

KHAITAN CHEMICALS & FERTILIZERS LTD.,
Registered Office: A. B. Road, Village Nimrani, Dist.-Khargone (M.P.)
AUDITED FINANCIAL RESULTS FOR THE YEAR ENDED ON 31.03.2010

(Amount Rs. in Lacs)

PARTICULARS	Quarter ended		Year ended	
	31st March		31st March	
	2,010	2,009	2,010	2,009
1. a) Net sales / Income from operations	3,616.18	6,545.23	20,217.37	35,078.23
b) Other Operating Income	-	-	-	-
2. Total Expenditure:				
a) (Increase)/Decrease in stock in trade & work in progress	(2,852.54)	(581.43)	(5,124.14)	1,646.87
b) Consumption of Raw Materials	4,496.28	5,342.07	19,377.79	24,276.40
c) Traded goods	246.46	26.17	246.46	26.17
d) Outward Transportation	368.79	305.00	1,482.57	1,256.72
e) Staff Cost	155.19	124.34	570.53	537.24
f) Depreciation	173.50	163.03	702.86	683.77
g) Others	726.60	627.57	2,856.45	2,866.51
Total	3,314.28	6,006.75	20,112.52	31,293.68
3 Profit from Operations before Other Income, Interest & Exceptional Items (1-2)	301.90	538.48	104.85	3,784.55
4. Other Income	59.42	4.82	68.61	11.99
5. Profit before Interest & Exceptional Items(3+4)	361.32	543.30	173.46	3,796.54
6. Interest & Other Financial Exp.	179.08	136.52	875.86	1,168.80
6A.Foreign Ex.Fluctuations (Profit)\Loss	(219.77)	220.76	(774.23)	794.79
7. Profit/(Loss) after Interest but before Exceptional Items (5-6)	402.01	186.02	71.83	1,832.95
8. Exceptional Items	(49.51)	(111.75)	(49.51)	(243.11)
9. Profit/(Loss) from Ordinary Activities before tax (7-8)	352.50	74.27	22.32	1,589.84
10. Tax Expense:				
a) Income Tax\Deferred tax	55.63	27.33	(61.19)	542.48
b) Fringe Benefit Tax	-	4.83	-	18.56
Total Tax Expenses	55.63	32.16	(61.19)	561.04
11. Profit/(Loss) from Ordinary Activities after tax (9-10)	296.87	42.11	83.51	1,028.80
12. Extraordinary Items(net of tax expenses)	-	-	-	-
13. Profit/(Loss) for the period(11-12)	296.87	42.11	83.51	1,028.80
14. Paid-up Equity Share Capital (face value @ Rs.10/- per share)	969.89	969.89	969.89	969.89
15. Reserves excluding revaluation reserves	-	-	8,364.58	8,508.29
16. Earning Per Share-Basic/diluted (in Rs.)	3.06	0.43	0.86	10.61
17. Public shareholding				
- No. of Shares	2,425,303	2,425,303	2,425,303	2,425,303
- Percentage of Shareholding	25.01	25.01	25.01	25.01
18. Promoters and Promoter group Shareholding				
a) Pledged/ Encumbered				
Number of Shares	93,358	100,000	93,358	100,000
Percentage of Shares (as a% of the Total Shareholding of Promoter and Promoter group)	1.28	1.37	1.28	1.37
Percentage of Shares (as a% of the Total share capital of the Company)	0.96	1.03	0.96	1.03
b) Non-encumbered				
Number of Shares	7,180,259	7,173,617	7,180,259	7,173,617
Percentage of Shares (as a% of the Total Shareholding of Promoter and Promoter group)	98.72	98.63	98.72	98.63
Percentage of Shares (as a% of the Total share capital of the Company)	74.03	73.96	74.03	73.96
SEGMENT WISE REVENUE RESULTS AND CAPITAL EMPLOYED				
1. Segment Revenue				
(Net sale/income from each segment should be disclosed under this head)				
a) Fertilizer & Chemicals	1,072.38	5,174.61	15,595.54	21,459.32
b) Soya	2,603.21	1,375.44	4,690.44	13,630.90
Net Sales/Income from oprations	3,675.59	6,550.05	20,285.98	35,090.22
2. Segment Results				
Profit/(Loss)(before tax and interest from each segment)				
a) Fertilizer & Chemicals	451.40	669.46	640.03	3,952.04
b) Soya	(90.08)	(126.15)	(466.57)	(155.50)
Total	361.32	543.31	173.46	3,796.54
Less: i) Interest & Other Financial Exp. (Adj. Of Foreign Exchange Fluctuations)	(40.69)	357.29	101.63	1,963.59
ii) Other un-allocable expenditure net off unallocable income	-	-	-	-
Total Profit before Tax	402.01	186.02	71.83	1,832.95
3. Capital Employed				
(Segment assets less segment liabilities)				
a) Fertilizer & Chemicals	13,876.14	11,157.95	13,876.14	11,157.95
b) Soya	5,952.23	6,243.60	5,952.23	6,243.60
Total Capital Employed in Segments	19,828.37	17,401.55	19,828.37	17,401.55
Add: Unallocable Corporate Assets less Corporate Liabilities (Corporate Investments)	244.00	261.50	244.00	261.50
Total Capital Employed in Company	20,072.37	17,663.05	20,072.37	17,663.05

1. The figures for the corresponding period have been restated wherever necessary to make comparable.

2. The above Result were reviewed by the Audit Committee and taken on record by the Board of Directors in its meeting held on 14.05.2010.

3. Audited Accounts effect has been adjusted in the last quarter results, which has been adjusted in audited figure for the year 2009-2010.

4. The Board of Directors of the Company has recommended a dividend @ Rs.1.20 per share for the year 2009-10 which shall be payable to all the Members whose name would appear in the register of members on the last date of book closure.

5. Status of Investors' Grievances: Opening balance: 1, Received during the Quarter 95 Nos., Resolved during the quarter 96 Nos., Pending at the end of the quarter: Nil.

6. Review of Operation:

Fertilizer & Chemicals: The year 2009 began with falling prices of Rock Phosphate, which resulted in low subsidy on inventory, clubbed with under recoveries, causing operating losses in first half. From 1st October, 2009, 'Adhoc fixed subsidy' alongwith free MRP had been made applicable on SSP alone, which made SSP costlier in relation to other phosphatic fertilizers. However at last, the Government of India has implemented 'Nutrient Based Subsidy Policy' (NBS) for 'P' & 'K' Fertilizer w.e.f. 01.04.2010 (applicable on Single Super Phosphate from 01.05.2010) after announcing the policy in February, 2010. This resulted in low sales volume during last quarter of the year. The implementation of 'NBS' policy has resulted in increase in MRP of others fertilizers whereas in case of SSP, MRP has come down by 20-25%, which shall increase market share of SSP.

During the year 2009-10, the Company has produced 3,32,543 MT (previous year: 2,26,000 MT) Single Super Phosphate and sold 2,44,520 MT (previous year: 2,20,259 MT). With the strengthening of Indian rupees, the Company has gained Rs.774.23 lacs on account of foreign exchange fluctuations as compared to loss of Rs.794.79 lacs in the previous year 2008-09. Despite all the challenges and above circumstances, there is a 'Silver Lining' at the end and the Company is determined to perform well in the next year.

Soya Division: In view of total speculative behavior in the market, leading to lack of upfront crushing margin during the year, virtually no significant business activities have taken place. The situation was unprecedented in the soybean history, which resulted in piling up of inventory of Oilseeds (Rapeseed/Muster Seed/Soybean) with farmers/traders. The price of Soybean had steeply reduced to Rs. 20390/- per ton on 31.03.2010 from Rs. 24260/- per ton on 02.12.2009. The cautious approach opted by the Management, had proved to be the right decision.

Statement of Assets & liabilities as at 31st March, 2010

(Rs. in lacs)

Particulars	Audited	
	31.03.2010	31.03.2009
SHAREHOLDERS FUNDS:		
(a) Capital	969.89	969.89
(b) Reserves & Surplus	8364.58	8508.29
LOAN FUNDS	10737.90	8185.43
	20072.37	17663.61
FIXED ASSETS	8277.36	8742.36
INVESTMENTS	244.00	261.50
CURRENT ASSETS, LOANS AND ADVANCES		
(a) Inventories	12368.05	5324.61
(b) Sundry Debtors	268.48	612.57
(c) Cash and Bank balances	1617.56	665.54
(d) Other current assets	1108.81	5121.91
(e) Loans and Advances	1396.47	2253.25
Less: Current Liabilities and Provisions		
(a) Liabilities	5064.39	4625.29
(b) Provisions	143.97	693.40
Miscellaneous Expenditure (not written off or adjusted)	-	0.56
TOTAL	20072.37	17663.61
for KHAITAN CHEMICALS & FERTILIZERS LTD.		
(SHAILESH KHAITAN)		
Chairman & Managing Director		
Place: New Delhi		
Date: 14.05.2010.		