



Chambal Fertilisers and Chemicals Limited
 Regd. Office : Gadepan, Distt. Kota (Rajasthan), PIN - 325208

AUDITED FINANCIAL RESULTS FOR THE YEAR ENDED 31ST MARCH, 2006

(Rs. in Crores)

S. No.	Particulars	Unaudited				Audited					
		Nine month ended 31.12.2005	Quarter ended		Year ended						
			31.03.2006	31.03.2005	31.03.2006	31.03.2005					
1	Net Sales/ Income from Operations	2242.91	507.49	465.43	2750.40	2690.48					
	Less: Excise Duty on Sales	7.87	1.91	2.34	9.78	11.01					
	Net Sales	2235.04	505.58	463.09	2740.62	2679.47					
2	Other Income	10.71	7.09	9.27	17.80	30.03					
3	Total Expenditure										
	(a) (Increase)/Decrease in Stock in Trade	69.40	(43.06)	(91.75)	26.34	(71.48)					
	(b) Consumption of Raw Materials	589.19	188.51	177.19	777.70	803.24					
	(c) Staff Cost	47.35	17.39	14.10	64.74	55.95					
	(d) Power & Fuel	316.31	81.03	163.50	397.34	788.22					
	(e) Purchase of Goods for Trading	552.90	41.25	49.58	594.15	353.62					
	(f) Others	304.06	1879.21	136.31	421.43	85.24	397.86	440.37	2300.64	334.24	2263.79
4	Profit before Interest, Depreciation & Tax (1+2-3)	366.54	91.24	74.50	457.78	445.71					
5	Interest	46.01	11.72	19.91	57.73	78.18					
6	Cash Profit before Tax (4-5)	320.53	79.52	54.59	400.05	367.53					
7	Depreciation	118.85	40.10	38.38	158.95	151.32					
8	Profit before tax and exceptional items(6-7)	201.68	39.42	16.21	241.10	216.21					
9	Exceptional Items	40.43	0.00	0.00	40.43	64.81					
10	Profit before tax (8+9)	242.11	39.42	16.21	281.53	281.02					
11	Provision for Taxation										
	(a) Fringe Benefit tax	1.40	0.63	N.A	2.03	N.A					
	(b) Current tax	92.45	18.15	(1.10)	110.60	89.30					
	(c) Deferred Taxation	(27.89)	(6.65)	(27.79)	(34.54)	(28.91)					
	(d) Tonnage Tax	0.23	66.19	0.09	12.22	0.00	(28.89)	0.32	78.41	0.00	60.39
12	Net Profit (10-11)	175.92	27.20	45.10	203.12	220.63					
13	Paid-up Equity Share Capital (Face value of each share - Rs. 10/-)	416.21	416.21	406.00	416.21	406.00					
14	Reserves excluding Revaluation Reserves		-	-	544.95	427.30					
15	Earning per Share (Rs.)	4.23 (Not annualised)	0.65 (Not annualised)	1.11 (Not annualised)	4.88	5.35					
16	Aggregate of non-promoter shareholding										
	* Numbers of Shares (in lacs)	2098.42	2083.17	2080.46	2083.17	2080.46					
	* Percentage of shareholding	50.42	50.05	51.24	50.05	51.24					

SEGMENT WISE REVENUE, RESULTS AND CAPITAL EMPLOYED

(Rs. in Crores)

Particulars	Unaudited			Audited	
	Nine month ended 31.12.2005	Quarter ended		Year ended	
		31.03.2006	31.03.2005	31.03.2006	31.03.2005
1. Segment Revenue					
a) Own manufactured fertiliser	1,429.93	341.91	353.46	1,771.84	2,109.55
b) Traded goods	554.69	78.36	37.34	633.05	351.56
c) Shipping	124.47	50.91	39.87	175.37	83.65
d) Others	128.40	38.77	35.44	167.18	147.60
Total	2,237.49	509.95	466.11	2,747.44	2,692.36
e) Unallocated Revenue	8.26	2.72	6.31	10.98	17.54
Less : <i>Inter segment revenue</i>	-	-	0.06	-	0.40
Total Net Sales/ Income from Operations	2,245.75	512.67	472.36	2,758.42	2,709.50
2. Segment Results					
Profit / (Loss) before tax and interest from each segment					
a) Own manufactured fertiliser	263.05	40.93	29.57	303.98	304.87
b) Traded goods	2.46	3.78	2.89	6.24	14.99
c) Shipping	7.82	8.20	18.82	16.02	15.73
d) Others	(5.12)	6.85	(4.82)	1.72	(8.13)
Total	268.21	59.76	46.46	327.96	327.46
Less: (i) <i>Interest</i>	46.01	11.72	19.91	57.73	78.18
(ii) <i>Other unallocable expenditure net off unallocable income</i>	20.52	8.61	10.34	29.13	33.07
Total Profit before tax	201.68	39.43	16.21	241.10	216.21
3. Capital Employed (Segment Assets-Segment Liabilities)					
a) Own manufactured fertiliser	1,304.21	1,550.52	1,896.20	1,550.52	1,896.20
b) Traded goods	(159.38)	101.43	35.04	101.43	35.04
c) Shipping	135.31	313.22	136.72	313.22	136.72
d) Others	147.55	168.24	162.90	168.24	162.90
e) Unallocated Capital Employed	508.94	150.26	163.56	150.26	163.56
Total	1,936.63	2283.67	2,394.42	2283.67	2,394.42

Note: The Segment Revenue and Results do not include Exceptional items

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AUDITED CONSOLIDATED FINANCIAL RESULTS FOR THE YEAR ENDED 31ST MARCH, 2006

(Rs.in Crore)

S.No.	Particulars	Audited		Audited	
		Year ended			
		31.03.2006		31.03.2005	
1	Net Sales / Income from Operations	3093.15		3082.64	
	Less: Excise Duty on Sales	9.78		11.01	
	Net Sales	3083.37		3071.63	
2	Other Income	26.94		50.64	
3	Total Expenditure				
	(a) (Increase)/Decrease in Stock in Trade	26.82		(72.32)	
	(b) Consumption of Raw Materials	920.14		968.43	
	(c) Staff Cost	117.08		103.52	
	(d) Power & Fuel	406.51		785.11	
	(e) Financial Charges of Home Finance Business	0.00		7.70	
	(f) Purchase of Goods for Trading	594.15		353.62	
	(g) Others	553.86		463.46	
		2618.56		2609.52	
4	Profit before Interest, Depreciation & Tax (1+2-3)	491.75		512.75	
5	Interest	69.88		95.70	
6	Cash Profit before Tax (4-5)	421.87		417.05	
7	Depreciation/Amortisation	195.57		200.18	
8	Profit before Tax and Exceptional Items (6-7)	226.30		216.87	
9	Exceptional Items	42.63		61.66	
10	Profit before Tax (8+9)	268.93		278.53	
11	Provision for Taxation				
	(a) Fringe Benefit Tax	2.14		NA	
	(b) Provision for tonnage tax	0.32		-	
	(c) Current Income Tax	110.82		89.55	
	(d) Deferred Taxation	(34.54)		(29.84)	
		78.74		59.71	
12	Net Profit (10-11)	190.19		218.82	
13	Pre Acquisition Losses adjusted against Goodwill	0.32		0.59	
14	Profit After Taxation Before Share in Profit / (Losses) of Associates	190.52		219.41	
15	Share in Profit / (Losses) of Associates	0.32		(2.46)	
16	Profit After Taxation before Minority Interest	190.84		216.95	
17	Share of Minority Interest	2.30		5.68	
18	Net Profit/(Loss)	193.14		222.63	
19	Paid-up Equity Share Capital (Face value of each share - Rs. 10/-)	416.21		416.21	
20	Reserves excluding Revaluation Reserves	462.66		364.38	
21	Earning per Share (Rs.)	4.64		5.38	
22	Aggregate of non-promoter shareholding				
	* Numbers of Shares (in lacs)	2083.17		2080.46	
	* Percentage of shareholding	50.05		51.24	

Segment wise Revenue, Results and Capital Employed

(Rs. in Crores)

Particulars	Audited	Audited
	Year ended 31.03.2006	Year ended 31.03.2005
1. Segment Revenue		
a) Own manufactured fertiliser	1,771.84	2,109.55
b) Own Manufactured Phosphoric Acid	279.64	332.05
c) Traded goods	633.05	351.56
d) Shipping	175.37	83.65
e) Others	243.95	231.94
Total	3,103.85	3,108.75
f) Unallocated Revenue	11.26	15.26
Less : Inter segment revenue	4.80	1.73
Total Net Sales/ Income from Operations	3,110.31	3,122.28
2. Segment Results		
Profit / (Loss) before tax and interest from each segment		
a) Own manufactured fertiliser	303.98	304.87
b) Own Manufactured Phosphoric Acid	31.37	38.33
c) Traded goods	6.24	14.99
d) Shipping	16.02	15.73
e) Others	(26.58)	(24.85)
Total	331.04	349.07
Less:(i) Interest	69.88	95.70
(ii) Other unallocable expenditure net off unallocable income	34.85	36.50
Total Profit before tax	226.31	216.87
3. Capital Employed (Segment Assets- Segment Liabilities)		
a) Own manufactured fertiliser	1,550.52	1,896.20
b) Own Manufactured Phosphoric Acid	161.13	312.54
c) Traded goods	101.43	35.04
d) shipping	313.22	136.72
e) Others	223.91	204.97
f) Unallocated Capital Employed	(102.68)	(41.84)
Total	2,247.53	2,543.63

Note : The Segment Revenue and Results do not include Exceptional items

Notes:

1. The results for the quarter/ year ended March 31, 2006 have been prepared on the basis of notified concession prices for Urea under the New Pricing Scheme, further adjusted for input price escalation / de-escalation.
2. Pending notification of the final concession price applicable for the imported fertilisers for the period July 2005 - March 2006, the same has been accounted on an estimated basis in line with known policy parameters.
3. During the year 2004-05, the Company had used Naphtha as fuel and feed in Gadepan II plant and for part of the fuel requirements of Gadepan I Plant. From the financial year 2005-06, Naphtha usage in Gadepan I has been substituted by lower cost Regasified Liquefied Natural Gas (RLNG) and substantial part of Naphtha usage in Gadepan II Plant has also been substituted by RLNG. Use of RLNG results in lower cost of production and consequently lower subsidy payable by the Government of India. Accordingly, the figures of sales, raw material and power & fuel consumed, in respect of own manufactured fertilisers, are substantially lower than the previous corresponding periods. However, this has no impact on financial performance of the Company.
4. During the year, the Company produced 105477 MT and 66833 MT of urea beyond 100% of reassessed capacity of Gadepan I and Gadepan II respectively. Contribution from such additional production has been accounted in line with the policy, in terms of which a portion of such contribution is shared with the Government.
5. Planned shutdown of Gadepan I and II fertiliser plants were taken for a period of about 11 days and 10 days in the month of March 2006.
6. During the quarter, the Company made the following investments in its subsidiaries (a) ISG Novasoft Technologies Limited - Rs. 5.25 crore; and (b) Novasoft Information Technology Corporation, USA - US\$ 1.20 Million (Rs. 5.32 Crores).
7. Consequent to the Scheme of Amalgamation, erstwhile India Steamship Company Limited, was amalgamated with the Company w.e.f. September 1, 2004. Therefore, the results of the year ended March 31, 2006 are not comparable with the corresponding previous period.
8. Exceptional item represents the gain on disinvestment of one third equity stake in Indo Maroc Phosphore S.A., Morocco, a Joint Venture between the Company and Office Cherifien Des Phosphates (OCP), Morocco.
9. Two investor complaints were pending at the beginning of the quarter. During the quarter, 629 complaints were received. 629 complaints were resolved and 2 complaints were pending as on March 31, 2006.
10. The figures related to previous year / quarter have been regrouped and/or re-arranged wherever necessary to make their classification comparable.
11. The Consolidated Financial Results have been prepared in accordance with generally accepted accounting principles and comply with the Accounting Standard - 21 on Consolidated Financial Statement, Accounting Standard - 23 on Accounting for Investment in Associates in Consolidated Financial Statement and Accounting Standard - 27 on Financial Reporting of Interest in Joint Ventures, issued by Institute of Chartered Accountants of India.
12. In the above Consolidated Financial Results, the results of all the consolidated entities represents their operations for the period April 2005/ date of acquisition to March 2006/date of disinvestment, excepting one overseas Joint Venture where the period is 12 months period ended December 31, 2005.
13. The Board of Directors has recommended a dividend @ 5% on Cumulative Redeemable Preference Shares (since redeemed) on pro rata basis and 18% on Equity Shares (Excluding dividend distribution tax).
14. The financial results for the year ended March 31, 2006 were reviewed by the Audit Committee of the Board of Directors. The Board has taken on record the Financial Results at its Meeting held on May 13, 2006.

By order of the Board

New Delhi
May 13, 2006


Sunil Sethy
Managing Director