एम.एफ.एल.

मद्रास फ़र्टिलाइज़र्स लिमिटेड
Madras Fertilizers Limited
(भारत सरकार का उपक्रम / A Government of India Undertaking)

पोस्ट बैग सं. 2, मणलि, चेन्नै - 600 068. भारत दूर : 2594 1001 / फैकस सं.: 044-25941010
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कार्मिक/ Per 25945210 संयंत्र / Plant 25941133 विप. / Mktg 25941285 वित्त /Fin 25941072
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CIN: L32201TN1966GOI005469 GSTIN - 33AAACM5198E1ZK

ISO 14001 : 2015 APPROVED BY ICS

VIJAY MADRAS FERTILIZERS

MADRAS FERTILIZERS LIMITED
(A Govt. of India Undertaking)
Regd. Office : Manali, Chennai 600 068

Part I (₹ in lakhs)

Statement of Unaudited Results for the Quarter and Half Year ended 30-09-2023

		Quarter ended	Quarter ended	Quarter ended	Half Year ended	Half Year ended	Year ended
		30-09-2023	30-06-2023	30-09-2022	30-09-2023	30-09-2022	31-03-2023
		Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
1	Income from Operations						
	(a) Revenue from operations	38,525	52,864	91,210	91,389	1,72,515	3,44,709
	(b) Other income	881	395	275	1,276	442	1,431
	Total income	39,406	53,259	91,485	92,665	1,72,957	3,46,140
2	Expenses	-					
	(a) Cost of Materials consumed	28,887	42,180	67,441	71,067	1,24,095	2,48,630
	(b) Purchase of stock-in-trade	302	258	414	560	611	954
	(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	(2,534) -	(1,055)	4,658	(3,589)	4,179	4,842
	(d) Operating and Maintenance Expenses	7,923	10,168	10,588	18,091	22,222	44,851
	(e) Employee benefits expense	2,374	2,544	2,382	4,918	4,945	10,560
	(f) Finance cost	1,402	1,824	1,942	3,226	3,848	7,819
	(g) Depreciation and amortization expense	301	300	300	601	600	959
	(h) Other expenses	416	480	686	896	1,118	2,659
	Total expenses	39,071	56,699	88,411	95,770	1,61,618	3,21,274
3	Profit / (Loss) before exceptional items and tax (1-2)	335	(3,440)	3,074	(3,105)	11,339	24,866
4	Exceptional items						
5	Profit/ (Loss) before tax (3+4)	335	(3,440)	3,074	(3,105)	11,339	24,866
6	Tax Expense	-	-	-			
	(a) Current Tax	-		682		2,645	5,800
	(b) Earlier/years Tax	-					371
	(c) Deferred Tax	-					162
7	Profit / (Loss) for the period (5-6)	335	(3,440)	2,392	(3,105)	8,694	18,533
8	Other comprehensive income for the period						
	(a) (i) Items that will not be reclassified to profit or loss	-	11,752	8,630	11,752	8,630	8,773
	(ii) Income tax relating to items that will not be reclassified to profit or loss	-	-	-	-	-	-
	(b) (i) Items that will be reclassified to profit or loss	-	-	-	-	-	-
	(ii) Income tax relating to items that will be reclassified to profit or loss	-	-	-	-	-	-
	Other comprehensive income for the period	-	11,752	8,630	11,752	8,630	8,773
	(c) Tax (Expenses) /benefit on above	-	(2,754)	(1,966)	(2,754)	(5,433)	(5,473)
	Total other Comprehensive Income	-	8,998	6,664	8,998	3,197	3,300
9	Total comprehensive income for the period (7+8)	335	5,558	9,056	5,893	11,891	21,833
10	Earnings Per Share (of ₹ /- each) (not annualised):						
	- (a) Basic	0.21	(2.14)	1.48	(1.93)	5.40	11.50
	- (b) Diluted	0.21	(2.14)	1.48	(1.93)	5.40	11.50
11	Paid-up equity share capital (Face Value ₹ 10 per Share)	16,110	16,110	16,110	16,110	16,110	16,110

For CHANDRAN & RAMAN
CHARTERED ACCOUNTANTS
REGISTRATION No.:000571S

(S. PATTABIRAMAN)
PARTNER
M. No:14309

CHANDRAN & RAMAN * CHARTERED ACCOUNTANTS * CHENNAI 600 004

KISHOR RUNGTA
Chairman and Managing Director
Madras Fertilizers Limited
Manali, Chennai - 600 068.

Balance Sheet		
		(₹ in lacs)
	30-Sep-23	31-Mar-23
Assets		
Non-current assets		
Property, plant and equipment	18475	19037
Right to use Assets	7	7
Capital work-in-progress	2194	1339
Investment property	133	134
Financial assets		
Investments	45452	33699
Loans	1862	1790
Other financial assets	621	130
Other non-current assets	1816	1673
Total non-current assets	**70560**	**57809**
Current assets		
Inventories	26394	23196
Financial assets		
Trade receivables	18659	50361
Cash and cash equivalents	46740	36913
Bank balances other than cash and cash equivalents	1237	3002
Loans	47	47
Other financial assets	716	662
Current assets(Net)	699	554
Other current assets	14137	13132
Total current assets	**108629**	**127867**
Asset Held for Sale		--
Total assets	**179189**	**185676**
Equity and liabilities		
Equity		
Equity share capital	16214	16214
Other equity	(39028)	(44921)
Total equity	**(22814)**	**(28707)**
Liabilities		
Non-current liabilities		
Employee Benefit Obligation	4080	4316
Deferred tax liability(Net)	10907	8153
Other non-current liabilities	52	52
Total non-current liabilities	**15039**	**12521**
Current liabilities		
Financial liabilities		
Borrowings	140252	149407
Trade payables	28824	29916
Lease liabilities	2	2
Other financial liabilities	11800	13255
Provisions	1212	1212
Other current liabilities	4874	8070
Total current liabilities	**186964**	**201862**
Total equity and liabilities	**179189**	**185676**

CHENNAI 600 004

KISHOR RUNGTA
Chairman and Managing Director
Madras Fertilizers Limited

Madras Fertilizers Limited

Statement of Cash Flow for the Half-year ended September 30, 2023

Rs. in Crores

Particulars	Half-Year Ended September 30th	
	2023	2022
A CASH FLOW FROM OPERATING ACTIVITIES		
Profit before Tax from Continuing Operations	(31.05)	113.39
Add/(Less) Adjustment for :		
Depreciation and Amortization Expense	6.01	6.00
Finance Costs	32.25	38.47
Interest Income	(8.57)	0.00
Dividend Income	(1.11)	0.00
Income from Investment Properties	(1.83)	0.00
Provision No Longer required/Written Back of Accounts	0.00	0.00
Provisions made during the year	0.00	(26.46)
Loss on derecognition of Property Plant and equipment	0.00	0.00
(Profit)/Loss on sale of Property, Plant and Equipment & Asset held for sale	0.00	0.00
Operating Cash Flow before Working Capital Changes	**(4.30)**	**131.40**
Adjustment for :		
(Increase)/Decrease in Inventories	(31.98)	33.75
(Increase)/Decrease in Trade Receivables	317.02	(5.68)
(Increase)/Decrease in Loans & Advances	(0.72)	(1.75)
(Increase)/Decrease in Other Assets	(0.72)	(18.46)
Increase/(decrease) in Provisions	(2.36)	(5.00)
Increase/(decrease) in Trade Payables	(10.92)	67.51
Increase/(decrease) in Other Liabilities	(46.51)	(28.11)
Cash Generated from Operations	**219.51**	**173.67**
Direct Tax paid (Net of refunds)	0.00	0.00
Net Cash from Operating Activities	**219.51**	**173.67**
B CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Property, Plant and Equipment	(0.41)	(0.45)
(Increase)/Decrease in Capital Work in Progress	(8.54)	(1.09)
Interest Received (Gross)	8.57	0.01
Income from Investment Properties	1.83	0.00
Dividend Income	1.11	0.00
Proceeds from sale of Property, Plant and Equipment	0.00	0.00
Net Cash from Investing Activities	**2.56**	**(1.53)**
C CASH FLOW FROM FINANCING ACTIVITIES		
Net proceeds from Term Borrowings	0.00	(1.06)
Net proceeds from Financial Assets	0.00	0.00
Net proceeds from Working capital and Short-term borrowings	(118.84)	(158.78)
Repayment of Lease Liability	0.00	(1.11)
Interest Paid	(4.96)	(11.18)
Net Cash from Financing Activities	**(123.80)**	**(172.13)**
ABSTRACT		
(A) Net Cash from Operating Activities	219.51	173.67
(B) Net Cash from Investing Activities	2.56	(1.53)
(C) Net Cash used in Financing Activities	(123.80)	(172.13)
Net Increase/(Decrease) in Cash and Cash Equivalents	**98.27**	**0.00**
Cash and Cash Equivalents at the beginning of the year	369.13	0.00
Cash and Cash Equivalents at the end of the year	**467.40**	**0.00**
COMPONENTS OF CASH AND CASH EQUIVALENTS		
Cash on Hand	0.00	0.00
Balance with banks:		
in Current and Cash Credit Accounts	17.40	0.00
in Term Deposits with less than 12 months maturity	450.00	0.00
Total Cash and Cash equivalents	**467.40**	**0.00**

CHANDRAN & RAMAN * CHARTERED ACCOUNTANTS * CHENNAI 600 004

KISHOR RUNGTA
Chairman and Managing Direct
Madras Fertilizers Limited
Manali, Chennai - 600 068.

Notes:

1 The above financial results have been reviewed by the Audit Committee and approved by the Board of Directors at their meeting held on 3rd November 2023. The results for the Quarter ended 30th September 2023 have been subjected to Limited Review by the Statutory Auditors.

2 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.The interim financial results are prepared and presented in accordance with the significant accounting policies and methods as adopted in the audited financial statements for the year ended 31st March, 2023.

3 During the quarter ending Sep 30, 2023, there was a shut-down of plants as detailed hereunder:

Period	Plant	Number of	Reason
1st quarter	Ammonia	3	K 1602 over speed trip-speed convertor failure.
2nd quarter	Ammonia	41	TAR 2023 and restarted August 09th.
1st quarter	Urea	1	Ammonia Plant shutdown.
2nd quarter	Urea	42	TAR 2023 and restarted August 11th.
1st quarter 2nd quarter	Complex Fertilizer Plants	Entire Half year	Problem in procurement of raw material

4 The production level of the plants was below the fixed target as detailed hereunder:

Plant	Period	Actual Production (MT)	Target (MT)	Reason
Urea Production	1st Quarter	107130	127000	Water scarcity between 05.05.2023 to 26.05.2023 and Urea reactor B shutdown on 28.05.2023 due to liner leak.
Urea Production	2nd quarter	73774	92750	Plant restarted & Urea Production resumed from 2045 Hrs of 11.08.23

CHANDRAN & RAMAN * CHENNAI 600 004 * CHARTERED ACCOUNTANTS

KISHOR RUNGTA
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Madras Fertilizers Limited

5 Fertilizer manufacture is the only main business segment and trading operations are less than 10% of the total revenue. Further, the Company is engaged in providing and selling its products in single economic environment in India i.e., there is a single geographical segment. Hence, there is no requirement of segment reporting for the Company as per Ind AS 108 (Segment Reporting).

6 The revenue from operations includes a sum of Rs.81235 Lakhs consisting of :

a. Rs.79234 Lakhs towards subsidy for Neem coated Urea,
b. Rs.1910 Lakhs for freight subsidy and
c. Rs.92 Lakhs towards refund from GAIL on the pooled price for FY 2020-21

The subsidy eligible for Neem coated Urea has been arrived at by the Company in accordance with policy parameters framed by GoI. The rate adopted by the Company for accounting the subsidy claim amounting to Rs.44,585 per MT. The said rate is subject to variation upon final determination of rates by GoI under new pricing scheme. The impact on the variation of subsidy rate will be given effect to in the accounts as and when the final approved rate is communicated by GoI.

7 The Company has defaulted in the repayment of principal of Rs.55424 Lakhs and interest of Rs.86382 Lakhs in respect of loans availed from GoI. The proposal of restructuring the said loan with GOI is under progress.

8 The provision for liability towards gratuity, post-retirement benefits, leave encashment and depreciation has been made on an estimated basis.

9 Other comprehensive income of Rs.11752.43 Lakhs, consists of gains on fair value changes of unquoted equity shares in Indian Potash Ltd held by the Company, net of tax effect on the same of Rs.2754.32 Lakhs. The fair value of the unquoted equity shares has been arrived at net book value model based on the audited consolidated financial statements of the said company for the FY 2022-23. Deferred tax in respect of other timing differences, as applicable, will be considered at the year-end.

10 In view of the losses incurred for the quarter ended Sep 30, 2023, no provision for income tax has been considered in the financials.

11 The reconciliation of the difference of Rs.6091 Lakhs between the balance of input tax credit as per books of accounts and balances as reflected in Electronic Credit ledger maintained in GST portal is under progress. The Company holds a provision of Rs.4833 Lakhs as a prudent measure for the said difference. No provision for the balance has been considered necessary during the quarter pending the completion of reconciliation.

CHANDRAN & RAMAN ★ CHENNAI 600 004 ★ CHARTERED ACCOUNTANTS

KISHOR RUNGTA
Chairman and Managing Director
Madras Fertilizers Limited
Manali, Chennai - 600 068

12 GST department has passed orders for the following years and has raised a demand of Rs.19067 Lakhs on the Company.

Financial Year	Notice dated	Amount (Rs Lakhs)
2017-18	07-06-2023	166
2018-19	12-06-2023	10,221
2019-20	13-06-2023	8,680
		19,067

The Company has filed writ petitions contesting the liability of Rs.18901 Lakhs and is in the process of filing an Appeal for the balance liability of Rs.166 lakhs. Pending the outcome of the Writ / Appeal proceedings, no provision has been considered necessary for the above demand of Rs.19067 Lakhs.

13 The figures for the previous periods have been re-grouped, wherever necessary, so as to conform to the current period's classification.

For CHANDRAN & RAMAN
CHARTERED ACCOUNTANTS
REGISTRATION No.: 000571S

(S. PATTABIRAMAN)
PARTNER
M. No: 14309

CHANDRAN & RAMAN * CHENNAI 600 004 * CHARTERED ACCOUNTANTS

By order of the Board

Kishor Rungta
Chairman & Managing Director

Date :03.11. 2023
Place :Chennai

Chandran & Raman
Chartered Accountants

"Paragon"
No.2, Dr. Radhakrishnan Road,
2nd Street, Mylapore, Chennai - 600 004.
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28473665, 42040006
E-mail: cnrmds@gmail.com
www.chandranandraman.com

Independent Auditor's Limited Review Report on the Unaudited Financial Results of the Company for the Quarter Ended September 30, 2023

To
The Board of Directors,
Madras Fertilizers Limited,
Chennai – 600 008.

1. We have reviewed the accompanying Statement of Unaudited Financial Results ("the Statement") of Madras Fertilizers Limited ("the Company") for the quarter ended 30th September, 2023.

2. This Statement which is the responsibility of the Company's Management and approved by the Board of Directors has been prepared in accordance with the recognition and measurement principles laid down in the Indian Accounting Standard 34 "Interim Financial Reporting" (Ind AS 34), prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued there under and other accounting principles generally accepted in India. Our responsibility is to issue a report on the Statement based on our review.

3. 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. Are view of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and analytical and other review 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.

4. 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 read with notes thereon has not been prepared in all material aspects in accordance with applicable Indian Accounting Standards specified under section 133 of the Companies Act, 2013 as amended, read with relevant rules issued there under and other recognized 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, including the manner in which it is to be disclosed, or that it contains any material misstatement.



5. We draw attention to:

(i) Note 6 of notes to accounts regarding recognition of subsidy of Rs. 79234 Lakhs under Revenue from operations for the quarter ended September 30, 2023. As stated in the note, the rate adopted by the Company for arriving at said subsidy income is subject to variation upon final determination of rates by GOI under new pricing scheme. The impact on the variation of subsidy rate will be given effect to in the accounts as and when the final approved rate is communicated by GoI.

(ii) Note 11 of Notes to accounts regarding the non-provisioning of the difference in GST Input of Rs.1258 Lakhs between the books of accounts and Electronic Credit Ledger as on Sep 30, 2023, pending the outcome of reconciliation which is under progress.

(iii) Note 12 of Notes to accounts regarding the demand raised by GST department amounting to Rs.19066 Lakhs, which is being contested by the Company through Writ / Appeal proceedings.

Our conclusion is not modified in respect of the above matters.

For CHANDRAN & RAMAN
Chartered Accountants
Firm Registration No: 000571S

(S Pattabiraman)
Partner
Membership No: 014309
UDIN: 23014309BGWQLW3161

Place: Chennai
Date: 03.11.2023