093.91	3,141.64
	<b>169,714.23</b>	<b>185,510.54</b>
<b>Total assets</b>	<b>234,833.32</b>	<b>250,799.35</b>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity</b>		
(a) Equity share capital	11,854.87	11,854.87
(b) Other equity	36,982.02	35,877.71
	<b>48,836.89</b>	<b>47,732.58</b>
<b>Liabilities</b>		
<b>Non-current liabilities</b>		
(a) Financial liabilities		
(i) Borrowings	20,433.39	19,686.81
(ii) Others	208.11	461.87
(b) Provisions	1,539.51	1,482.75
(c) Deferred tax liabilities (net)	1,790.59	1,337.85
	<b>23,971.60</b>	<b>22,969.28</b>
<b>Current liabilities</b>		
(a) Financial liabilities		
(i) Borrowings	82,726.88	113,257.79
(ii) Trade payables		
Total outstanding dues of micro enterprises and small enterprises	557.90	104.90
Total outstanding dues of creditors other than micro enterprises and small enterprises	63,535.96	52,068.17
(iii) Others	13,695.98	12,298.45
(b) Income tax liabilities (net)	3.50	-
(c) Other current liabilities	604.79	1,494.66
(d) Provisions	899.82	873.52
	<b>162,024.83</b>	<b>180,097.49</b>
<b>Total equity and liabilities</b>	<b>234,833.32</b>	<b>250,799.35</b>

Notes:

1. The Ind AS financial results for the quarter ended September 30, 2018 and year to date from April 1, 2018 to September 30, 2018 of Mangalore Chemicals and Fertilisers Limited ("the Company") have been reviewed by the Audit Committee and approved by the Board of Directors at its meetings held on October 29, 2018 and have been subjected to limited review by the statutory auditors of the Company.
2. The Ind AS financial results have been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 (Ind AS 34), "Interim Financial Reporting" prescribed under Section 133 of the Companies Act, 2013, read with Rule 3 of Companies (Indian Accounting Standards) Rules, 2015, as amended, and in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and SEBI Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016.
3. The Company is engaged in the manufacture, sale and trading of fertilisers which constitutes a single operating segment as per Ind AS 108 and hence separate segment disclosures have not been furnished.
4. The Ammonia, Urea and ABC plants of the Company were shutdown from April 25, 2018 to June 10, 2018 for planned maintenance activities.
5. The urea concession has been estimated and accounted as per the Government of India ('GOI') notification dated June 17, 2015. The subsidy on phosphatic and complex fertilisers has been accounted based on the rates announced by the GOI under Nutrient Based Subsidy Policy, from time to time.
6. The Company recognises urea concession income from the GOI based on estimates and changes, if any, are recognised in the period/year of finalisation of the prices by the GOI under the scheme. Accordingly, revenue from operations for the quarter and year to date period ended September 30, 2018 and the year ended March 31, 2018 include additional urea concession income of Rs. 3,050.79 Lakhs and Rs. 2,068.68 Lakhs, respectively, relating to immediately preceding financial year recognised on finalization of escalation/de-escalation claims.
7. Revenue from operations for the year to date period ended September 30, 2017 and the year ended March 31, 2018 is not comparable with the quarter and year to date period ended ended September 30, 2018, since excise duty formed part of expenses upto June 30, 2017, whereas, effective July 1, 2017 revenue is net of Goods and Service Tax ('GST').
8. Ind AS 115 Revenue from Contracts with Customers, mandatory for reporting periods beginning on or after April 1, 2018, replaces existing revenue recognition requirements. Under the modified retrospective approach there were no significant adjustments required to the retained earnings at April 1, 2018. Also, the application of Ind AS 115 did not have any significant impact on recognition and measurement of revenue and related items in the Ind AS financial results.
9. Vide GST Notification No. 26/2018 dated June 13, 2018, the department amended definition of 'Net Input Tax Credit' for the purpose of GST refund on account of inverted duty structure with effect from July 1, 2017 to include input tax credit availed only on inputs which excludes input services. The

Company had claimed GST refund with respect to input services effective July 1, 2017 till April 17, 2018 aggregating to Rs. 1,206.29 Lakhs which is also supported by a legal opinion obtained subsequently. Further, during the current quarter, the Company while relying on such legal opinion and on a stay order dated September 18, 2018 of the High Court of Gujarat in respect of application of another company on this matter, has recognized input tax credit of Rs. 962.42 Lakhs on input services for the year to date period ended September 30, 2018. Accordingly, given such credit is available for utilization also, the management is confident of refund / utilisation of aforesaid input tax credit.

10. The Company had engaged an independent firm to carry out forensic review of certain transactions relating to investment in preference shares of Bangalore Beverages Limited and advances to United Breweries (Holdings) Limited, which indicated that these transactions may have involved irregularities. These investment and advances aggregating to Rs. 21,668.20 Lakhs were fully provided for during the year ended March 31, 2016.

Zuari Fertilisers and Chemicals Limited, the holding company (now merged with Zuari Agro Chemicals Limited) had filed a petition before the National Company Law Tribunal, Bengaluru ("NCLT") to claim accountability of erstwhile promoter group for the aforesaid irregularities. The matter is currently pending before the NCLT.

11. The Board of Directors of the Company at its meeting held on May 24, 2018 had proposed dividend of Re. 1 per equity share of Rs. 10 each amounting to Rs. 1,428.76 Lakhs (inclusive of dividend distribution tax) for the year ended March 31, 2018, which was approved at the ensuing annual general meeting held on September 6, 2018.
12. The previous period/year's figures have been regrouped where necessary to confirm to this period's classification.

For and on behalf of the Board of Directors

Place : Gurugram  
Date : October 29, 2018

N Suresh Krishnan  
Managing Director