

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 /2019

7th May, 2019

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

Sirs/Madam,

Sub: **Submission of Audited Financial Results(Standalone and Consolidated) for the 4th quarter and year ended 31st March, 2019**

This is to inform that at the meeting held on 7th May, 2019, the Board of Directors of the Company have approved the Audited Financial Results (Standalone and Consolidated) of the Company for the 4th quarter and financial year ended 31st March, 2019.

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

- Audited Financial Results (Standalone and Consolidated) of the Company for the 4th quarter and financial year ended 31st March, 2019;
- Auditor's Report (Standalone and Consolidated) submitted by the Statutory Auditors of the Company; and
- Declaration in terms of Regulation 33(3)(d) of SEBI(LODR), 2015.

The Board of Directors have also recommended a dividend of Rs.0.77 per equity share of Rs.10/- each (i.e.7.7 %) for the financial year ended 31st March, 2019, subject to the approval of the shareholders at the ensuing Annual General Meeting.

The meeting of Board of Directors commenced at 11.30 a.m. and concluded at 16.25 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.



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

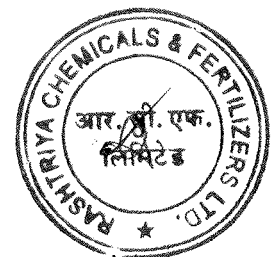
Regd. Office : "Priyadarshini" Eastern Express Highway, Sion, Mumbai 400 022
CIN No. L24110MH1978GOI020185 Website: www.rcflttd.com



Statement of Audited Standalone and Consolidated Results for the Quarter and Year Ended 31ST MARCH 2019

(₹ in Lakh)

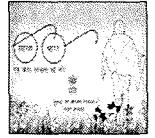
Particulars	Standalone					Consolidated	
	Quarter ended		Year ended			Year ended	
	31.03.2019 Audited	31.12.2018 Unaudited	31.03.2018 Audited	31.03.2019 Audited	31.03.2018 Audited	31.03.2018 Audited	
	1	2	3	4	5	6	7
1 Income							
a Revenue from Operations	226698	235352	196107	888547	728196	888547	728196
b Other Income	3070	2044	1579	7967	6124	7967	6124
Total Income	229768	237396	197686	896514	734320	896514	734320
2 Expenses							
a. Cost of Materials consumed	101820	91118	82782	388001	299589	388001	299589
b. Purchase of stock-in-trade	49082	526	142	79815	21366	79815	21366
c. Changes in inventories of finished goods and stock in trade	(47463)	26809	8289	(60527)	1464	(60527)	1464
d. Employee benefit expense	16097	13550	14949	59141	57375	59141	57375
e. Finance Costs	5775	2674	2608	15585	6259	15585	6259
f. Depreciation and amortisation expense	3976	3981	3435	15569	13704	15569	13704
g. Other expenses							
i. Power and Fuel	65350	65203	62101	269499	224188	269499	224188
ii. Freight and Handling charges	19748	18024	16227	68705	65191	68705	65191
iii. Others	9458	7354	9137	39545	32350	39545	32350
Total expenses	223843	229239	199670	875333	721486	875333	721486
3 Profit / (Loss) before JV'S share of Profit / (Loss), exceptional items and tax (1-2)	5925	8157	(1984)	21181	12834	21181	12834
4 Share of Profit / (Loss) of Associates / JV's	-	-	-	-	-	(509)	2
5 Profit / (Loss) before exceptional items and tax (3-4)	5925	8157	(1984)	21181	12834	20672	12836
6 Exceptional items	(2344)	-	(5314)	(2344)	12	(2344)	12
7 Profit / (Loss) before tax (5-6)	8269	8157	3330	23525	12822	23016	12824
8 Tax Expense							
i. Current Tax	1537	2047	4306	5712	7275	5,712	7275
ii. Deferred Tax	1885	779	(3928)	5616	(406)	5,616	(406)
iii. Less : Excess / (Short) Provision for Tax for earlier years	0	(340)	2	1720	1927	1927	1927
Total Tax	3422	3166	376	9608	4942	9608	4942
9 Profit / (Loss) after tax (7-8)	4847	4991	2954	13917	7880	13408	7882
10 Other Comprehensive Income							
i. Items that will not be reclassified to profit & loss	1062	(1127)	874	575	(109)	575	(109)
ii. Items that will be reclassified to profit & loss	-	-	-	-	-	-	-
11 Total Comprehensive Income for the period (9+10)	5909	3864	3828	14492	7771	13983	7773
12 Paid up equity share capital (Face Value - ₹ 10/- each.)	55169	55169	55169	55169	55169	55169	55169
13 Reserves excluding Revaluation Reserves as at balance sheet date				248301	237800	247796	237804
14 Earnings Per Share Basic & Diluted (EPS) (₹)	0.88	0.90	0.54	2.52	1.43	2.43	1.43
* Not annualised	*	*	*				





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.rcflt.com



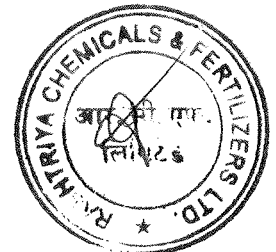
Audited Segmentwise Revenue, Results, Assets and Liabilities for the Quarter and Year Ended 31ST MARCH 2019

(₹ in Lakh)

Particulars	Standalone					Consolidated	
	Quarter ended		Year ended			Year ended	
	31.03.2019	31.12.2018	31.03.2018	31.03.2019	31.03.2018	31.03.2019	31.03.2018
	Audited	Unaudited	Audited	Audited		Audited	
	1	2	3	4	5	6	7
1 Segment Revenue							
a. Fertilizers	188667	184473	171523	754655	620844	754655	620844
b. Industrial Chemicals	27342	25199	23185	95623	78455	95623	78455
c. Trading	10448	25439	905	37305	27171	37305	27171
d. Unallocated	241	241	494	964	1726	964	1726
Total	226698	235352	196107	888547	728196	888547	728196
Less: Inter Segment Revenue	-	-	-	-	-	-	-
Revenue from Operations	226698	235352	196107	888547	728196	888547	728196
2 Segment Results							
a. Fertilizers	7966	3084	649	27776	14390	27776	14390
b. Industrial Chemicals	1724	3134	985	6027	2695	6027	2695
c. Trading	2363	2453	(296)	3680	3296	3680	3296
Total	12053	8671	1338	37483	20381	37483	20381
Finance Costs	5775	2674	2608	15585	6259	15585	6259
Other Net Unallocable Expenditure / (Income)	(1991)	(2160)	(4600)	(1627)	1300	(1118)	1298
Profit/ (Loss) Before Tax	8269	8157	3330	23525	12822	23016	12824
3 Segment Assets							
a. Fertilizers	761288	640316	560475	761288	560475	761288	560475
b. Industrial Chemicals	35309	35008	24941	35309	24941	35309	24941
c. Trading	67531	24302	11839	67531	11839	67531	11839
d. Unallocated	27921	26355	35100	27921	35100	27416	35104
Total	892049	725981	632355	892049	632355	891544	632359
4 Segment Liabilities							
a. Fertilizers	156020	159241	171426	156020	171426	156020	171426
b. Industrial Chemicals	11998	12597	5058	11998	5058	11998	5058
c. Trading	38310	2442	28	38310	28	38310	28
d. Unallocated	382251	254140	162874	382251	162874	382251	162874
Total	588579	428420	339386	588579	339386	588579	339386
5 Capital Employed							
a. Fertilizers	605267	481076	389049	605267	389049	605267	389049
b. Industrial Chemicals	23311	22411	19883	23311	19883	23311	19883
c. Trading	29222	21859	11811	29222	11811	29222	11811
d. Unallocated	(354330)	(227785)	(127774)	(354330)	(127774)	(354835)	(127770)
Total	303470	297561	292969	303470	292969	302965	292973

Notes:

- The above results have been reviewed by the Audit Committee and approved by the Board of Directors at their meeting held on May 07, 2019. These results have been subjected to audit by the Statutory Auditors of the Company. The report does not have any impact on the above results.
- The results for the quarter and year ended 31st March, 2019 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 year are not comparable with the corresponding 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 ₹12511 lakh has been received upto 31st March, 2019. Accordingly no provision has been made in these accounts towards the balance amount of ₹7383 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-1, 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 is recognizing liability based on the difference between domestic gas price and pool / market price of gas for its non-urea operations. The difference is provided considering domestic gas first for urea operations on cumulative basis for the year and the balance if any, for non-urea operations. Accordingly a provision of ₹ 11 lakh has been reversed during the quarter and further there is no impact for the year ended 31st March 2019. The Company has recognised a liability of ₹ 21179 lakh for the period commencing from 1st June, 2015 to 31st March, 2019 (₹ 21179 lakh upto 31st March, 2018) on this account.

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 referred to Administrative Mechanism for Resolution of CPSEs Disputes (AMRCD) on 22nd May 2018

6 Inter Corporate Deposit (ICD) advanced to Fertilizers and Chemicals Travancore Ltd (FACT) - a 50% JV partner in FACT-RCF Building Products Ltd (FRBL) of ₹ 2550 lakh (being their share of contribution paid by RCF towards one time settlement entered into between FRBL and their bankers resulting in Corporate Guarantee given by Company to FRBL bankers being discharged) outstanding as at 31st March, 2019 has not been provided for, despite FACT's adverse financial position as the Company is confident of settlement of the ICD given. Further FACT is a Government owned Entity and interest has been settled by them upto 31st March, 2019.

7 The Company had received an arbitration award in its favour for compensation claimed in respect of surrender of land to Mumbai Metropolitan Regional development Authority (MMRDA) on 23rd May, 2018. As per the Award, Company is eligible for additional compensation either in the form of cash or TDRs amounting to ₹ 7517 lakh along with interest @ 9% thereon from 31st March, 2015 till the date of realisation of Award. As the Award is being appealed against by MMRDA, pending final outcome of the same, Company has not recognised any income accruing on account of the same.

8 Exceptional items consists of:

(₹ in Lakh)

Particulars	Quarter ended		Year ended	
	31.03.2019	31.03.2018	31.03.2019	31.03.2018
Past service gratuity cost on account of increase in gratuity limits from ₹10 lakh to ₹20 lakh.	-	(821)	-	10806
Loss / (Gain) on Revaluation of Development Right Certificate received / receivable from MMRDA towards surrender of land in earlier year.	2158	(4493)	2158	(10794)
Fair value gain on account of valuation of Development Right Certificate receivable from Municipal Corporation of Greater Mumbai towards surrender of land.	(4502)		(4502)	
Net Exceptional Expense / (Income)	(2344)	(5314)	(2344)	12

9 The figures for the last quarter are the balancing figures between the audited figures in respect of the full financial year and the year to date published figures upto the third quarter of the financial year.

10 Board of Directors have recommended a dividend of ₹ 0.77 per equity share of ₹ 10/- each, i.e. 7.7 % which is subject to approval by Shareholder's of the company.

11 Deferred Tax / Deferred Tax Liability includes MAT Credit entitlement of ₹ 601 lakh for year ended 31st March, 2019. (Previous year ₹ Nil)

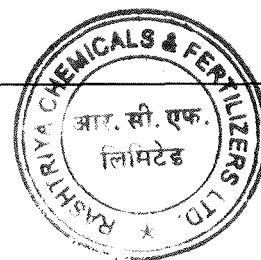
12 The figures for the corresponding previous periods have been restated / regrouped wherever necessary, to make them comparable.

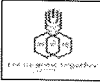
For and on behalf of the Board of Directors
RASHTRIYA CHEMICALS AND FERTILIZERS LTD.

J. d. J.
7.5.2019

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

Dated : 7th May, 2019
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)

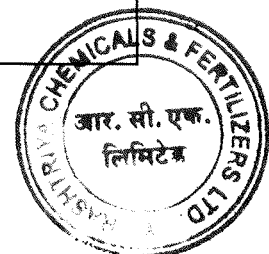
Particulars	Standalone		Consolidated	
	AS AT		AS AT	
	31.03.2019	31.03.2018	31.03.2019	31.03.2018
	Audited		Audited	
A ASSETS				
1 Non Current Assets				
(a) Property, Plant and Equipment	194271	190349	194271	190349
(b) Capital Work in Progress	27569	15236	27569	15236
(c) Investment Property	629	510	629	510
(d) Intangible Assets	99	141	99	141
(e) Financial Assets				
(i) Investments				
Investment in Joint Ventures	1635	502	1130	506
Other Investments	6999	5738	6999	5738
(ii) Trade Receivables	-	-	-	-
(iii) Loans	27	41	27	41
(iv) Others	-	34	-	34
(g) Other non-current assets	29726	32885	29726	32885
Sub total	260955	245436	260450	245440
2 Current Assets				
(a) Inventories	147878	74165	147878	74165
(b) Financial Assets				
(i) Trade Receivables	455019	286041	455019	286041
(ii) Cash and Cash Equivalents	359	524	359	524
(iii) Bank balances other than (ii) above	127	72	127	72
(iv) Loans	2601	686	2601	686
(v) Others	4623	8121	4623	8121
(c) Other Current Assets	20487	17310	20487	17310
Sub total	631094	386919	631094	386919
TOTAL - ASSETS	892049	632355	891544	632359
B. EQUITY & LIABILITIES				
1 Equity				
(a) Equity Share Capital	55169	55169	55169	55169
(b) Other Equity	248301	237800	247796	237804
Sub total	303470	292969	302965	292973
2 Liabilities				
(I) Non Current Liabilities				
(a) Financial Liabilities				
(i) Borrowings	42511	32006	42511	32006
(ii) Trade Payables				
(A) total outstanding dues of micro enterprises and small enterprises.	-	-	-	-
(B) total outstanding dues of creditors other than micro enterprises and small enterprises.	21179	21179	21179	21179
(iii) Other Financial Liabilities	4372	3471	4372	3471
(b) Provisions	18146	25378	18146	25378
(c) Deferred Tax Liabilities(Net)	28033	21977	28033	21977
(d) Other non-current liabilities	3828	2638	3828	2638
Sub total	118069	106649	118069	106649
(II) Current Liabilities				
(a) Financial Liabilities				
(i) Borrowings	288547	93459	288547	93459
(ii) Trade Payables				
(A) total outstanding dues of micro enterprises and small enterprises.	2467	1514	2467	1514
(B) total outstanding dues of creditors other than micro enterprises and small enterprises.	113042	68797	113042	68797
(iii) Other Financial Liabilities	44989	43770	44989	43770
(b) Other Current Liabilities	7282	8015	7282	8015
(c) Provisions	14183	13580	14183	13580
(d) Current Tax Liabilities (Net)	-	3602	-	3602
Sub total	470510	232737	470510	232737
TOTAL - EQUITY & LIABILITIES	892049	632355	891544	632359

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

J. V. Dhatrak
7.5.2019

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

Dated : 7th May, 2019
Place: Mumbai



Auditor's Report on Quarterly and Annual Standalone 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
"Priyadarshini",
Eastern Express Highway,
Sion, Mumbai – 400 022

1. We have audited the accompanying standalone financial results of **Rashtriya Chemicals and Fertilizers Limited** ("the Company") for the quarter ended and year ended March 31, 2019, attached herewith, (initialed by us for identification) being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended and read with SEBI Circular No CIR/CFD/FAC/62/2016 dated July 5, 2016.
2. These quarterly and annual standalone financial results have been prepared on the basis of the standalone Ind AS financial statements, which are the responsibility of the company's management., which have been prepared in accordance with the Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other accounting principles generally accepted in India
3. Our responsibility is to express an opinion on these standalone financial results based on our audit of such standalone Ind AS financial statements. Attention is drawn to the fact that the figures for the quarter ended March 31, 2019 as reported in these results are the balancing figures between the audited figures in respect of the year ended March 31, 2019 and the published year to date figures up to the end of the third quarter of the relevant financial year. Also, the figures up to the end of the third quarter had only been reviewed and not subjected to audit.
4. We conducted our audit in accordance with the Standard on auditing specified under section 143(10) of the Companies Act, 2013. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatements.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the Statement. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Statement, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the Statement in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the Company's internal financial control with reference to the Statement. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Management, as well as evaluating the overall presentation of the Statement.



5. Non- Compliance of the SEBI Listing Obligation and Disclosure Requirements (LODR) Regulations, 2015- as per Regulation 17(1)(b), the chairman being an executive director, at least half of the board of Directors should be comprised of Independent Directors. Currently, the Company does not have required number of Independent Directors on its board.
6. In our opinion and to the best of our information and according to the explanations given to us, these quarterly and annual standalone financial results:
- are presented in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as modified by SEBI Circular No CIR/CFD/FAC/62/2016 dated July 5, 2016 in this regard; and
 - give a true and fair view of the net profit and other financial information for the quarter as well as for the year ended March 31, 2019.

7. **Emphasis of Matter**

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 ₹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 ₹12511 lakh has been received upto March 31, 2019. Accordingly, no provision has been made in these accounts towards the balance amount of ₹7383 lakh withheld, as Company is of the view that no unintended benefits have accrued to owing to use of domestic gas.
- b) **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 is recognizing liability based on the difference between domestic gas price and pool / market price of gas for its non-urea operations. The difference is provided considering domestic gas first for urea operations on cumulative basis for the year and the balance if any, for non-urea operations. Accordingly, a provision of ₹ 11 lakh has been reversed during the quarter and further there is no impact for the year ended March 31, 2019. The Company has recognised a liability of ₹ 21179 lakh for the period commencing from June 1, 2015 to March 31, 2019 (₹ 21179 lakh upto March 31, 2018) on this account.



KALYANIWALLA & MISTRY LLP**Chartered Accountants**

Esplanade House, 2nd Floor
29, Hazarimal Somani Marg, Fort
Mumbai-400 001

CHHAJED & DOSHI**Chartered Accountants**

101, Hubtown
N.S Phadke Marg, Andheri (E)
Mumbai – 400069

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 ₹ 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.

- c) **Note No 6: Inter Corporate Deposit (ICD) advanced to Fertilizers and Chemicals Travancore Ltd (FACT) - a 50% JV partner in FACT-RCF Building Products Ltd (FRBL) of ₹ 2550 lakh (being their share of contribution paid by RCF towards one- time settlement entered into between FRBL and their bankers resulting in Corporate Guarantee given by Company to FRBL bankers being discharged) outstanding as at March 31, 2019 has not been provided for, despite FACT's adverse financial position, as the Company is confident of settlement of the ICD given. Further FACT is a Government owned Entity and interest has been settled by them upto March 31, 2019.**
- d) **Note No 8:** Net fair value gain of ₹ 2344 lakh on account of valuation of Development Right Certificate receivable / received from Municipal Corporation of Greater Mumbai /Mumbai Metropolitan Regional Development Authority towards surrender of land in accordance with IND-AS 38 and Guidance Note on Accounting for Real Estate Transactions issued by the Institute of Chartered Accountants of India. Tax expense includes the Capital Gains Tax impact on the same.

Our opinion is not modified in respect of these matters.

For KALYANIWALLA & MISTRY LLP**Chartered Accountants**

Firm Registration No. 104607W / W100166

**Sai Venkata Ramana Damarla****Partner**

Membership. No. 107017

Place: Mumbai**Dated: May 07, 2019****For CHHAJED & DOSHI****Chartered Accountants**

Firm Registration No 101794W

**Nitesh Jain****Partner**

Membership. No. 136169



Auditor's Report on Quarterly and Annual Consolidated Financial Results of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The Board of Directors
Rashtriya Chemicals and Fertilizers Limited
"Priyadarshini",
Eastern Express Highway,
Sion, Mumbai – 400 022

1. We have audited the accompanying statement of Consolidated Financial Results of **Rashtriya Chemicals and Fertilizers Limited** ("the Holding Company") and share of net loss after tax and total comprehensive income/(loss) of its jointly controlled entities for the quarter and year ended March 31, 2019 attached herewith, (initialed by us for identification) being submitted by the Holding Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended, read with SEBI Circular No CIR/CFD/FAC/62/2016 dated July 5, 2016.
2. This quarterly and annual consolidated financial result, which is responsibility of the Holding Company's management and approved by the Holding Company's Board of Directors, have been prepared on the basis of the consolidated Ind AS financial statements, which have been prepared in accordance with the Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other accounting principles generally accepted in India.
3. Our responsibility is to express an opinion on these consolidated financial results based on our audit of such consolidated financial statements. Attention is drawn to the fact that the figures for the quarter ended March 31, 2019 as reported in these results are the balancing figures between the audited figures in respect of the year ended March 31, 2019 and the published year to date figures up to the end of the third quarter of the relevant financial year. Also, the figures up to the end of the third quarter had only been reviewed and not subjected to audit.
4. We conducted our audit in accordance with the Standard on auditing specified under section 143(10) of the Companies Act, 2013. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatements.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the Statement. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Statement, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Holding Company's preparation and fair presentation of the Statement in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the Holding Company's internal financial control with reference to the Statement. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Management, as well as evaluating the overall presentation of the Statement.



We believe that the audit evidence obtained by us, is sufficient and appropriate to provide a basis for our audit opinion.

5. The Consolidated Ind AS financial statements also include the Group's share of net loss of ₹ 0.20 lakh for the year ended March 31, 2019, as considered in the consolidated Ind AS financial statements, in respect of one jointly controlled entity, namely Urvarak Videsh Limited, whose financial statements / financial information have not been audited by us. This Ind AS financial statement has been audited by other auditor whose report has been furnished to us by the management and our opinion on the special purpose consolidated Ind AS financial statements, in so far as it related to the amounts and disclosures included in respect of this jointly controlled entity is based solely on the report of the other auditor.
6. The consolidated Ind AS financial statements also include the Group's share of net loss of ₹ 509 lakh for the year ended March 31, 2019, as considered in the consolidated Ind AS financial statements, in respect of Talcher Fertilizers Limited (formerly known as Rashtriya Coal Gas Fertilizers Limited), a jointly controlled entity. For FACT RCF Building Products Limited, owing to the company's share of losses exceeding its interest in the joint venture the share of loss stands discontinued. Accordingly, Company has not recognised share of its losses for the year ended March 31, 2019. These Ind AS financial statements are unaudited and have been furnished to us by the management and our opinion on the consolidated Ind AS financial statements, in so far as it related to the amounts and disclosures included in respect of these jointly controlled entities is based solely on such unaudited Ind AS financial statements. In our opinion and according to the information and explanations given to us by the Management, these Ind AS financial statements are not material to the Company.
7. Non- Compliance of the SEBI Listing Obligation and Disclosure Requirements (LODR) Regulations, 2015- as per Regulation 17(1)(b), the chairman being an executive director, at least half of the board of Directors should be comprised of Independent Directors. Currently, the Company does not have required number of Independent Directors on its board in regard with the same.
8. Based on our audit, in our opinion and to the best of our information and according to the explanations given to us, these annual consolidated financial results:
 - i. include the annual financial results of the following entities;
 - a) Urvarak Videsh Limited (Audited)(unmodified)
 - b) FACT – RCF Building Products Limited (Management Certified)
 - c) Talcher Fertilizers Limited (formerly known Rashtriya Coal Gas Fertilizers Limited) (Management Certified)
 - ii. have been presented in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as modified by SEBI Circular No CIR/CFD/FAC/62/2016 dated July 5, 2016 in this regard; and
 - iii. give a true and fair view of the consolidated net profit and other financial information for the year ended March 31, 2019.



9. Emphasis of Matter

We draw attention to the following notes to the consolidated 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 ₹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 ₹12511 lakh has been received upto March 31, 2019. Accordingly, no provision has been made in these accounts towards the balance amount of ₹7383 lakh withheld, as Company is of the view that no unintended benefits have accrued to owing to use of domestic gas.
- b) **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 is recognizing liability based on the difference between domestic gas price and pool / market price of gas for its non-urea operations. The difference is provided considering domestic gas first for urea operations on cumulative basis for the year and the balance if any, for non-urea operations. Accordingly, a provision of ₹ 11 lakh has been reversed during the quarter and further there is no impact for the year ended March 31, 2019. The Company has recognised a liability of ₹ 21179 lakh for the period commencing from June 1, 2015 to March 31, 2019 (₹ 21179 lakh upto March 31, 2018) on this account.

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 ₹ 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.




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101, Hubtown
N.S Phadke Marg, Andheri (E)
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- c) **Note No 6: Inter Corporate Deposit (ICD) advanced to Fertilizers and Chemicals Travancore Ltd (FACT) - a 50% JV partner in FACT-RCF Building Products Ltd (FRBL) of ₹ 2550 lakh (being their share of contribution paid by RCF towards one- time settlement entered into between FRBL and their bankers resulting in Corporate Guarantee given by Company to FRBL bankers being discharged) outstanding as at March 31, 2019 has not been provided for, despite FACT's adverse financial position, as the Company is confident of settlement of the ICD given. Further FACT is a Government owned Entity and interest has been settled by them upto March 31, 2019.**
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Our opinion is not modified in respect of these matters.


For KALYANIWALLA & MISTRY LLP
Chartered Accountants
Firm Registration No. 104607W / W100166


Sai Venkata Ramana Damarla
Partner
Membership. No. 107017



Place: Mumbai
Dated: May 07, 2019

For CHHAJED & DOSHI
Chartered Accountants
Firm Registration No 101794W


Nitesh Jain
Partner
Membership. No. 136169



राष्ट्रीय केमिकल्स एण्ड फर्टिलाइजर्स लि.

(भारत सरकार का उपक्रम)

साथ बढ़ें समृद्धि की ओर

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

ग्राम : राष्ट्रीय • दूरध्वनी : 2404 5083 • फैक्स : 2404 5199

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RASHTRIYA CHEMICALS AND FERTILIZERS LTD.

(A Government of India Undertaking)

Let us grow together

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

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E-mail : dfrcf@rcfltd.com • Website : www.rcfltd.com

CIN: L24110MH1978GOI020185

उमेश डोंगरे
निदेशक (वित्त)

Umesh Dongre
Director (Finance)



RCF/CS/Stock Exchanges /2019

7th May, 2019

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

Sirs/Madam,

Sub: Declaration in terms of Regulation 33(3)(d) of SEBI(Listing Obligations and Disclosure Requirements) Regulations, 2015

In terms of the second proviso to Regulation 33(3) (d) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, we hereby declare that the Statutory Auditors of the Company have given an Unmodified Opinion on the Annual Audited Financial Results of the Company (Standalone and Consolidated) for the quarter and year ended 31st March, 2019.

Yours faithfully,
For Rashtriya Chemicals and Fertilizers Limited

(Umesh Dongre)
Director (Finance) and CFO