

**STATEMENT OF UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND NINE MONTHS PERIOD ENDED DECEMBER 31, 2019**

(Rupees in Lakhs)

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
	31.12.2019	30.09.2019	31.12.2018	31.12.2019	31.12.2018	31.03.2019
	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
<b>1 INCOME</b>						
(a) Revenue from contracts with customers (Refer Note 4)	67,585.04	73,072.20	76,111.58	2,14,764.64	2,43,054.30	3,07,363.76
(b) Other income	695.21	661.33	381.20	1,859.35	884.43	1,203.47
<b>Total income</b>	<b>68,280.25</b>	<b>73,733.53</b>	<b>76,492.78</b>	<b>2,16,623.99</b>	<b>2,43,938.73</b>	<b>3,08,567.23</b>
<b>2 EXPENSES</b>						
(a) Cost of materials consumed	37,101.10	39,698.74	46,497.34	1,07,400.73	1,22,280.40	1,57,092.20
(b) Purchases of stock-in-trade	8,123.16	2,127.78	20,035.13	20,066.53	60,156.37	74,365.48
(c) Change in inventories of finished goods, stock-in-trade and work-in-progress	(1,032.13)	5,631.31	(14,271.16)	19,680.85	(9,844.06)	(9,870.88)
(d) Employee benefits expense	1,815.98	1,784.56	1,794.46	5,464.82	5,350.11	7,070.62
(e) Finance costs	2,403.15	3,225.17	2,272.73	9,412.19	7,979.98	11,101.93
(f) Depreciation and amortisation expense	1,126.15	1,145.90	986.72	3,352.49	2,836.31	3,877.90
(g) Other expenses	15,944.16	16,425.16	16,904.05	44,740.39	49,114.83	59,915.94
<b>Total expenses</b>	<b>65,481.57</b>	<b>70,038.62</b>	<b>74,219.27</b>	<b>2,10,118.00</b>	<b>2,37,873.94</b>	<b>3,03,553.19</b>
<b>3 Profit before tax (1-2)</b>	<b>2,798.68</b>	<b>3,694.91</b>	<b>2,273.51</b>	<b>6,505.99</b>	<b>6,064.79</b>	<b>5,014.04</b>
<b>4 Tax expense</b>						
(a) Current tax (MAT)	394.00	811.00	662.05	1,205.00	1,492.00	1,268.00
(b) Deferred tax charge	594.78	621.18	245.47	1,233.00	689.65	458.11
<b>Total tax expense</b>	<b>988.78</b>	<b>1,432.18</b>	<b>907.52</b>	<b>2,438.00</b>	<b>2,181.65</b>	<b>1,726.11</b>
<b>5 Profit from the period/year (3-4)</b>	<b>1,809.90</b>	<b>2,262.73</b>	<b>1,365.99</b>	<b>4,067.99</b>	<b>3,883.14</b>	<b>3,287.93</b>
<b>6 Other comprehensive income/(loss)</b>						
Items that will not be reclassified to profit or loss in subsequent periods						
Re-measurement gains/(losses) on defined benefit plan	(29.34)	9.23	(141.18)	(65.96)	(116.70)	(116.15)
Income tax effect on above	10.25	(3.22)	49.34	23.05	40.78	40.59
Total other comprehensive income/(loss)	(19.09)	6.01	(91.84)	(42.91)	(75.92)	(75.56)
<b>7 Total comprehensive income (5+6)</b>	<b>1,790.81</b>	<b>2,268.74</b>	<b>1,274.15</b>	<b>4,025.08</b>	<b>3,807.22</b>	<b>3,212.37</b>
<b>8 Paid-up equity share capital (Face value of Rs. 10 per share)</b>	<b>11,854.87</b>	<b>11,854.87</b>	<b>11,854.87</b>	<b>11,854.87</b>	<b>11,854.87</b>	<b>11,854.87</b>
<b>9 Other equity</b>						37,661.32
<b>10 Earnings per equity share (of Rs. 10/- each) (not annualised for quarters):</b>						
(a) Basic (in Rs.)	1.53	1.91	1.16	3.43	3.28	2.77
(b) Diluted (in Rs.)	1.53	1.91	1.16	3.43	3.28	2.77

See accompanying notes to the financial results

Notes:

1. The financial results for the quarter ended December 31, 2019 and year to date period from April 1, 2019 to December 31, 2019 of Mangalore Chemicals and Fertilizers Limited (“the Company”) have been reviewed by the Audit Committee and approved by the Board of Directors at its meetings held on February 4, 2020 and have been subjected to limited review by the statutory auditors of the Company.
2. The 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, as amended.
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 urea concession income for the nine months period ended December 31, 2019 and the year ended March 31, 2019 has been recognized based on management’s estimate in the respective periods, pending finalisation by the Government of India (‘GOI’).
5. Effective April 1, 2019, the Company has adopted Ind AS 116 which replaces Ind AS 17 on Leases. The Company has used the modified retrospective approach for transition and consequently comparatives for previous period / year have not been restated. This has resulted in recognition of right-of-use assets and corresponding lease liabilities of Rs. 2,015.20 Lakhs as at April 1, 2019. The net impact of adopting this standard on the financial results and earnings per share is not material.
6. The Government of India, on September 20, 2019, vide the Taxation Laws (Amendment) Ordinance 2019, Inserted a new Section 115BA in the Income Tax Act, 1961, which provides an option to the Company for paying Income Tax at reduced rates as per the provisions/conditions defined in the said section. The Company is in process of evaluating the impact of this ordinance.
7. The Company had claimed refund of GST input tax credit on input services of Rs. 1,206.29 Lakhs till April 17, 2018 which was subsequently refunded and has further recognized such input tax credit of Rs. 4,420.35 Lakhs for subsequent period till December 31, 2019. Based on a tax opinion, a stay order dated September 18, 2018 of the High Court of Gujarat in respect of application of another company and considering such credit is available for utilisation also, the management is confident of refund / utilisation of aforesaid input tax credit. The Company has started utilising such credit during the nine months period ended December 31, 2019 based on a tax advice obtained in this regard.

For and on behalf of the Board of Directors

Place : Gurugram  
Date : February 4, 2020

N Suresh Krishnan  
Managing Director