



Mangalore Chemicals
& Fertilizers Limited

722/Q3-BM/2024

February 02, 2024

The Asst. Vice President,
National Stock Exchange of India Limited
Exchange Plaza, C-1, Block G,
Bandra Kurla Complex,
Bandra (E)
MUMBAI - 400 051

Department of Corporate Services - CRD
BSE Limited,
Floor 25, Phiroze Jeejeebhoy Towers,
Dalal Street
MUMBAI - 400 001

Dear Sir/Madam,

Company's Scrip Code in BSE : 530011 MANGCHEM
Company's Symbol in NSE : MANGCHEFER
ISIN : INE558B01017

Sub: Outcome of the Board Meeting under Regulation 30 of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015

With reference to the subject mentioned above, we hereby inform you that, the Board of Directors of the Company at its meeting held today, i.e., February 02, 2024, *inter alia*, considered and approved the following:

- i. Unaudited financial results of the Company for the quarter and nine months ended December 31, 2023 as recommended by the Audit Committee at its meeting held today, i.e., February 02, 2024. A copy of the approved results along with Limited Review Report are enclosed as Annexure-1.
- ii. Appointment of M/s. Kedarnath & Karthik, Practicing Company Secretaries as Secretarial Auditor of the Company for the Financial Year 2023-24. The details required under Regulation 30 of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 are given in the Annexure-2.

The meeting commenced at 4:00 P.M. (IST) and concluded at 5.55 P.M. (IST).

Thanking you,

Yours faithfully,
For Mangalore Chemicals and Fertilizers Limited

Vighneshwar G Bhat
Company Secretary

Encl: As above

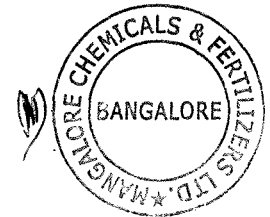

MANGALORE CHEMICALS AND FERTILIZERS LIMITED

Registered Office : Level 11, UB Tower, UB City, 24, Vittal Mallya Road, Bengaluru - 560 001
 Phone: 080-45855599, Fax: 080-45855588 CIN: L24123KA1966PLC002036
 Email: shares.mcf@adventz.com Website: www.mangalorechemicals.com

STATEMENT OF UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND NINE MONTHS ENDED DECEMBER 31, 2023

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
	31.12.2023	30.09.2023	31.12.2022	31.12.2023	31.12.2022	31.03.2023
	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
<i>(Rupees in Lakhs)</i>						
1 INCOME						
(a) Revenue from contracts with customers (Refer Note 4 and 5)	64,060.72	1,41,040.77	1,17,323.52	3,00,904.53	2,47,790.88	3,64,152.40
(b) Other income	1,061.04	1,045.06	700.22	2,842.91	1,928.38	3,064.62
Total income	65,121.76	1,42,085.83	1,18,023.74	3,03,747.44	2,49,719.26	3,67,217.02
2 EXPENSES						
(a) Cost of materials consumed	36,280.56	50,011.22	64,152.55	1,40,793.87	1,46,844.92	1,99,625.52
(b) Purchases of traded goods	332.07	1,516.95	7,303.09	46,701.96	9,422.31	25,813.56
(c) Changes in inventories of finished goods, traded goods and work-in-progress	(3,011.14)	46,333.90	(3,113.71)	385.32	6,993.07	11,842.37
(d) Employee benefits expense	1,711.76	1,645.76	1,637.64	5,189.49	5,355.98	6,917.18
(e) Finance costs	2,314.52	2,818.83	3,323.70	8,167.58	7,364.79	10,437.76
(f) Depreciation and amortisation expense	1,830.03	1,748.55	1,748.11	5,299.40	4,278.35	5,967.50
(g) Other expenses	20,561.82	27,385.36	33,271.30	73,870.06	61,026.03	89,010.54
Total expenses	60,019.62	1,31,460.57	1,08,322.68	2,80,407.68	2,41,285.45	3,49,614.43
3 Profit/(Loss) before tax (1-2)	5,102.14	10,625.26	9,701.06	23,339.76	8,433.81	17,602.59
4 Tax expense						
(a) Current tax / Minimum Alternate Tax	901.00	1,862.00	1,469.00	4,075.00	1,469.00	3,077.00
(b) Deferred tax charge / (credit)	903.43	1,992.33	615.51	4,267.30	286.91	1,060.08
Total tax expense	1,804.43	3,854.33	2,084.51	8,342.30	1,755.91	4,137.08
5 Profit/(Loss) for the period/year (3-4)	3,297.71	6,770.93	7,616.55	14,997.46	6,677.90	13,465.51
6 Other comprehensive income/(loss)						
Items that will not be reclassified to profit or loss						
Re-measurement gains/(losses) on defined benefit plan	(12.84)	18.94	(10.44)	(47.50)	(4.13)	(48.42)
Income tax effect on above	4.49	(6.62)	3.64	16.60	1.44	16.92
Total other comprehensive income/(loss)	(8.35)	12.32	(6.80)	(30.90)	(2.69)	(31.50)
7 Total comprehensive income/(loss) (5+6)	3,289.36	6,783.25	7,609.75	14,966.56	6,675.21	13,434.01
8 Paid-up equity share capital (Face value of INR 10 per share)	11,854.87	11,854.87	11,854.87	11,854.87	11,854.87	11,854.87
9 Other equity						68,463.95
10 Earnings per equity share						
(Face value of INR 10/- each) (not annualised for quarters /periods):						
(a) Basic (in INR)	2.78	5.71	6.42	12.65	5.63	11.36
(b) Diluted (in INR)	2.78	5.71	6.42	12.65	5.63	11.36

See accompanying notes to the unaudited financial results



Notes:

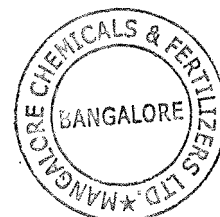
1. The unaudited financial results for the quarter ended December 31, 2023 and year to date from April 1, 2023 to December 31, 2023 of Mangalore Chemicals and Fertilizers Limited ("the Company") have been reviewed by the Audit Committee and approved by the Board of Directors at their respective meetings held on February 02, 2024 and has been subjected to limited review by auditors.
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 and subsidy income for Phosphatic fertilizers under Nutrient Based Subsidy Scheme 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 resumed production of Ammonia and Urea on November 02, 2023 after planned shutdown in the last week of September 2023.
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 will assess the impact of the Code and recognize the same, if any, once the Code comes into effect.
8. Previous year / period's figures have been regrouped / rearranged wherever considered necessary, to conform with current period's classification.

For and on behalf of the Board of Directors



Nitin M Kantak
Whole Time Director

Date: February 02, 2024



PKF SRIDHAR & SANTHANAM LLP

Chartered Accountants

Independent Auditor's Review Report on review of Unaudited Financial Results

To the Board of Directors of Mangalore Chemicals & Fertilizers Limited

We have reviewed the accompanying Statement of Unaudited Financial results of Mangalore Chemicals & Fertilizers Limited ("the company") for the quarter and period ended 31st Dec 2023, being submitted by the company pursuant to Regulation 33 of SEBI (Listing Obligations and Disclosure requirements) regulations, 2015, as amended.

Management's Responsibility

The Statement, which is the responsibility of the management and approved by the Board of Directors, has been prepared in accordance with recognition and measurement principles laid down in the Indian Accounting Standard 34 "Interim Financial Reporting" ("IndAS-34") prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder, and other accounting principles generally accepted in India.

Auditor's Responsibility

Our responsibility is to issue a report on the Statement based on our review. We conducted our review of the Statement in accordance with the Standard on Review Engagement (SRE) 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Institute of Chartered Accountants of India. This Standard requires that we plan and perform the review to obtain moderate assurance as to whether the statement is free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.

Conclusion

Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying Statement of unaudited financial results prepared in accordance with the recognition and measurement principles of the applicable Accounting Standards and other recognized practices and policies has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure requirements) regulations, 2015 as amended, including the manner in which it is to be disclosed, or that it contains any material misstatement.

Emphasis of Matter

We draw attention to Note no 5, which states that the Company had recognized urea subsidy income of Rs. 2914 lakhs in the Financial Year ended March 31, 2021, considering that benchmarking of its cost of production of urea using Naphtha with that of gas-based urea manufacturing units is arbitrary and for which the Company had already filed a writ petition against the Department of Fertilizers before Hon'ble High court of Delhi. Based on the legal opinion obtained, the management believes that the criteria for recognition of subsidy revenue is met. Our conclusion is not modified in respect of this matter.

Place: Mumbai
Date: 2nd Feb 2024

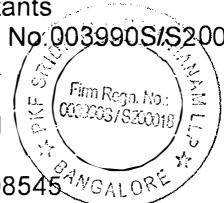
For PKF Sridhar & Santhanam LLP
Chartered Accountants
Firm's Registration No. 003990S/S200018



Seethalakshmi. M
Partner

Membership No. 208545

ICAI UDIN: 24208545 BKAE LI 1953

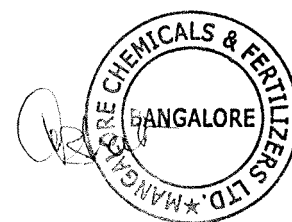




Mangalore Chemicals
& Fertilizers Limited

Annexure 2 - Details under Regulation 30 of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015.

#	Particulars	Details
1	Name of the Secretarial Auditor	M/s. Kedarnath & Karthik, Practicing Company Secretaries
2	Reason for change viz appointment, resignation, removal, death or otherwise	Appointment
3	Effective date of appointment & term of appointment	The Board of Directors at its meeting held today i.e., February 02, 2024 has approved the appointment of M/s. Kedarnath & Karthik, Practicing Company Secretaries, as Secretarial Auditor of the Company for the Financial Year 2023-24.
4	Brief Profile	<p>M/s. Kedarnath & Karthik is a Corporate Advisory and Practicing Company Secretaries firm. They provide service in the areas of compliances under corporate laws, capital structuring, approvals under FEMA Regulations, corporate law advisory etc., Mr. S Kedarnath, Partner, M/s. Kedarnath & Karthik is a fellow member of ICSI having 40+ years of working experience and in practice since 2001. During his career he has rendered services in the capacity of Chairperson of Bengaluru Chapter of SIRC of ICSI.</p> <p>Mr. Karthik S N, another partner is a fellow member of ICSI having 10+ years of working experience. His key areas of service includes restructuring and compliance management under various corporate laws. He has been associated with the Bengaluru Chapter of ICSI as a teaching faculty since 2014, engaging students on topics of company law, restructuring, business & economic laws.</p>
5	Disclosure of relationships between Directors (in case of appointment of director).	N.A.



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Website: www.mangalorechemicals.com

Corporate Identity Number: L24123KA1966PLC002036