राष्ट्रीय केमिकल्स एण्ड
फर्टिलाइजर्स लिमिटेड
(भारत सरकार का उपक्रम)
साथ बढें समृध्दि की ओर

जय भगवान शर्मा
कंपनी सचिव

JAI BHAGWAN SHARMA
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.

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

RCF/CS/Stock Exchanges /2018 **28th May, 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**

Sirs/Madam,

Sub: **Resubmission of Auditor's Report (Consolidated) submitted by the Statutory Auditors of the Company for the 4th quarter and year ended 31st March, 2018**

The Company has vide their letter dated 28th May, 2018 submitted the Audited Financial Results (Standalone and Consolidated) of the Company for the 4th quarter and financial year ended 31st March, 2017 to the stock exchange along with Auditor's Report (Standalone and Consolidated).

However, in the Auditors Report on Quarterly and Annual Consolidated Financial Results of the Company for the financial year 31st March, 2018, the denomination is mentioned as Rupees in crore instead of Rupees in Lakh through oversight.

In view of the above, we are enclosing herewith the revised Auditors Report on Quarterly and Annual Consolidated Financial Results of the Company for the financial year 31st March, 2018.

We are extremely sorry for the inconvenient caused to you.

This is for your kind information and record.

Yours faithfully,
For Rashtriya Chemicals and Fertilizers Limited

(J. B. Sharma)
Company Secretary

Encl: a./a.

KALYANIWALLA & MISTRY LLP
Chartered Accountants
Esplande House, 2nd Floor
29, Hazarimal Somani Marg, Fort
Mumbai-400 001

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

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, 2018 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, 2018 as reported in these results are the balancing figures between the audited figures in respect of the year ended March 31, 2018 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, 2018, 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.

KALYANIWALLA & MISTRY LLP MUMBAI

CHHAJED & DOSHI

4. The consolidated Ind AS financial statements also include the Group's share of net loss of ₹ 2 lakh for the year ended March 31, 2018, 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 for the year ended March 31, 2017 and March 31, 2018 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:

   i. include the annual financial results of the following entities;

      a) Urvarak Videsh Limited (Audited)

      b) FACT – RCF Building Products Limited (Management Certified)

      c) Talcher Fertilizers Limited (formerly known Rashtriya Coal Gas Fertilizers Limited) (Management Certified)

   ii. 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

   iii. give a true and fair view of the consolidated net profit and other financial information for the year ended March 31, 2018.

6. **Emphasis of Matter**

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

a) **Note No 5:** The matter relating to 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 as at March 31, 2018 (₹ 19894 lakh as at March 31, 2017) by Department of Fertilizers (DoF) towards the same matter.

Pending final decision on the said matter and since the Company view that no unintended benefits have accrued, it has continued to recognize subsidy income on P&K fertilizers at the rates notified by DoF.

b) **Note No 6:** As per notification no L-120223/2015-GP-II dated May 20, 2015 of Ministry of Petroleum & Natural Gas (MoPNG), gas pooling has become applicable from June 1, 2015 onwards for all Urea manufacturing units. Under this mechanism, Gas for urea production will be made available at a uniform price of pooled gas for production of urea. Consequently, it is expected that a differential pricing of gas may be made applicable for non-urea usage also. Company has represented to DoF for maintaining supply of domestic gas for P&K fertilizers and chemicals. MoPNG vide its letter no. L-13013/3/2012-GP-I, dated: December 16, 2015 has directed GAIL (India) Limited (GAIL) to levy a higher gas price (i.e. the highest rate of RLNG used for production of urea) for use of gas in non-urea operations. Company has represented that any decision on the same be taken only upon the issue being settled by the IMC of GoI. Effective from May 16, 2016 Company has entered into a contract for procurement of Market Priced Gas for non-urea operations at Trombay unit. However, pending finalization of price payable as per the said letter of MoPNG, a liability of ₹ Nil for the quarter and ₹ 21179 lakh as on March 31, 2018 (₹ 21063 lakh as on March 31, 2017) has been recognized based on the pooled price of gas / Market price of gas, also for its non-urea operation as applicable.

In pursuant to said order GAIL has sought a differential levy amounting to ₹ 144284 lakh for the period commencing from July 1, 2006 till March 31, 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. The said matter has been currently referred to Administrative Mechanism for Resolution of CPSEs Disputes (AMRCD) on 22nd May 2018

c) **Note No 7 (a):** Net fair value gain of ₹ 10794 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 Capital Gains Tax impact on the same.

d) **Note No 7 (b):** Past service gratuity cost of ₹ 10806 lakh on account of increase in gratuity limits from ₹ 10 lakh to ₹ 20 lakh in line with Notification dated 29th march, 2018 issued by the Ministry of Labour and Employment.

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 28, 2018

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

Nitesh Jain
Partner
Membership. No. 136169