

राष्ट्रीय केमिकल्स एण्ड  
फर्टिलाइजर्स लिमिटेड

(भारत सरकार का उपक्रम)  
साथ बढ़ें समृद्धि की ओर



**RASHTRIYA CHEMICALS AND  
FERTILIZERS LTD.**

(A Government of India Undertaking)  
*Let us grow together*

दिव्येश एम. सती

कंपनी सचिव

**DIVYESH M. SATI**

COMPANY SECRETARY

Priyadarshini,

Eastern Express Highway,  
Sion, Mumbai - 400 022.

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

दूरध्वनी/Tel (Off.) : 2404 5024 • फैक्स/Fax : 2404 5022 • ई-मेल / E-mail : dmsati@rcfltd.com • वेबसाइट/Web : www.rcfltd.com  
CIN : L24110MH1978GOI020185

RCF/CS/Stock Exchanges /2017

10<sup>th</sup> February, 2017

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 3<sup>rd</sup> quarter and nine months ended 31<sup>st</sup> December, 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 3<sup>rd</sup> quarter and nine months ended 31<sup>st</sup> December, 2016 which has been approved and taken on record by the Board of Directors at its Meeting held on 10<sup>th</sup> February, 2017.

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

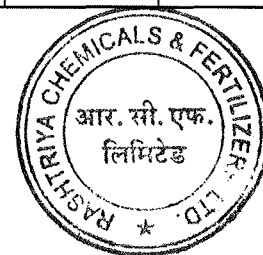
Regd. Office : "Priyadarshini" Eastern Express Highway, Sion, Mumbai 400 022  
CIN No. L24110MH1978GOI020185 Website: www.rcfltd.com



**PART I Statement of Unaudited Standalone Results for the Quarter and Nine Months Ended 31ST DECEMBER 2016**

(₹ In Lakh)

Particulars	Quarter ended			Year to date figures for the period ended	
	Unaudited			Unaudited	
	31.12.2016	30.09.2016	31.12.2015	31.12.2016	31.12.2015
	1	2	3	4	5
<b>1 Income from Operations</b>					
a Sales / Income from Operations	167088	176895	199977	497703	622132
b Other Operating Income	930	318	731	1627	1361
<b>Total Income from Operations</b>	<b>168018</b>	<b>177213</b>	<b>200708</b>	<b>499330</b>	<b>623493</b>
<b>2 Expenses</b>					
a. Cost of Materials consumed	72290	75063	97943	205962	278914
b. Purchase of stock-in-trade	3221	9307	523	22126	34781
c. Changes in inventories of finished goods and stock in trade	(3995)	(8682)	(22444)	(19546)	(47558)
d. Employee benefit expense	12358	11755	11791	35745	35720
e. Power and Fuel	39780	51286	65509	135396	183145
f. Freight and Handling charges	21091	15840	21333	49643	60330
g. Depreciation and amortisation expense	3512	3615	4416	10523	11242
h. Other expenses	12421	12624	13283	39599	40688
<b>Total expenses</b>	<b>160678</b>	<b>170808</b>	<b>192354</b>	<b>479448</b>	<b>597262</b>
<b>3 Profit / (Loss) from operations before other income, finance costs and exceptional Items (1-2)</b>	<b>7340</b>	<b>6405</b>	<b>8354</b>	<b>19882</b>	<b>26231</b>
4 Other Income	1894	1690	1976	5258	6780
<b>5 Profit / (Loss) before finance costs and exceptional Items (3+4)</b>	<b>9234</b>	<b>8095</b>	<b>10330</b>	<b>25140</b>	<b>33011</b>
6 Finance Costs	1581	1354	3246	7695	9698
<b>7 Profit / (Loss) after finance costs but before exceptional items (5+6)</b>	<b>7653</b>	<b>6741</b>	<b>7084</b>	<b>17445</b>	<b>23313</b>
8 Exceptional Items	0	0	0	0	0
<b>9 Profit / (Loss) before tax (7+8)</b>	<b>7653</b>	<b>6741</b>	<b>7084</b>	<b>17445</b>	<b>23313</b>
10 Tax Expense	1262	2399	2405	4753	8463
<b>11 Net Profit / (Loss) for the period (9+10)</b>	<b>6391</b>	<b>4342</b>	<b>4679</b>	<b>12692</b>	<b>14850</b>
12 Extraordinary items (net of tax ₹ expense lakh)	0	0	0	0	0
<b>13 Net Profit / (Loss) for the period (11+12)</b>	<b>6391</b>	<b>4342</b>	<b>4679</b>	<b>12692</b>	<b>14850</b>
<b>14 Other Comprehensive Income</b>					
i. Items that will not be reclassified to profit & loss	82	82	82	245	245
ii. Items that will be reclassified to profit & loss	0	0	0	0	0
<b>15 Total Comprehensive Income for the period (13+14)</b>	<b>6473</b>	<b>4424</b>	<b>4761</b>	<b>12937</b>	<b>15095</b>
16 Paid up equity share capital ( Face Value - ₹ 10/- each. )	55169	55169	55169	55169	55169
<b>17 i.Earnings Per Share Basic &amp; Diluted</b> (before extraordinary item) (of ₹ 10/- each) * Not annualised	1.16	0.79	0.85	2.30	2.69
<b>ii.Earnings Per Share Basic &amp; Diluted</b> (after extraordinary item) (of ₹ 10/- each) * Not annualised	1.16	0.79	0.85	2.30	2.69





**RASHTRIYA CHEMICALS AND FERTILIZERS LIMITED**

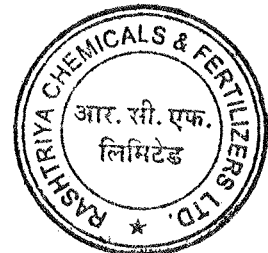
Regd. Office : "Priyadarshini" Eastern Express Highway, Sion, Mumbai 400 022  
CIN No. L24110MH1978GOI020185 Website: www.rcfltd.com



Unaudited Segmentwise Revenue, Results and Capital Employed for the Quarter and Nine Months Ended 31ST DECEMBER 2016

(₹ in Lakh)

Particulars	Quarter ended			Year to date figures for the period ended	
	Unaudited			Unaudited	
	31.12.2016	30.09.2016	31.12.2015	31.12.2016	31.12.2015
	1	2	3	4	5
<b>1 Segment Revenue</b>					
a. Fertilizers	139363	150473	172169	409370	520914
b. Industrial Chemicals	16249	19289	22089	64680	66656
c. Trading	11628	7209	5928	24019	35062
d. Unallocated	778	242	522	1261	861
Total	<b>168018</b>	<b>177213</b>	<b>200708</b>	<b>499330</b>	<b>623493</b>
Less: Inter Segment Revenue	-	-	-	-	-
<b>Total Segment Revenue</b>	<b>168018</b>	<b>177213</b>	<b>200708</b>	<b>499330</b>	<b>623493</b>
<b>2 Segment Results</b>					
a. Fertilizers	6082	8190	10388	17003	33538
b. Industrial Chemicals	1533	341	(462)	7181	204
c. Trading	2054	(523)	129	1794	1216
Total	<b>9669</b>	<b>8008</b>	<b>10055</b>	<b>25978</b>	<b>34958</b>
Less: Net Interest Expenditure / (Income)	<b>1543</b>	<b>1235</b>	<b>3188</b>	<b>7439</b>	<b>9348</b>
Interest Expense	1581	1354	3246	7695	9698
(Interest Income)	(38)	(119)	(58)	(256)	(350)
Other Net Unallocable Expenditure / (Income)	473	32	(217)	1094	2297
<b>Profit/ (Loss) Before Tax</b>	<b>7653</b>	<b>6741</b>	<b>7084</b>	<b>17445</b>	<b>23313</b>
<b>3 Segment Assets</b>					
a. Fertilizers	501147	516239	582604	501147	582604
b. Industrial Chemicals	24417	27945	26935	24417	26935
c. Trading	22864	28967	28857	22864	28857
d. Unallocated	42144	42505	30833	42144	30833
Total	<b>590572</b>	<b>615656</b>	<b>669229</b>	<b>590572</b>	<b>669229</b>
<b>4 Segment Liabilities</b>					
a. Fertilizers	134225	132305	155630	134225	155630
b. Industrial Chemicals	2421	4678	2568	2421	2568
c. Trading	20027	23089	18225	20027	18225
d. Unallocated	143991	171606	212151	143991	212151
Total	<b>300664</b>	<b>331678</b>	<b>388574</b>	<b>300664</b>	<b>388574</b>



**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 (nine month and quarter ended 31st Dec., 2015) have been reclassified/ regrouped/ restated by the Management under Ind AS to conform to the current period.
- 2a The above results have been reviewed by the Audit Committee and approved by the Board of Directors at their meeting held on February 10, 2017. A limited review by the Statutory Auditors for the quarter and period ended 31st December 2016, comparable previous quarter and period ended 31st December 2015, has been completed. The report does not have any impact on the above Results.
- 2b Further transition adjustments may be required to the Financial Statements for the period ended 31st December, 2015, including those arising from new or revised standards or interpretations issued by the Ministry of Corporate Affairs or changes in use of one or more optional exemptions from full retrospective application of certain Ind AS Standards.
- 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 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. Pending finalization of price payable as per the said letter, a liability of ₹18197 lakh has been recognized up to 31st March 2016 based on the pooled price of the gas for its non-urea operations.
- Effective from 16th May, 2016, the Company has entered into a contract for procurement of market priced gas for non-urea operations at Trombay unit. Accordingly, for the excess consumption of domestic gas for non-urea operations over the contracted quantity, the Company has recognized a liability of ₹ 951 lakh for the quarter and ₹ 2645 lakh for nine months ended December, 2016 based on the difference between the domestic gas price and pooled / long term RLNG price of gas as applicable, for its non-urea operations. The aggregate liability for non-urea operations is ₹20842 lakh for the period commencing from 1st June, 2015 to 31st December, 2016.
- In pursuant to MoPNG order No. L-13013/3/2012-GP-I, dated: 16th December, 2015, during the year GAIL 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. As the matter relating to the same is pending before the IMC for decision, Company would take an appropriate view based on the outcome of the decision.
- 5 Reconciliation of Net Profit on account of transition from previous GAAP to Ind- AS for the period and quarter ended 31st December, 2015

(₹ in Lakh)

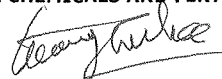
Particulars	Quarter Ended Dec. 31, 2015	Period Ended Dec. 31, 2015
<b>Profit after Tax as reported under previous GAAP</b>	<b>5386</b>	<b>15464</b>
Impact of revenue deferment	151	282
Impact of expense deferment	(11)	(32)
Impact of interest on deferment and transaction cost on borrowings (net)	(11)	23
Fair Valuation of Derivatives	(105)	(53)
Reclassification of actuarial gain / (loss) in respect of defined benefit plan to	(82)	(245)
Depreciation impact on capitalisation of Capital spares / derecognition of assets	(979)	(1,098)
Capital spares charged to repairs reversed	10	93
Tax Impact on the above items, etc.	320	416
<b>Profit after Tax as reported under Ind- AS</b>	<b>4679</b>	<b>14850</b>
Other Comprehensive income (net of Tax)	82	245
<b>Total Comprehensive Income as reported under Ind-AS</b>	<b>4761</b>	<b>15095</b>

- 6 Previous Period figures have been regrouped wherever necessary.



Dated : 10.02.2017  
Place: Mumbai

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

  
(Manoj Mishra)

Chairman and Managing Director  
DIN NO: 06408953



# KALYANIWALLA & MISTRY LLP

CHARTERED ACCOUNTANTS

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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 ended December 31, 2016, and the year to date financial results for the period from April 1, 2016 to December 31, 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 ended December 31, 2015 including the reconciliation of profit under Ind AS of the corresponding quarter 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 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 February 10, 2017. 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.

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

**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 ₹ 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.
- b) Note No. 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 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. Pending finalization of price payable as per the said letter, a liability of ₹18197 lakh has been recognized up to 31st March 2016 based on the pooled price of the gas for its non-urea operations.

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Our opinion is not modified in respect of these matters.

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



**Sai Venkata Ramana Damarla  
Partner  
Membership No. 107017  
Mumbai, February 10, 2017**