

KHAITAN CHEMICALS & FERTILIZERS LTD.

Registered Office: A. B. Road, Village Nimrani, Dist.-Khargone (M.P.)

AUDITED FINANCIAL RESULTS FOR THE YEAR ENDED ON 31.03.2011

(Rs. in Lacs)

PARTICULARS	Quarter ended		Year ended	
	31st March		31st March	
	2011	2010	2011	2010
1. a) Net sales / Income from operations	13,906.67	3,616.18	45,733.53	20,217.37
b) Other Operating Income	-	-	-	-
2. Total Expenditure:				
a) (Increase)/Decrease in stock in trade & work in progress	(1,084.97)	(2,852.54)	(1,815.92)	(5,124.14)
b) Consumption of Raw Materials	10,863.62	4,496.28	31,639.83	19,377.79
c) Purchase of Traded goods	306.60	246.46	855.98	246.46
d) Outward Transportation	722.19	368.79	2,375.80	1,482.57
e) Staff Cost	273.82	155.19	853.41	570.53
f) Depreciation	159.88	173.50	666.16	702.86
g) Others	1,542.50	726.60	4,709.60	2,856.45
Total	12,783.64	3,314.28	39,284.86	20,112.52
3 Profit from Operations before Other Income, Interest & Exceptional Items (1-2)	1,123.03	301.90	6,448.67	104.85
4. Other Income	16.97	59.42	26.58	68.61
5. Profit before Interest & Exceptional Items(3+4)	1,140.00	361.32	6,475.25	173.46
6. Interest & Other Financial Exp.	696.50	179.08	1,570.01	875.86
6A.Foreign Exchange Fluctuations (Profit)\Loss	(5.20)	(219.77)	64.99	(774.23)
7. Profit/(Loss) after Interest but before Exceptional Items (5-6)	448.70	402.01	4,840.25	71.83
8. Exceptional Items (includes adjustments relating to Previous Year)	55.94	49.51	187.74	49.51
9. Profit/(Loss) from Ordinary Activities before tax (7-8)	392.76	352.50	4,652.51	22.32
10. Tax Expense: Income Tax/Deferred tax	109.68	55.63	1,506.86	(61.19)
11. Profit/(Loss) from Ordinary Activities after tax (9-10)	283.08	296.87	3,145.65	83.51
12. Extraordinary Items(net of tax expenses)	-	-	-	-
13. Profit/(Loss) for the period(11-12)	283.08	296.87	3,145.65	83.51
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	-	-	9,683.07	8,364.58
16. Earning Per Share-Basic/diluted (in Rs.)	2.92	3.06	32.43	0.86
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	93,358	93,358	93,358
Percentage of Shares (as a% of the Total Shareholding of Promoter and Promoter group)	1.28	1.28	1.28	1.28
Percentage of Shares (as a% of the Total share capital of the Company)	0.96	0.96	0.96	0.96
b) Non-encumbered				
Number of Shares	7,180,259	7,180,259	7,180,259	7,180,259
Percentage of Shares (as a% of the Total Shareholding of Promoter and Promoter group)	98.72	98.72	98.72	98.72
Percentage of Shares (as a% of the Total share capital of the Company)	74.03	74.03	74.03	74.03
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	6,491.66	1,047.40	34,952.41	15,496.73
b) Soya	7,409.52	2,562.06	10,721.95	4,647.83
c) Others	5.49	6.72	59.17	72.81
Net Sales/Income from operations	13,906.67	3,616.18	45,733.53	20,217.37
2. Segment Results				
Profit/(Loss)(before tax and interest from each segment)				
a) Fertilizer & Chemicals	816.54	454.31	6,446.94	612.64
b) Soya	331.33	(88.62)	14.12	(466.57)
c) Others	(7.87)	(4.37)	14.19	27.39
Total	1,140.00	361.32	6,475.25	173.46
Less: i) Interest & Other Financial Exp. (Adj. Of Foreign Exchange Fluctuations)	691.30	(40.69)	1,635.00	101.63
ii) Exceptional items	55.94	49.51	187.74	49.51
Total Profit before Tax	392.76	352.50	4,652.51	22.32
3. Capital Employed : (Segment assets less segment liabilities)				
a) Fertilizer & Chemicals	21,237.53	13,260.84	21,237.53	13,260.84
b) Soya	6,568.54	5,934.27	6,568.54	5,934.27
c) Others	467.89	501.14	467.89	501.14
Total Capital Employed in Segments	28,273.96	19,696.25	28,273.96	19,696.25
Add: Unallocable Corporate Assets less Corporate Liabilities	(1,065.15)	376.12	(1,065.15)	376.12
Total Capital Employed in Company	27,208.81	20,072.37	27,208.81	20,072.37

Notes:

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 18.05.2011.

3. Audited Accounts effect has been adjusted in the last quarter results, which has been adjusted in audited figure for the year 2010-2011.

4. The Board of Directors of the Company has recommended a dividend @ Rs.2.40 per share for the year 2010-11 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 for the quarter: Opening balance: Nil, Received 25 Nos., Resolved 25 Nos., Pending Nil.

6. Review of Operation:

Fertilizer & Chemicals Division: The introduction of the Nutrient-Based Subsidy (NBS) policy of the Government of India w.e.f. 1st May, 2011 is a welcome step. Pursuant to the NBS Policy, Company expects healthy growth in the demand for fertilizers, especially SSP, complex fertilizers & customized fertilizers, on the back of promotion of a more balanced nutrient consumption. The Single Super Phosphate fertilizer is a generic customized fertilizer containing sulphur, calcium & other micro nutrients besides phosphate.

The Nutrient Base Subsidy (NBS) is a long term positive for Fertilizer Industry with free market mechanism encouraging more interaction between producers and farmers for efficient use of fertilizer for better agricultural output.

We are confident that in a rational subsidy scheme, the SSP industry shall benefit the most resulting in higher availability of this 'generic customized fertilizer' for Indian farmers at competitive prices with no extra cost to exchequer.

During the year 2010-11, the Company produced 433393 MT (previous year 332543 MT) Single Super Phosphate and sold 451067 MT (previous year 244520 MT) which was highest ever production and sales by the Company.

The Company's net profit (after tax) for the year is Rs. 3145.65 lacs, which is not only highest but also exceeds the total of last 4 years, despite not so good performance of the Soya Division.

The Company is determined to perform better in the current year and achieve higher capacity utilization.

Soya Division: The Company is continuing with its cautious approach while considering speculative fluctuations in the market and negligible upfront crushing margin. The Company is adequately leveraging its position by hedging its inventories to counter the high volatility.

During the year, the Company has crushed 42541 MT (previous year 12135 MT) Soybean seed including 10551 MT (previous year NIL) through Job work basis.

**Statement of Assets and Liabilities
as at 31st March, 2011**

(Rs. in lacs)

Particulars	Audited	
	31.03.2011	31.03.2010
Shareholders Fund:		
(a) Capital	969.89	969.89
(b) Reserves & Surplus	9683.07	6847.59
Loan Funds	15117.27	10737.90
Deferred Tax Liability	1438.58	1516.99
TOTAL	27208.81	20072.37
Fixed Assets	9343.65	8277.36
Investments	9.49	244.00
Current Assets, Loans and Advances:		
(a) Inventories	15258.58	12368.05
(b) Sundry Debtors	1091.28	268.48
(c) Cash and Bank balances	1569.66	1617.56
(d) Other current assets	4047.93	1108.81
(e) Loans and Advances	1691.52	1396.47
Less:Current Liabilities and Provisions		
(a) Liabilities	4479.48	5064.39
(b) Provisions	1323.82	143.97
TOTAL	27208.81	20072.37

For KHAITAN CHEMICALS & FERTILIZERS LTD.

(SHAILESH KHAITAN)
Chairman & Managing Director

Place: New Delhi
Date: 18.05.2011