



Mangalore Chemicals  
& Fertilizers Limited

MCFL/SE/2017

June 1, 2017

BSE Limited,  
Floor 25, Phiroze Jeejeebhoy Towers,  
Dalal Street  
**MUMBAI - 400 001**  
Fax No. 022 - 22723121

Kind Attention: Mr. Rakesh Parekh, Special Assistant, Listing Compliance

Dear Sir,

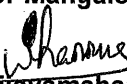
**Sub: Audited financials results for the quarter and the year ended March 31, 2017**  
**Ref: Your email dated May 31, 2017**

We had submitted the Audited Standalone Financial Results for the quarter and the year ended March 31, 2017 vide our letter dated May 18, 2017 along with Auditor's Report thereon.

We attach herewith the Audited Standalone Financial Results for the quarter and the year ended March 31, 2017 as per the formats for the Balance Sheet and Statement of Profit and Loss (excluding notes and detailed sub-classification) as prescribed in Schedule III to the Companies Act, 2013.

Thanking you,

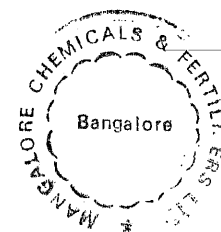
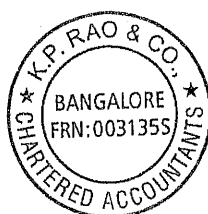
**Yours faithfully,**  
**for Mangalore Chemicals and Fertilizers Limited**

  
**Vijayamahantesh V. Khannur**  
**Company Secretary**

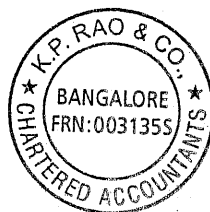
**Copy to:**

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

| <b>PART I</b>                                                                                                                      |                |                          |                                                   |                    |                     |
|------------------------------------------------------------------------------------------------------------------------------------|----------------|--------------------------|---------------------------------------------------|--------------------|---------------------|
| <b>STATEMENT OF STANDALONE AUDITED RESULTS FOR THE QUARTER AND YEAR ENDED 31.03.2017 UNDER INDIAN ACCOUNTING STANDARD (IND-AS)</b> |                |                          |                                                   |                    |                     |
| Particulars                                                                                                                        | 3 months ended | Preceding 3 months ended | Corresponding 3 months ended in the previous year | Current Year ended | Previous year ended |
| (Refer Notes Below )                                                                                                               | 31.03.2017     | 31.12.2016               | 31.03.2016                                        | 31.03.2017         | 31.03.2016          |
|                                                                                                                                    | Audited        | Unaudited                | Audited                                           | Audited            | Audited             |
| <b>I</b> Net sales/income from operations                                                                                          | 545,45.70      | 550,22.78                | 807,44.16                                         | 2502,14.23         | 2982,07.12          |
| <b>II</b> Other income                                                                                                             | 7,69.26        | 55.01                    | 24.16                                             | 9,72.25            | 6,28.50             |
| <b>III</b> Total Income (I + II)                                                                                                   | 553,14.96      | 550,77.79                | 807,68.32                                         | 2511,86.48         | 2988,35.62          |
| <b>IV</b> Expenses :                                                                                                               |                |                          |                                                   |                    |                     |
| a. Cost of materials consumed                                                                                                      | 254,53.46      | 267,74.42                | 298,24.86                                         | 1087,82.43         | 1180,08.92          |
| b. Purchases of stock-in-trade                                                                                                     | 60,17.00       | 115,59.55                | 95,70.49                                          | 686,38.78          | 934,87.06           |
| c. Change in inventories of finished goods, stock-in-trade and work-in-progress                                                    | 61,54.94       | (27,66.95)               | 188,35.91                                         | (7,21.77)          | 104,72.17           |
| d. Employee benefits expense                                                                                                       | 18,56.45       | 17,05.18                 | 18,20.30                                          | 68,73.03           | 67,97.57            |
| e. Finance costs                                                                                                                   | 23,37.65       | 22,51.47                 | 32,82.79                                          | 118,24.40          | 114,73.96           |
| f. Depreciation and amortisation expense                                                                                           | 9,23.24        | 8,75.19                  | 9,78.91                                           | 35,26.65           | 32,31.89            |
| g. Other expenses                                                                                                                  |                |                          |                                                   |                    |                     |
| i) Power, fuel and water                                                                                                           | 42,61.37       | 51,09.57                 | 47,19.29                                          | 179,66.62          | 207,13.16           |
| ii) Other expenses                                                                                                                 | 75,42.26       | 83,57.72                 | 99,92.29                                          | 312,84.42          | 377,90.83           |
| <b>Total expenses</b>                                                                                                              | 545,46.37      | 538,66.15                | 790,24.84                                         | 2481,74.56         | 3019,75.56          |
| <b>V</b> Profit / (Loss) before exceptional items and tax (III - IV)                                                               | 7,68.59        | 12,11.64                 | 17,43.48                                          | 30,11.92           | (31,39.94)          |
| <b>VI</b> Exceptional item                                                                                                         |                |                          | 16,68.20                                          |                    | 216,68.20           |
| <b>VII</b> Profit/(Loss) before tax (V - VI)                                                                                       | 7,68.59        | 12,11.64                 | 75.28                                             | 30,11.92           | (248,08.14)         |
| <b>VIII</b> Tax expense / (credit)                                                                                                 |                |                          |                                                   |                    |                     |
| a. Current tax                                                                                                                     |                |                          |                                                   |                    | (4.64)              |
| b. MAT                                                                                                                             | 1,85.00        | 1,31.00                  | -                                                 | 6,80.00            | -                   |
| c. MAT Credit Entitlement                                                                                                          | (1,85.00)      | (1,31.00)                | -                                                 | (6,80.00)          | -                   |
| d. Deferred Tax                                                                                                                    | 2,99.90        | 4,37.94                  | 5,87.09                                           | 10,70.45           | (7,90.63)           |
| <b>Net Tax expense/ (credit)</b>                                                                                                   | 2,99.90        | 4,37.94                  | 5,87.09                                           | 10,70.45           | (7,95.27)           |
| <b>IX</b> Net Profit / (Loss) from ordinary activities after tax (VII - VIII)                                                      | 4,68.69        | 7,73.70                  | (5,11.81)                                         | 19,41.47           | (240,12.87)         |
| <b>X</b> Other Comprehensive Income                                                                                                |                |                          |                                                   |                    |                     |
| <b>Items that will not be reclassified to Profit or Loss</b>                                                                       |                |                          |                                                   |                    |                     |
| Re-measurement Gains /(Losses) on Defined Benefit Plan                                                                             | 172.88         | (42.15)                  | (69.44)                                           | 16.27              | (2,41.13)           |
| Income Tax Effect                                                                                                                  | (59.83)        | 14.59                    | (4.45)                                            | (5.63)             | 83.45               |
| <b>Total Other Comprehensive Income</b>                                                                                            | 1,13.05        | (27.56)                  | (73.89)                                           | 10.64              | (1,57.68)           |
| <b>XI</b> Total Comprehensive Income (IX + X)                                                                                      | 5,81.74        | 7,46.14                  | (5,85.70)                                         | 19,52.11           | (241,70.55)         |
| <b>XII</b> 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           |
| <b>XIII</b> (i) Earnings per share (before extraordinary items)<br>(of ₹ 10/- each) (not annualised):                              |                |                          |                                                   |                    |                     |
| Basic and Diluted (in ₹)                                                                                                           | 0.40           | 0.65                     | (0.43)                                            | 1.64               | (20.26)             |
| (ii) Earnings per share (after extraordinary items)<br>(of ₹ 10/- each) (not annualised):                                          |                |                          |                                                   |                    |                     |
| Basic and Diluted (in ₹)                                                                                                           | 0.40           | 0.65                     | (0.43)                                            | 1.64               | (20.26)             |



| STANDALONE STATEMENT OF ASSETS AND LIABILITIES (IND AS) | As at<br>Current year<br>end<br>31.03.2017 | As at<br>Previous year<br>end<br>31.03.2016 |
|---------------------------------------------------------|--------------------------------------------|---------------------------------------------|
|                                                         | Audited                                    | Audited                                     |
| <b>A ASSETS</b>                                         |                                            |                                             |
| <b>1 Non-current assets</b>                             |                                            |                                             |
| (a) Property, Plant and Equipment                       | 624,74.53                                  | 642,52.90                                   |
| (b) Capital work-in-progress                            | 13,57.01                                   | 13,17.91                                    |
| (c) Other Intangible Assets                             | 29.25                                      | 36.18                                       |
| (d) Financial Assets                                    |                                            |                                             |
| (i) Loans                                               | 6,30.05                                    | 6,61.51                                     |
| (ii) Others                                             | -                                          | 2.58                                        |
| (e) Other assets                                        | 3,24.67                                    | 72.31                                       |
| (f) Tax assets (Net)                                    | 13.83                                      | 2,58.40                                     |
| <b>Sub- total - Non Current Assets</b>                  | <b>648,29.34</b>                           | <b>666,01.79</b>                            |
| <b>2 Current assets</b>                                 |                                            |                                             |
| Inventories                                             | 259,78.76                                  | 233,05.37                                   |
| Financial Assets                                        |                                            |                                             |
| (i) Trade Receivables                                   | 587,94.77                                  | 485,85.15                                   |
| (ii) Cash and cash equivalents                          | 58,92.32                                   | 3,99.19                                     |
| (iii) Bank balances                                     | 6,47.66                                    | 7,13.13                                     |
| (iv) Others                                             | 680,65.31                                  | 1044,06.80                                  |
| Other current assets                                    | 18,52.83                                   | 13,34.24                                    |
| <b>Sub- total - Current Assets</b>                      | <b>1612,31.65</b>                          | <b>1787,43.88</b>                           |
| <b>TOTAL - ASSETS</b>                                   | <b>2260,60.99</b>                          | <b>2453,45.67</b>                           |
| <b>B EQUITY AND LIABILITIES</b>                         |                                            |                                             |
| <b>Equity</b>                                           |                                            |                                             |
| Equity Share capital                                    | 118,54.87                                  | 118,54.87                                   |
| Other Equity                                            | 305,48.62                                  | 285,96.51                                   |
| <b>Sub- total - Equity</b>                              | <b>424,03.49</b>                           | <b>404,51.38</b>                            |
| <b>LIABILITIES</b>                                      |                                            |                                             |
| <b>1 Non-current liabilities</b>                        |                                            |                                             |
| (a) Financial Liabilities                               |                                            |                                             |
| (i) Borrowings                                          | 99,57.50                                   | 124,28.83                                   |
| (ii) Other financial liabilities                        | 16,39.10                                   | 11,79.22                                    |
| (b) Provisions                                          | 22,26.92                                   | 19,17.52                                    |
| (c) Deferred tax liabilities (Net)                      | 16,67.18                                   | 12,71.12                                    |
| <b>Sub- total - Non-current liabilities</b>             | <b>154,90.70</b>                           | <b>167,96.69</b>                            |
| <b>2 Current liabilities</b>                            |                                            |                                             |
| (a) Financial Liabilities                               |                                            |                                             |
| (i) Borrowings                                          | 1059,93.50                                 | 1196,40.14                                  |
| (ii) Trade Payables                                     | 448,29.41                                  | 523,04.66                                   |
| (iii) Other financial liabilities                       | 166,26.63                                  | 149,64.18                                   |
| (b) Other current liabilities                           | 5,73.81                                    | 8,91.32                                     |
| (c) Provisions                                          | 1,43.45                                    | 2,97.30                                     |
| <b>Sub- total - Current liabilities</b>                 | <b>1681,66.80</b>                          | <b>1880,97.60</b>                           |
| <b>TOTAL - EQUITY AND LIABILITIES</b>                   | <b>2260,60.99</b>                          | <b>2453,45.67</b>                           |



**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 18.05.2017.
- 2 The urea concession for the period has been estimated and accounted as per the Government of India (GoI) Notification dated 17<sup>th</sup> 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 2013 Companies Act, read with relevant rules issued thereunder and the other accounting principles generally accepted in India. Financial results for the periods presented have been in accordance with the recognition and measurement principles of Ind AS 34.
- 6 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 previous year |
|                                                                                            | 31.03.2016                                        | 31.03.2016                  |
| <b>Net Profit /(Loss) under Indian GAAP (After Tax)</b>                                    | <b>(5,78.89)</b>                                  | <b>(240,12.09)</b>          |
| <b>Impact under Ind AS 109</b>                                                             |                                                   |                             |
| Marked to market gain/ (loss) on derivatives                                               | 5.82.79                                           | 6.41.03                     |
| Finance Costs                                                                              | (4,68.71)                                         | (8,53.74)                   |
| Actuarial gain/(loss) on defined employee benefit funds recognised in Comprehensive Income | (14.01)                                           | 1,57.68                     |
| Effect of spares capitalised as Property, plant and equipment                              | (17.47)                                           | 24.41                       |
| Others                                                                                     | (8.04)                                            | (39.27)                     |
| Tax Impact                                                                                 | (7.48)                                            | 69.11                       |
| <b>Net Profit /(Loss) under Ind AS</b>                                                     | <b>(5,11.81)</b>                                  | <b>(240,12.87)</b>          |

- 7 Reconciliation of Equity as previously reported on account of transition from the previous Indian GAAP to Ind AS for the year ended 31.3.2016

|                                                               | (Rs. in lakhs)   |  |
|---------------------------------------------------------------|------------------|--|
|                                                               | Year ended       |  |
|                                                               | 31.03.2016       |  |
| <b>Equity as reported under previous GAAP</b>                 | <b>301,06.26</b> |  |
| <b>Impact under Ind AS 109</b>                                |                  |  |
| Marked to market gain/ (loss) on derivatives                  | (6,80.61)        |  |
| Finance Costs                                                 | 7,75.15          |  |
| Effect of spares capitalised as Property, plant and equipment | (1,37.28)        |  |
| Others                                                        | (18.89)          |  |
| Tax Impact                                                    | (14,48.12)       |  |
| <b>Equity</b>                                                 | <b>285,96.51</b> |  |

Previous period figures have been regrouped, wherever necessary.

On behalf of the Board of Directors

*Suresh Krishnan*

**N SURESH KRISHNAN**  
MANAGING DIRECTOR

Place : Gurugram  
Date : 18.05.2017

