

राष्ट्रीय केमिकल्स एण्ड  
फर्टिलाइजर्स लिमिटेड

(भारत सरकार का उपक्रम)  
साथ बढे 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 • वेबसाईट/Web. : www.rcfltd.com  
CIN : L24110MH1978GOI020185

**RCF/CS/Stock Exchanges /2017**

**19<sup>th</sup> May, 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.
<b>Script Code: 524230</b>	<b>Script Code: RCF EQ</b>

**Sirs/Madam,**

**Sub: Submission of Audited Financial Results(Standalone and Consolidated) for the 4<sup>th</sup> quarter and year ended 31<sup>st</sup> March, 2017**

This is to inform that at the meeting held on 19<sup>th</sup> May, 2017, the Board of Directors of the Company have approved the Audited Financial Results (Standalone and Consolidated) of the Company for the 4<sup>th</sup> quarter and financial year ended 31<sup>st</sup> March, 2017.

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 4<sup>th</sup> quarter and financial year ended 31<sup>st</sup> March, 2017;
- Auditor's Report (Standalone and Consolidated) submitted by the Statutory Auditors of the Company; and
- Declaration in terms of Regulation 33(d) of SEBI(LODR) 2015.

The Board of Directors have also recommended a dividend of Rs.1.10 per equity share of Rs.10/- each (i.e. 11%) for the financial year ended 31<sup>st</sup> March, 2017, subject to the approval of the shareholders at the ensuing Annual General Meeting.

The meeting of Board of Directors commenced at 12.00 noon and concluded at 4.15 p.m.

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.rcfld.com



**PART I Statement of Audited Standalone & Consolidated Results for the Quarter and Year Ended 31ST MARCH 2017**

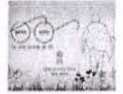
(₹ in Lakh)

Particulars	Standalone					Consolidated	
	Quarter ended		31.03.2016	Year ended		Year ended	
	31.03.2017	31.12.2016		31.03.2017	31.03.2016	31.03.2017	31.03.2016
	Audited	Unaudited	Audited	Audited		Audited	Audited
	1	2	3	4	5	6	7
<b>1 Income from Operations</b>							
a Sales / Income from Operations	220936	167518	199218	720002	821899	720002	821899
b Other Operating Income	688	930	875	2315	2236	2315	2236
<b>Total Income from Operations</b>	<b>221624</b>	<b>168448</b>	<b>200093</b>	<b>722317</b>	<b>824135</b>	<b>722317</b>	<b>824135</b>
<b>2 Expenses</b>							
a. Cost of Materials consumed	74950	72654	71251	282550	352340	282550	352340
b. Purchase of stock-in-trade	442	3221	110	22568	34891	22568	34891
c. Changes in inventories of finished goods and stock in trade	34239	(3995)	24315	14693	(23243)	14693	(23243)
d. Employee benefit expense	14619	12358	13878	50364	49598	50364	49598
e. Power and Fuel	53386	39780	50998	188782	234143	188782	234143
f. Freight and Handling charges	20543	21091	18767	70186	79097	70186	79097
g. Depreciation and amortisation expense	3587	3512	3523	14110	14765	14110	14765
h. Other expenses	12514	12251	10590	51591	49999	51591	49999
<b>Total expenses</b>	<b>214280</b>	<b>160872</b>	<b>193432</b>	<b>694844</b>	<b>791590</b>	<b>694844</b>	<b>791590</b>
<b>3 Profit / (Loss) from operations before other income, finance costs and exceptional Items (1-2)</b>	<b>7344</b>	<b>7576</b>	<b>6661</b>	<b>27473</b>	<b>32545</b>	<b>27473</b>	<b>32545</b>
4 Other Income	2062	1724	3004	6798	8505	6798	8505
<b>5 Profit / (Loss) before finance costs and exceptional Items (3±4)</b>	<b>9406</b>	<b>9300</b>	<b>9665</b>	<b>34271</b>	<b>41050</b>	<b>34271</b>	<b>41050</b>
6 Finance Costs	1703	1581	4829	9398	14527	9398	14527
<b>7 Profit / (Loss) after finance costs (5±6)</b>	<b>7703</b>	<b>7719</b>	<b>4836</b>	<b>24873</b>	<b>26523</b>	<b>24873</b>	<b>26523</b>
8 Share of Profit / (Loss) of Associates / JV's	-	-	-	-	-	(1)	(357)
<b>9 Profit / (Loss) after finance costs but before exceptional items (5±6)</b>	<b>7703</b>	<b>7719</b>	<b>4836</b>	<b>24873</b>	<b>26523</b>	<b>24872</b>	<b>26166</b>
10 Exceptional Items	-	-	-	-	-	-	-
<b>11 Profit / (Loss) before tax (7±8)</b>	<b>7703</b>	<b>7719</b>	<b>4836</b>	<b>24873</b>	<b>26523</b>	<b>24872</b>	<b>26166</b>
12 Tax Expense	2194	1262	796	6947	9259	6947	9259
<b>12 Net Profit / (Loss) for the period (9±10)</b>	<b>5509</b>	<b>6457</b>	<b>4040</b>	<b>17926</b>	<b>17264</b>	<b>17925</b>	<b>16907</b>
13 Extraordinary items (net of tax ₹ expense lakh)	-	-	-	-	-	-	-
<b>14 Net Profit / (Loss) for the period (11±12)</b>	<b>5509</b>	<b>6457</b>	<b>4040</b>	<b>17926</b>	<b>17264</b>	<b>17925</b>	<b>16907</b>
<b>15 Other Comprehensive Income</b>							
i. Items that will not be reclassified to profit & loss	(48)	82	79	197	324	197	324
ii. Items that will be reclassified to profit & loss	-	-	-	-	-	-	-
<b>16 Total Comprehensive Income for the period (13±14)</b>	<b>5461</b>	<b>6539</b>	<b>4119</b>	<b>18123</b>	<b>17588</b>	<b>18122</b>	<b>17231</b>
17 Paid up equity share capital (Face Value - ₹ 10/- each.)	55169	55169	55169	55169	55169	55169	55169
18 (Reserves excluding Revaluation Reserves as per balance sheet)				237333	226514	237335	226517
<b>19 i. Earnings Per Share Basic &amp; Diluted (before extraordinary item) (of ₹ 10/- each)</b>	<b>1.00</b>	<b>1.17</b>	<b>0.73</b>	<b>3.25</b>	<b>3.13</b>	<b>3.25</b>	<b>3.06</b>
* Not annualised	*	*	*				
<b>ii. Earnings Per Share Basic &amp; Diluted (after extraordinary item) (of ₹ 10/- each)</b>	<b>1.00</b>	<b>1.17</b>	<b>0.73</b>	<b>3.25</b>	<b>3.13</b>	<b>3.25</b>	<b>3.06</b>
* Not annualised	*	*	*				



**RASHTRIYA CHEMICALS AND FERTILIZERS LIMITED**

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

**Audited Segmentwise Revenue, Results and Capital Employed for the Quarter and Year ended 31ST MARCH 2017**

(₹ in Lakh)

Particulars	Standalone					Consolidated	
	Quarter ended		31.03.2016 Audited	Year ended		Year ended	
	31.03.2017 Audited	31.12.2016 Unaudited		31.03.2017 Audited	31.03.2016 Audited	31.03.2017 Audited	31.03.2016 Audited
	1	2	3	4	5	6	7
<b>1 Segment Revenue</b>							
a. Fertilizers	193030	139793	160252	603763	681715	603763	681715
b. Industrial Chemicals	19553	16249	32172	84233	98828	84233	98828
c. Trading	8506	11628	7225	32525	42287	32525	42287
d. Unallocated	535	778	444	1796	1305	1796	1305
Total	<b>221624</b>	<b>168448</b>	<b>200093</b>	<b>722317</b>	<b>824135</b>	<b>722317</b>	<b>824135</b>
Less: Inter Segment Revenue	-	-	-	-	-	-	-
<b>Total Segment Revenue</b>	<b>221624</b>	<b>168448</b>	<b>200093</b>	<b>722317</b>	<b>824135</b>	<b>722317</b>	<b>824135</b>
<b>2 Segment Results</b>							
a. Fertilizers	8121	6720	3996	25789	36172	25789	36172
b. Industrial Chemicals	861	1533	5497	8042	5701	8042	5701
c. Trading	204	1482	819	1058	1771	1058	1771
Total	<b>9186</b>	<b>9735</b>	<b>10312</b>	<b>34889</b>	<b>43644</b>	<b>34889</b>	<b>43644</b>
Less: Net Interest Expenditure / (Income)	<b>1412</b>	<b>1543</b>	<b>4540</b>	<b>8851</b>	<b>13888</b>	<b>8851</b>	<b>13888</b>
Interest Expense	1703	1581	4829	9398	14527	9398	14527
(Interest Income)	(291)	(38)	(289)	(547)	(639)	(547)	(639)
Other Net Unallocable Expenditure / (Income)	71	473	936	1165	3233	1166	3590
<b>Profit/ (Loss) Before Tax</b>	<b>7703</b>	<b>7719</b>	<b>4836</b>	<b>24873</b>	<b>26523</b>	<b>24872</b>	<b>26166</b>
<b>3 Segment Assets</b>							
a. Fertilizers	584128	505473	678459	584128	678459	584128	678459
b. Industrial Chemicals	23348	24417	24497	23348	24497	23348	24497
c. Trading	14395	18263	17644	14395	17644	14395	17644
d. Unallocated	31707	42144	44670	31707	44670	31709	44673
Total	<b>653578</b>	<b>590297</b>	<b>765270</b>	<b>653578</b>	<b>765270</b>	<b>653580</b>	<b>765273</b>
<b>4 Segment Liabilities</b>							
a. Fertilizers	147309	150768	147599	147309	147599	147309	147599
b. Industrial Chemicals	5277	3892	5229	5277	5229	5277	5229
c. Trading	928	2013	1564	928	1564	928	1564
d. Unallocated	207562	143991	329195	207562	329195	207562	329195
Total	<b>361076</b>	<b>300664</b>	<b>483587</b>	<b>361076</b>	<b>483587</b>	<b>361076</b>	<b>483587</b>



**Notes:**

- The Company has adopted Indian Accounting Standards ('IND AS') notified by the Ministry of Corporate Affairs with effect from 1st April, 2016. Accordingly, the financial results for the quarter and year ended 31st March, 2017 are in compliance with IND AS and other accounting principles generally accepted in India and the results for the comparative quarter and year ended 31st March, 2016 are also compliant with IND AS.
- The above results have been reviewed by the Audit Committee and approved by the Board of Directors at their meeting held on May 19, 2017. These results have been subjected to audit by the Statutory Auditors of the Company. The report does not have any impact on the above Results.
- The 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.
- Consequent to Gas pooling being made applicable to Fertilizer (Urea) sector w.e.f. 1st June, 2015, it is expected that a differential pricing of gas may be made applicable for non-urea usage. Company has represented to DoF for maintaining supply of domestic gas for P&K fertilizers and chemicals. Ministry of Petroleum & Natural Gas (MoPNG) vide its order No. L-13013/3/2012-GP-I, dated: 16th December, 2015 has directed GAIL (India) Limited to levy a higher gas price (i.e. the highest rate of RLNG used for production of urea) for gas consumed in non-urea operations. As the matter relating to the same is pending before the IMC for decision, Company has represented that any decision on the same be taken only upon the issue being settled by the IMC of GoI. However, pending finalisation of price payable as per the said letter, Company has recognised a liability of ₹ 221 lakh for the quarter and ₹ 21063 lakh for the period commencing from 1st June, 2015 to 31st March, 2017 (₹ 18197 lakh upto 31st March, 2016) based on the difference between the domestic gas price and pooled / Long Term price of gas for its non-urea operations.

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

In pursuant to the said order GAIL has sought a differential levy amounting to ₹ 124480 lakh for the period commencing from 1st July 2006 till 31st March 2016 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.

- Reconciliation of Net Profit on account of transition from previous GAAP to Ind- AS for the quarter and year ended 31st March, 2016

Particulars	(₹ in Lakh)				
	Standaione		Consolidated		
	Profit Reconcilaitaion		Equity Reconciliation	Profit Reconcilaitaion	
Quarter Ended March 31, 2016	Year Ended March 31, 2016	As at March 31, 2016	Year Ended March 31, 2016	As at March 31, 2016	Equity Reconciliation
<b>Profit after Tax / Equity as reported under previous GAAP</b>	<b>3659</b>	<b>19123</b>	<b>227743</b>	<b>18521</b>	<b>227680</b>
Vat setoff / custom duty Impact Increase in cost	152	1778	4233	1778	4233
JV's change in profit after Audit. / equity method	-	-	-	(245)	(66)
<b>Profit after Tax after set off impact</b>	<b>3507</b>	<b>17345</b>	<b>223510</b>	<b>16988</b>	<b>223513</b>
Impact of revenue deferment	47	329	(428)	329	(428)
Impact of expense deferment	(446)	(478)	(951)	(478)	(951)
Impact of interest on deferment and transaction cost on borrowings (net)	(250)	(227)	59	(227)	59
Fair Valuation of Derivatives	16	(37)	122	(37)	122
Reclassification of actuarial gain / (loss) in respect of defined benefit plan to Other Comprehensive Income	(81)	(326)	(326)	(326)	(326)
Depreciation impact on capitalisation of Capital spares / derecognition of assets leased	846	(252)	(4,188)	(252)	(4,188)
Capital spares charged to repairs reversed	89	182	182	182	182
Adjustments for proposed dividends	-	-	7304	-	7,304
Recognition of Corporate Guarantee	-	-	(3,547)	-	(3,547)
Tax Impact on the above items, etc.	312	728	157	728	157
<b>Profit after Tax as reported under Ind- AS</b>	<b>4040</b>	<b>17264</b>	<b>221894</b>	<b>16907</b>	<b>221897</b>
Other Comprehensive income (net of Tax)	79	324	4620	324	4,620
<b>Total Comprehensive Income as reported under Ind-AS</b>	<b>4119</b>	<b>17588</b>	<b>226514</b>	<b>17231</b>	<b>226517</b>

- 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 figures upto the third quarter of the financial year adjusted for transitional differences.
- Board of Directors have recommended a dividend of ₹ 1.10 per equity share of ₹ 10/- each, i.e. 11 % which is subject to approval by Shareholder's of the company.
- Previous Period figures have been regrouped wherever necessary.

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

*C.M.T. Britto*

(C.M.T. Britto)  
 Chairman and Managing Director  
 DIN NO: 02449069

Dated : 19.05.2017  
 Place: Mumbai





Let us grow together

**RASHTRIYA CHEMICALS AND FERTILIZERS LIMITED**

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



**STATEMENT OF ASSETS AND LIABILITIES**

(₹ in Lakh)

Particulars	Standalone AS AT			Consolidated AS AT		
	31.03.2017	31.03.2016	01.04.2015	31.03.2017	31.03.2016	01.04.2015
	Audited			Audited		
<b>A ASSETS</b>						
<b>1 Non Current Assets</b>						
(a) Property, Plant and Equipment	153824	150184	150473	153824	150184	150473
(b) Capital Work in Progress	10724	14997	6116	10724	14997	6116
(c) Investment Property	525	539	551	525	539	551
(d) Other Intangible Assets	335	558	524	335	558	524
(e) Intangible Assets under development	0	0	0	0	0	0
(e) Investments in Joint Ventures & Subsidiaries	-	-	-	4	5	360
(f) Financial Assets						
(i) Investments	4490	4313	4142	4488	4311	4142
(ii) Trade Receivables	0	0	0	0	0	0
(ii) Loans	60	77	81	60	77	81
(iii) Others	15654	23721	13074	15654	23721	13074
(q) Deferred Tax asset (net)	0	0	0	0	0	0
(g) Other non-current assets	17866	11950	6112	17866	11950	6112
<b>Sub total - Non Current Assets</b>	<b>203478</b>	<b>206339</b>	<b>181073</b>	<b>203480</b>	<b>206342</b>	<b>181433</b>
<b>2 Current Assets</b>						
(a) Inventories	79330	115492	93196	79330	115492	93196
(b) Financial Assets						
(i) Investments	0	0	0	0	0	0
(i) Trade Receivables	364172	432763	331208	364172	432763	331208
(ii) Cash and Cash Equivalents	1031	136	8323	1031	136	8323
(iii) Bank balances other than (ii) above	270	179	210	270	179	210
(iv) Loans	275	359	461	275	359	461
(v) Others	1752	2820	4271	1752	2820	4271
(c) Current Tax Asset (Net)	0	0	0	0	0	0
(c) Other Current Assets	3270	7182	3530	3270	7182	3530
<b>Sub total - Current Assets</b>	<b>450100</b>	<b>558931</b>	<b>441199</b>	<b>450100</b>	<b>558931</b>	<b>441199</b>
<b>TOTAL - ASSETS</b>	<b>653578</b>	<b>765270</b>	<b>622272</b>	<b>653580</b>	<b>765273</b>	<b>622632</b>
<b>B. EQUITY &amp; LIABILITIES</b>						
<b>1 Equity</b>						
(a) Equity Share Capital	55169	55169	55169	55169	55169	55169
(b) Reserves and Surplus	237333	226514	220878	237335	226517	221238
<b>Sub total - Shareholder's funds</b>	<b>292502</b>	<b>281683</b>	<b>276047</b>	<b>292504</b>	<b>281686</b>	<b>276407</b>
<b>2 Liabilities</b>						
<b>(I) Non Current Liabilities</b>						
(a) Financial Liabilities						
(i) Borrowings	11384	15221	37311	11384	15221	37311
(ii) Trade Payables	21063	18197	0	21097	18197	0
(iii) Other Financial Liabilities	1640	1969	611	1640	1969	611
(b) Provisions	14161	13951	15068	14161	13951	15068
(c) Deferred Tax Liabilities(Net)	21881	21628	20073	21881	21628	20073
(d) Other non-current liabilities	1585	1723	1527	1585	1723	1527
<b>Sub total - Non Current Liabilities</b>	<b>71714</b>	<b>72689</b>	<b>74590</b>	<b>71748</b>	<b>72689</b>	<b>74590</b>
<b>(II) Current Liabilities</b>						
(a) Financial Liabilities						
(i) Borrowings	154554	260316	151107	154554	260316	151107
(ii) Trade Payables	63433	60565	59672	63399	60565	59672
(iii) Other Financial Liabilities	34777	48432	33410	34777	48432	33410
(b) Other Current Liabilities	21732	30662	15842	21732	30662	15842
(c) Provisions	13251	10924	8585	13251	10924	8585
(d) Current Tax Liabilities (Net)	1615	-	3,019.00	1615	-	3,019.00
<b>Sub total - Current Liabilities</b>	<b>289362</b>	<b>410898</b>	<b>271635</b>	<b>289328</b>	<b>410898</b>	<b>271635</b>
<b>TOTAL - EQUITY &amp; LIABILITIES</b>	<b>653578</b>	<b>765270</b>	<b>622272</b>	<b>653580</b>	<b>765273</b>	<b>622632</b>

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

(C.M.T. Britto)  
Chairman and Managing Director  
DIN NO: 02449069

Dated : 19.05.2017  
Place: Mumbai



**Auditor's Report on Quarterly and Annual Standalone Financial Results pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015**

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

1. We have audited the accompanying standalone financial results of **Rashtriya Chemicals and Fertilizers Limited** ("the Company") for the quarter and year ended March 31, 2017, 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. 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.
2. Our responsibility is to express an opinion on these standalone financial results based on our audit of such standalone Ind AS financial statements, which have been prepared in accordance with the Accounting Standards notified under Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014 and other accounting principles generally accepted in India. Attention is drawn to the fact that the figures for the quarter ended March 31, 2017 as reported in these results are the balancing figures between the audited figures in respect of the year ended March 31, 2017 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.
3. We conducted our audit in accordance with the auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatements. An audit includes examining, on a test basis, evidence supporting the amounts disclosed as financial results. An audit also includes assessing the accounting principles used and significant estimates made by management. We believe that our audit provides a reasonable basis for our opinion.
4. 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:
  - i. are presented in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 in this regard; and
  - ii. 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, 2017.



## 5. Emphasis of Matter

We draw attention to the following notes to the standalone 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 is 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 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, the Company has recognized a liability of ₹ 221 lakh for the quarter and ₹ 21063 lakh for the period commencing from 1st June, 2015 to 31st March, 2017 (₹ 18197 lakh upto 31st March, 2016) based on the difference between the domestic gas price and pooled / Long Term price of gas for its non-urea operations.

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

In pursuant to said order GAIL has sought a differential levy amounting to ₹ 124480 Lakh for the period commencing from 1<sup>st</sup> July 2006 till 31<sup>st</sup> March 2016 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.

Our opinion is not modified in respect of these matters.

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

*Sai Venkata Ramana Damarla*

Sai Venkata Ramana Damarla  
Partner

Membership. No. 107017

Place: Mumbai

Dated: May 19, 2017



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

*Nitesh Jain*

Nitesh Jain  
Partner

Membership. No. 136169



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

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

1. We have audited the accompanying statement of Consolidated Financial Results of Rashtriya Chemicals and Fertilizer Limited ("the Holding Company"), and its jointly controlled entities for the quarter and year ended March 31, 2017 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 read with SEBI Circular No CIR/CFD/FAC/62/2016 dated July 5, 2016.

These quarterly and annual consolidated financial results have been prepared on the basis of consolidated financial statements, which are the responsibility of the Holding Company's management. Our responsibility is to express an opinion on these consolidated financial results based on our audit of such consolidated 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 Rule 7 of the Companies (Accounts) Rules, 2014 and other accounting principles generally accepted in India. Attention is drawn to the fact that the figures for the quarter ended March 31, 2017 as reported in these results are the balancing figures between the audited figures in respect of the year ended March 31, 2017 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

2. We conducted our audit in accordance with the auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial results are free of material misstatements. An audit includes examining, on a test basis, evidence supporting the amounts disclosed as financial results. An audit also includes assessing the accounting principles used and significant estimates made by management. We believe that our audit provides a reasonable basis for our opinion.
3. The Consolidated Ind AS financial statements also include the Group's share of net loss of ₹ Nil lakh for the year ended 31st March, 2017, as considered in the consolidated Ind AS financial statements, in respect of one jointly controlled entity, namely Urvarak Videsh Limited, whose financial statements / financial information have not been audited by us. This Ind AS financial statement has been audited by other auditor whose report has been furnished to us by the management and our opinion on the special purpose consolidated Ind AS financial statements, in so far as it related to the amounts and disclosures included in respect of this jointly controlled entity is based solely on the report of the other auditor.





4. The consolidated Ind AS financial statements also include the Group's share of net loss of ₹ 1 lakh for the year ended March 31, 2017, as considered in the consolidated Ind AS financial statements, in respect of two jointly controlled entities, namely FACT RCF Building Products Limited and Talcher Fertilizers Limited (formerly known as Rashtriya Coal Gas Fertilizers Limited), whose Ind AS financial statements / financial information have not been audited by us. These Ind AS financial statements are unaudited and have been furnished to us by the management and our opinion on the special purpose consolidated Ind AS financial statements, in so far as it related to the amounts and disclosures included in respect of 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.
5. 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 (Audited)
    - 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 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, 2017.

## 6. Emphasis of Matter

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

- 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 is 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 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, the Company has recognized a liability of ₹ 221 lakh for the quarter and ₹ 21063 lakh for the period commencing from 1st June, 2015 to 31st March, 2017 (₹ 18197 lakh upto 31st March, 2016) based on the difference between the domestic gas price and pooled / Long Term price of gas for its non-urea operations.

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

In pursuant to said order GAIL has sought a differential levy amounting to ₹ 124480 Lakh for the period commencing from 1<sup>st</sup> July 2006 till 31<sup>st</sup> March 2016 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.

Our opinion is not modified in respect of these matters.

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



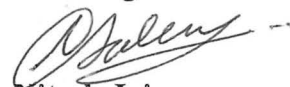
**Sai Venkata Ramana Damarla**  
**Partner**  
Membership. No. 107017

Place: Mumbai

Dated: May 19, 2017



**For CHHAJED & DOSHI**  
**Chartered Accountants**  
Firm Regn. No 101794W



**Nitesh Jain**  
**Partner**  
Membership. No. 136169



# राष्ट्रीय केमिकल्स एण्ड फर्टिलाइजर्स लिमिटेड

(भारत सरकार का उपक्रम)

साथ बढ़ें समृद्धि की ओर

## कंपनी सचिवालय

"प्रियदर्शिनी", ईस्टर्न एक्सप्रेस हाईवे, सायन, मुंबई - 400022.

ग्राम : राष्ट्रीय • दूरध्वनी : 2404 5024

फैक्स : 2404 5022

वेबसाइट : www.rcftd.com



## RASHTRIYA CHEMICALS AND FERTILIZERS LIMITED

(A Government of India Undertaking)

*Let us grow together*

### COMPANY SECRETARIAT

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

Gram: 'RASHTRIYA' Phone : 2404 5024

Fax : 2404 5022

Website: www.rcftd.com

CIN-L24110MH1978GOI020185

RCF/CS/Stock Exchanges /2017

19<sup>th</sup> May, 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.
<b>Script Code: 524230</b>	<b>Script Code: RCF EQ</b>

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, 2017.

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

**(Suresh Warior)  
Director (Finance) and CFO**