

Nagarjuna Fertilizers and Chemicals Limited

Nagarjuna Hills, Hyderabad - 500 082.

Audited Financial Results for the Year Ended 31st March 2007

Rs. Crores

SI No	Particulars	Nine months ended 31.12.2006 (unaudited)	Quarter ended		Year ended	
			31-03-2007	31-03-2006	31-03-2007	31-03-2006
1	Net Sales/Income from operations	1,395.21	420.03	349.33	1,815.24	1,452.95
2	Other Income	15.19	12.80	7.49	27.99	20.44
3	Total Expenditure					
	a) (Increase)/decrease in stock	(37.62)	15.55	4.61	(22.07)	5.84
	b) Consumption of raw materials	414.96	123.04	139.56	538.00	481.11
	c) Power and Fuel	300.05	69.47	68.84	369.52	332.44
	d) Purchases - traded products	265.45	72.86	5.95	338.31	78.56
	e) Staff Costs	34.93	12.74	11.55	47.67	39.33
	f) Transport & Handling	90.54	35.60	22.78	126.14	91.32
	g) Other expenditure	100.04	37.70	35.65	137.74	139.19
	Total	1,168.35	366.96	288.94	1,535.31	1,167.79
4	Interest	105.41	32.38	32.12	137.79	130.99
5	Depreciation	93.28	30.81	29.79	124.09	121.05
6	Profit before tax	43.36	2.68	5.97	46.04	53.56
7	Provision for tax					
	- Current	36.83	6.17	2.28	43.00	41.59
	- Deferred tax (debit) / credit	23.92	5.57	13.26	29.49	56.47
	- Fringe Benefit Tax	0.60	0.22	0.15	0.82	1.58
8	Profit after Tax	29.85	1.86	16.80	31.71	66.86
9	Paid-up Equity Share Capital (Face Value of Rs. 10/- per share)	427.97	427.97	427.96	427.97	427.96
10	Preference Share Capital (Face Value of Rs. 100/- per share)	37.20	37.20	37.20	37.20	37.20
11	Reserves excluding revaluation reserve		462.78	452.49	462.78	452.49
12	Basic and diluted Earning Per Share - Rs.	0.70	0.04	0.39	0.74	1.56
13	Aggregate of Non-Promoter shareholding					
	- No. of shares	277,229,793	277,229,793	277,307,293	277,229,793	277,307,293
	- Percentage of shareholding	64.75%	64.75%	64.76%	64.75%	64.76%

Notes:

- The financial results relate mainly to Fertilizer segment. The financial results of Micro Irrigation segment, being less than the limit for separate disclosure as per Accounting Standard 17, has not been shown separately.
- New pricing policy has been announced by Govt. of India w.e.f. 01 Oct'2006 vide letter Dt. 08.03.2007 and pricing is yet to be notified. Accordingly income from urea operations is accounted on the basis of stage II Group Concession Scheme rate for the period Apr'06 to Sep'06 & for the period Oct'06 to Mar'07 income from operations is accounted on the basis of stage III Group concession scheme policy and other known parameters, further adjusted with input escalation, as estimated by the management
- Depreciation on the increased value of assets due to revaluation is adjusted from revaluation reserve.
- The company has adopted the Accounting Standard 15 (Revised) Employee Benefit, Issued by the Institute Of Chartered Accountants Of India in the current year and consequently revised the provision for retirement and other benefits as at 31 March 2007 and the additional liability of Rs.218.60 lakhs has been adjusted from the opening revenue reserves
- Auditors have given a modified report on the value of investments in subsidiary company JESCO as the project has been shelved and in the absence of quantification of diminution in the value of the investments

The company states that:
The realisations from the sale of the assets will be in excess of the investments made and accordingly diminution in value, if any, is considered temporary.
- Consequent to the strategic investor taking-up equity in NPCL and the company having divested 2,13,33,333 shares of Rs.10/- each, NPCL ceased to be subsidiary of the company w.e.f. 30.03.2007.
- Reserves and Surplus is net of loss on sale and diminution in value of Investment in NPCL Rs.19.24 Crores
- The Company has not received any investor complaint during the quarter.
- The above results were reviewed by the Audit Committee and taken on record by the Board of Directors at their meeting held on 27th April,2007