

**राष्ट्रीय केमिकल्स एण्ड
फर्टिलाइजर्स लिमिटेड**

(भारत सरकार का उपक्रम)
साथ बढ़ें समृद्धि की ओर

दिव्येश एम. सती
कंपनी सचिव

DIVYESH M. SATI
COMPANY SECRETARY

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



**RASHTRIYA CHEMICALS AND
FERTILIZERS LTD.**

(A Government of India Undertaking)
Let us grow together

प्रियदर्शिनी, ईस्टर्न एक्सप्रेस हाईवे,
सायन, मुंबई - 400 022.

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CIN : L24110MH1978GOI020185

RCF/CS/Stock Exchanges /2016

18th November, 2016

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

Sub: **Submission of Un-audited Financial Results(Standalone) for the quarter and half year ended 30th September, 2016**

Sirs,

Pursuant to Regulation 33 of SEBI(Listing Obligations and Disclosure Requirements) Regulations, 2015, we are enclosing herewith the Un-audited Financial Results(Standalone) for the quarter and half year ended 30th September, 2016 which has been approved and taken on record by the Board of Directors at its Meeting held on 18th November, 2016.

We are also enclosing herewith Limited Review Report issued by M/s. Kalyaniwalla and Co., Statutory Auditors of the Company.

This is for your kind information and record.

Yours faithfully,
For Rashtriya Chemicals and Fertilizers Limited

(Divyesh M. Sati)
Company Secretary

Encl: a./a.

**RASHTRIYA CHEMICALS AND FERTILIZERS LIMITED**

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

**PART I Statement of Unaudited Standalone Results for the Quarter and Half Year ended 30TH SEPTEMBER 2016**

(₹ in Lakh)

Particulars	Quarter ended			Year to date figures for the period ended	
	Unaudited			Unaudited	
	30.09.2016	30.06.2016	30.09.2015	30.09.2016	30.09.2015
	1	2	3	4	5
1 Income from Operations					
a Sales / Income from Operations	176895	153720	240037	330615	422155
b Other Operating Income	318	379	294	697	630
Total Income from Operations	177213	154099	240331	331312	422785
2 Expenses					
a. Cost of Materials consumed	75063	58609	99939	133672	180971
b. Purchase of stock-in-trade	9307	9598	18037	18905	34258
c. Changes in inventories of finished goods and stock in trade	(8682)	(6869)	(7326)	(15551)	(25114)
d. Employee benefit expense	11755	11632	11780	23387	23929
e. Power and Fuel	51286	44330	71170	95616	117636
f. Freight and Handling charges	15840	12712	20846	28552	38997
g. Depreciation and amortisation expense	3615	3396	3341	7011	6826
h. Other expenses	12624	14554	14356	27178	27405
Total expenses	170808	147962	232143	318770	404908
3 Profit / (Loss) from operations before other income, finance costs and exceptional Items (1-2)	6405	6137	8188	12542	17877
4 Other Income	1690	1674	2974	3364	4804
5 Profit / (Loss) before finance costs and exceptional Items (3+4)	8095	7811	11162	15906	22681
6 Finance Costs	1354	4760	3124	6114	6452
7 Profit / (Loss) after finance costs but before exceptional items (5±6)	6741	3051	8038	9792	16229
8 Exceptional Items	0	0	0	0	0
9 Profit / (Loss) before tax (7±8)	6741	3051	8038	9792	16229
10 Tax Expense	2399	1092	3477	3491	6058
11 Net Profit / (Loss) for the period (9±10)	4342	1959	4561	6301	10171
12 Extraordinary items (net of tax ₹ expense lakh)	0	0	0	0	0
13 Net Profit / (Loss) for the period (11±12)	4342	1959	4561	6301	10171
14 Other Comprehensive Income					
i. Items that will not be reclassified to profit & loss	82	81	82	163	163
ii. Items that will be reclassified to profit & loss	0		0	0	0
15 Total Comprehensive Income for the period (13±14)	4424	2040	4643	6464	10334
16 Paid up equity share capital (Face Value - ₹ 10/- each.)	55169	55169	55169	55169	55169
17 (Reserves excluding Revaluation Reserves as per balance sheet)					
18 i. Earnings Per Share Basic & Diluted (before extraordinary item) (of ₹ 10/- each) * Not annualised	0.79	0.36	0.83	1.14	1.84
ii. Earnings Per Share Basic & Diluted (after extraordinary item) (of ₹ 10/- each) * Not annualised	0.79	0.36	0.83	1.14	1.84





RASHTRIYA CHEMICALS AND FERTILIZERS LIMITED

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



Unaudited Segmentwise Revenue, Results and Capital Employed for the Quarter and Half Year ended 30TH SEPTEMBER 2016

(₹ in Lakh)

Particulars	Quarter ended			Year to date figures for the period ended	
	Unaudited			Unaudited	
	30.09.2016	30.06.2016	30.09.2015	30.09.2016	30.09.2015
	1	2	3	4	5
1 Segment Revenue					
a. Fertilizers	150473	119534	196624	270007	348745
b. Industrial Chemicals	19289	29142	20989	48431	44567
c. Trading	7209	5182	22548	12391	29134
d. Unallocated	242	241	170	483	339
Total	177213	154099	240331	331312	422785
Less: Inter Segment Revenue	0	0	0	0	0
Total Segment Revenue	177213	154099	240331	331312	422785
2 Segment Results					
a. Fertilizers	8190	2731	12308	10921	23150
b. Industrial Chemicals	341	5307	(789)	5648	666
c. Trading	(523)	263	1060	(260)	1087
Total	8008	8301	12579	16309	24903
Less: Net Interest Expenditure / (Income)	1235	4661	2974	5896	6158
: Interest Expense	1354	4760	3122	6114	6450
: (Interest Income)	(119)	(99)	(148)	(218)	(292)
Less: Other Net Unallocable Expenditure / (Income)	32	589	1567	621	2516
Profit/ (Loss) Before Tax	6741	3051	8038	9792	16229
3 Segment Assets					
a. Fertilizers	516239	584516	502079	516239	502079
b. Industrial Chemicals	27945	33565	30644	27945	30644
c. Trading	28967	26253	37180	28967	37180
d. Unallocated	42505	46019	28232	42505	28232
Total	615656	690353	598135	615656	598135
4 Segment Liabilities					
a. Fertilizers	132305	136450	126065	132305	126065
b. Industrial Chemicals	4678	4244	7008	4678	7008
c. Trading	23089	3762	19275	23089	19275
d. Unallocated	171606	259088	169644	171606	169644
Total	331678	403544	321992	331678	321992



Notes:

- 1 The financial results are in compliance with Ind AS subsequent to its adoption w.e.f. 1st April, 2016 pursuant to MCA notification dated 16th February, 2015 notifying the Companies (Indian Accounting Standard) Rules, 2015. The Comparative figures of previous period (half year and quarter ended 30th Sept, 2015) have been reclassified/ regrouped/ restated by the Management under Ind AS to conform to the current period. The figures for half year and quarter ended 30th Sept 2015 have not been subject to limited review or audit. The Management has exercised necessary due diligence to ensure that the financial results provide a true and fair view of the Company's affairs.
- 2 The above results have been reviewed by the Audit Committee and approved by the Board of Directors at their meeting held on November 18, 2016.
- 3 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). An amount of ₹ 19894 lakh has been withheld by Department of Fertilizers (DoF) for the period January, 2014 to September, 2015 towards the same. Pending final decision on the said matter and since the Company is of the view that no unintended benefits have accrued to it and is expecting full recoverability of the same, Company has continued to recognize subsidy income on P&K fertilizers at the rates notified by DoF.
- 4 Expecting compensation towards recognition of increase in cost of gas on account of Petroleum & Natural Gas Regulatory Board order in urea subsidy for the periods relating to 2008-09 to 2010-11 to be notified by GoI, Company had not provided for an amount of ₹1622 lakh recognised as subsidy receivable towards the same while finalizing accounts for 2015-16. As the Company expects the same to be compensated no provision has been reckoned towards the same during the quarter and half year ended 30th Sept 2016.
- 5 Consequent to Gas pooling being made applicable to Fertilizer (Urea) sector w.e.f. 1st June, 2015, it is expected that a differential pricing of gas may be made applicable for non-urea usage. Company has represented to DoF for maintaining supply of domestic gas for P&K fertilizers and chemicals. Ministry of Petroleum & Natural Gas (MoPNG) vide its order No. L-13013/3/2012-GP-I, dated: 16th December, 2015 has directed GAIL (India) Limited to levy a higher gas price (i.e. the highest rate of Regasified Liquefied Natural Gas (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. Effective from 16th May, 2016, Company has entered into a contract for procurement of market priced gas for non-urea operations at Trombay unit. However, pending finalisation of price payable, Company has recognised a liability of ₹ 841 lakh for the quarter, ₹1694 lakh for the half year and ₹19891 lakh for the period commencing from 1st June, 2015 to 30th September, 2016 based on the pooled / Long Term RLNG price of gas, as applicable for its non-urea operations. In pursuance to MoPNG order No. L-13013/3/2012-GP-I, dated: 16th December, 2015, during the quarter GAIL (India) Limited has sought a differential levy amounting to ₹77788 lakhs and has initiated arbitration proceeding towards non-payment of the same. Company has represented this matter to DoF that no retrospective recovery be made and also take up the matter with MoPNG for directing GAIL (India) Limited to withdraw the arbitration notice.
- 6 During the quarter, Company has paid final dividend of Rs.1.10 per share(face value of Rs.10/- each) for the financial year 2015-16.
- 7 Reconciliation of Net Profit on account of transition from previous GAAP to Ind- AS for the quarter and half year ended 30th Sept, 2015.

Particulars	(₹ in Lakh)	
	Quarter Ended Sept. 30, 2015	Half Year Ended Sept. 30, 2015
Profit after Tax as reported under previous GAAP	4794	10078
Add / (less) Adjustments for Ind-AS		
Impact of revenue deferment	79	131
Impact of expense deferment	-10	(21)
Impact of interest on deferment and transaction cost on borrowings (net)	52	34
Fair Valuation of Derivatives	29	52
Reclassification of actuarial gain / (loss) in respect of defined benefit plan to Other	-82	(163)
Depreciation impact on capitalisation of Capital spares / derecognition of assets leased	-61	(119)
Capital spares charged to repairs reversed	15	83
Tax Impact on the above items, etc.	-255	96
Profit after Tax as reported under Ind- AS	4561	10171
Other Comprehensive Income (net of Tax)	82	163
Total Comprehensive Income as reported under Ind-AS	4643	10334

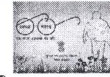
- 8 Previous Period figures have been regrouped wherever necessary.

Place : Mumbai
Date : 18th November 2016



For and on behalf of
RASHTRIYA CHEMICALS AND FERTILIZERS LIMITED

(Signature)
(MANOJ MISHRA)
CHAIRMAN AND MANAGING DIRECTOR
DIN NO: 06408953

**RASHTRIYA CHEMICALS AND FERTILIZERS LIMITED**

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

STATEMENT OF ASSETS AND LIABILITIES

(₹ in Lakh)

Particulars	STANDALONE
	AS AT
	30.09.2016
	Unaudited
A ASSETS	
1 Non Current Assets	
(a) Property, Plant and Equipment	154388
(b) Capital Work in Progress	10093
(c) Investment Property	531
(d) Other Intangible Assets	497
(e) Financial Assets	
(i) Investments	4144
(ii) Loans	287
(iii) Others	32416
(f) Other non-current assets	10934
Sub total - Non Current Assets	213290
2 Current Assets	
(a) Inventories	119021
(b) Financial Assets	
(i) Trade Receivables	267336
(ii) Cash and Cash Equivalents	552
(iii) Bank balances other than (ii) above	113
(iv) Loans	265
(v) Others	53
(c) Current Tax Asset (Net)	6224
(d) Other Current Assets	8802
Sub total - Current Assets	402366
TOTAL - ASSETS	615656
B. EQUITY & LIABILITIES	
1 Equity	
(a) Equity Share Capital	55169
(b) Other Equity	228809
Sub total - Shareholder's funds	283978
2 Liabilities	
(I) Non Current Liabilities	
(a) Financial Liabilities	
(i) Borrowings	8868
(ii) Trade Payables	19891
(iii) Other Financial Liabilities	6951
(b) Provisions	11331
(c) Deferred Tax Liabilities(Net)	22761
(d) Other non-current liabilities	1441
Sub total - Non Current Liabilities	71243
(II) Current Liabilities	
(a) Financial Liabilities	
(i) Borrowings	102164
(ii) Trade Payables	62491
(iii) Other Financial Liabilities	47788
(b) Other Current Liabilities	33187
(c) Provisions	14805
Sub total - Current Liabilities	260435
TOTAL - EQUITY & LIABILITIES	615656



For and on behalf of

RASHTRIYA CHEMICALS AND FERTILIZERS LIMITED**(MANOJ MISHRA)****CHAIRMAN AND MANAGING DIRECTOR****DIN NO: 06408953**

Place : Mumbai

Date : 18th November 2016

KALYANIWALLA & MISTRY LLP

CHARTERED ACCOUNTANTS

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

1. We have reviewed the accompanying Statement of Unaudited Financial Results of **Rashtriya Chemicals and Fertilizers Limited** ('the company') for the quarter and half year ended September 30, 2016, attached herewith, prepared by the company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, read with SEBI Circular No CIR/CFD/FAC/62/2016 dated July 5, 2016. Attention is drawn to the fact that the figures for the corresponding quarter of the previous year and half year ended September 30, 2015 including the reconciliation of profit under Ind AS of the corresponding quarter and half year with profit reported under previous GAAP, as reported in these financial results have been approved by the Company's Board of Directors but have not been subjected to a limited review or an audit. This statement is the responsibility of the Company's Management and has been approved by the Board of directors at its meeting held on November 18, 2016. Our responsibility is to issue a report on these financial statements based on our review.
2. We conducted our review in accordance with the Standard on Review Engagement (SRE) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the financial statements are free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provide less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.
3. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying statement of unaudited financial results prepared in accordance with applicable accounting standards and other recognised accounting practices and policies has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015, read with SEBI Circular No CIR/CFD/FAC/62/2016 dated July 5, 2016, including the manner in which it is to be disclosed, or that it contains any material misstatement.

4. Emphasis of Matters

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

- a) Note No 3; 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). An amount of Rs.19894 lakh has been withheld by Department of Fertilizers (DoF) for the period January, 2014 to September, 2015 towards the same. Pending final decision on the said matter and since the Company is of the view that no unintended benefits have accrued to it and expecting full recoverability of the same, Company has continued to recognize subsidy income on P&K fertilizers at the rates notified by DoF.

LLP IN : AAH - 3437

REGISTERED OFFICE : KALPATARU HERITAGE, 127 MAHATMA GANDHI ROAD, MUMBAI 400 001

TEL.: (91) (22) 6158 7200 FAX: (91) (22) 2267 3964

TAX OFFICE : ARMY & NAVY BUILDING, 148 MAHATAMA GANDHI ROAD, MUMBAI 400 001

TEL.: (91) (22) 6158 6200 FAX: (91) (22) 6158 6275

- b) Note No. 4; Expecting compensation towards recognition of increase in cost of gas on account of Petroleum & Natural Gas Regulatory Board order in urea subsidy for the periods relating to 2008-09 to 2010-11 to be notified by GoI, Company had not provided for an amount of Rs.1622 lakh recognised as subsidy receivable towards the same while finalizing accounts for 2015-16. As the Company expects the same to be compensated no provision has been reckoned towards the same during the quarter and half year ended 30th September, 2016.
- c) Note No. 5; Consequent to Gas pooling being made applicable to Fertilizer (Urea) sector w.e.f. 1st June, 2015, it is expected that a differential pricing of gas may be made applicable for non-urea usage. Company has represented to DoF for maintaining supply of domestic gas for P&K fertilizers and chemicals. Ministry of Petroleum & Natural Gas (MoPNG) vide its order No. L-13013/3/2012-GP-I, dated: 16th December, 2015 has directed GAIL (India) Limited to levy a higher gas price (i.e. the highest rate of Re-gasified Liquefied Natural Gas (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. Effective from 16th May, 2016, Company has entered into a contract for procurement of market priced gas for non urea operations at Trombay unit. However, pending finalisation of price payable, Company has recognised a liability of Rs.841 lakh for the quarter, Rs.1694 lakh for the half year and Rs.19891 lakh for the period commencing from 1st June, 2015 to 30th September, 2016 based on the pooled / Long Term RLNG price of gas, as applicable for its non-urea operations. In pursuant to MoPNG order No. L-13013/3/2012-GP-I, dated: 16th December, 2015, during the quarter GAIL (India) Limited has sought a differential levy amounting to Rs.77788 lakh and has initiated arbitration proceeding towards non-payment of the same. Company has represented this matter to DoF that no retrospective recovery be made and also take up the matter with MoPNG for directing GAIL (India) Limited to withdraw the arbitration notice.

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
Mumbai, November 18, 2016