



Mangalore Chemicals
& Fertilizers Limited

MCFL/SE/2016

October 19, 2016

The Asst. Vice President,
National Stock Exchange of India
Limited
Exchange Plaza, C-1, Block G,
Bandra Kurla Complex,
Bandra (E)
MUMBAI - 400 051
Fax :No. 022 – 26598237 / 8

Department of Corporate Services -
CRD
BSE Limited,
Floor 25, PhirozeJeejeebhoy Towers,
Dalal Street
MUMBAI - 400 001
Fax No. 022 – 22723121

Dear Sir,

Sub: Outcome of the Board Meeting

With reference to the subject mentioned above, we hereby write to inform you that the Board of Directors of the Company in its meeting held today, October 19, 2016, inter alia, has considered and approved the unaudited financial results for the quarter and half year ended September 30, 2016.

Thanking you,

Yours faithfully,
for Mangalore Chemicals and Fertilizers Limited

Vijayamahantesh V. Khannur
Company Secretary

(Rs. in lakhs)

PART I					
STATEMENT OF STANDALONE UNAUDITED RESULTS FOR THE QUARTER AND HALF YEAR ENDED 30.09.2016 UNDER INDIAN ACCOUNTING STANDARD (IND-AS)					
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
(Refer Notes Below)	30.09.2016	30.06.2016	30.09.2015	30.09.2016	30.09.2015
	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited
1 Income from operations					
Net sales/income from operations	848,44.35	558,01.41	898,29.04	1406,45.76	1659,66.84
2 Expenses :					
a. Cost of materials consumed	318,64.18	246,90.37	374,60.48	565,54.55	641,91.20
b. Purchases of stock-in-trade	142,84.40	367,77.83	291,23.82	510,62.23	723,00.52
c. Change in inventories of finished goods, work-in-progress and stock-in-trade	173,78.53	(214,88.29)	34,35.23	(41,09.76)	(81,79.78)
d. Employee benefits expense	16,72.15	16,39.25	16,36.75	33,11.40	33,32.33
e. Depreciation and amortisation expense	9,06.64	8,21.58	7,53.67	17,28.22	14,90.87
f. Other expenses					
i) Power, fuel and water	53,00.68	32,95.01	67,05.29	85,95.69	121,11.19
ii) Other expenses	82,15.57	71,68.87	115,14.20	153,84.44	199,02.29
Total expenses	796,22.15	529,04.62	906,29.44	1325,26.77	1651,48.62
3 Profit/(Loss) from operations before other income, finance costs and exceptional items(1-2)	52,22.20	28,96.79	(8,00.40)	81,18.99	8,18.22
4 Other income	8.23	1,39.75	1,43.33	1,47.98	4,37.65
5 Profit/(Loss) from ordinary activities before finance costs but before exceptional items (3+4)	52,30.43	30,36.54	(6,57.07)	82,66.97	12,55.87
6 Finance costs	29,22.51	43,12.77	18,78.60	72,35.28	49,02.76
7 Profit/(Loss) from ordinary activities after finance costs but before exceptional items (5-6)	23,07.92	(12,76.23)	(25,35.67)	10,31.69	(36,46.87)
8 Exceptional item					4,83.20
9 Profit/(Loss) from ordinary activities before tax (7-8)	23,07.92	(12,76.23)	(25,35.67)	10,31.69	(41,30.07)
10 Tax expense	7,72.76	(4,40.15)	(5,92.28)	3,32.61	(9,92.47)
11 Net Profit / (Loss) from ordinary activities after tax (9-10)	15,35.16	(8,36.08)	(19,43.39)	6,99.08	(31,37.60)
12 Extraordinary item	-	-			200,00.00
13 Net Profit/(Loss) for the period (11-12)	15,35.16	(8,36.08)	(19,43.39)	6,99.08	(231,37.60)
14 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
15 (i) Earnings per share (before extraordinary items) (of Rs. 10/- each) (not annualised):					
Basic and Diluted (in Rs.)	1.30	(0.71)	(1.64)	0.59	(2.65)
(ii) Earnings per share (after extraordinary items) (of Rs. 10/- each) (not annualised):					
Basic and Diluted (in Rs.)	1.30	(0.71)	(1.64)	0.59	(19.52)

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STANDALONE STATEMENT OF ASSETS AND LIABILITIES		As at 30.09.2016
		Unaudited
A ASSETS		
1 Non-current assets		
(a) Property, Plant and Equipment		629,38.17
(b) Capital work-in-progress		16,05.47
(c) Other Intangible Assets		35.27
(d) Financial Assets		
(i) Loans		6,71.52
(ii) Others		2.58
(e) Other non-current assets		2,15.70
(f) Non current tax assets (Net)		2,62.22
Sub- total - Non Current Assets		657,30.93
2 Current assets		
Inventories		264,38.16
Financial Assets		
(i) Trade Receivables		559,72.11
(ii) Cash and cash equivalents		20,64.61
(iii) Bank balances		6,76.46
(iv) Others		622,48.41
(c) Other current assets		29,69.13
Sub- total - Current Assets		1503,68.88
TOTAL - ASSETS		2160,99.81
B EQUITY AND LIABILITIES		
Equity		
(a) Equity Share capital		118,54.86
(b) Other Equity		292,20.74
Sub- total - Equity		410,75.60
Liabilities		
1 Non-current liabilities		
(a) Financial Liabilities		
(i) Borrowings		91,75.91
(ii) Other financial liabilities		11,05.46
(b) Provisions		20,22.52
(c) Deferred tax liabilities(Net)		15,64.14
Sub- total - Non-current liabilities		138,68.03
2 Current liabilities		
(a) Financial Liabilities		
(i) Borrowings		550,52.88
(ii) Trade Payables		701,36.57
(iii) Other financial liabilities		157,47.15
(b) Other current liabilities		199,22.28
(c) Provisions		2,97.30
Sub- total - Current liabilities		1611,56.18
TOTAL - EQUITY AND LIABILITIES		2160,99.81

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Notes :

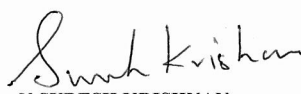
- 1 The above results were reviewed and recommended by the Audit Committee and thereafter approved and taken on record by the Board of Directors at its meeting on 19.10.2016.
- 2 The urea concession for the period has been estimated and accounted as per the Government of India (GoI) Notification dated 17th June 2015. The Company is contesting the discriminatory conditions of the notification before the Hon'ble High Court of Delhi.
- 3 Phosphatics & Complex Fertilizers subsidy has been accounted based on rates announced by GoI under Nutrient Based Subsidy policy.
- 4 Under the provision of Ind AS 108, the Company operates in a single segment of fertilizer operations and therefore separate segment disclosures have not been given.
- 5 The Company adopted "Indian Accounting Standards" (Ind AS) from April 1, 2016 and accordingly these financial results have been prepared in accordance with the recognition and measurement principles laid down in the Ind AS 34 Interim Financial Reporting prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and the other accounting principles generally accepted in India. Financial results for the periods presented have been prepared in accordance with the recognition and measurement principles of Ind AS 34.
- 6 The financial results for the corresponding quarter and half year ended 30.09.2015 are based on the information compiled by the management after making necessary adjustments in accordance with Ind AS and have not been subjected to any review/audit by the auditors.
- 7 Reconciliation between financial results previously reported under Indian GAAP and Ind AS for the quarters /year are presented as under:

(Rs. in lakhs)

	Corresponding 3 months ended in the previous year	Corresponding 6 months ended in the previous year
	30.09.2015	30.09.2015
Net Profit /(Loss) under Indian GAAP (After Tax)	(19,45.35)	(231,01.98)
Impact under Ind AS 109		
Mark to Market gain /(loss) on derivatives	182.86	563.04
Finance Costs	25.52	(40.22)
Mark to Market gain /(loss) on hedged foreign exchange exposure	(266.85)	(758.09)
Actuarial gain/(loss) on defined employee benefit funds recognised in Comprehensive Income	57.23	114.46
Effect of spares capitalised as Property, plant and equipment	(11.12)	34.21
Others	(19.88)	(27.01)
Tax Impact	34.20	77.99
Net Profit /(Loss) under Ind AS	(1,943.39)	(23,137.60)

- 8 There is a possibility that these quarterly financial results along with the provisional financial statements as of and for the year ended March 31, 2016 may require adjustment before constituting the final Ind AS financial statements as of and for the year ending March 31, 2017 due to changes in financial reporting requirements arising from new or revised standards or interpretations issued by MCA or changes in the use of one or more optional exemptions from full retrospective application of certain Ind AS as permitted under Ind AS 101.
- 9 Previous period figures have been regrouped, wherever necessary.

On behalf of the Board of Directors



N SURESH KRISHNAN
MANAGING DIRECTOR

Place : Gurgaon
Date : 19.10.2016

K. P. RAO
DESMOND J. REBELLO
H.N. ANIL
K.P. SIDDHARTH

K. VISWANATH
V. NARAYANAN
S. PRASHANTH
P. RAVINDRANATH

Phone : 080 - 2558 7385 / 2558 6814
Fax : 080 - 2559 4661
E-mail : info@kprao.co.in

LIMITED REVIEW REPORT

To the Board of Directors of
Mangalore Chemicals & Fertilizers Limited

1. We have reviewed the accompanying statements of unaudited financial results ("the Statement") of Mangalore Chemicals & Fertilizers Limited for the Quarter and Six months ended September 30, 2016, attached herewith, being submitted by the company pursuant to the requirements of Regulation 33 of SEBI (Listing obligation and Disclosure Requirement) Regulations, 2015, as modified by Circular no CIR/CFD/FAC/62/2016 dated July 5, 2016.

This Statement is the responsibility of the Company's Management and has been approved by the Board of Directors. Our responsibility is to issue a report on the Statement based on our review.

2. We conducted our review in accordance with Standard on Review Engagements (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 Statements are 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.

3. Other Matter

We have not audited or reviewed the financial results and other financial information for the quarter and six months ended September 30, 2015, which have been presented solely based on the information compiled by the Management.



Branches

Mysore : #434, 9th Cross, 2nd Main, T.K.Layout, Mysore - 570 009. Phone : 0821 - 3257475
Chennai : Flat A - House, Arun Apartments, Old No. 8, Rukmini Street, Kalakshetra Colony, Besant Nagar, Chennai - 600 090.

4. Based on our review, nothing has come to our attention that causes us to believe that the accompanying Statement prepared in accordance with the Indian Accounting Standard (Ind-AS) as prescribed under Section 133 of the Companies Act, 2013 read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016, and other recognised accounting 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 modified by Circular no CIR/CFD/FAC/62/2016 dated July 5, 2016, including the manner in which it is to be disclosed, or that it contains any material misstatement.

For K.P Rao & Co.,

Chartered Accountants

Firm's Registration Number: 003135S



Desmond J Rebello

Partner

Membership Number: 015140



Place: Gurgaon

Date: October 19, 2016.