

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

जय भगवान शर्मा
कंपनी सचिव

JAI BHAGWAN SHARMA
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 : jbsharma@rcfltd.com • वेबसाइट/Web. : www.rcfltd.com
CIN : L24110MH1978GOI020185

RCF/CS/Stock Exchanges /2017

9th February, 2018

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 nine months ended 31st December, 2017**

Sir/Madam

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 nine months ended 31st December, 2017 which has been approved and taken on record by the Board of Directors at its Meeting held on 9th February, 2018.

We are also enclosing herewith Limited Review Report issued by M/s. Chhajed & Doshi, Statutory Auditors of the Company.

This is for your kind information and record.

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

**(J. B. Sharma)
Company Secretary**

Encl: a./a.



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



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

Statement of Unaudited Standalone Results for the Quarter and Nine Months Ended 31st December 2017

Particulars	Quarter ended			Nine Months ended		Previous Year ended
	Unaudited			Unaudited		Audited
	31.12.2017	30.09.2017	31.12.2016	31.12.2017	31.12.2016	31.03.2017
	1	2	3	4	5	6
1 Income						
a. Revenue from Operations	198506	180236	168472	534770	500755	722416
b. Other Income	2151	1498	1700	4545	4675	6699
Total Income	200657	181734	170172	539315	505430	729115
2 Expenses						
a. Cost of Materials consumed	77923	71786	72654	216807	207600	282550
b. Purchase of stock-in-trade	441	9895	3221	21224	22126	22568
c. Changes in inventories of finished goods and stock in trade	8383	3223	(3995)	(6825)	(19546)	14693
d. Employee benefit expense	14189	14087	12358	42426	35745	50364
e. Finance Costs	912	1713	1822	3651	7695	9398
f. Depreciation and amortisation expense	3296	3506	3512	10269	10523	14110
g. Other expenses						
i. Power and Fuel	59611	52536	39780	162087	135396	188782
ii. Freight and Handling charges	20516	16215	21091	51645	49643	70186
iii. Others	6303	6115	12311	23213	39077	51591
Total expenses	191574	179076	162754	524497	488259	704242
3 Profit / (Loss) before exceptional items and tax (1-2)	9083	2658	7418	14818	17171	24873
4 Exceptional items	5326	0	0	5326	0	0
5 Profit / (Loss) before tax (3-4)	3757	2658	7418	9492	17171	24873
6 Tax Expense						
i. Current Tax	64	1611	1913	2969	5879	9067
ii. Deferred Tax Liability/(Asset)	1977	1819	834	3522	1102	194
iii. Less : Excess Provision of Tax Written Back	76	1851	1514	1925	2,313	2314
Total Tax	1965	1579	1233	4566	4668	6947
7 Profit / (Loss) after tax (5-6)	1792	1079	6185	4926	12503	17926
8 Other Comprehensive Income						
i. Items that will not be reclassified to profit & loss	(1023)	20	53	(983)	160	197
ii. Items that will be reclassified to profit & loss	-	-	-	-	-	-
9 Total Comprehensive Income for the period (7+8)	769	1099	6238	3943	12663	18123
10 Paid up equity share capital (Face Value - ₹ 10/- each.)	55169	55169	55169	55169	55169	55169
11 Reserves excluding Revaluation Reserves as at balance sheet date						237333
12 Earnings Per Share Basic & Diluted (EPS) (₹) * Not annualised	0.32	0.20	1.12	0.89	2.27	3.25



3. d.
9/12/2018



RASHTRIYA CHEMICALS AND FERTILIZERS LIMITED
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Unaudited Segmentwise Revenue, Results, Assets and Liabilities for the Quarter and Nine Months Ended 31st December 2017

Particulars		Quarter ended			Nine Months ended		Previous Year ended
		Unaudited			Unaudited		Audited
		31.12.2017	30.09.2017	31.12.2016	31.12.2017	31.12.2016	31.03.2017
		1	2	3	4	5	6
1 Segment Revenue							
a. Fertilizers		162097	153409	139837	451872	410778	603834
b. Industrial Chemicals		21784	14493	16260	55270	64691	84250
c. Trading		13875	12092	11635	26396	24026	32535
d. Unallocated		750	242	740	1232	1260	1797
Total		198506	180236	168472	534770	500755	722416
Less: Inter Segment Revenue		-	-	-	-	-	-
Revenue from Operations		198506	180236	168472	534770	500755	722416
2 Segment Results							
a. Fertilizers		6921	3013	6084	13741	17004	25789
b. Industrial Chemicals		775	431	1483	1710	7130	8042
c. Trading		1940	1517	2052	3592	1793	1058
Total		9636	4961	9619	19043	25927	34889
Less: Net Interest Expenditure / (Income)		792	1348	1784	3038	7439	8851
Interest Expense		912	1713	1822	3651	7695	9398
(Interest Income)		(120)	(365)	(38)	(613)	(256)	(547)
Other Net Unallocable Expenditure / (Income)		5087	955	417	6513	1317	1165
Profit/ (Loss) Before Tax		3757	2658	7418	9492	17171	24873
3 Segment Assets							
a. Fertilizers		541383	481594	503728	541383	503728	584128
b. Industrial Chemicals		29315	29384	24458	29315	24458	23348
c. Trading		25909	23432	18263	25909	18263	14395
d. Unallocated		42622	33652	40460	42622	40460	31707
Total		639229	568062	586909	639229	586909	653578
4 Segment Liabilities							
a. Fertilizers		180206	152824	152113	180206	152113	147309
b. Industrial Chemicals		4336	5020	2877	4336	2877	5277
c. Trading		11708	1354	2205	11708	2205	928
d. Unallocated		153838	120492	142672	153838	142672	207562
Total		350088	279690	299867	350088	299867	361076

Notes:

- The above results have been reviewed by the Audit Committee and approved by the Board of Directors at their meeting held on February 09, 2018. The Statutory Auditors of the Company have carried out a limited review of the above results.
- The results for the quarter and nine months ended 31st December, 2017 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 accounting policies and methods of computation followed in the interim financial reporting are the same as were followed in the annual financial statements for the year ended March 31, 2017.
- Government of India has introduced Goods and Service Tax (GST) w.e.f. 01st July 2017. Accordingly, in compliance with Indian Accounting standards (IND AS) 18 - 'Revenue', Revenue from operations for the quarter ended 31st December, 2017 is presented net of GST. Revenue from operations included Excise Duty which is now subsumed in GST. Revenue from operations for the period ended 31st December, 2017 includes Excise duty upto 30th June 2017. Consequently Revenue from Operations for the current quarter and period are not comparable with the corresponding quarter and period of the previous year, since sales are net of GST and Excise duty was included under other expenses in the previous year and also for the quarter ended 30th June 2017.
- Certain provisions relating to Employee Benefits, Tax Expense, etc. are made on estimated / proportionate basis which are subject to adjustments, if any, at the year end.
- Exceptional items include:
 - Net fair value gain of ₹ 6301 lakh on account of valuation of Development Right Certificate received from Municipal Corporation of Greater Mumbai towards surrender of land in accordance with IND-AS 38 and Guidance Note on Accounting for Real Estate Transactions issued by Institute of Chartered Accountants of India. Tax expense includes the Deferred Tax impact on the same.
 - Past service gratuity cost of ₹ 11627 lakh on account of increase in gratuity limits from ₹ 10 lakh to ₹ 20 lakh in line with DPE guidelines for wage revision based on Actuarial Report .
- 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 Industrial Policy and Promotion (DIPP) 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.



9/12/2018

7 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 ₹ 431 lakh for the quarter and ₹21843 lakh for the period commencing from 1st June, 2015 to 31st December, 2017 (₹ 21063 lakh upto 31st March, 2017) based on the difference between the domestic gas price and pooled / market 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.

8 The figures for the corresponding previous period have been restated / regrouped wherever necesasary, to make them comparable.



For and on behalf of
RASHTRIYA CHEMICALS AND FERTILIZERS LIMITED

3.1. [Signature]

9.2.2018

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

Dated : 09th February, 2018
Place: Mumbai

CHHAJED & DOSHI

CHARTERED ACCOUNTANTS

101, Hubtown Solaris,
Near East West Flyover,
N.S. Phadke Marg, Andheri (E),
Mumbai - 400 069

Review Report on Quarterly 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

1. We have reviewed the accompanying statement of unaudited standalone financial results of **Rashtriya Chemicals and Fertilizers Limited** ('the company') for the quarter ended 31st December, 2017 and for the period from 1st April, 2017 to 31st December, 2017 ('the statement') attached herewith (initialled by us for identification), being submitted 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.
2. The preparation of the statement is the responsibility of the Company's Management in accordance with applicable Indian Accounting Standards ('Ind-AS') specified under section 133 of the Companies Act, 2013, read with relevant rules and has been approved by the Board of directors at their meeting held on 09th February, 2018. Our responsibility is to express an opinion on the statement based on our review.
3. 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.
4. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying statement prepared in accordance with applicable Indian Accounting Standards ('Ind AS') specified under section 133 of the Companies Act, 2013, read with relevant rules issued there under 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.

5. Emphasis of Matters

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

a) Note No 5: Exceptional items include :

- i) Net fair value gain of Rs. 6301 lakh on account of valuation of Development Right Certificate received from Municipal Corporation of Greater Mumbai towards surrender of land in accordance with Ind-AS 38 and Guidance Note on Accounting for Real Estate Transactions issued by the Institute of Chartered Accountants of India. Tax expense includes the Deferred Tax impact on the same.



CHHAJED & DOSHI

CHARTERED ACCOUNTANTS

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Mumbai - 400 069

- ii) Past service gratuity cost of Rs 11627 lakh on account of increase in gratuity limits from Rs 10 lakh to 20 lakh in line with DPE guidelines for wage revision based on Actuarial Report.

b) Note No 6:

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 is expecting full recoverability of the same; Company has continued to recognize subsidy income on P&K fertilizers at the rates notified by DOF.

c) Note No 7:

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 Rs 431 lakh for the quarter and Rs 21843 lakh for the period commencing from 1st June, 2015 to 31st December, 2017 (Rs 21063 lakh upto 31st March, 2017) based on the difference between the domestic gas price and pooled / market 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.

Pursuant to the said order, GAIL has sought a differential levy amounting to Rs 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."

Our opinion is not modified in respect of these matters.

For CHHAJED & DOSHI
Chartered Accountants
[Firm Reg. No.101794W]

D. P. Thakkar

CA. D.P. Thakkar
Partner
Membership No. 007070
Place: Mumbai
Date: 9th February, 2018

