



October 21, 2003

**PRESS RELEASE**

**INDO GULF FERTILISERS LIMITED  
AN ADITYA BIRLA GROUP COMPANY  
ANNOUNCES Q2/H1 2003-04 RESULTS**

**Sales Up 38%**  
**Net Profit Up 31 %**

**FINANCIAL PERFORMANCE (Unaudited)**

(Rs.in Crs.)

PARTICULARS	Quarter Ended 30 <sup>th</sup> Sept. 2003 (Unaudited)	Quarter Ended 30 <sup>th</sup> Sept. 2002 (Unaudited)	% Growth	Half-year Ended 30 <sup>th</sup> Sept. 2003 (Unaudited)	Half-year Ended 30 <sup>th</sup> Sept. 2002 (Unaudited)	% Growth
<b>Net Sales</b>	<b>216.64</b>	<b>157.48</b>	<b>38%</b>	<b>256.96</b>	<b>260.07</b>	-
Other Income	5.50	4.10	34%	17.54	8.64	103%
PBDIT	50.05	44.19	13%	77.68	70.00	11%
Interest	0.32	0.29	10%	0.73	0.70	4%
Depreciation	10.20	10.54	-	19.80	20.17	-
<b>Profit Before Tax</b>	<b>39.53</b>	<b>33.36</b>	<b>18%</b>	<b>57.15</b>	<b>49.13</b>	<b>16%</b>
Provision for Tax (Incl. Deferred Tax)	11.88	12.30	-	17.25	18.11	-
<b>Net Profit</b>	<b>27.65</b>	<b>21.06</b>	<b>31%</b>	<b>39.90</b>	<b>31.02</b>	<b>29%</b>
Equity Capital	45.1	45.1		45.1	45.1	

Indo Gulf Fertilisers Limited, an Aditya Birla Group Company's performance has been impressive in the 2<sup>nd</sup> quarter. Boosted by good monsoon and unceasing focus on adding value to the farmer's crop, the Company attained a turnover of Rs. 216.64 Crores up 38% over the corresponding period of the previous year. This is in line with its strategic decision taken in the previous quarter to re-schedule its marketing strategy so that it coincides with the agricultural season.

The impact of the Group Concession Scheme (GCS) pricing was largely offset by additional operational efficiency, marketing brand equity and treasury management. As a result, net profitability in Q2 increased by 31% at Rs. 27.65 Crores.

During the quarter the Company produced 1.90 Lac MT but sold 3.66 Lac MT of Urea, thus, reducing the closing stock to less than 0.28 Lac MT. Lower production was due to a planned shut down taken during this quarter. However, the Company is confident of attaining over 100 percent capacity utilization by the year end.

## **OUTLOOK**

Due to a better monsoon this year, the Rabi crop is expected to give higher acreage and yield under cultivation. This in turn entails a higher consumption of urea, approximately by 4-5 per cent, which augurs well for the Company. The outlook is therefore positive.

The Government has to give a final shape to the Group Concession Scheme (GCS). The Company looks forward to have better appreciation of the impact of the long term fertilizer policy by the Government on the fertilizer industry and the farming community.

## **RECOGNITION**

The Company has won the highly prestigious International Asia Pacific Quality Award, 2003 in the Category "Big Manufacturing Organization". Indo Gulf is the first Indian Company which has won this award and marked its presence in the field of quality management on the global map.

## **'UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND HALF YEAR ENDED 30TH SEPTEMBER, 2003**

Rs. Lacs

PARTICULARS	Quarter Ended		Half Year Ended		Last Year Ended
	30th September		30th September		31st March
	2003	2002	2003	2002	2003
	(Unaudited)		(Unaudited)		(Audited)
1. NET SALES/Income from Operations	21664.01	15747.77	25695.59	26007.11	67520.98
2. Other Income	550.34	409.69	1753.82	863.65	2566.71

a.	(Increase)/decrease in stock in trade	7,377.64	1,330.67	203.83	742.72	2.59
b.	Consumption of raw materials	5,369.43	5,165.20	11,071.78	9,206.99	18615.37
c.	Power and Fuel	1,480.56	2,610.50	3,328.08	4,546.58	8713.12
d.	Staff Cost	969.48	824.33	1,700.02	1,607.35	3236.82
e.	Other expenditure	2,012.36	1,807.64	3,377.69	3,766.58	7556.66
	Total (a+b+c+d+e)	17209.47	11738.34	19681.40	19870.22	38124.56
	<b>PROFIT</b> before Interest, Depreciation and Tax (PBIDT)	5004.88	4419.12	7768.01	7000.54	31963.13
4	Interest	31.53	29.23	72.63	70.69	249.77
	<b>PROFIT after</b> Interest but before Depreciation and Tax (PBDT)	4973.35	4389.89	7695.38	6929.85	31713.36
5.	Depreciation	1020.00	1054.00	1980.00	2017.00	4345.32
6.	<b>PROFIT</b> before Tax (1+2-3-4-5)	3953.35	3335.89	5715.38	4912.85	27368.04
7.	Provision for Taxation					
a	Current Tax	1338.24	1286.00	2015.24	1894.00	10550.00
b	Deferred Tax	(150.02)	(56.00)	(289.49)	(83.00)	(461.69)
8.	<b>NET PROFIT</b>	2765.13	2105.89	3989.63	3101.85	17279.73
9.	Paid-up Equity share Capital (Face Value Rs. 10/- per Share)	4508.94	4508.94	4508.94	4508.94	4508.94
10	Reserves as per Balance Sheet (Excluding Revaluation Reserve)					43903.19
11	Basic EPS & Diluted EPS for the period (Rs.)	6.13	4.67	8.85	6.88	38.32
12	Aggregate of Non-Promoters Shareholding					
	Number of Shares ( in Lacs)			202.38		280.68
	Percentage of Shareholding			44.88%		62.25%

1.i) Urea is under the Group Concession Scheme of the Government of India with effect from 01.04.03. Pending the fixation of final concession, the price support for the 1st half year is accounted for provisionally, on an estimated basis, inter alia, taking into account the present policy parameters. On fixation and determination of the final concession price, necessary adjustments will be made.

ii) Urea was under the Retention Pricing Scheme of the Government of India till 31st March,2003. Pending the fixation of Final Retention Price, the retention price support for F.Y. 2002-03 was accounted for provisionally , on an estimated basis, inter alia, taking into account then prevailing policy parameters. On Fixation and determination of the final retention price, necessary adjustment will be made.

The Auditors' qualification for the year ended 31.03.2003 for recognition of Retention Price Support is addressed as above.

2. The figures for the quarter ended 30th September, 2002 represents the results as worked out for the fertiliser business located at Jagdishpur of erstwhile Indo Gulf Corporation Limited, merged with the Company w.e.f. 01.04.2002 pursuant to a scheme of arrangement between the Company, Hindalco Industries Limited and erstwhile Indo Gulf Corporation Limited.

3. The Company does not have any reportable segment in terms of the Accounting Standard (AS-17) for Segment Reporting issued by the Institute of Chartered Accountants of India.

4. There are no investor complaints pending at the beginning and at the end of the quarter. During the quarter the Company received four complaints and all the complaints were disposed off appropriately.

5. Pursuant to an open offer made by TGS Investment & Trade Private Limited (TGS), an Aditya Birla Group Company, under the provisions of The SEBI (Substantial Acquisition of Shares and Takeovers) Regulations,1997, TGS has acquired 69,30,744 equity shares of the Company from Resident Indian Shareholders representing 15.37% of the voting Share Capital. The total holding of TGS in the Company now stands at 21190177 Equity shares representing 46.99% of the voting share capital.

6. The Company has won the highly prestigious International Asia Pacific Quality Award 2003 in the category "Big Manufacturing Organisation" and marked its presence in the field of Quality Management on the Global Map.

7. Figures have been regrouped wherever necessary.

8. The above results have been taken on record at the meeting of the Board of Directors of the Company held on 21st October, 2003.

**Place: Mumbai**  
**Date: 21st October, 2003**

**RAKESH JAIN**  
**Managing Director**



