

Nagarjuna Fertilizers and Chemicals Limited

Nagarjuna Hills, Hyderabad - 500 082.

Unaudited Financial Results (Provisional) for the nine months ended 31st, December 2005



Rs. Crores

SI No	Particulars	Quarter ended		Nine months ended		Year ended
		31.12.2005	31.12.2004	31.12.2005	31.12.2004	31-03-2005 (Audited)
1	Net Sales/Income from operations	423.45	342.57	1,103.62	937.05	1,266.39
2	Other Income	6.01	7.91	12.95	18.89	17.67
3	Remission of principal amount of loan	-	-	-	-	14.65
4	Total Expenditure					
	a) (Increase)/decrease in stock	(16.41)	2.14	1.23	(1.06)	(18.78)
	b) Consumption of raw materials	140.35	100.71	341.55	280.51	376.26
	c) Power and Fuel	122.08	71.32	263.60	213.69	282.03
	d) Purchases - traded products	52.09	41.74	72.61	64.32	101.53
	e) Staff Costs	9.67	8.91	27.78	23.39	32.37
	f) Transport & Handling	28.26	24.87	68.54	66.01	92.89
	g) Other expenditure	27.04	24.52	103.54	75.14	113.01
	Total	363.08	274.21	878.85	722.00	979.31
5	Interest	31.81	35.63	98.87	106.72	142.79
6	Depreciation	30.45	30.56	91.26	91.21	121.36
7	Profit / (Loss) before tax	4.12	10.08	47.59	36.01	55.25
8	Provision for tax - Current	8.90	0.83	39.31	2.86	5.02
	- Deferred tax (debit) / credit	14.28	(3.19)	43.21	(19.37)	(20.70)
	- Fringe Benefit Tax	0.82	-	1.43	-	-
9	Profit / (Loss) after Tax	8.68	6.06	50.06	13.78	29.53
10	Paid-up Equity Share Capital (Face Value of Rs. 10/- per share)	427.77	416.61	427.77	416.61	416.61
11	Preference Share Capital (Face Value of Rs. 100/- per share)	37.20	-	37.20	-	37.20
12	Reserves excluding revaluation reserve	435.71	372.80	435.71	372.80	385.65
13	Basic and diluted Earning Per Share (not annualised) - Rs.	0.20	0.15	1.17	0.33	0.70
14	Aggregate of Non-Promoter shareholding					
	- No. of shares	273,634,547	264,013,747	273,634,547	264,013,747	266,132,285
	- Percentage of shareholding	63.91%	63.31%	63.91%	63.31%	63.82%

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.
- Income from Urea operations has been accounted on the basis of provisional prices as per the Group Concession Scheme of the Govt. of India.
- Andhra Pradesh Government has notified Natural Gas and Naphtha as ineligible for Input Tax Credit by amending AP VAT Rules, 2005 on 29.12.2005 with effect from 1st April, 2005. Accordingly the effect of the amendment accounted in this quarter has resulted in reduction in profit by Rs. 23.78 crores during the period ended December 2005.
- In respect of Audited Accounts for the year ended 31.03.2005, the Auditors in their Report have commented:

Non-compliance of Accounting Standard-13 relating to Accounting for Investments, non-provisioning towards diminution in the carrying value of Investments

The company states that:

The investments in the subsidiary / associate companies are long term investments as the projects are long gestation projects and accordingly diminution in value, if any, is considered temporary.

The Company will

Comply with the Accounting Standard-13 whenever in the opinion of the management, there is permanent diminution in the value of Investments.

- Depreciation on the increased value of assets due to revaluation is adjusted from revaluation reserve.

- The Auditors of the Company have carried out a limited review of the above Financial Results.

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| 7 | No. of Investor complaints pending at the beginning of the quarter | No. of complaints received during the quarter | No. of complaints resolved | No. of complaints unresolved as on December 31, 2005 |
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1	NIL	1	NIL
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- The above results were reviewed by the Audit Committee and taken on record by the Board of Directors at their meeting held on 24th January, 2006.

KAKINADA
24.01.2006

K.S.RAJU
Vice Chairman & Managing Director