

**K. P. RAO & CO.**  
**CHARTERED ACCOUNTANTS**

'Poornima', 25, State Bank Road,  
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LIMITED REVIEW REPORT

The Managing Director,  
Mangalore Chemicals & Fertilizers Limited,  
Bangalore.

We have reviewed the accompanying statement of unaudited financial results of **MANGALORE CHEMICALS AND FERTILIZERS LIMITED, BANGALORE** for the period ended 30th September 2012, except for the disclosures regarding 'public shareholding' and 'promoter and promoter group shareholdings' which have been traced from disclosures made by management and have not been audited by us. This statement is the responsibility of the company's management and has been approved by the Board of Directors / Committee of Board of Directors. Our responsibility is to issue a report on these financial statements based on our review.

We conducted our review in accordance with the Revised Standard on Review Engagement (SRE) 2400, Engagements to review Financial Statements 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 Financial Statements are free of material misstatement. A review is limited primarily to inquiries of the company personnel and analytical procedures applied to financial data and thus provide less assurance than an audit. **We have not performed an audit and accordingly we do not express an audit opinion.**

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 applicable accounting standards and other recognized accounting practices and accounting policies has not disclosed the information required to be disclosed in terms of Clause 41 of the Listing Agreement including the manner in which it is to be disclosed, or that it contains any material misstatements.



Place: *Mumbai*  
Date: *7/11/2012*

For K.P. RAO & COMPANY  
CHARTERED ACCOUNTANTS  
FRN : 003135S

(Desmond J Rebello)  
PARTNER  
M.NO. 015140

Branches

Mysore : #434, 9th Cross, 2nd Main, T.K.Layout, Mysore - 570 009. Phone : 0821 - 3257475  
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PART I						
Statement of Standalone Unaudited Results for the Quarter and Half Year Ended 30.09.2012						
Particulars	3 months ended	Preceding 3 months ended	Corresponding 3 months ended in the previous year	Current Year 6 months ended	Corresponding 6 months ended in the previous year	Previous Year ended
(Refer Notes Below)	30.09.2012	30.06.2012	30.09.2011	30.09.2012	30.09.2011	31.03.2012
	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
<b>1 Income from operations</b>						
Net sales/income from operations (Net of excise duty)	839,05.73	597,75.86	1059,31.09	1436,81.59	1642,76.57	3707,17.71
<b>2 Expenses :</b>						
a. Cost of materials consumed	423,93.55	295,03.75	399,56.81	718,97.30	737,86.86	1279,47.24
b. Purchases of stock-in-trade	166,96.95	143,61.40	398,41.27	310,58.35	542,74.84	1479,90.27
c. Change in inventories of finished goods, work-in-progress and stock-in-trade	(22,43.26)	(48,92.92)	(36,43.99)	(71,36.18)	(144,26.48)	(68,46.27)
d. Employee benefits expense	16,22.78	16,46.34	15,79.04	32,69.12	30,61.31	59,25.32
e. Depreciation and amortisation expense	6,89.36	6,91.01	7,37.20	13,80.37	14,46.78	29,10.45
f. Other expenses						
i) Power and fuel	127,64.59	93,68.32	106,71.99	221,32.91	214,56.97	393,46.30
ii) Other expenses	39,89.54	100,68.50	113,91.42	140,58.04	158,82.73	367,76.78
<b>Total expenses</b>	<b>759,13.51</b>	<b>607,46.40</b>	<b>1005,33.74</b>	<b>1366,59.91</b>	<b>1554,83.01</b>	<b>3540,50.09</b>
<b>3 Profit / (Loss) from operations before other income and finance costs (1-2)</b>	<b>79,92.22</b>	<b>(9,70.54)</b>	<b>53,97.35</b>	<b>70,21.68</b>	<b>87,93.56</b>	<b>166,67.62</b>
4 Other income	2,83.48	1,42.55	72.69	4,26.03	3,39.19	12,95.36
<b>5 Profit / (Loss) from ordinary activities before finance costs (3+4)</b>	<b>82,75.70</b>	<b>(8,27.99)</b>	<b>54,70.04</b>	<b>74,47.71</b>	<b>91,32.75</b>	<b>179,62.98</b>
6 Finance costs	7,19.16	18,05.67	8,71.80	25,24.83	12,89.24	77,16.08
<b>7 Profit / (Loss) before tax (5-6)</b>	<b>75,56.54</b>	<b>(26,33.66)</b>	<b>45,98.24</b>	<b>49,22.88</b>	<b>78,43.51</b>	<b>102,46.90</b>
8 Tax expense	19,14.23	(13,84.16)	15,12.05	5,30.07	25,59.60	33,37.31
<b>9 Net Profit / (Loss) for the period (7-8)</b>	<b>56,42.31</b>	<b>(12,49.50)</b>	<b>30,86.19</b>	<b>43,92.81</b>	<b>52,83.91</b>	<b>69,09.59</b>
10 Paid-up equity share capital (Face Value : ₹ 10 Per Share)	118,54.86	118,54.86	118,54.86	118,54.86	118,54.86	118,54.86
11 Reserve excluding Revaluation Reserves as per balance sheet of previous accounting year						333,00.54
12 Earnings per share (of ₹ 10/- each) (not annualised):						
Basic and Diluted	4.76	(1.05)	2.60	3.71	4.46	5.83

**Notes :**

- The concession for Urea for the half year has been estimated and accounted as per the pricing policy parameters applicable to Stage-III of the New Pricing Scheme, which has been extended from 1.4.2010 on provisional basis until further orders.
- Phosphatics & Complex Fertilizers subsidy has been accounted based on rates announced by GOI under Nutrient Based Subsidy policy.
- The Company's operations predominantly relate to the fertilizer segment and profitability is dependent on prevailing GOI policy.
- Previous period figures have been regrouped, wherever necessary.
- The above results were taken on record by the Board of Directors at its meeting on 7.11.2012. The Auditors have carried out a limited review.



PART II							
Select Information for the Quarter ended 30.09.2012							
	Particulars	3 months ended	Preceding 3 months ended	Corresponding 3 months ended in the previous year	Current Year 6 months ended	Corresponding 6 months ended in the previous year	Previous Year ended
		30.09.2012	30.06.2012	30.09.2011	30.09.2012	30.09.2011	31.03.2012
<b>A</b>	<b>PARTICULARS OF SHAREHOLDING</b>						
1	Public shareholding						
	- Numbers of shares	8,24,38,375	8,24,38,375	8,24,38,375	8,24,38,375	8,24,38,375	8,24,38,375
	- Percentage of shareholding	69.56	69.56	69.56	69.56	69.56	69.56
2	Promoters and Promoter Group Shareholding						
	a) Pledged / Encumbered						
	- Numbers of shares	3,19,88,438	3,19,88,438	3,19,88,438	3,19,88,438	3,19,88,438	3,19,88,438
	- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	88.67	88.67	88.67	88.67	88.67	88.67
	- Percentage of shares (as a % of the total share capital of the company)	26.99	26.99	26.99	26.99	26.99	26.99
	b) Non-encumbered						
	- Numbers of shares	40,88,337	40,88,337	40,88,337	40,88,337	40,88,337	40,88,337
	- Percentage of shares (as a % of the total shareholding of Promoter and Promoter group)	11.33	11.33	11.33	11.33	11.33	11.33
	- Percentage of shares (as a % of the total share capital of the company)	3.45	3.45	3.45	3.45	3.45	3.45

	Particulars	For the quarter ended 30.09.2012
<b>B</b>	<b>INVESTOR COMPLAINTS</b>	
	Pending at the beginning of the quarter	Nil
	Received during the quarter	9
	Disposed of during the quarter	9
	Remaining unresolved at the end of the quarter	Nil

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( ₹. In lakhs)

Standalone Statement of Assets and Liabilities		As at Current Half year end 30.09.2012	As at Previous year end 31.03.2012
<b>A EQUITY &amp; LIABILITIES</b>			
<b>1 Shareholders' funds</b>			
(a) Share capital		118,54.86	118,54.86
(b) Reserves and surplus		459,97.97	416,93.76
<b>Sub- total - Shareholders' funds</b>		<b>578,52.83</b>	<b>535,48.62</b>
<b>2 Non-current liabilities</b>			
(a) Long-term borrowings		163,59.99	223,75.90
(b) Deferred tax liabilities (Net)		44,08.82	38,78.75
(c) Other Long term liabilities		25,35.68	23,25.76
(d) Long-term provisions		15,97.69	15,17.69
<b>Sub- total - Non-current liabilities</b>		<b>249,02.18</b>	<b>300,98.10</b>
<b>3 Current liabilities</b>			
(a) Short-term borrowings		505,81.17	1081,01.01
(b) Trade payables		500,78.25	277,39.96
(c) Other current liabilities		58,24.36	83,02.66
(d) Short-term provisions		4,55.88	17,94.63
<b>Sub- total - Current liabilities</b>		<b>1069,39.66</b>	<b>1459,38.26</b>
<b>TOTAL - EQUITY AND LIABILITIES</b>		<b>1896,94.67</b>	<b>2295,84.98</b>
<b>B ASSETS</b>			
<b>1 Non-current assets</b>			
(a) Fixed assets		491,88.13	491,87.85
(b) Non current investments		200,00.00	.0
(c) Long-term loans and advances		22,02.81	179,71.40
<b>Sub- total - Non-current assets</b>		<b>713,90.94</b>	<b>671,59.25</b>
<b>2 Current assets</b>			
(a) Inventories		364,22.02	218,29.98
(b) Trade receivables		190,20.51	334,85.82
(c) Cash and Cash equivalents		12,49.90	112,76.31
(d) Short-term loans and advances		602,71.33	954,16.59
(e) Other current assets		13,39.97	4,17.03
<b>Sub- total - Current assets</b>		<b>1183,03.73</b>	<b>1624,25.73</b>
<b>TOTAL - ASSETS</b>		<b>1896,94.67</b>	<b>2295,84.98</b>

On behalf of the Board of Directors



**DEEPAK ANAND**  
MANAGING DIRECTOR

Place : Mumbai  
Date : 7.11.2012

