

राष्ट्रीय केमिकल्स एण्ड
फर्टिलाइजर्स लिमिटेड

(भारत सरकार का उपक्रम)
साथ बढ़ें समृद्धि की ओर



Rashtriya Chemicals and
Fertilizers Limited

(A Government of India Undertaking)
Let us grow together

जय भगवान शर्मा
कंपनी सचिव

JAI BHAGWAN SHARMA
COMPANY SECRETARY

"प्रियदर्शिनी",
ईस्टर्न एक्सप्रेस हाइवे,
सायन, मुंबई - 400 022.

"Priyadarshini",
Eastern Express Highway,
Sion, Mumbai - 400 022.

दूरभाष / Tel. (Off.) : (022) 24045024 फैक्स / Fax : (022) 24045022 ई-मेल / E-mail : jbsharma@rcfltd.com वेबसाइट / Web : www.rcfltd.com

CIN: L24110MH1978GOI020185

RCF/CS/Stock Exchanges /2018

12th November, 2018

| | |
|--|---|
| The Corporate Relations Department BSE Limited Department of Corporate Services Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai – 400001. | The Listing Department National Stock Exchange of India Limited Exchange Plaza, 5th Floor, Plot No.C/1, G Block, Bandra Kurla Complex, Bandra(East), Mumbai- 400 051. |
| Script Code: 524230 | Script Code: RCF EQ |

Sub: Submission of Un-audited Financial Results(Standalone) for the quarter and half year ended 30th September, 2018 pursuant to Regulation 33 of SEBI(Listing Obligations and Disclosure Requirements) Regulations, 2015

Sir/Madam

This is to inform that at the meeting held on 12th November, 2018, the Board of Directors of the Company have approved the Un-audited Financial Results(Standalone) for the quarter & half year ended 30th September, 2018.

Accordingly, pursuant to Regulations 30 and 33 of SEBI(Listing Obligations and Disclosure Requirements) Regulations, 2015, we enclose the following:

- Un-audited Financial Results(Standalone) for the quarter & half year ended 30th September, 2018;
- Limited Review Report issued by M/s Kalyaniwalla & Mistry LLP, Statutory Auditors, for the quarter & half year ended 30th September, 2018.

The Unaudited Financial Results are also being uploaded on the Company's website at www.rcfltd.com.

The meeting of Board of Directors commenced at 11.00 a.m. and concluded at 1.05 p.m.

This is for your kind information and record.

Yours faithfully,
For Rashtriya Chemicals and Fertilizers Limited

(J. B. Sharma)

Company Secretary

Encl: a./a.



Let us grow together

RASHTRIYA CHEMICALS AND FERTILIZERS LIMITED
(A Govt. Of India Undertaking)

Regd. Office : "Priyadarshini" Eastern Express Highway, Sion, Mumbai 400 022
CIN No. L24110MH1978GOI020185 Website: www.rcfld.com



Statement of Unaudited Standalone Results for the Quarter and Half Year Ended 30TH SEPTEMBER 2018

(₹ in Lakh)

| Particulars | Quarter ended | | | Half Year ended | | Year ended |
|--|---------------|---------------|---------------|-----------------|---------------|---------------|
| | 30.09.2018 | 30.06.2018 | 30.09.2017 | 30.09.2018 | 30.09.2017 | 31.03.2018 |
| | Unaudited | | | Unaudited | | Audited |
| | 1 | 2 | 3 | 4 | 5 | 6 |
| 1 Income | | | | | | |
| a Revenue from Operations | 232149 | 194348 | 179726 | 426497 | 335174 | 728196 |
| b Other Income | 1605 | 1248 | 1477 | 2853 | 2341 | 6124 |
| Total Income | 233754 | 195596 | 181203 | 429350 | 337515 | 734320 |
| 2 Expenses | | | | | | |
| a Cost of Materials consumed | 101402 | 93661 | 71786 | 195063 | 138884 | 299589 |
| b. Purchase of stock-in-trade | 30029 | 178 | 9895 | 30207 | 20783 | 21366 |
| c. Changes in inventories of finished goods and stock in trade | (20911) | (18962) | 3223 | (39873) | (15208) | 1464 |
| d. Employee benefit expense | 14635 | 14859 | 14087 | 29494 | 28237 | 57375 |
| e. Finance Costs | 3760 | 3376 | 1713 | 7136 | 2739 | 6259 |
| f. Depreciation and amortisation expense | 3847 | 3765 | 3506 | 7612 | 6973 | 13704 |
| g. Other expenses | | | | | | |
| i. Power and Fuel | 70383 | 68563 | 52536 | 138946 | 102476 | 224188 |
| ii. Freight and Handling charges | 15011 | 15922 | 15684 | 30933 | 29986 | 65191 |
| iii. Others | 12020 | 10713 | 6115 | 22733 | 16910 | 32350 |
| Total expenses | 230176 | 192075 | 178545 | 422251 | 331780 | 721486 |
| 3 Profit / (Loss) before exceptional items and tax (1-2) | 3578 | 3521 | 2658 | 7099 | 5735 | 12834 |
| 4 Exceptional items | - | - | - | - | - | 12 |
| 5 Profit / (Loss) before tax (3-4) | 3578 | 3521 | 2658 | 7099 | 5735 | 12822 |
| 6 Tax Expense | | | | | | |
| i. Current Tax | 285 | 1843 | 1611 | 2128 | 2905 | 7275 |
| ii. Deferred Tax Liability/(Asset) | 3573 | (621) | 1819 | 2952 | 1545 | (406) |
| iii. Less : Excess Provision of Tax Written Back | 2,060 | - | 1851 | 2060 | 1,849 | 1927 |
| Total Tax | 1798 | 1222 | 1579 | 3020 | 2601 | 4942 |
| 7 Profit / (Loss) after tax (5-6) | 1780 | 2299 | 1079 | 4079 | 3134 | 7880 |
| 8 Other Comprehensive Income | | | | | | |
| i. Items that will not be reclassified to profit & loss | 685 | (45) | 20 | 640 | 40 | (109) |
| ii. Items that will be reclassified to profit & loss | - | - | - | - | - | - |
| 9 Total Comprehensive Income for the period (7+8) | 2465 | 2254 | 1099 | 4719 | 3174 | 7771 |
| 10 Paid up equity share capital (Face Value - ₹ 10/- each.) | 55169 | 55169 | 55169 | 55169 | 55169 | 55169 |
| 11 Reserves excluding Revaluation Reserves as at balance sheet date | | | | 238528 | 233203 | 237800 |
| 12 Earnings Per Share Basic & Diluted (EPS) (₹) | 0.32 | 0.42 | 0.20 | 0.74 | 0.57 | 1.43 |
| * Not annualised | * | * | * | | | |



3. d. R
12.11.2018





RASHTRIYA CHEMICALS AND FERTILIZERS LIMITED
(A Govt. Of India Undertaking)

Regd. Office : "Priyadarshini" Eastern Express Highway, Sion, Mumbai 400 022
CIN No. L24110MH1978GOI20185 Website: www.rcf ltd.com



Unaudited Segmentwise Revenue, Results, Assets and Liabilities for the Quarter and Half Year Ended 30TH SEPTEMBER 2018

(₹ in Lakh)

| Particulars | Quarter ended | | | Half Year ended | | Year ended |
|--|---------------|---------------|---------------|-----------------|---------------|---------------|
| | 30.09.2018 | 30.06.2018 | 30.09.2017 | 30.09.2018 | 30.09.2017 | 31.03.2018 |
| | Unaudited | | | Unaudited | | Audited |
| | 1 | 2 | 3 | 4 | 5 | 6 |
| 1 Segment Revenue | | | | | | |
| a. Fertilizers | 210437 | 171078 | 152899 | 381515 | 288682 | 620844 |
| b. Industrial Chemicals | 20259 | 22823 | 14496 | 43082 | 33494 | 78455 |
| c. Trading | 1212 | 206 | 12089 | 1418 | 12516 | 27171 |
| d. Unallocated | 241 | 241 | 242 | 482 | 482 | 1726 |
| Total | 232149 | 194348 | 179726 | 426497 | 335174 | 728196 |
| Less: Inter Segment Revenue | - | - | - | - | - | - |
| Revenue from Operations | 232149 | 194348 | 179726 | 426497 | 335174 | 728196 |
| 2 Segment Results | | | | | | |
| a. Fertilizers | 10454 | 6272 | 3013 | 16726 | 6820 | 14390 |
| b. Industrial Chemicals | (1005) | 2174 | 431 | 1169 | 935 | 2695 |
| c. Trading | (1184) | 48 | 1517 | (1136) | 1652 | 3296 |
| Total | 8265 | 8494 | 4961 | 16759 | 9407 | 20381 |
| Interest Expense | 3504 | 3237 | 1348 | 6741 | 2246 | 5381 |
| (Interest Income) | (3760) | (3376) | (1713) | (7136) | (2739) | (6259) |
| Other Net Unallocable Expenditure / (Income) | 1183 | 1736 | 955 | 2919 | 1426 | 2178 |
| Profit/ (Loss) Before Tax | 3578 | 3521 | 2658 | 7099 | 5735 | 12822 |
| 3 Segment Assets | | | | | | |
| a. Fertilizers | 604303 | 635464 | 481594 | 604303 | 481594 | 570161 |
| b. Industrial Chemicals | 30909 | 26906 | 29384 | 30909 | 29384 | 24941 |
| c. Trading | 36342 | 8418 | 23432 | 36342 | 23432 | 11853 |
| d. Unallocated | 9455 | 35870 | 33652 | 9455 | 33652 | 35099 |
| Total | 681009 | 706658 | 568062 | 681009 | 568062 | 642054 |
| 4 Segment Liabilities | | | | | | |
| a. Fertilizers | 202977 | 199946 | 152824 | 202977 | 152824 | 181125 |
| b. Industrial Chemicals | 8578 | 6432 | 5020 | 8578 | 5020 | 5058 |
| c. Trading | 398 | 162 | 1354 | 398 | 1354 | 28 |
| d. Unallocated | 175359 | 204895 | 120492 | 175359 | 120492 | 162874 |
| Total | 387312 | 411435 | 279690 | 387312 | 279690 | 349085 |

- Notes:**
- The above results have been reviewed by the Audit Committee and approved by the Board of Directors at their meeting held on November 12, 2018. The Statutory Auditors of the Company have carried out a limited review of the above results.
 - The results for the quarter and half year ended 30th September, 2018 are in compliance with IND AS as prescribed under section 133 of the Companies Act 2013 read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016.
 - Pursuant to the introduction of Goods and Service Tax (GST) w.e.f. 01st July 2017, Excise duty, VAT, etc. have been subsumed into GST. In accordance with the Accounting requirements, unlike excise duty, GST is not a part of Revenue. Consequently Revenue from Operations for the current period are not comparable with the corresponding period of the previous year and with the previous year, since Excise duty formed part of Revenue and other expenses upto the period ended 30th June 2017.
 - The matter relating to the issue of unintended benefits accruing to units using domestic gas for manufacture of nutrient "N" has been referred and is pending before an Inter-Ministerial Committee (IMC) of Government of India (GoI). It is expected that a decision on the matter would be taken soon by the IMC. Pending such decision, initially subsidy amounting to ₹19894 lakh was withheld. As per DoF approval for release of this subsidy, upon submission of its claims along with bank guarantee for equivalent amount by the Company, an amount of ₹9817 lakh has been received upto 30th September, 2018. Accordingly no provision has been made in these accounts towards the balance amount of ₹10077 lakh withheld, as Company is of the view that no unintended benefits have accrued to owing to use of domestic gas.



5 Consequent to Gas pooling being made applicable to Fertilizer (Urea) sector w.e.f. 1st June, 2015, it is expected that a differential pricing of gas may be made applicable for non-urea usage. Company has represented to DoF for maintaining supply of domestic gas for P&K fertilizers and chemicals. Ministry of Petroleum & Natural Gas (MoPNG) vide its order No. L-13013/3/2012-GP-I, dated: 16th December, 2015 has directed GAIL (India) Limited to levy a higher gas price (i.e. the highest rate of RLNG used for production of urea) for gas consumed in non-urea operations. As the matter relating to the same is pending before the IMC for decision, Company has represented that any decision on the same be taken only upon the issue being settled by the IMC of GoI. However, pending finalisation of price payable as per the said letter, Company has recognised a liability of ₹ 459 lakh for the quarter, ₹ 615 lakh for the half year and ₹ 21794 lakh for the period commencing from 1st June, 2015 to 30th September, 2018 (₹ 21179 lakh upto 31st March, 2018) based on the difference between the domestic gas price and pooled / market price of gas for its non-urea operations.

The Company has entered into a contract for procurement of market priced gas for non-urea operations at Trombay unit, effective from 16th May, 2016.

Pursuant to the said order, GAIL has sought a differential levy amounting to ₹ 144284 lakh for the period commencing from 1st July 2006 till 31st March 2017 and has initiated arbitration proceeding towards non-payment of the same. The Company has represented this matter to Department of Fertilizers for dispute resolution as the matter relating to the same is pending before the IMC of GoI. The said matter has been currently referred to Administrative Mechanism for Resolution of CPSEs Disputes (AMRCD) on 22nd May 2018

6 FACT-RCF Building products Ltd (FRBL) is a 50:50 joint venture between RCF and FACT (Fertilizers and Chemicals Travancore Ltd.) - a Central Public Sector Undertaking. Company had given Corporate Guarantee on behalf of FRBL to its bankers. A one time settlement was entered with the bankers and FRBL with both the Joint Venture Partners RCF & FACT contributing equally towards the same. The share of FACT amounting to ₹ 2550 lakh has been paid by RCF and shown as Inter Corporate Deposit (ICD) advanced to it. The principal amount of ₹ 2550 lakh and interest for the quarter amounting to ₹ 48 lakh and ₹ 95 lakh for the half year ended 30th September, 2018 has not been provided for, despite FACT's adverse financial position. Company is certain of settlement of the ICD given as FACT is a Government owned Entity.

7 During the quarter, Shareholders of the Company have approved dividend of ₹ 0.60 per share (face value ₹ 10/- each) for the financial year 2017-18

8 Exceptional items (Previous Year ended 31.03.2018) consists of:

(a) Net fair value gain of ₹ 10794 lakh on account of valuation of Development Right Certificate received / receivable from Municipal Corporation of Greater Mumbai towards surrender of land in accordance with IND-AS 38 and Guidance Note on Accounting for Real Estate Transactions issued by Institute of Chartered Accountants of India. Tax expense includes the Capital Gains Tax impact on the same.

(b) Past service gratuity cost of ₹ 10806 lakh on account of increase in gratuity limits from ₹10 lakh to ₹20 lakh in line with Notification dated 29th march, 2018 issued by The Ministry of Labour and Employment.

9 Deferred Tax Liability is net of MAT Credit entitlement of ₹ 815 lakh for the quarter and half year ended 30th September, 2018. (Previous quarter and half year ₹ Nil)

10 The figures for the corresponding previous periods have been restated / regrouped wherever necessary, to make them comparable.

For and on behalf of the Board of Directors
RASHTRIYA CHEMICALS AND FERTILIZERS LTD.

3.1.2
12.11.2018

(Umesh V. Dhatriak)

Chairman and Managing Director

DIN : 07718394

Dated : 12th November, 2018

Place: Mumbai



**RASHTRIYA CHEMICALS AND FERTILIZERS LIMITED**

Regd. Office : "Priyadarshini" Eastern Express Highway, Sion, Mumbai 400 022
CIN No. L24110MH1978GOI020185 Website: www.rcfltd.com

STATEMENT OF ASSETS AND LIABILITIES

(₹ in Lakh)

| Particulars | Standalone | |
|--|---------------|---------------|
| | AS AT | |
| | 30.09.2018 | 31.03.2018 |
| | Unaudited | Audited |
| A ASSETS | | |
| 1 Non Current Assets | | |
| (a) Property, Plant and Equipment | 188094 | 190349 |
| (b) Capital Work in Progress | 23213 | 15236 |
| (c) Investment Property | 502 | 510 |
| (d) Intangible Assets | 92 | 141 |
| (e) Financial Assets | | |
| (i) Investments | | |
| Investment in Joint Ventures | 1634 | 502 |
| Other Investments | 5738 | 5738 |
| (ii) Trade Receivables | - | - |
| (ii) Loans | 65 | 41 |
| (iii) Others | - | 34 |
| (f) Other non-current assets | 30148 | 32662 |
| Sub total | 249486 | 245213 |
| 2 Current Assets | | |
| (a) Inventories | 119064 | 74165 |
| (b) Financial Assets | | |
| (i) Trade Receivables | 284424 | 295541 |
| (ii) Cash and Cash Equivalents | 182 | 524 |
| (iii) Bank balances other than (ii) above | 3433 | 71 |
| (iv) Loans | 2682 | 686 |
| (v) Others | 3277 | 8121 |
| (c) Other Current Assets | 18461 | 17733 |
| Sub total | 431523 | 396841 |
| TOTAL - ASSETS | 681009 | 642054 |
| B. EQUITY & LIABILITIES | | |
| 1 Equity | | |
| (a) Equity Share Capital | 55169 | 55169 |
| (b) Other Equity | 238528 | 237800 |
| Sub total | 293697 | 292969 |
| 2 Liabilities | | |
| (I) Non Current Liabilities | | |
| (a) Financial Liabilities | | |
| (i) Borrowings | 51259 | 32006 |
| (ii) Trade Payables | | |
| (A) total outstandings dues of micro enterprises and small enterprises. | - | - |
| (B) total outstandings dues of creditors other than micro enterprises and small enterprises. | 21794 | 21179 |
| (iii) Other Financial Liabilities | 3470 | 3471 |
| (b) Provisions | 19605 | 25378 |
| (c) Deferred Tax Liabilities(Net) | 24929 | 21977 |
| (d) Other non-current liabilities | 2850 | 2638 |
| Sub total | 123907 | 106649 |
| (II) Current Liabilities | | |
| (a) Financial Liabilities | | |
| (i) Borrowings | 48427 | 93459 |
| (ii) Trade Payables | | |
| (A) total outstandings dues of micro enterprises and small enterprises. | 1317 | 1514 |
| (B) total outstandings dues of creditors other than micro enterprises and small enterprises. | 134513 | 68226 |
| (iii) Other Financial Liabilities | 42900 | 43284 |
| (b) Other Current Liabilities | 21022 | 18571 |
| (c) Provisions | 15201 | 13780 |
| (d) Current Tax Liabilities (Net) | 25 | 3602 |
| Sub total | 263405 | 242436 |
| TOTAL - EQUITY & LIABILITIES | 681009 | 642054 |

For and on behalf of the Board of Directors
RASHTRIYA CHEMICALS AND FERTILIZERS LTD.

(Umesh V. Dhatriak)
Chairman and Managing Director
DIN : 07718394

Dated : 12th November, 2018

Place: Mumbai
MUMBAI



KALYANIWALLA & MISTRY LLP

CHARTERED ACCOUNTANTS

Review Report on Quarterly Financial Results pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

The Board of Directors Rashtriya Chemicals and Fertilizers Limited

1. We have reviewed the accompanying statement of unaudited financial results of **Rashtriya Chemicals and Fertilizers Limited** ('the Company') for the quarter and half year ended September 30, 2018 ("the statement") attached herewith, (initialled by us for identification), being submitted by the company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, read with SEBI Circular No CIR/CFD/FAC/62/2016 dated July 5, 2016.
2. This statement is the responsibility of the Company's Management in accordance with applicable Indian Accounting Standards ('Ind AS') specified under section 133 of the Companies Act, 2013, read with relevant rules and has been approved by the Board of Directors at their meeting held on November 12, 2018. Our responsibility is to issue a report on these financial statements based on our review.
3. We conducted our review in accordance with the Standard on Review Engagement (SRE) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the financial statements are free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.
4. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying statement of unaudited financial results prepared in accordance with applicable accounting standards and other recognized accounting practices and policies has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 including the manner in which it is to be disclosed, or that it contains any material misstatement.

5. Emphasis of Matters:

We draw attention to the following notes to the standalone financial results:

- a) **Note No 4:** The matter relating to the issue of unintended benefits accruing to units using domestic gas for manufacture of nutrient "N" has been referred and is pending before an Inter-Ministerial Committee (IMC) of Government of India (GoI). It is expected that a decision on the matter would be taken soon by the IMC. Pending such decision, initially subsidy amounting to Rs. 19894 lakh was withheld. As per DoF approval for release of this subsidy, upon submission of its claims along with bank guarantee for equivalent amount by the Company, an amount of Rs. 9817 lakh has been received upto September 30, 2018. Accordingly no provision has been made in these accounts towards the balance amount of Rs. 10077 lakh withheld, as Company is of the view that no unintended benefits have accrued to owing to use of domestic gas.

LLP IN : AAH - 3437

REGISTERED OFFICE : ESPLANADE HOUSE, 29, HAZARIMAL SOMANI MARG, FORT, MUMBAI 400 001
TEL.: (91) (22) 6158 6200, 6158 7200 FAX : (91) (22) 6158 6275

**KALYANIWALLA
& MISTRY LLP**

- a) **Note No 5:**Consequent to Gas pooling being made applicable to Fertilizer (Urea) sector w.e.f. June 1, 2015, it is expected that a differential pricing of gas may be made applicable for non-urea usage. Company has represented to DoF for maintaining supply of domestic gas for P&K fertilizers and chemicals. Ministry of Petroleum & Natural Gas (MoPNG) vide its order No. L-13013/3/2012-GP-I, dated: December 16, 2015 has directed GAIL (India) Limited to levy a higher gas price (i.e. the highest rate of RLNG used for production of urea) for gas consumed in non-urea operations. As the matter relating to the same is pending before the IMC for decision, the Company has represented that any decision on the same be taken only upon the issue being settled by the IMC of GoI. However, pending finalization of price payable as per the said letter, Company has recognized a liability of Rs. 459 lakh for the quarter, Rs. 615 lakh for the half year and Rs. 21794 lakh for the period commencing from June 1, 2015 to September 30, 2018 (Rs. 21179 lakh upto March 31, 2018) based on the difference between the domestic gas price and pooled / market price of gas for its non-urea operations.

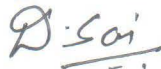
The Company has entered into a contract for procurement of market priced gas for non-urea operations at Trombay unit, effective from May 16, 2016.

Pursuant to the said order, GAIL has sought a differential levy amounting to Rs. 144284 lakh for the period commencing from July 1, 2006 till March 31, 2017 and has initiated arbitration proceeding towards non-payment of the same. The Company has represented this matter to Department of Fertilizers for dispute resolution as the matter relating to the same is pending before the IMC of GoI. The said matter has been currently referred to Administrative Mechanism for Resolution of CPSEs Disputes (AMRCD) on May 22, 2018.

- b) **Note No 6:** FACT-RCF Building Products Ltd.(FRBL) is a 50:50 joint venture between RCF and FACT (Fertilizers and Chemicals Travancore Ltd.) - a Central Public Sector Undertaking. Company had given Corporate Guarantee on behalf of FRBL to its bankers. A one time settlement was entered with the bankers and FRBL with both the Joint Venture Partners RCF & FACT contributing equally towards the same. The share of FACT amounting to Rs. 2550 lakh has been paid by RCF and shown as Inter Corporate Deposit (ICD) advanced to it. The principal amount of Rs. 2550 lakh and interest for the quarter amounting to Rs. 48 lakh and Rs. 95 lakh for the half year has not been provided for, despite FACT's adverse financial position. Company is certain of settlement of the ICD given as FACT is a Government owned Entity.

Our opinion is not modified in respect of these matters.

For KALYANIWALLA & MISTRY LLP
CHARTERED ACCOUNTANTS
Firm Regn. No. 104607W / W100166



Sai Venkata Ramana Damarla
Partner

Membership. No. 107017

Place: Mumbai

Dated: November 12, 2018