



Khaitan CHEMICALS AND FERTILIZERS LIMITED

CIN : L24219MP1982PLC004937

Apollo Arcade, 3rd Floor, 1/2, Old Palasia, INDORE - 452018 (M.P.) Phone : 2565663, 2564937
Fax : 0731-4753655, E-mail : khaitanind@gmail.com Website : www.khaitanchemfert.com



QMS-FM-76004
EMS 502498
OHS 502499

KCFL/2018/

May 19, 2018

The Stock Exchange Mumbai
Phiroze Jeejeebhoy Towers,
Dalal Street,
MUMBAI-400 001
022:22722037/39/41/61
022: 22723121/3719
corp.relations@bseindia.com

Sub: Outcome of Board Meeting

Ref: Regulation 30 read with Part A of Schedule III of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Dear Sir/Madam,

We wish to inform you that the Board of Directors of the Company has approved the Audited Financial Results for the year ended on March 31, 2018, vide their meeting held on 19.05.2018. The details are as under:

The Company has posted a net profit of Rs. 180.30 lacs for the year ended March 31, 2018 as compared to net profit of Rs. 166.60 lacs for the year ended March 31, 2017. Total income has decreased from Rs. 36,765.37 lacs for the year ended March 31, 2017 to Rs. 35,607.54 lacs for the year ended March 31, 2018.

We are enclosing herewith a copy of Audited Financial Results for the year ended March 31, 2018 alongwith Independent Auditors Report and a declaration to the effect that the Auditor's Report contains an un-modified opinion.

We wish to further inform you that, the Board of Directors of the Company has recommended dividend of Re. 0.05 (5%) per equity share for the year 2017-18.

This is for your information and record.

Thanking you,

Yours faithfully,
for **KHAITAN CHEMICALS & FERTILIZERS LTD.**


(**CS KAMLESH JOSHI**)
Company Secretary & General Manager

Gurgaon Office :
207, 2nd Floor, Seva Corporate Park
M.G. Road , Gurgaon - 122 002 (Haryana)

Regd. Office :
A.B. Road, Village Nimrani
Distt.- KHARGONE - 451 569 (M.P.)
Phone : 07285-265448, 265447
Fax : 07285-265449



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The Bombay Stock Exchange Ltd.
Phiroze Jeejeebhoy Towers,
Dalal Street,
MUMBAI-400 001
022:22722037/39/41/61
022: 22723121/3719
corp.relations@bseindia.com

Dear Sir,

Sub.: Declaration pursuant to Regulation 33(3)(d) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

I, Harsh Vardhan Agnihotri, President & Chief Financial Officer of Khaitan Chemicals and Fertilizers Limited (CIN: L24219MP1982PLC004937) having its Registered Office at A.B. Road, Village Nimrani Dist. Khargone- 451 569 (M.P.), hereby declare that, in terms of the proviso of Regulation 33(3)(d) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended by the SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2016, vide Circular No. CIR/CFD/CMD/56/2016 dated May 27, 2016, the Statutory Auditors of the Company, M/s. N S B P & Co., Chartered Accountants, New Delhi, have issued the Audit Report for Annual Audited Financial Statements with an unmodified opinion for the Financial Year ended March 31, 2018.

This is for your information and record.

Thanking you,

Yours faithfully,
for **KHAITAN CHEMICALS & FERTILIZERS LTD.**


(HARSH VARDHAN AGNIHOTRI)
President & Chief Financial Officer

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To,
The Bombay Stock Exchange Ltd.
Phiroze Jeejeebhoy Towers,
Dalal Street, Fort,
MUMBAI-400 001

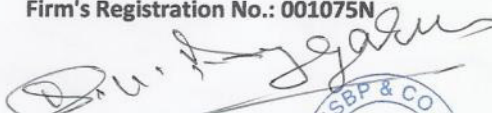
Declaration

{Pursuant to Regulation 33 (3) (d) of the SEBI
(Listing Obligations and Disclosure Requirements) Regulations, 2015}

We do hereby declare and confirm that the Annual Audited Financial Statements for the year ended 31st March, 2018 do not contain any adverse remark / modified opinion / emphasis on matter, according to the Auditor's Report for that period.

Further we do hereby declare and confirm that the Audit Report for Annual Audited Financial Statements is issued with an unmodified opinion for the Financial Year ended March 31, 2018

for N S B P & CO.
Chartered Accountants
Firm's Registration No.: 001075N



Deepak Aggarwal
(Partner)
Membership No.: 095541



for Khaitan Chemicals and Fertilizers Limited


Shailesh Khaitan
(Chairman & Managing Director)
DIN: 00041247


Harsa Vardhan Agnihotri
(President & CFO)
PAN No. : ACXPA9315K


Balmukund Dakhera
(Chairman, Audit Committee)
DIN: 05105269

Place: Gurugram
Date: 19.05.2018

Gurgaon Office :
207, 2nd Floor, Seva Corporate Park
M.G. Road , Gurgaon - 122 002 (Haryana)

Regd. Office :
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Auditor's Report on Quarterly and Year to Date Financial Results of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

To
Board of Directors of
Khaitan Chemicals and Fertilizers Limited

1. We have audited the accompanying statement of quarterly financial results of Khaitan Chemicals and Fertilizers Limited ("the Company") for the quarter and the year to date financial results year ended March 31, 2018, (the "Statement") attached herewith, being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The quarterly financial results are the derived figures between the audited figures in respect of the year ended March 31, 2018 and the published year-to-date figures up to December 31, 2017, being the date of the end of the third quarter of the current financial year, which were subject to limited review. The financial results for the quarter and year to date ended March 31, 2018 have been prepared on the basis of the financial results for the nine month period ended December 31, 2017, the audited annual financial statements as at and for the year ended March 31, 2018, and the relevant requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 and are the responsibility of the Company's management and have been approved by the Board of Directors of the Company. These quarterly as well as year to date financial results have been prepared on the basis of the Ind AS interim financial statements, which are the responsibility of the Company management. Our responsibility is to express an opinion on these financial results based on our audit of such Ind AS financial statements, which have been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard, Interim Financial Reporting (Ind AS 34), prescribed under the Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other accounting principles generally accepted in India.
2. We conducted our audit in accordance with the auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial results are free of material misstatement(s). An audit includes examining, on a test basis, evidence supporting the amounts disclosed as financial results. An audit also includes assessing the accounting principles used and significant estimates made by management. We believe that our audit provides a reasonable basis for our opinion.
3. In our opinion and to the best of our information and according to the explanations given to us, these quarterly and year to date financial results:
 - (i) have been presented in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015; and SEBI circular dated July 5, 2016 in this regard; and
 - (ii) give a true and fair view of the net profit including other comprehensive income and other financial information for the quarter ended March 31, 2018 as well as the year to date results for the year ended March 31, 2018.
4. Other matters
The audit for the year ended March 31, 2017 was conducted by S.S.Kothari Mehta & Co, Chartered Accountants who issued an unmodified opinion dated May 29, 2017.

For NSBP & Co.
Chartered Accountants
FRN : 001075N



Deepak K. Aggarwal
Deepak K. Aggarwal
Partner
M. No. 095541

Place : Gurugram
Date : May 19, 2018

INDEPENDENT AUDITORS' REPORT**To the Members of Khaitan Chemicals and Fertilizers Limited****Report on the Ind AS financial statements**

We have audited the accompanying Ind AS financial statements of **Khaitan Chemicals and Fertilizers Limited ("the Company")**, which comprise the balance sheet as at March 31, 2018, statement of profit and loss (including the statement of other comprehensive income), the statement of cash flows and the statement of changes in equity for the year then ended, and a summary of significant accounting policies and other explanatory information (herein after referred to as "Ind AS financial statements").

Management's Responsibility for the Ind AS financial statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended thereof.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these Ind AS financial statements based on our audit. In conducting our audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder and the Order issued under Section 143(11) of the Act.

We conducted our audit of the Ind AS financial statements in accordance with the Standards on Auditing, specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the Ind AS financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the Ind AS financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Ind AS financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant



Page 1 of 8

to the Company's preparation of the Ind AS financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances.

An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the Ind AS financial statements.

We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the Ind AS financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2018 and its profit, total comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Other Matters

The comparative financial information of the Company for the year ended March 31, 2017 and the transition date opening balance sheet as at April 01, 2016 included in this Ind AS Financial Statements, are based on the previously issued statutory financial statement prepared in accordance with the Companies (Accounting Standards) Rules, 2006 audited and reported by S.S. Kothari Mehta & Co. having firm registration number 000756N who have issued an unmodified audit report dated May 29, 2017 and May 27, 2016 respectively, have been furnished to us by the management and which have been relied upon by us for the purpose of issuing the report on the financial statement as adjusted for the differences in the accounting principles adopted by the Company on transition to Ind AS, which has been audited by us.

Our report is not modified in respect of this matter.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of section 143(11) of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143 (3) of the Act, we report that:
 - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid Ind AS financial statements;
 - b. In our opinion, proper books of account as required by law have been kept by the company so far as it appears from our examination of those books;



- c. The balance sheet, statement of profit and loss including statement of other comprehensive income, the cash flow statement and statement of changes in equity dealt with by this Report are in agreement with the books of account;
- d. In our opinion, the aforesaid Ind AS financial statements comply with the Accounting Standards specified under section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended thereof;
- e. On the basis of written representations received from the directors as on March 31, 2018 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2018 from being appointed as a director in terms of Section 164 (2) of the Act;
- f. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B"; and
- g. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and explanations given to us:
 - i. The Company has disclosed the impact of pending litigations as at March 31, 2018 on its financial position in its Ind AS financial statements – Refer Note 37 to the Ind AS financial statements;
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses; and
 - iii. There is no amount required to be transferred, to the Investor Education and Protection Fund by the Company.

For NSBP & Co.
Chartered Accountants
Firm Registration No. 001075N



A handwritten signature in black ink, appearing to read "Deepak K. Aggarwal", written over the circular stamp.

Deepak K. Aggarwal
Partner
Membership No: 095541

Place: New Delhi
Date: May 19, 2018

Annexure A to the Independent Auditor's Report to the Members of Khaitan Chemicals and Fertilizers Limited on its Ind AS financial statements dated May 19, 2018

Report on the matters specified in paragraph 3 of the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of section 143(11) of the Companies Act, 2013 ("the Act") as referred to in paragraph 1 of 'Report on Other Legal and Regulatory Requirements' section

- i. (a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
- (b) The fixed assets have been physically verified by the management according to the programme of periodical verification in phased manner which, in our opinion, is reasonable having regard to the size of the company and the nature of its fixed assets. The discrepancies, if any, noticed on such physical verification have been properly dealt with in the books of accounts.
- (c) According to the information and explanation given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties as disclosed in the note 4 on fixed assets to the financial statements, are held in the name of the company except in the following cases where title deeds/lease agreement are not held in the name of the Company {Refer Note 4 (b) & (c)}

Nature of Immovable Properties	No. of Properties	Gross Carrying Value (Rs. In Lakhs)	Net Carrying Value (Rs. In Lakhs)
Freehold Land	2	57.47	57.47
Leasehold Land	1	24.86	16.22
Total	3	82.33	73.69

- ii. The inventory of the Company has been physically verified by the management during the year (except for stock of Rock Phosphate, Sulphur and Single Super phosphate for which stock is taken on estimation basis and for the stock in transit and stock lying with outside parties). In our opinion, the frequency of verification is reasonable, the discrepancies noticed on physical verification of the inventory as compared to book records were not material.
- iii. The Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability partnerships or other parties covered in the register maintained under section 189 of the Act. Thus, the paragraph 3(iii)(a) to (c) of the Order is not applicable to the Company.
- iv. As per the information and explanation given to us and on the basis of our examination of the records, the company has complied with provision of section 185 and 186 of the Act, with respect to the loans and investment made.
- v. In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits from the public and consequently, the directives issued by the Reserve Bank of India and the provisions of sections 73 to 76 or any other relevant provisions of the Companies Act and the rules framed there under, are not applicable to the Company.



- vi. We have broadly reviewed the books of accounts maintained in pursuance to sub section (1) of Section 148 of the Act in respect of single super phosphate fertilizers, sulphuric acid and refined vegetable oil manufactured by the Company and are of the opinion that, prima facie, the prescribed records and accounts have been made and maintained. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.
- vii. (a) According to the records of the Company examined by us and the information and explanations given to us, the Company is generally irregular in depositing its undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, service tax, goods and service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues, as applicable, with the appropriate authorities during the year and no undisputed amounts are payable which have remained outstanding as at March 31, 2018 for a period of more than six months from the date they became payable except work contract tax payable of Rs. 0.69 lakh, since paid and value added tax of Rs. 29.56, adjusted in books with tax refundable.
- (b) According to the information and explanations given to us and the records of the Company examined by us, there are no dues of sales-tax and goods and service tax which have not been deposited on account of any dispute, except the following dues of service tax, income tax, duty of customs, value added tax and cess along with the forum where the dispute is pending as follows:

Name of the statute	Nature of the dues	Amount (in Rs. lakhs) *	Period to which the amount relates	Forum where dispute is pending
Mines and Minerals (Development and Regulation) Act, 1957	Royalty on rock phosphate	118.77	2004-05	High Court, Rajasthan
Commercial Tax Act, 1994	Purchase Tax	42.85	2004-05	High Court of Madhya Pradesh, Jabalpur
UP Trade Tax, 1948	Trade Tax	1.00	2006-07	The Deputy Commission Commercial Tax-Jhansi
M.P. Entry Tax Act, 1976	Entry Tax	22.14	2007-08	MP Commercial Tax Appellate Board, Bhopal
Custom Act, 1962	Custom Duty	171.56	2004-05 to 2008-09	Commissioner Appeal, Mumbai
Income Tax Act, 1962	Income Tax	3.53	2013- 14	CIT (Appeal)- New Delhi
Income Tax Act, 1962	Income Tax	7.06	2014-15	CIT (Appeal)- New Delhi
U.P. Sales Tax	Sales Tax	2.66	2011-12	DY. Commissioner, Jhansi
U.P. Sales Tax	Sales Tax	2.57	2012-13	DY. Commissioner, Jhansi
U.P. Central Sales Tax, 1956	Sales Tax	0.69	2013-14	DY. Commissioner, Jhansi
U.P. Entry Tax, 2007	Entry Tax	0.11	2013-14	DY. Commissioner, Jhansi

* Net of amounts paid under protest.

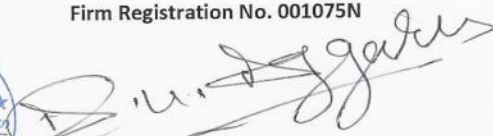


- viii. According to the information and explanations given to us and as per the books and records examined by us, in our opinion, the company has not defaulted in repayment of loans or borrowings to a financial institution and banks. The Company has not taken any loans from debenture holders and Government.
- ix. In our opinion and on the basis of information and explanations given to us, the company has not raised any monies by way of initial public offer or further public offer or term loan during the financial year, hence the related reporting requirement of the Order are not applicable.
- x. During the course of our examination of the books and records of the Company carried out in accordance with the generally accepted auditing practices in India, we have neither come across any instance of fraud on or by the Company or any fraud on the Company by its officers or employees has been noticed or reported during the year, nor have we been informed of such case by the management.
- xi. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has paid/provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V of the Act.
- xii. The company is not a Nidhi company, hence the related reporting requirement of the Order are not applicable.
- xiii. According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by applicable accounting standards.
- xiv. As the Company has not made any preferential allotment and private placement of shares or fully & partly convertible debentures during the year under review, the requirement of section 42 of the Act are not applicable.
- xv. In our opinion, and according to the information and explanations given to us, the Company has not entered into any non-cash transactions with directors or persons connected with him.
- xvi. According to the information and explanations given to us, the provisions of section 45-IA of the Reserve Bank of India Act, 1934 are not applicable to the Company.

Place: New Delhi
Date: May 19, 2018



For NSBP & Co.
Chartered Accountants
Firm Registration No. 001075N


Deepak K. Aggarwal
Partner
Membership No: 095541

Annexure B to the Independent Auditor's Report to the Members of Khaitan Chemicals and Fertilizers Limited ('the Company') on its Ind AS financial statements dated May 19, 2018.

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act") as referred to in paragraph 1(f) of 'Report on Other Legal and Regulatory Requirements' section

We have audited the internal financial controls over financial reporting of **Khaitan Chemicals and Fertilizers Limited** ("the Company") as of March 31, 2018 in conjunction with our audit of the Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Board of Directors of the company is responsible for establishing and maintaining internal financial controls based on "the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India". These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit.

We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing as specified under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness.

Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the Ind AS financial statements, whether due to fraud or error.



We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of Ind AS financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that:

- a) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- b) provide reasonable assurance that transactions are recorded as necessary to permit preparation of Ind AS financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and
- c) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the Ind AS financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2018, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

Place: New Delhi
Date: May 19, 2018



For NSBP & Co.
Chartered Accountants
Firm Registration No. 001075N

Deepak K. Aggarwal
Partner
Membership No: 095541

KHAITAN CHEMICALS AND FERTILIZERS LIMITED

CIN: L24219MP1982PLC004937

Regd. Office: A.B.Road, Village- Nimrani, Khargone, 451569 (M.P.)

Email: khaitanchemfert@gmail.com; Website: www.khaitanchemfert.com

Phone: 0731-4237926, 4753666; Fax: 0731-4753655



Statement of Audited Financial Results for the year ended March 31, 2018

(Rs. In Lakhs)

Sl. No	Particulars	Quarter Ended			Year Ended	
		March 31, 2018	December 31, 2017	March 31, 2017	March 31, 2018	March 31, 2017
		Audited*	Unaudited	Audited*	Audited*	Audited*
1	Income from operations					
	I. Net Sales / Income from operations	9,238.54	9,122.61	10,314.76	35,483.68	36,434.54
	II. Other Income	(22.81)	17.01	41.81	145.09	330.83
	Total Income from Operations (I+II)	9,215.73	9,139.62	10,356.57	35,628.77	36,765.37
2	Expenses					
	(a) Cost of material consumed	3,476.08	2,823.17	4,180.72	14,416.52	21,008.25
	(b) Purchase of Stock in Trade	2,290.40	870.21	512.27	5,490.34	1,635.91
	(c) Changes in inventories of finished goods, stock-in-Trade and work-in-progress	130.43	2,226.59	1,112.19	1,633.05	(2,424.38)
	(d) Employees benefits expenses	411.23	371.28	389.88	1,594.01	1,673.98
	(e) Finance costs	625.13	614.95	721.59	2,633.22	3,104.06
	(f) Depreciation and amortisation expense	218.92	221.17	199.74	870.65	823.22
	(g) Excise duty	-	-	149.65	159.87	562.79
	(h) Other expenses					
	Outward transportation	1,049.35	854.96	1,338.24	3,818.41	4,318.52
	Others	1,010.46	1,089.78	1,667.53	4,770.69	5,851.26
	Total expenses	9,212.00	9,072.11	10,271.81	35,386.76	36,553.61
3	Profit/(loss) before exceptional items and tax (1-2)	3.73	67.51	84.76	242.01	211.76
4	Exceptional Items					
5	Profit/(loss) before tax (3-4)	3.73	67.51	84.76	242.01	211.76
6	Tax Expense					
	1) Provision for Current tax	2.20	16.44	31.17	47.58	97.66
	2) Provision for Deferred tax	(90.86)	20.86	(54.11)	(18.59)	(53.57)
	3) Earlier Year Tax	-	-	(33.46)	48.80	1.91
	Total tax expenses	(88.66)	37.30	(56.40)	77.79	46.00
7	Profit/(loss) for the period (5-6)	92.39	30.22	141.16	164.22	165.76
8	Other Comprehensive Income (OCI)					
	Items that will not be reclassified to profit or loss					
	Re-measurements gain/(loss) on defined benefit plans	26.44	-	(0.08)	24.02	(3.45)
	Tax on (i) above	(8.74)	-	0.03	(7.94)	1.14
	Changes in fair value of financial assets if designated to OCI	-	-	3.51	-	3.51
	Less: Deferred Tax on Changes in fair value of financial assets if designated to OCI	-	-	(0.35)	-	(0.35)
	Total other comprehensive income, net of tax	17.70	-	3.11	16.08	0.85
9	Total Comprehensive Income for the period (7+8)	110.09	30.22	144.27	180.30	166.61
10	Paid-up equity share capital (Face Value Per Share Re. 1/-)	969.89	969.89	969.89	969.89	969.89
11	Earning Per Share (of Re. 1/- each)					
	Basic and diluted	0.10	0.03	0.15	0.17	0.17



Segment-Wise Revenues, Results, Assets & Liabilities for the quarter and year ended March 31, 2018
Under Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Sl. No	Particulars	Quarter Ended			Year Ended	
		March 31, 2018	December 31, 2017	March 31, 2017	March 31, 2018	March 31, 2017
		Audited*	Unaudited	Audited*	Audited*	Audited*
1	Segment Revenues [Net sale/income from each segment]					
	a) Fertilizers and Chemicals	6,548.62	8,118.14	10,169.55	31,513.72	35,366.63
	b) Soya/ Agri	2,663.52	1,019.49	180.20	4,045.64	1,347.60
	c) Unallocated (others)	3.59	1.99	6.82	69.41	51.14
	Total	9,215.73	9,139.62	10,356.57	35,628.77	36,765.37
	Less: Inter Segment Revenue	-	-	-	-	-
	Net Sales/ Income from operations	9,215.73	9,139.62	10,356.57	35,628.77	36,765.37
2	Segment Results [Profit/ (Loss) before tax and interest from each segment]					
	a) Fertilizers and Chemicals	453.81	729.24	875.40	2,813.15	2,936.18
	b) Soya/ Agri	166.94	(39.23)	(71.91)	16.47	361.03
	c) Unallocated (others)	8.11	(7.55)	2.86	45.61	18.61
	Total	628.86	682.46	806.35	2,875.23	3,315.82
	Less: i) Interest and other financial expenses	625.13	614.95	721.59	2,633.22	3,104.06
	ii) Other unallocated expenditure net off	-	-	-	-	-
	iii) Unallocated income	-	-	-	-	-
	Total Profit before tax	3.73	67.51	84.76	242.01	211.76
3	Segment Assets					
	a) Fertilizers and Chemicals	35,423.21	37,505.34	40,656.96	35,423.21	40,656.96
	b) Soya/ Agri	3,208.44	2,448.21	2,489.29	3,208.44	2,489.29
	c) Unallocated (others)	438.29	571.35	629.44	438.29	629.44
	Total	39,069.94	40,524.90	43,775.69	39,069.94	43,775.69
4	Segment Liabilities					
	a) Fertilizers and Chemicals	24,981.93	24,822.38	30,529.57	24,981.93	30,529.57
	b) Soya/ Agri	890.89	2,599.40	34.60	890.89	34.60
	c) Unallocated (others)	164.41	180.87	300.75	164.41	300.75
	Total	26,037.23	27,602.65	30,864.92	26,037.23	30,864.92
5	Capital Employed (3-4)	13,032.71	12,922.25	12,910.77	13,032.71	12,910.77

Notes

* Refer note no. 8

- The above results were reviewed by the Audit Committee and taken on record by the Board of Directors in its meeting held on May 19, 2018.
- The Company has adopted Indian Accounting Standards ("Ind AS") from 1st April, 2017 and accordingly these financial results together with the results of the Comparative previous period have been prepared in accordance with the recognition and measurement principle laid down in Ind AS 34 "Interim Financial Reporting prescribed under Section 133 of the Companies Act, 2013 read with the relevant rules issued there under and the other accounting principles generally accepted in India.

- Reconciliation between financial results, as previously reported and as restated under Ind AS financial are as under :

Particulars	Quarter Ended	Year Ended
	Mar 31, 2017	Mar 31, 2017
	(Audited)	(Audited)
Net Profit after tax as per Indian GAAP	116.52	179.18
1. Effect of effective interest rate (EIR) method on loans and borrowings	12.20	10.53
2. Effect of Change in Fair Value of Financial Assets Through Profit and Loss (FVTPL)	34.60	(12.69)
3. Effect of Actuarial loss on employee defined benefit plan recognised in Other Comprehensive Income (OCI)	0.08	3.45
4. Effect of Depreciation on standby spares	(0.91)	(2.95)
5. Deferred Tax impact on above adjustments (Net)	(21.33)	(11.76)
Net Profit after Tax as per IND AS	141.16	165.76
Other Comprehensive Income (Net of Tax)	3.11	0.85
Total Comprehensive Income for the period	144.27	166.61

- Reconciliation of equity as previously reported under Previous GAAP to Ind-AS:

Particulars	For the year ended	For the year ended
	March 31, 2017	April 1, 2016
	(Rs. in Lakhs)	(Rs. in Lakhs)
Equity as reported under Previous GAAP	12,900.05	12,720.87
Effect of measuring derivative at fair value	(40.61)	(27.92)
Proposed dividend and related distribution tax	-	58.36
Recognition of borrowings using effective interest rate	41.55	31.02
Effect of measuring investments at fair value through OCI	134.43	130.92
Effect of Depreciation on Stand-by spares capitalised	(48.89)	(45.94)
ECL provision on trade receivables	(43.73)	(43.73)
Provision on Non-moving stores and spares	(24.18)	(24.18)
Deferred tax on GAAP adjustments	(7.85)	3.12
Equity as reported under Ind AS	12,910.77	12,802.52

- The financial results for the year ended March 31, 2018 have been audited by the statutory auditors of the Company. The audit report does not contain any qualifications. The audit report will be filed with the Stock Exchange [website-www.bseindia.com](http://www.bseindia.com) and will also be available on the Company's [website-www.khaitanchemfert.com](http://www.khaitanchemfert.com).
- Post the applicability of Goods and Service Tax (GST) with effect from July 01, 2017, revenue from operations are disclosed net of GST. Accordingly, the revenue from operations and excise duty expenses for the quarter and year ended March 31, 2018 are not comparable with the previous periods presented in the results.
- The company does not have any exports, hence reporting on secondary segment does not arise.
- The figures for the last quarter are the balancing figures between the audited figures in respect of full financial year and un-audited published figures in respect of the financial results upto the third quarter of the financial year.
- The Board of Directors of the Company has recommended a dividend @ Re.0.05 per share (5%) for the year 2017-18, subject to the approval of members of the Company.
- The figures for the corresponding period have been regrouped and reclassified wherever necessary to make comparable.

By order of the Board
for KHAITAN CHEMICALS AND FERTILIZERS LIMITED

(SHAILESH KHAITAN)
CHAIRMAN & MANAGING DIRECTOR
DIN : 00041247



Place: Gurugram
Date: May 19, 2018

Statement of Assets and Liabilities as at March 31, 2018

(Rs. in Lakhs)

	As at March 31, 2018	As at March 31, 2017
	Audited	Audited
ASSETS		
Non-current Asset		
Property, plant and equipment	11,359.19	11,746.87
Capital work-in-progress	56.99	248.62
Intangible assets	25.06	42.64
Financial Assets		
I) Investments	143.92	143.92
II) Loans	-	-
III) Other Financial Assets	353.46	393.41
Income Tax Assets (Net)	47.37	39.01
Other non-current assets	-	-
	11,985.99	12,614.47
Current Asset		
Inventories	7,491.52	10,071.85
Financial Assets		
i) Trade receivables	9,862.44	9,159.88
ii) Government subsidies receivable	7,242.56	9,938.04
iii) Cash and cash equivalents	30.01	36.97
iv) Bank balances other (iii) above	478.89	766.15
v) Loans	33.58	22.50
vi) Other financial assets	297.68	204.26
Other current assets	1,647.27	961.57
	27,083.95	31,161.22
TOTAL	39,069.94	43,775.69
EQUITY & LIABILITIES		
Equity		
Equity share capital	969.89	969.89
Other equity	12,062.82	11,940.88
Total Equity	13,032.71	12,910.77
Non current liabilities		
Financial liabilities		
I) Borrowings	4,214.02	4,949.76
II) Other financial liabilities	47.24	46.22
Provisions	33.28	45.42
Deferred tax liabilities (net)	387.64	398.28
	4,682.18	5,439.68
Current liabilities		
Financial liabilities		
I) Borrowings	15,010.37	18,321.72
II) Trade payables	3,895.48	3,917.55
III) Other financial liabilities	1,609.56	2,289.29
Other current liabilities	723.10	807.99
Provisions	116.54	88.69
	21,355.05	25,425.24
TOTAL	39,069.94	43,775.69

