



**MANGALORE CHEMICALS AND FERTILIZERS LIMITED**

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**STATEMENT OF UNAUDITED FINANCIAL RESULTS FOR THE QUARTER ENDED JUNE 30,2022**

(Rupees in Lakhs)

Particulars	3 months ended	Preceding 3 months ended	Corresponding 3 months ended in the previous year	Previous year ended
	30.06.2022	31.03.2022	30.06.2021	31.03.2022
	Unaudited	Audited*	Unaudited	Audited
<b>1 INCOME</b>				
(a) Revenue from contracts with customers (Refer Note 4 and 5)	102,128.81	71,887.58	68,719.11	289,558.30
(b) Other income	183.06	772.96	593.44	2,427.06
<b>Total income</b>	<b>102,311.87</b>	<b>72,660.54</b>	<b>69,312.55</b>	<b>291,985.36</b>
<b>2 EXPENSES</b>				
(a) Cost of materials consumed	58,354.74	60,765.49	36,807.31	186,934.66
(b) Purchases of traded goods	85.77	117.14	6,066.97	6,416.91
(c) Change in inventories of finished goods, traded goods and work-in-progress	14,160.02	(16,876.63)	985.65	(13,122.69)
(d) Employee benefits expense	1,842.00	1,662.25	1,751.29	6,962.64
(e) Finance costs	1,947.72	1,550.90	1,059.85	4,940.42
(f) Depreciation and amortisation expense	1,254.42	1,229.22	1,273.82	5,055.75
(g) Other expenses	20,986.89	23,796.05	17,592.76	81,331.66
<b>Total expenses</b>	<b>98,631.56</b>	<b>72,244.42</b>	<b>65,537.65</b>	<b>278,519.35</b>
<b>3 Profit before tax (1-2)</b>	<b>3,680.31</b>	<b>416.12</b>	<b>3,774.90</b>	<b>13,466.01</b>
<b>4 Tax expense</b>				
(a) Current tax (Minimum Alternate Tax)	656.00	43.00	678.00	2,350.00
(b) Deferred tax charge	744.17	24.48	664.16	2,329.88
<b>Total tax expense</b>	<b>1,400.17</b>	<b>67.48</b>	<b>1,342.16</b>	<b>4,679.88</b>
<b>5 Profit from the quarter/year (3-4)</b>	<b>2,280.14</b>	<b>348.64</b>	<b>2,432.74</b>	<b>8,786.13</b>
<b>6 Other comprehensive income/(loss)</b>				
Items that will not be reclassified to profit or loss				
Re-measurement gains/(losses) on defined benefit plan	46.28	33.99	(6.34)	(31.15)
Income tax effect on above	(16.17)	(11.88)	2.22	10.88
<b>Total other comprehensive income/(loss)</b>	<b>30.11</b>	<b>22.11</b>	<b>(4.12)</b>	<b>(20.27)</b>
<b>7 Total comprehensive income (5+6)</b>	<b>2,310.25</b>	<b>370.75</b>	<b>2,428.62</b>	<b>8,765.86</b>
<b>8 Paid-up equity share capital (Face value of INR 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>9 Other equity</b>				<b>56,452.12</b>
<b>10 Earnings per equity share</b>				
(of INR 10/- each) (not annualised for quarters):				
(a) Basic (in INR)	1.92	0.29	2.05	7.41
(b) Diluted (in INR)	1.92	0.29	2.05	7.41

\*Refer Note 8

See accompanying notes to the unaudited financial results

Notes:

1. The unaudited financial results for the quarter ended June 30, 2022 of Mangalore Chemicals and Fertilizers Limited (“the Company”) have been reviewed by the Audit Committee and approved by the Board of Directors at their respective meetings held on August 01, 2022.
2. The unaudited financial results have been prepared in accordance with the Indian Accounting Standards (“Ind AS”) prescribed under Section 133 of the Companies Act, 2013, read with relevant Rules issued thereunder and other accounting principles generally accepted in India and in compliance with 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 period / year has been recognized based on management’s estimate, pending finalization by the Government of India (‘GOI’).
5. The Company had during the year ended March 31, 2021 recognised urea subsidy income of INR 2,914 Lakhs without benchmarking its cost of production using naphtha with that of gas-based urea manufacturing units recently converted to natural gas, as notified by the Department of Fertilizers [DoF] for subsidy income computation, against which the Company had filed a writ petition against the DoF before the Hon’ble High Court of Delhi [DHC]. Pending finalization of writ petition before the DHC, the management, based on legal opinion and considering the fact that the energy cost is always a pass through in subsidy computation, believes that artificial benchmarking is arbitrary and discriminatory and is confident of realisation of the aforesaid subsidy income.
6. The Company has shutdown the Ammonia and Urea plants on June 01, 2022 for implementing Ammonia Energy Improvement project and operations will resume in August 2022 after implementation of the project.
7. The Code on Social Security, 2020 (‘Code’) relating to employee benefits received Presidential assent in September 2020. However, effective date and the final Rules/ interpretation have not yet been notified / issued. The Company is in the process of assessing the impact of the Code and will recognize the impact, if any, based on its effective date.
8. The figures of the quarter ended March 31, 2022 are the balancing figures between the audited figures in respect of the financial year up to March 31, 2022 and the unaudited published year-to-date figures up to December 31, 2021 being the date of the end of third quarter of the financial year which was subjected to limited review.

For and on behalf of the Board of Directors

Date: August 01, 2022

Shubhabrata Saha  
Managing Director