

राष्ट्रीय केमिकल्स एण्ड
फर्टिलाइजर्स लिमिटेड

(भारत सरकार का उपक्रम)
साथ बढ़ें एकता के अर्थ



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 /2020

29th May, 2020

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: Outcome of the Board Meeting in accordance with the SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015

This is to inform that Board at its meeting held on today i.e. 29th May, 2020 has approved the Audited Financial Results (Standalone and Consolidated) of the Company for the 4th quarter and financial year ended 31st March, 2020.

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, 2020;
- Auditor's Report in respect of the Audited Financial Results (Standalone and Consolidated) for the financial year ended 31st March, 2020; and
- Declaration in terms of Regulation 33(3)(d) of SEBI(LODR), 2015.

The Board of Directors have also recommended a dividend of Rs.2.84 per equity share of Rs.10/- each (i.e.28.40%) for the financial year ended 31st March, 2020, subject to the approval of the shareholders at the ensuing Annual General Meeting.

The meeting of Board of Directors commenced at 1.00 p.m. and concluded at ~~4.00~~ 4:15 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.

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 March 31, 2020 and for the year ended March 31, 2020, 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, 2020 as reported in these results are the balancing figures between the audited figures in respect of the year ended March 31, 2020 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 including one Women Independent Director. Currently, the Company does not have required number of Independent Directors on its board and no Women Independent Director.
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, 2020.

7. Emphasis of Matter

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

a) Note No 3 - Use of domestic gas for manufacture of nutrient "N":

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). Pending such decision, subsidy amounting to ₹ 19894 Lakh was initially withheld. The Company has received the entire amount against submission of bank guarantee of equivalent amount. The Company is of the view that no unintended benefits have accrued to Company owing to use of domestic gas.

b) Note No 4 - Gas pooling applicable to Fertilizer (Urea) sector:

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, there is no impact for the year ended March 31, 2020. The Company has recognised a liability of ₹ 179 Lakh



for the period commencing from June 1, 2015 to March 31, 2020 (₹21179 Lakh upto March 31, 2019) on this account.

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 ₹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. 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 5 – Subsidy Income:

DoF vide its Notification dated 30th March, 2020 has removed the ambiguity with respect to eligible compensation on revision in fixed costs effective from 2nd April, 2014 under Modified NPS III. Accordingly, Company has recognised subsidy income based on the assessment of its eligibility and also provided for certain anticipated recoveries by DoF towards final adjustments of subsidy on NPK fertilizers and other subsidy receivables, recognised earlier on estimated basis, being doubtful of settlement. The net increase in subsidy income for the current quarter and year ending 31st March 2020, works out to ₹ 34292 lakhs.

d) Note No 6 - Inter Corporate Deposit (ICD) advanced to Fertilizers and Chemicals Travancore Ltd:

The amount of ` 2550 lakh being the share of contribution of Fertilizers and Chemicals Travancore Ltd (FACT) - a 50% JV partner in FACT-RCF Building Products Ltd (FRBL) paid by RCF towards one time settlement entered into between FRBL and their bankers resulting in discharge of Corporate Guarantee given by Company to FRBL bankers has been reported under Inter Corporate Deposit (ICD). This ICD along with interest outstanding for the half year ending 31st March 2020 amounting to ` 109 lakhs has not been provided for, considering improvement in FACT's financial position and the Company is confident of settlement of the ICD given. FACT is a Government owned Entity and outstanding interest has been settled by them in May 2020. Further the Company has entered into an agreement with FACT for the ICD given, wherein FACT shall repay the same in five annual equal instalments commencing from December 2020.

e) Note No. 7 - Gas Turbine Generator (GTG) plants at Thal unit:

On 20th and 22nd March, 2019 respectively, both the Gas Turbine Generator (GTG) plants at Thal unit stopped operating. Upon failure the matter, was taken up with the LSTK contractor who had supplied the turbines for repair as the same were covered under warranties. The matter was referred by the LSTK contractor for repairs to the Original Equipment



Manufacturer (OEM) who had indicated a total estimated expenditure of about 98 Million SEK (₹.7451 Lakh excluding taxes and duties).

In the best interests of the Company, based on the acceptance of Notice to Proceed as proposed by the LSTK contractor, the equipment have been sent for repair to the foreign Original Equipment Manufacturer (OEM) which are to be received back as at the Balance Sheet date. As per the Notice to proceed, the final settlement of the repair costs can either be decided mutually and in the event not agreed upon, the settlement of disputes clause as per contract can be invoked.

As the equipment are covered under warranties, the Company is of the view that no additional costs would devolve on the Company. Further the Company has initiated arbitration proceedings towards the LSTK contractor citing loss of profits owing to higher energy costs, higher maintenance costs etc.

In the meanwhile, the Company has procured a Gas generator and commissioned a Turbine Generator in August 2019 to mitigate future losses.

f) Note No 8 - Contribution to Employee Provident Fund Trust:

Pending finalisation of accounts of the Company's Employees Provident Fund Trust, the investments held by the Trust amounting to ₹9264 Lakh have become doubtful as at 31st March 2020 owing to defaults with respect to payment of principal and interest warranting provision towards the same. The same will have to be made good by the Company, as principal employer, in the event there are no adequate assets of the Trust to meet its liabilities as per EPFO Act.

However as per Ind AS 19, for Defined Benefit plans, Company is required to ascertain the present value of the defined benefit obligation and compare with the fair values of the Plan assets to determine the surplus or deficit, if any, as at Balance Sheet date. Deficit, if any, needs to be accounted in the books of the Company. Accordingly, Company has recognized an amount of ₹1907 Lakh as contribution to Trust owing to such deficit.

g) Note No. 9 - Loss on fair valuation of Transferable Development Rights (TDR):

The loss on account of fair valuation of Transferable Development Rights (TDRs) received /accrued has been reported as exceptional item amounting to ₹10017 Lakh. Hitherto, as at 31.03.2019 the Company expecting TDRs to be sold in the coming financial year had classified the same under Non-Current Assets Held for sale. Considering the current depression in the real estate segment which has been further aggravated owing to COVID-19 pandemic, the sale of the same is not highly probable. Accordingly, as per IND AS 105, the TDRs cannot be classified as Non-Current Asset Held for sale and has been reclassified as investments at fair value of ₹ 3123 lakh for the year ended 31.03.2020.



CHHAJED & DOSHI
Chartered Accountants
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N. S. Phadke Marg, Andheri (E),
Mumbai - 400069

FORD RHODES PARKS & CO. LLP
Chartered Accountants
312/313, Sai Commercial Building,
B.K.S. Deveshi Marg, Govandi,
Mumbai-400088

h) Note No.12 - Effects of COVID-19:

We draw attention to Note 12, which describes the impact of the outbreak of coronavirus (COVID-19) on the business operations of the company. In view of highly uncertain economic environment, a definitive assessment of the impact on the subsequent periods is highly dependent upon circumstances as the evolve.

Further our attendance at the physical inventory verification done by the management was impracticable under the current lockdown restrictions imposed by the government and we have therefore relied on related alternative procedures to obtain comfort over the existence and condition of the inventory at year end.

Our opinion is not modified in respect of these matters.

For CHHAJED & DOSHI
Chartered Accountants
Firm Registration No. 101794W



Kiran K. Daftary
Partner
Membership. No. 10279
UDIN: 20010279AAAAAU1986

Place: Mumbai
Dated: May 29, 2020

For FORD RHODES PARKS & CO. LLP
Chartered Accountants
Firm Registration No. 102860W/W100089



Astha Kariya
Partner
Membership. No. 122491
UDIN: 20122491AAAABX2532





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



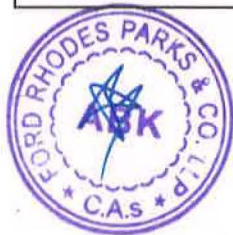
Regd. Office : "Priyadarshini" Eastern Express Highway, Sion, Mumbai 400 022
CIN No. L24110MH1978GOI020185 Website: www.rcfltd.com

Statement of Audited Standalone Results for the Quarter and Year Ended 31ST MARCH 2020

(₹ in Lakh)

Particulars	Quarter ended			Year ended	
	31.03.2020	31.12.2019	31.03.2019	31.03.2020	31.03.2019
	Audited	Unaudited	Audited	Audited	Audited
	1	2	3	4	5
1 Income					
a Revenue from Operations	260600	222587	226698	969795	888547
b Other Income	5591	2033	3096	12865	8199
Total Income	266191	224620	229794	982660	896746
2 Expenses					
a. Cost of Materials consumed	92113	93546	101820	377622	388001
b. Purchase of stock-in-trade	(2560)	(65)	49082	29443	79815
c. Changes In inventories of finished goods and stock in trade	18305	12312	(47463)	60325	(60527)
d. Employee benefit expense	19217	14324	16097	61726	59141
e. Finance Costs	8028	4085	5775	23782	15585
f. Depreciation and amortisation expense	4374	4743	3976	17104	15569
g. Other expenses					
i. Power and Fuel	69851	67200	65350	275887	269499
ii. Freight and Handling charges	15810	17294	19748	68943	68705
iii. Others	11023	9745	9484	37518	39777
Total expenses	236161	223184	223869	952350	875565
3 Profit / (Loss) before exceptional items and tax (1-2)	30030	1436	5925	30310	21181
4 Exceptional items	10017	-	(2344)	10,017	(2,344)
5 Profit / (Loss) before tax (3-4)	20013	1436	8269	20293	23525
6 Tax Expense					
i. Current Tax	7172	-	1537	7172	5712
ii. Deferred Tax	(1409)	(6080)	1885	(7716)	5616
iii. Short / (Excess) Provision for Tax for earlier years	22	(347)	-	22	(1720)
Total Tax	5785	(6427)	3422	(522)	9608
7 Profit / (Loss) after tax (5-6)	14228	7863	4847	20815	13917
8 Other Comprehensive Income (net of tax)					
i. Items that will not be reclassified to profit & loss	(527)	680	1062	(537)	575
ii. Items that will be reclassified to profit & loss	-	-	-	-	-
9 Total Comprehensive Income for the period (7+8)	13701	8543	5909	20278	14492
10 Paid up equity share capital (Face Value - ₹ 10/- each.)	55169	55169	55169	55169	55169
11 Reserves excluding Revaluation Reserves as at balance sheet date				263458	248301
12 Earnings Per Share Basic & Diluted (EPS) (₹)*	2.58	1.43	0.88	3.77	2.52
13 Long Term Debt Equity ratio				0.23 : 1	0.19 : 1
14 Debt Service Coverage Ratio (Times)				1.86	1.70
15 Interest Service Coverage Ratio (Times)				2.99	3.36

* Not annualised in case of quarterly figures





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



Audited Standalone Segmentwise Revenue, Results, Assets and Liabilities for the Quarter and Year Ended 31ST MARCH 2020

(₹ in Lakh)

Particulars	Quarter ended			Year ended	
	31.03.2020	31.12.2019	31.03.2019	31.03.2020	31.03.2019
	Audited	Unaudited	Audited	Audited	Audited
	1	2	3	4	5
1 Segment Revenue					
a. Fertilizers	238756	193224	188667	807618	754655
b. Industrial Chemicals	17533	16262	27342	66116	95623
c. Trading	3967	12860	10448	94994	37305
d. Unallocated	344	241	241	1067	964
Total	260600	222587	226698	969795	888547
Less: Inter Segment Revenue					
Revenue from Operations	260600	222587	226698	969795	888547
2 Segment Results					
a. Fertilizers	35555	5498	7966	43145	27776
b. Industrial Chemicals	(71)	(271)	1724	(1110)	6027
c. Trading	504	300	2363	9116	3680
Total	35988	5527	12053	51151	37483
Less:					
i. Finance Costs	8028	4085	5775	23782	15585
ii. Other Net Unallocable Expenditure / (Income)	7947	6	(1,991)	7076	(1627)
Profit/ (Loss) Before Tax	20013	1436	8269	20293	23525
3 Segment Assets					
a. Fertilizers	770577	594235	761523	770577	761523
b. Industrial Chemicals	32273	33629	35309	32273	35309
c. Trading	19010	25029	67531	19010	67531
d. Unallocated	208190	89582	27686	208190	27686
Total	1030050	742475	892049	1030050	892049
4 Segment Liabilities					
a. Fertilizers	190125	167617	156020	190125	156020
b. Industrial Chemicals	8416	10051	11998	8416	11998
c. Trading	8	1249	37766	8	37766
d. Unallocated	512874	258632	382795	512874	382795
Total	711423	437549	588579	711423	588579
5 Capital Employed					
a. Fertilizers	580452	426618	605503	580452	605503
b. Industrial Chemicals	23857	23578	23311	23857	23311
c. Trading	19002	23780	29765	19002	29765
d. Unallocated	(304684)	(169050)	(355109)	(304684)	(355109)
Total	318627	304926	303470	318627	303470

Notes:

- The above financial results are drawn in accordance with the accounting policies consistently followed by the Company. The results have been reviewed by the Audit Committee and approved by the Board of Directors at their meeting held on May 29, 2020. These results have been subjected to audit by the Statutory Auditors of the Company.
- The results for the quarter and year ended 31st March, 2020 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.
- 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. Initially subsidy amounting to ₹ 19894 lakh was withheld by DOF, which has been released in full upon submission of its claims along with bank guarantee for equivalent amount by the Company.



4. 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 ₹ Nil lakh has been made during the quarter and year ended 31st March, 2020. The Company has recognised a liability of ₹ 21179 lakh for the period commencing from 1st June, 2015 to 31st March, 2020 (₹ 21179 lakh upto 31st March, 2019) 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).

5. DoF vide its Notification dated 30th March, 2020 has removed the ambiguity with respect to eligible compensation on revision in fixed costs effective from 2nd April, 2014 under Modified NPS III. Accordingly, Company has recognised subsidy income based on the assessment of its eligibility and also provided for certain anticipated recoveries by DoF towards final adjustments of subsidy on NPK fertilizers and other subsidy receivables, recognised earlier on estimated basis, being doubtful of settlement. The net increase in subsidy income for the current quarter and year ending 31st March 2020, works out to ₹ 34292 lakhs.
6. The amount of ₹ 2550 lakh being the share of contribution of Fertilizers and Chemicals Travancore Ltd (FACT) - a 50% JV partner in FACT-RCF Building Products Ltd (FRBL) paid by RCF towards one time settlement entered into between FRBL and their bankers resulting in discharge of Corporate Guarantee given by Company to FRBL bankers has been reported under Inter Corporate Deposit (ICD). This ICD along with interest outstanding for the half year ending 31st March 2020 amounting to ₹ 109 lakhs has not been provided for, considering improvement in FACT's financial position and the Company is confident of settlement of the ICD given. FACT is a Government owned Entity and outstanding interest has been settled by them in May 2020. Further the Company has entered into an agreement with FACT for the ICD given, wherein FACT shall repay the same in five annual equal instalments commencing from December 2020.

7. On 20th and 22nd March, 2019 respectively, both the Gas Turbine Generator (GTG) plants at Thal unit stopped operating. Upon failure the matter, was taken up with the LSTK contractor who had supplied the turbines for repair as the same were covered under warranties. The matter was referred by the LSTK contractor for repairs to the Original Equipment Manufacturer (OEM) who had indicated a total estimated expenditure of about 98 Million SEK (₹ 7451 lakh excluding taxes and duties).

In the best interests of the Company, based on the acceptance of Notice to Proceed as proposed by the LSTK contractor, the equipments have been sent for repair to the foreign Original Equipment Manufacturer (OEM) which are to be received back as at the Balance Sheet date. As per the Notice to proceed, the final settlement of the repair costs can either be decided mutually or in the event not agreed upon, the settlement of disputes clause as per contract can be invoked.

As the equipments are covered under warranties, the Company is of the view that no additional costs would devolve on the Company. Further the Company has initiated arbitration proceedings towards the LSTK contractor citing loss of profits owing to higher energy costs, higher maintenance costs etc.

In the meanwhile, the Company has procured a Gas Generator and commissioned a Gas Turbine Generator plant in August 2019 to mitigate future losses.

8. Pending finalisation of accounts of the Company's Employees Provident Fund Trust, the investments held by the Trust amounting to ₹ 9264 lakh have become doubtful as at 31st March 2020 owing to defaults with respect to payment of principal and interest warranting provision towards the same. The same will have to be made good by the Company, as principal employer, in the event there are no adequate assets of the Trust to meet its liabilities as per EPFO Act.

However as per Ind AS 19, for Defined Benefit Plans, Company is required to ascertain the present value of the Defined Benefit Obligation and compare with the fair values of the Plan Assets to determine the surplus or deficit, if any, as at Balance Sheet date. Deficit, if any, needs to be accounted in the books of the Company. Accordingly, Company has recognized an amount of ₹ 1907 lakh as contribution to Trust owing to such deficit.

9. Exceptional items for the quarter and year ended 31st March, 2020 consists of net fair value loss of ₹ 10017 lakh as against a gain of ₹ 2344 lakh for quarter and year ended 31st March, 2019, on account of valuation of Development Right Certificate received / receivable from Municipal Corporation of Greater Mumbai / Mumbai Metropolitan Regional Development Authority.
10. Effective 1st April, 2019 the Company has adopted Ind AS 116 "Leases" and applied the same to lease contracts existing on 1st April, 2019 using the modified retrospective approach. Accordingly, the comparative figures have not been restated. The effect of this adoption is not material on the profit for the current quarter and year.
11. Company has exercised the option of shifting to lower tax rate along with consequent reduction in certain tax incentives permitted under Section 115BAA of the Income Tax act, 1961, as introduced by the Government of India through Taxation Laws (Amendment) Ordinance, 2019. Accordingly, the Company has recognised Provision for Current Tax for the year ended 31st March, 2020 and re-measured its Deferred Tax Assets and Deferred Tax Liabilities on the basis of the rates prescribed in the said section. An amount of ₹ 7716 lakh and ₹ 623 lakh have been written back in the statement of Profit and Loss and Other Equity respectively for the year ended 31st March, 2020.



12 Covid-19 Impact Analysis:

- a. For the year ended 31st March, 2020 operation of the Company were scaled down during the last week of the year. The Company was quick in restoring the operations ensuring health, safety and well-being of its employees. This has not impacted our operations and results for the year ended 31st March, 2020.
- b. For the year financial year 2020-21 adverse impact is anticipated in the following areas:
- (I) Manpower - Own employees as well as Contract labour downtime due to movement restrictions and health issues.
- (II) Delay in commissioning of projects and the ensuing benefits due to delayed supply of equipments and restrictions in movement of personnel from foreign countries / within India required for the project
- (III) Rationalisation of Government expenditures may result in delayed settlement of subsidies straining liquidity and working capital.
- c. As per our current assessment, no significant impact on carrying amount of Inventories, tangible assets, Intangible assets, trade receivables, investments and other financial assets is expected, and we continue to monitor the changes in future economic conditions. The Management does not see any risk in the ability to continue as a going concern and meeting its liabilities as and when they fall due. However the actual impact of Covid-19 on the Company's financial statements may differ from that estimated.
- 13 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.
- 14 Board of Directors have recommended a dividend of ₹ 2.84 per equity share of ₹ 10/- each, i.e. 28.40 % which is subject to approval by Shareholders of the Company.
- 15 The figures for the corresponding previous periods have been restated / regrouped wherever necessary, to make them comparable.
- 16 Formula used for calculation of Ratios:
- a. Debt : equity Ratio = Long Term Borrowings + Current maturities of Long Term Borrowings / Shareholders funds
- b. Debt Service Coverage Ratio = Profit before Finance cost, Depreciation, Exceptional Items and Tax / Finance Cost + Current maturities of Long Term Borrowings
- c. Interest Service Coverage Ratio = Profit before Finance cost, Depreciation, Exceptional Items and Tax / Finance Cost

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



(S. C. Mudgerikar)
Chairman and Managing Director
DIN : 03498837

Dated : 29th May, 2020.
Place: Mumbai





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



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

STANDALONE CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2020

(₹ In Lakh)

Sl. No.	Particulars	Audited Year Ended	
		31.03.2020	31.03.2019
A	Cash Flow From Operating Activities		
	Net Profit before tax	20293	23525
	Adjustments for :		
	Depreciation/Loss on Impairment of Assets	17138	15603
	Profit(-) / Loss on sale of Assets	321	(189)
	Interest Income	(4141)	(1777)
	Dividend Income	(20)	(32)
	Interest and Finance Charges	23782	15585
	Provision for Bad/Doubtful debts	473	2458
	Unrealised Foreign Exchange (Gain) /Loss	1339	(468)
	Provision for leave salary encashment	38892	31180
	Operating Profit before Working Capital Changes	59185	54705
	Adjustments for :		
	Trade Receivables and Other Assets	(149444)	(163623)
	Inventories	52884	(73713)
	Trade Payables and Other Liabilities	(14532)	28998
		(111092)	(208338)
	Cash Generated from Operations	(51907)	(153633)
	Direct Taxes Paid	(1060)	(9850)
	Refund of tax		
	Net Cash from Operating Activities ----- A	(52967)	(163483)
B	Cash Flow from Investing Activities		
	Additions to Fixed Assets (Net of trade credit)	(42547)	(30277)
	Sale of Fixed Assets	31	475
	Purchase of Investments -Joint Ventures and Subsidiary	(14316)	(1133)
	Inter Corporate Advances	-	(1950)
	Interest Received	4137	1776
	Dividend Received	20	32
	Government Grants Received	-	49
		(52675)	(31028)
	Net Cash from Investing Activities ----- B	(52675)	(31028)
C	Cash Flow from Financing Activities		
	Net Proceeds /Repayment of Working capital facilities and short term loans	118100	195528
	Proceeds from Term loans	30900	26700
	Repayments of Term loans	(13908)	(8719)
	Interest paid	(24152)	(15189)
	Dividend paid (Including Dividend Distribution tax)	(5122)	(3974)
	Lease liability paid	(328)	
		105490	194346
	Net Cash from Financing Activities ----- C	105490	194346
	Net Increase/Decrease(-) in Cash and Cash Equivalent (A+B+C)	(152)	(165)
	Cash and Cash Equivalents as at 1st April(Opening Balance)	359	524
	Cash and Cash Equivalents as at 30th September(Closing Balance)	207	359
	Components of Cash and Cash Equivalents		
	Cash on hand	1	1
	Balance With Scheduled Banks		
	In Current and Cash Credit Accounts	206	358
		207	359

Note:

- The Cash Flow Statement has been prepared under the 'Indirect Method' as set out in the Indian Accounting Standard (Ind AS) 7 on Cash Flow Statement and presents cash flows by operating, investing and financing activities.
- Figures in the Bracket are outflows / deductions.
- Figures of the previous year have been regrouped / rearranged wherever necessary to make it comparable to the current year presentation.
- The cash credit facilities availed from bank are part of financing activity which do not form part of cash and cash equivalents for Cash Flow Statement purpose.

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

(S. C. Mudgerkar)
Chairman and Managing Director
DIN : 03498837

Dated : 29th May, 2020.
Place: Mumbai



**RASHTRIYA CHEMICALS AND FERTILIZERS LIMITED**

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

STATEMENT OF STANDALONE ASSETS AND LIABILITIES

(₹ In Lakh)

Particulars	AS AT	
	31.03.2020	31.03.2019
	Audited	
A ASSETS		
1 Non Current Assets		
(a) Property, Plant and Equipment	212130	194271
(b) Capital Work in Progress	43349	27569
(c) Investment Property	610	629
(d) Intangible Assets	262	99
(e) Financial Assets		
(i) Investments	26300	8634
(ii) Trade Receivables	-	-
(iii) Loans	2053	27
(iv) Others	-	-
(f) Other non-current assets	20370	29726
Sub total	305074	260955
2 Current Assets		
(a) Inventories	94994	147878
(b) Financial Assets		
(i) Trade Receivables	455123	455254
(ii) Cash and Cash Equivalents	207	359
(iii) Bank balances other than (ii) above	129	127
(iv) Loans	650	2601
(v) Others	165520	4388
(c) Other Current Assets	8353	20487
Sub total	724976	631094
TOTAL - ASSETS	1030050	892049
B. EQUITY & LIABILITIES		
1 Equity		
(a) Equity Share Capital	55169	55169
(b) Other Equity	263458	248301
Sub total	318627	303470
2 Liabilities		
(I) Non Current Liabilities		
(a) Financial Liabilities		
(i) Borrowings	60091	42511
(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
(iii) Other Financial Liabilities	4389	4372
(b) Provisions	18855	18146
(c) Deferred Tax Liabilities(Net)	19694	28033
(d) Other non-current liabilities	3911	3828
Sub total	128119	118069
(II) Current Liabilities		
(a) Financial Liabilities		
(i) Borrowings	407687	288547
(ii) Trade Payables		
(A) total outstanding dues of micro enterprises and small enterprises.	3681	2467
(B) total outstanding dues of creditors other than micro enterprises and small enterprises.	95992	112913
(iii) Other Financial Liabilities	48254	45118
(b) Other Current Liabilities	8151	7282
(c) Provisions	14214	14183
(d) Current Tax Liabilities (Net)	5325	-
Sub total	583304	470510
TOTAL - EQUITY & LIABILITIES	1030050	892049

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

(S. C. Mudgrikar)
Chairman and Managing Director
DIN : 03498837

Dated : 29th May, 2020
Place: Mumbai



CHHAJED & DOSHI
Chartered Accountants
101, Hubtown Solaris,
N. S. Phadke Marg, Andheri (E),
Mumbai - 400069

FORD RHODES PARKS & CO. LLP
Chartered Accountants
312/313, Sai Commercial Building,
B.K.S. Deveshi Marg, Govandi,
Mumbai-400088

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, 2020 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, 2020 as reported in these results are the balancing figures between the audited figures in respect of the year ended March 31, 2020 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.



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 including one Women Independent Director. Currently, the Company does not have required number of Independent Directors on its board and no Women Independent Director.
6. The consolidated Ind AS financial statements also include the Group's share of net loss of ₹ 102 lakh for the year ended March 31, 2020, as considered in the consolidated Ind AS financial statements, in respect of Talcher Fertilizers Limited (formerly known as Rashtriya Coal Gas Fertilizers Limited) and Urvarak Videsh Limited, jointly controlled entities. 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, 2020. 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. 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:
- include the annual financial results of the following entities;
 - Urvarak Videsh Limited (Management Certified)
 - FACT – RCF Building Products Limited (Management Certified)
 - Talcher Fertilizers Limited (formerly known Rashtriya Coal Gas Fertilizers Limited) (Management Certified)
 - 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
 - give a true and fair view of the consolidated net profit and other financial information for the year ended March 31, 2020.

8. Emphasis of Matter

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

a) Note No 3 - Use of domestic gas for manufacture of nutrient "N":

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). Pending such decision, subsidy amounting to ₹ 19894 Lakh was initially withheld. The Company has received the entire amount against submission of bank guarantee of equivalent amount. The Company is of the view that no unintended benefits have accrued to Company owing to use of domestic gas.



b) Note No 4 - Gas pooling applicable to Fertilizer (Urea) sector:

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, there is no impact for the year ended March 31, 2020. The Company has recognised a liability of ₹ 21179 Lakh for the period commencing from June 1, 2015 to March 31, 2020 (₹ 21179 Lakh upto March 31, 2019) on this account.

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 ₹ 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. 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 5 – Subsidy Income:

DoF vide its Notification dated 30th March, 2020 has removed the ambiguity with respect to eligible compensation on revision in fixed costs effective from 2nd April, 2014 under Modified NPS III. Accordingly, Company has recognised subsidy income based on the assessment of its eligibility and also provided for certain anticipated recoveries by DoF towards final adjustments of subsidy on NPK fertilizers and other subsidy receivables, recognised earlier on estimated basis, being doubtful of settlement. The net increase in subsidy income for the current quarter and year ending 31st March 2020, works out to ₹ 34292 lakhs.

d) Note No 6 - Inter Corporate Deposit (ICD) advanced to Fertilizers and Chemicals Travancore Ltd:

The amount of ₹ 2550 lakh being the share of contribution of Fertilizers and Chemicals Travancore Ltd (FACT) - a 50% JV partner in FACT-RCF Building Products Ltd (FRBL) paid by RCF towards one time settlement entered into between FRBL and their bankers resulting in discharge of Corporate Guarantee given by Company to FRBL bankers has been reported under Inter Corporate Deposit (ICD). This ICD along with interest outstanding for the half year



ending 31st March 2020 amounting to ₹ 109 lakhs has not been provided for, considering improvement in FACT's financial position and the Company is confident of settlement of the ICD given. FACT is a Government owned Entity and outstanding interest has been settled by them in May 2020. Further the Company has entered into an agreement with FACT for the ICD given, wherein FACT shall repay the same in five annual equal instalments commencing from December 2020.

e) Note No. 7 - Gas Turbine Generator (GTG) plants at Thal unit:

On 20th and 22nd March, 2019 respectively, both the Gas Turbine Generator (GTG) plants at Thal unit stopped operating. Upon failure the matter, was taken up with the LSTK contractor who had supplied the turbines for repair as the same were covered under warranties. The matter was referred by the LSTK contractor for repairs to the Original Equipment Manufacturer (OEM) who had indicated a total estimated expenditure of about 98 Million SEK (₹7451 Lakh excluding taxes and duties).

In the best interests of the Company, based on the acceptance of Notice to Proceed as proposed by the LSTK contractor, the equipment have been sent for repair to the foreign Original Equipment Manufacturer (OEM) which are to be received back as at the Balance Sheet date. As per the Notice to proceed, the final settlement of the repair costs can either be decided mutually and in the event not agreed upon, the settlement of disputes clause as per contract can be invoked.

As the equipment are covered under warranties, the Company is of the view that no additional costs would devolve on the Company. Further the Company has initiated arbitration proceedings towards the LSTK contractor citing loss of profits owing to higher energy costs, higher maintenance costs etc.

In the meanwhile, the Company has procured a Gas generator and commissioned a Turbine Generator in August 2019 to mitigate future losses.

f) Note No 8 - Contribution to Employee Provident Fund Trust:

Pending finalisation of accounts of the Company's Employees Provident Fund Trust, the investments held by the Trust amounting to ₹ 9264 Lakh have become doubtful as at 31st March 2020 owing to defaults with respect to payment of principal and interest warranting provision towards the same. The same will have to be made good by the Company, as principal employer, in the event there are no adequate assets of the Trust to meet its liabilities as per EPFO Act.

However as per Ind AS 19, for Defined Benefit plans, Company is required to ascertain the present value of the defined benefit obligation and compare with the fair values of the Plan assets to determine the surplus or deficit, if any, as at Balance Sheet date. Deficit, if any, needs to be accounted in the books of the Company. Accordingly, Company has recognized an amount of ₹ 1907 Lakh as contribution to Trust owing to such deficit.



g) Note No. 9 - Loss on fair valuation of Transferable Development Rights (TDR):

The loss on account of fair valuation of Transferable Development Rights (TDRs) received /accrued has been reported as exceptional item amounting to ₹10017 Lakh. Hitherto, as at 31.03.2019 the Company expecting TDRs to be sold in the coming financial year had classified the same under Non-Current Assets Held for sale. Considering the current depression in the real estate segment which has been further aggravated owing to COVID-19 pandemic, the sale of the same is not highly probable. Accordingly, as per IND AS 105, the TDRs cannot be classified as Non-Current Asset Held for sale and has been reclassified as investments at fair value of ₹ 3123 lakh for the year ended 31.03.2020.

h) Note No.12 - Effects of COVID-19:

We draw attention to Note 12, which describes the impact of the outbreak of coronavirus (COVID-19) on the business operations of the company. In view of highly uncertain economic environment, a definitive assessment of the impact on the subsequent periods is highly dependent upon circumstances as the evolve.

Further our attendance at the physical inventory verification done by the management was impracticable under the current lockdown restrictions imposed by the government and we have therefore relied on related alternative procedures to obtain comfort over the existence and condition of the inventory at year end.

Our opinion is not modified in respect of these matters.

For CHHAJED & DOSHI
Chartered Accountants
Firm Registration No. 101794W



Kiran K. Daftary
Partner
Membership. No. 10279
UDIN: 20010279AAAAAT9478

For FORD RHODES PARKS & CO. LLP
Chartered Accountants
Firm Registration No. 102860W/W100089



Astha Kariya
Partner
Membership. No. 122491
UDIN: 20122491AAAABW8375

Place: Mumbai
Dated: May 29, 2020





RASHTRIYA CHEMICALS AND FERTILIZERS LIMITED
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Regd. Office : "Priyadarshini" Eastern Express Highway, Slon, Mumbai 400 022
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Statement of Audited Consolidated Results for the Quarter and Year Ended 31ST MARCH 2020

(₹ In Lakh)

Particulars	Quarter ended			Year ended	
	31.03.2020	31.12.2019	31.03.2019	31.03.2020	31.03.2019
	Audited	Unaudited	Audited	Audited	Audited
	1	2	3	4	5
1 Income					
a Revenue from Operations	260600	222587	226698	969795	888547
b Other Income	5591	2033	3096	12865	8199
Total Income	266191	224620	229794	982660	896746
2 Expenses					
a. Cost of Materials consumed	92113	93546	101820	377622	388001
b. Purchase of stock-in-trade	(2560)	(65)	49082	29443	79815
c. Changes in inventories of finished goods and stock in trade	18305	12312	(47463)	60325	(60527)
d. Employee benefit expense	19217	14324	16097	61726	59141
e. Finance Costs	8028	4085	5775	23782	15585
f. Depreciation and amortisation expense	4374	4743	3976	17104	15569
g. Other expenses					
i. Power and Fuel	69851	67200	65350	275887	269499
ii. Freight and Handling charges	15810	17294	19748	68943	68705
iii. Others	11023	9745	9484	37518	39777
Total expenses	236161	223184	223869	952350	875565
3 Profit / (Loss) before JV'S share of Profit / (Loss), exceptional Items and tax (1-2)	30030	1436	5925	30310	21181
4 Share of Profit / (Loss) of Associates / JV's	10	(21)	(131)	(102)	(625)
5 Profit / (Loss) before exceptional Items and tax (3-4)	30040	1415	5794	30208	20556
6 Exceptional Items	10,017	-	(2,344)	10,017	(2344)
7 Profit / (Loss) before tax (5-6)	20023	1415	8138	20191	22900
8 Tax Expense					
i. Current Tax	7,172	-	1537	7,172	5712
ii. Deferred Tax	(1409)	(6080)	1885	(7716)	5616
iii. Short / (Excess) Provision for Tax for earlier years	22	(347)	-	22	(1720)
Total Tax	5785	(6427)	3422	(522)	9608
9 Profit / (Loss) after tax (7-8)	14238	7842	4716	20713	13292
10 Other Comprehensive Income (net of tax)					
i. Items that will not be reclassified to profit & loss	(527)	680	1062	(537)	575
ii. Items that will be reclassified to profit & loss	-	-	-	-	-
11 Total Comprehensive Income for the period (9+10)	13711	8522	5778	20176	13867
12 Paid up equity share capital (Face Value - ₹ 10/- each.)	55169	55169	55169	55169	55169
13 Reserves excluding Revaluation Reserves as at balance sheet date				262735	247680
14 Earnings Per Share Basic & Diluted (EPS) (₹)*	2.58	1.42	0.85	3.75	2.41
15 Long Term Debt Equity ratio				0.23 : 1	0.19 : 1
16 Debt Service Coverage Ratio (Times)				1.86	1.70
17 Interest Service Coverage Ratio (Times)				2.99	3.36

* Not annualised in case of quarterly figures





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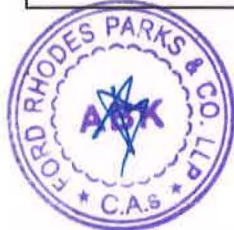
Audited Consolidated Segmentwise Revenue, Results, Assets and Liabilities for the Quarter and Year Ended 31ST MARCH 2020

(₹ in Lakh)

Particulars	Quarter ended			Year ended	
	31.03.2020	31.12.2019	31.03.2019	31.03.2020	31.03.2019
	Audited	Unaudited	Audited	Audited	Audited
	1	2	3	4	5
1 Segment Revenue					
a. Fertilizers	238756	193224	188667	807618	754655
b. Industrial Chemicals	17533	16262	27342	66116	95623
c. Trading	3967	12860	10448	94994	37305
d. Unallocated	344	241	241	1067	964
Total	260600	222587	226698	969795	888547
Less: Inter Segment Revenue					
Revenue from Operations	260600	222587	226698	969795	888547
2 Segment Results					
a. Fertilizers	35555	5498	7966	43145	27776
b. Industrial Chemicals	(71)	(271)	1724	(1110)	6027
c. Trading	504	300	2363	9116	3680
Total	35988	5527	12053	51151	37483
Less:					
i. Finance Costs	8028	4085	5775	23782	15585
ii. Other Net Unallocable Expenditure / (Income)	7937	27	(1860)	7178	(1002)
Profit/ (Loss) Before Tax	20023	1415	8138	20191	22900
3 Segment Assets					
a. Fertilizers	770577	594235	761523	770577	761523
b. Industrial Chemicals	32273	33629	35309	32273	35309
c. Trading	19010	25029	67531	19010	67531
d. Unallocated	207467	88849	27065	207467	27065
Total	1029327	741742	891428	1029327	891428
4 Segment Liabilities					
a. Fertilizers	190125	167617	156020	190125	156020
b. Industrial Chemicals	8416	10051	11998	8416	11998
c. Trading	8	1249	37766	8	37766
d. Unallocated	512874	258632	382795	512874	382795
Total	711423	437549	588579	711423	588579
5 Capital Employed					
a. Fertilizers	580452	426618	605503	580452	605503
b. Industrial Chemicals	23857	23578	23311	23857	23311
c. Trading	19002	23780	29765	19002	29765
d. Unallocated	(305407)	(169783)	(355730)	(305407)	(355730)
Total	317904	304193	302849	317904	302849

Notes:

- The above financial results are drawn in accordance with the accounting policies consistently followed by the Company. The results have been reviewed by the Audit Committee and approved by the Board of Directors at their meeting held on May 29, 2020. These results have been subjected to audit by the Statutory Auditors of the Company.
- The results for the quarter and year ended 31st March, 2020 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.
- 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. Initially subsidy amounting to ₹ 19894 lakh was withheld by DOF, which has been released in full upon submission of its claims along with bank guarantee for equivalent amount by the Company.



- 4 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 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 ₹ Nil lakh has been made during the quarter and year ended 31st March, 2020. The Company has recognised a liability of ₹ 21179 lakh for the period commencing from 1st June, 2015 to 31st March, 2020 (₹ 21179 lakh upto 31st March, 2019) 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).

- 5 DoF vide its Notification dated 30th March, 2020 has removed the ambiguity with respect to eligible compensation on revision in fixed costs effective from 2nd April, 2014 under Modified NPS III. Accordingly, Company has recognised subsidy income based on the assessment of its eligibility and also provided for certain anticipated recoveries by DoF towards final adjustments of subsidy on NPK fertilizers and other subsidy receivables, recognised earlier on estimated basis, being doubtful of settlement. The net increase in subsidy income for the current quarter and year ending 31st March 2020, works out to ₹ 34292 lakhs.

- 6 The amount of ₹ 2550 lakh being the share of contribution of Fertilizers and Chemicals Travancore Ltd (FACT) - a 50% JV partner in FACT-RCF Building Products Ltd (FRBL) paid by RCF towards one time settlement entered into between FRBL and their bankers resulting in discharge of Corporate Guarantee given by Company to FRBL bankers has been reported under Inter Corporate Deposit (ICD). This ICD along with interest outstanding for the half year ending 31st March 2020 amounting to ₹ 109 lakhs has not been provided for, considering improvement in FACT's financial position and the Company is confident of settlement of the ICD given. FACT is a Government owned Entity and outstanding Interest has been settled by them in May 2020. Further the Company has entered into an agreement with FACT for the ICD given, wherein FACT shall repay the same in five annual equal instalments commencing from December 2020.

- 7 On 20th and 22nd March, 2019 respectively, both the Gas Turbine Generator (GTG) plants at Thal unit stopped operating. Upon failure the matter, was taken up with the LSTK contractor who had supplied the turbines for repair as the same were covered under warranties. The matter was referred by the LSTK contractor for repairs to the Original Equipment Manufacturer (OEM) who had indicated a total estimated expenditure of about 98 Million SEK (₹ 7451 lakh excluding taxes and duties).

In the best interests of the Company, based on the acceptance of Notice to Proceed as proposed by the LSTK contractor, the equipments have been sent for repair to the foreign Original Equipment Manufacturer (OEM) which are to be received back as at the Balance Sheet date. As per the Notice to proceed, the final settlement of the repair costs can either be decided mutually or in the event not agreed upon, the settlement of disputes clause as per contract can be invoked.

As the equipments are covered under warranties, the Company is of the view that no additional costs would devolve on the Company. Further the Company has initiated arbitration proceedings towards the LSTK contractor citing loss of profits owing to higher energy costs, higher maintenance costs etc.

In the meanwhile, the Company has procured a Gas Generator and commissioned a Gas Turbine Generator plant in August 2019 to mitigate future losses.

- 8 Pending finalisation of accounts of the Company's Employees Provident Fund Trust, the Investments held by the Trust amounting to ₹ 9264 lakh have become doubtful as at 31st March 2020 owing to defaults with respect to payment of principal and interest warranting provision towards the same. The same will have to be made good by the Company, as principal employer, in the event there are no adequate assets of the Trust to meet its liabilities as per EPFO Act.

However as per Ind AS 19, for Defined Benefit Plans, Company is required to ascertain the present value of the Defined Benefit Obligation and compare with the fair values of the Plan Assets to determine the surplus or deficit, if any, as at Balance Sheet date. Deficit, if any, needs to be accounted in the books of the Company. Accordingly, Company has recognized an amount of ₹ 1907 lakh as contribution to Trust owing to such deficit.

- 9 Exceptional items for the quarter and year ended 31st March, 2020 consists of net fair value Loss of ₹ 10017 lakh (Previous quarter and year gain of ₹ 2344 lakh) on account of valuation of Development Right Certificate received / receivable from Municipal Corporation of Greater Mumbai / Mumbai Metropolitan Regional Development Authority.

- 10 Effective 1st April, 2019 the Company has adopted Ind AS 116 "Leases" and applied the same to lease contracts existing on 1st April, 2019 using the modified retrospective approach. Accordingly, the comparative figures have not been restated. The effect of this adoption is not material on the profit for the current quarter and period.

- 11 Company has exercised the option of shifting to lower tax rate along with consequent reduction in certain tax incentives permitted under Section 115BAA of the Income Tax act, 1961, as introduced by the Government of India through Taxation Laws (Amendment) Ordinance, 2019. Accordingly, the Company has recognised Provision for Current Tax for the year ended 31st March, 2020 and re-measured its Deferred Tax Assets and Deferred Tax Liabilities on the basis of the rates prescribed in the said section. An amount of ₹ 7716 lakh and ₹ 623 lakh have been written back in the statement of Profit and Loss and Other Equity respectively for the year ended 31st March, 2020.



12 Covid-19 Impact Analysis:

- a. For the year ended 31st March, 2020 operation of the Company were scaled down during the last week of the year. The Company was quick in restoring the operations ensuring health, safety and well-being of its employees. This has not impacted our operations and results for the year ended 31st March, 2020.
- b. For the year financial year 2020-21 adverse impact is anticipated in the following areas:
- (i) Manpower - Own employees as well as Contract labour downtime due to movement restrictions and health issues.
- (ii) Delay in commissioning of projects and the ensuing benefits due to delayed supply of equipments and restrictions in movement of personnel from foreign countries / within India required for the project
- (iii) Rationalisation of Government expenditures may result in delayed settlement of subsidies straining liquidity and working capital.
- c. As per our current assessment, no significant impact on carrying amount of inventories, tangible assets, intangible assets, trade receivables, Investments and other financial assets is expected, and we continue to monitor the changes in future economic conditions. The Management does not see any risk in the ability to continue as a going concern and meeting its liabilities as and when they fall due. However the actual impact of Covid-19 on the Company's financial statements may differ from that estimated.

13 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.

14 Board of Directors have recommended a dividend of ₹ 2.84 per equity share of ₹ 10/- each, i.e. 28.40 % which is subject to approval by Shareholder's of the Company.

15 Key numbers of Standalone Financial Results of the Company are as under:

Particulars	Quarter ended			Year ended	
	31.03.2020	31.12.2019	31.03.2019	31.03.2020	31.03.2019
Total Income	266191	224620	229794	982660	896746
Profit / (Loss) before tax	20013	1436	8269	20293	23525
Profit / (Loss) after tax	14228	7863	4847	20815	13917
Total Comprehensive Income for the period	13701	8543	5909	20278	14492

(₹ in Lakh)

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

17 Formula used for calculation of Ratios:

- a. Debt : equity Ratio = Long Term Borrowings + Current maturities of Long Term Borrowings / Shareholders funds
- b. Debt Service Coverage Ratio = Profit before Finance cost, Depreciation, Exceptional Items and Tax / Finance Cost + Current maturities of Long Term Borrowings
- c. Interest Service Coverage Ratio = Profit before Finance cost, Depreciation, Exceptional Items and Tax / Finance Cost

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

(S. C. Mudgerikar)

Chairman and Managing Director

DIN : 03498837

Dated : 29th May, 2020.
Place: Mumbai





CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2020

(₹ in Lakh)

Sl. No.	Particulars	Audited	
		Year Ended	
		31.03.2020	31.03.2019
A	Cash Flow From Operating Activities		
	Net Profit before tax	20191	22900
	Adjustments for :		
	Depreciation/Loss on impairment of Assets	17138	15603
	Profit(-) / Loss on sale of Assets	321	(189)
	Changes in value of investments	102	625
	Interest Income	(4141)	(1777)
	Dividend Income	(20)	(32)
	Interest and Finance Charges	23782	15585
	Provision for Bad/Doubtful debts	473	2458
	Unrealised Foreign Exchange (Gain) /Loss	1339	(468)
		38994	31805
	Operating Profit before Working Capital Changes	59185	54705
	Adjustments for :		
	Trade Receivables and Other Assets	(149444)	(163623)
	Inventories	52884	(73713)
	Trade Payables and Other Liabilities	(14532)	28998
		(111092)	(208338)
	Cash Generated from Operations	(51907)	(153633)
	Direct Taxes Paid	(1060)	(9850)
	Net Cash from Operating Activities ----- A	(52967)	(163483)
B	Cash Flow from Investing Activities		
	Additions to Fixed Assets (Net of trade credit)	(42547)	(30277)
	Sale of Fixed Assets	31	475
	Purchase of Investments -Joint Ventures and Subsidiary	(14316)	(1133)
	Inter Corporate Advances	-	(1950)
	Interest Received	4137	1776
	Dividend Received	20	32
	Government Grants Received	(52675)	49
		(52675)	(31028)
	Net Cash from Investing Activities ----- B	(52675)	(31028)
C	Cash Flow from Financing Activities		
	Net Proceeds /Repayment of Working capital facilities and short term loans	118100	195528
	Proceeds from Term loans	30900	26700
	Repayments of Term loans	(13908)	(8719)
	Interest paid	(24152)	(15189)
	Dividend paid (Including Dividend Distribution tax)	(5122)	(3974)
	Lease liability paid	(328)	
		105490	194346
	Net Cash from Financing Activities ----- C	105490	194346
	Net Increase/Decrease(-) in Cash and Cash Equivalent (A+B+C)	(152)	(165)
	Cash and Cash Equivalents as at 1st April (Opening Balance)	359	524
	Cash and Cash Equivalents as at 30th September (Closing Balance)	207	359
	Components of Cash and Cash Equivalents		
	Cash on hand	1	1
	Balance With Scheduled Banks		
	in Current and Cash Credit Accounts	206	358
		207	359

Note:

1. The Cash Flow Statement has been prepared under the 'Indirect Method' as set out in the Indian Accounting Standard (Ind AS) 7 on Cash Flow Statement and presents cash flows by operating, investing and financing activities.
2. Figures in the Bracket are outflows / deductions.
3. Figures of the previous year have been regrouped / rearranged wherever necessary to make it comparable to the current year presentation.
4. The cash credit facilities availed from bank are part of financing activity which do not form part of cash and cash equivalents for Cash Flow Statement purpose.

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

(S. C. Mudgerikar)

Chairman and Managing Director
 DIN : 03498837

Dated : 29th May, 2020.
 Place: Mumbai



**RASHTRIYA CHEMICALS AND FERTILIZERS LIMITED**

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

STATEMENT OF CONSOLIDATED ASSETS AND LIABILITIES

(₹ in Lakh)

Particulars	AS AT	
	31.03.2020	31.03.2019
	Audited	
A ASSETS		
1 Non Current Assets		
(a) Property, Plant and Equipment	212130	194271
(b) Capital Work In Progress	43349	27569
(c) Investment Property	610	629
(d) Intangible Assets	262	99
(e) Financial Assets		
(i) Investments	25577	8013
(ii) Trade Receivables	-	-
(iii) Loans	2053	27
(iv) Others	-	-
(f) Other non-current assets	20370	29726
Sub total	304351	260334
2 Current Assets		
(a) Inventories	94994	147878
(b) Financial Assets		
(i) Trade Receivables	455123	455254
(ii) Cash and Cash Equivalents	207	359
(iii) Bank balances other than (ii) above	129	127
(iv) Loans	650	2601
(v) Others	165520	4388
(c) Other Current Assets	8353	20487
Sub total	724976	631094
TOTAL - ASSETS	1029327	891428
B. EQUITY & LIABILITIES		
1 Equity		
(a) Equity Share Capital	55169	55169
(b) Other Equity	262735	247680
Sub total	317904	302849
2 Liabilities		
(I) Non Current Liabilities		
(a) Financial Liabilities		
(i) Borrowings	60091	42511
(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
(iii) Other Financial Liabilities	4389	4372
(b) Provisions	18855	18146
(c) Deferred Tax Liabilities(Net)	19694	28033
(d) Other non-current liabilities	3911	3828
Sub total	128119	118069
(II) Current Liabilities		
(a) Financial Liabilities		
(i) Borrowings	407687	288547
(ii) Trade Payables		
(A) total outstanding dues of micro enterprises and small enterprises.	3681	2467
(B) total outstanding dues of creditors other than micro enterprises and small enterprises.	95992	112913
(iii) Other Financial Liabilities	48254	45118
(b) Other Current Liabilities	8151	7282
(c) Provisions	14214	14183
(d) Current Tax Liabilities (Net)	5325	-
Sub total	583304	470510
TOTAL - EQUITY & LIABILITIES	1029327	891428

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

(S. C. Mudgerikar)
Chairman and Managing Director
DIN : 03498837

Dated : 29th May, 2020.
Place: Mumbai



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

ई मेल : dfrcf@rcfltd.com • वेबसाइट : www.rcfltd.com

RASHTRIYA CHEMICALS AND FERTILIZERS LTD.

(A Government of India Undertaking)

Let us grow together

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

Gram : 'RASHTRIYA' • Tel.: 2404 5083 • Fax : 2404 5199

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

CIN: L24110MH1978GOI020185



उमेश डोंगरे
निदेशक (वित्त)

Umesh Dongre
Director (Finance)

RCF/CS/Stock Exchanges /2020

29th May, 2020

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, 2020.

**Yours faithfully,
For Rashtriya Chemicals and Fertilizers Limited**

**(Umesh Dongre)
Director (Finance) and CFO**