



**NATIONAL STOCK EXCHANGE
OF INDIA LIMITED**



Stock of the nation

Ref No: NSE/LIST/1583

October 30, 2014

The Company Secretary
Madras Fertilizers Limited
Post Bag No. 2, Manali,
Chennai - 600068

Kind Attn: - Mr V. Muralidharan

Dear Sir,

Sub: - Manner of Dealing with the Qualified Audit Reports filed by the Listed Companies.

This has reference to SEBI Circular No. CIR/CFD/DIL/7/2012 dated August 13, 2012 read with the SEBI's Clarificatory Circular CIR/CFD/DIL/9/2013 dated June 05, 2013 on the captioned subject matter.

SEBI has informed the Exchange that based on the deliberations at QARC, the cases (Annexure I) were referred to FRRB for its opinion on the qualifications. Subsequently, SEBI is in receipt of opinion of FRRB in these cases.

SEBI has directed the Exchange to advise the company, with regard to restatement of Financial Statements pertaining to Financial Year 2012-13 in terms of Clause 5 (d) (ii) of the SEBI Circular dated August 13, 2012, June 05, 2013.

You are advised to ensure compliance of the said SEBI directives and report status of compliance to the Exchange.

Yours faithfully,
For National Stock Exchange of India Limited

Avinash Kharkar
Asst. Vice President

CC to: The Statutory Auditor
B Thiagarajan & Co., Chartered Accountants
VIGFIN HOUSE, Old No. 15, New No. 24,
Yogambal Street, T. Nagar,
Chennai - 600 017.



Name of the Company	Qualification	Opinion of FRRB	Action to be taken
Madras Fertilizers Limited	Regarding accounting of a sum of Rs. 47.40 crores towards additional compensation under Nutrient Based Subsidy (NBS) for producing P&K fertilizers which has been considered as receivable from Department of Fertilizers (DOF). As the proposal to extend the scheme for additional compensation is still under consideration by DOF as at the year end, in our opinion, the above sum of Rs. 47.40 crores is not recoverable and to that extent has the effect of overstatement of profit for the year ended 31st March 2013 and claims recoverable (forming part of Note 16 - Other Current Assets) as at 31st March 2013	Qualification is justified	Restatement under Clause 5(d)(ii) of the SEBI Circular