

राष्ट्रीय केमिकल्स एण्ड
फर्टिलाइजर्स लिमिटेड

(भारत सरकार का उपक्रम)
साथ बढ़ें समृद्धि की ओर



Rashtriya Chemicals and
Fertilizers Limited

(A Government of India Undertaking)
Let us grow together

जय भगवान शर्मा
कंपनी सचिव

JAI BHAGWAN SHARMA
COMPANY SECRETARY

"प्रियदर्शिनी",
ईस्टर्न एक्सप्रेस हाइवे,
सायन, मुंबई - 400 022.

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

दूरभाष /Tel. (Off.): (022) 24045024 फैक्स / Fax : (022) 24045022 ई-मेल /E-mail : jbsharma@rcfltd.com वेबसाईट /Web : www.rcfltd.com

CIN: L24110MH1978GOI020185

RCF/CS/Stock Exchanges /2019

8th August, 2019

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 & Consolidated) for the 1st quarter ended 30th June, 2019 pursuant to Regulation 33 of SEBI(Listing Obligations and Disclosure Requirements) Regulations, 2015 & other outcome of the Board Meeting

Sir/Madam,

This is to inform that at the meeting held on 8th August, 2019, the Board of Directors of the Company have approved the Un-audited Financial Results(Standalone & Consolidated) for the 1st quarter ended 30th June, 2019.

Accordingly, pursuant to Regulations 30 and 33 of SEBI(Listing Obligations and Disclosure Requirements) Regulations, 2015, we enclose the following:

- Un-audited Financial Results(Standalone & Consolidated) for the 1st quarter ended 30th June, 2019;
- Limited Review Report issued by M/s Chhajer & Doshi, Statutory Auditors, for the quarter ended 30th June, 2019;

The Unaudited Financial Results are also being uploaded on the Company's website at www.rcfltd.com.

Jai Shri

The Board of Directors of the Company have also approved the issuance of Secured, non- convertible debentures in one or more series/tranches, aggregating upto to ₹1,000 Crore in the period of next twelve months through private placement mode subject to the approval of the shareholders at the ensuing annual general meeting.

The meeting of Board of Directors commenced at 11.30 a.m. and concluded at 5.35 p.m.

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
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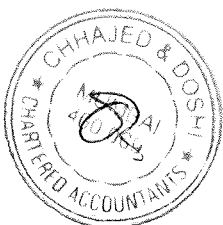


Regd. Office : "Priyadarshini" Eastern Express Highway, Sion, Mumbai 400 022
CIN No. L24110MH1978GOI020185 Website: www.rcfild.com

Statement of Unaudited Standalone Results for the Quarter and Period Ended 30TH JUNE 2019

(₹ in Lakh)

Particulars	Standalone			
	Quarter ended			Year ended
	30.06.2019	31.03.2019	30.06.2018	31.03.2019
	Unaudited			Audited
	1	2	3	4
1 Income				
a Revenue from Operations	240948	226698	194348	888547
b Other Income	2481	3070	1248	7967
Total Income	243429	229768	195596	896514
2 Expenses				
a. Cost of Materials consumed	94754	101820	93661	388001
b. Purchase of stock-in-trade	31499	49082	178	79815
c. Changes in inventories of finished goods and stock in trade	(4903)	(47463)	(18962)	(60527)
d. Employee benefit expense	14130	16097	14859	59141
e. Finance Costs	6197	5775	3376	15585
f. Depreciation and amortisation expense	3864	3976	3765	15569
g. Other expenses				
i. Power and Fuel	69102	65350	68563	269499
ii. Freight and Handling charges	19961	19748	15922	68705
iii. Others	7707	9458	10713	39545
Total expenses	242311	223843	192075	875333
3 Profit / (Loss) before exceptional items and tax (1-2)	1118	5925	3521	21181
4 Exceptional items	-	(2344)	-	(2,344)
5 Profit / (Loss) before tax (3-4)	1118	8269	3521	23525
6 Tax Expense				
i. Current Tax	268	1537	1843	5712
ii. Deferred Tax	37	1885	(621)	5616
iii. Less : Excess / (Short) Provision for Tax for earlier years	-	-	-	1720
Total Tax	305	3422	1222	9608
7 Profit / (Loss) after tax (5-6)	813	4847	2299	13917
8 Other Comprehensive Income (net of tax)				
i. Items that will not be reclassified to profit & loss	(692)	1062	(45)	575
ii. Items that will be reclassified to profit & loss	-	-	-	-
9 Total Comprehensive Income for the period (7+8)	121	5909	2254	14492
10 Paid up equity share capital (Face Value - ₹ 10/- each.)	55169	55169	55169	55169
11 Reserves excluding Revaluation Reserves as at balance sheet date				248301
12 Earnings Per Share Basic & Diluted (EPS) (₹)	0.15	0.88	0.42	2.52
* Not annualised	*	*	*	



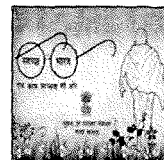


RASHTRIYA CHEMICALS AND FERTILIZERS LIMITED
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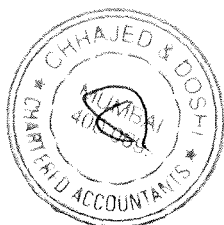
Unaudited Standalone Segmentwise Revenue, Results, Assets and Liabilities for the Quarter and Period Ended 30TH JUNE 2019

(₹ in Lakh)

Particulars	Standalone			
	Quarter ended			Year ended
	30.06.2019	31.03.2019	30.06.2018	31.03.2019
	Unaudited			Audited
	1	2	3	4
1 Segment Revenue				
a. Fertilizers	179265	188667	171078	754655
b. Industrial Chemicals	19530	27342	22823	95623
c. Trading	41913	10448	206	37305
d. Unallocated	240	241	241	964
Total	240948	226698	194348	888547
Less: Inter Segment Revenue	-	-	-	-
Revenue from Operations	240948	226698	194348	888547
2 Segment Results				
a. Fertilizers	1485	7966	6272	27776
b. Industrial Chemicals	261	1724	2174	6027
c. Trading	5087	2363	48	3680
Total	6833	12053	8494	37483
Finance Costs	6197	5775	3376	15585
Other Net Unallocable Expenditure / (Income)	(482)	(1991)	1597	(1627)
Profit/ (Loss) Before Tax	1118	8269	3521	23525
3 Segment Assets				
a. Fertilizers	696331	761288	620530	761288
b. Industrial Chemicals	28984	35309	26906	35309
c. Trading	73152	67531	8405	67531
d. Unallocated	34124	27921	36228	27921
Total	832591	892049	692069	892049
4 Segment Liabilities				
a. Fertilizers	164365	156020	185012	156020
b. Industrial Chemicals	11406	11998	6432	11998
c. Trading	1279	38310	149	38310
d. Unallocated	351950	382251	205253	382251
Total	529000	588579	396846	588579

Notes:

- The above results have been reviewed by the Audit Committee and approved by the Board of Directors at their meeting held on August 08, 2019. These results have been subjected to limited review by the Statutory Auditors of the Company.
- The results for the quarter and period ended 30th June, 2019 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 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). It is expected that a decision on the matter would be taken soon by the IMC. Pending such decision, initially subsidy amounting to ₹19894 lakh was withheld. As per DoF approval for release of this subsidy, upon submission of its claims along with bank guarantee for equivalent amount by the Company, an amount of ₹12511 lakh has been received upto 30th June, 2019. Accordingly no provision has been made in these accounts towards the balance amount of ₹7383 lakh withheld, as Company is of the view that no unintended benefits have accrued to owing to use of domestic gas.



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, 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 is recognizing liability based on the difference between domestic gas price and pool / market price of gas for its non-urea operations. The difference is provided considering domestic gas first for urea operations on cumulative basis for the year and the balance if any, for non-urea operations. Accordingly a provision of of Nil lakh has been made during the quarter ended 30th June, 2019. The Company has recognised a liability of ₹ 21179 lakh for the period commencing from 1st June, 2015 to 30th June, 2019 (₹ 21179 lakh upto 31st March, 2019) on this account.

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 ₹ 144284 lakh for the period commencing from 1st July 2006 till 31st March 2017 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 referred to Administrative Mechanism for Resolution of CPSEs Disputes (AMRCD).

5 Inter Corporate Deposit (ICD) advanced to Fertilizers and Chemicals Travancore Ltd (FACT) - a 50% JV partner in FACT-RCF Building Products Ltd (FRBL) of ₹ 2550 lakh (being their share of contribution paid by RCF towards one time settlement entered into between FRBL and their bankers resulting in Corporate Guarantee given by Company to FRBL bankers being discharged) along with interest for the quarter amounting to ₹ 54 lakh is outstanding as at 30th June, 2019. The same has not been provided for, despite FACT's adverse financial position as the Company is confident of settlement of the ICD given. Further FACT is a Government owned Entity and interest has been settled by them upto 31st March, 2019.

6 Exceptional items consists of:

(₹ in Lakh)

Particulars	Quarter ended			Year ended
	30.06.2019	31.03.2019	30.06.2018	31.03.2019
Loss / (Gain) on Revaluation of Development Right Certificate received / receivable from MMRDA towards surrender of land in earlier year.	-	2158	-	2158
Fair value gain on account of valuation of Development Right Certificate receivable from Municipal Corporation of Greater Mumbai towards surrender of land.	-	(4502)	-	(4502)
Net Exceptional Expense / (Income)	-	(2344)	-	(2344)

7 Effective 1st April, 2019 the Company has adopted Ind AS 116 "Leases" and applied the same to lease contracts existing on 1st April, 2019 using the modified retrospective approach. Accordingly, the comparative figures have not been restated. This resulted in recognition of right to use of Asset of ₹ 1237 lakhs, lease liability of ₹ 975 lakhs and adjustment to prepaid lease of ₹ 262 lakhs as of 1st April, 2019. The effect of this adoption is not material on the profit for the current quarter.

8 Deferred Tax / Deferred Tax Liability includes MAT Credit entitlement of ₹678 lakh for period ended 30th June, 2019. (Previous year ₹601 lakh)

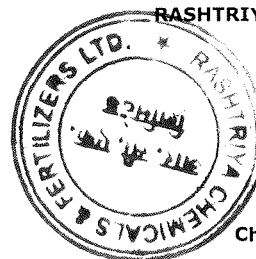
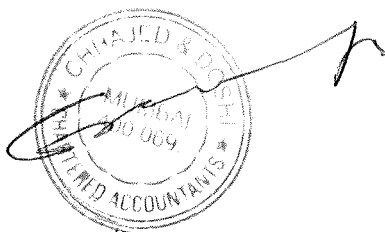
9 The figures for the quarter ended 31st March, 2019 are the balancing figures between audited figures for the full financial year ended 31st March, 2019 and the published year to date figures upto nine months ended 31st December, 2018.

10 The figures for the corresponding previous periods have been restated / regrouped wherever necessary, to make them comparable.

11 The Board of Directors have approved investment decision and commitment to RCF's share of equity of ₹118420 lakhs i.e. 31.85% share of equity in its Joint Venture Company Talcher Fertilizers Limited for undertaking Coal Gasification based ammonia urea project. Government of India had approved 29.67% share of equity participation by RCF. For increase in share of equity from 29.67% to 31.85% and revised project cost, approval of Department of Fertilizers is being sought. Company has contributed an amount of ₹ 3285 lakhs against the same till date.

For and on behalf of the Board of Directors

RASHTRIYA CHEMICALS AND FERTILIZERS LTD.



U. V. Dhatriak
8.8.2019

(Umesh V. Dhatriak)

Chairman and Managing Director

DIN : 07718394

Dated : 8th August, 2019.

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 30th June 2019 ("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, as amended.
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. Our responsibility is to express a conclusion 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 thereunder 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, as amended, including the manner in which it is to be disclosed, or that it contains any material misstatement.

5. Emphasis of Matters

We draw the 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). It is expected that a decision on the matter would be taken soon by the IMC. Pending such decision, initially subsidy amounting to Rs.19894 lakh was withheld. As per DoF approval for release of this subsidy, upon submission of its claims along with bank guarantee for equivalent amount by the Company, an amount of Rs.12511 lakh has been received upto 30th June, 2019. Accordingly, no provision has been made in these accounts towards the balance amount of Rs. 7383 lakh withheld, as Company is of the view that no unintended benefits have accrued to owing to use of domestic gas.



CHHAJED & DOSHI

CHARTERED ACCOUNTANTS

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

- 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, Company has represented that any decision on the same be taken only upon the issue being settled by the IMC of Gol. However, pending finalisation of price payable as per the said letter, Company is recognizing liability based on the difference between domestic gas price and pool / market price of gas for its non-urea operations. The difference is provided considering domestic gas first for urea operations on cumulative basis for the year and the balance if any, for non-urea operations. Accordingly, a provision of Nil lakh has been made during the quarter ended 30th June, 2019. The Company has recognised a liability of ` 21179 lakh for the period commencing from 1st June, 2015 to 30th June, 2019 (` 21179 lakh upto 31st March, 2019) on this account.

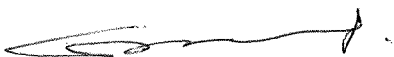
The Company has entered into a contract for procurement of market priced gas for non-urea operations at Trombay unit, effective from 16th May, 2016.

Pursuant to the said order, GAIL has sought a differential levy amounting to ` 144284 lakh for the period commencing from 1st July 2006 till 31st March 2017 and has initiated arbitration proceedings 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 Gol. The said matter has been referred to Administrative Mechanism for Resolution of CPSEs Disputes (AMRCD).

- c) **Note No 5:** FACT-RCF Building Products Ltd. (FRBL) is a 50:50 joint venture between RCF and FACT (Fertilizers and Chemicals Travancore Ltd.) - a Central Public Sector Undertaking. Company had given Corporate Guarantee on behalf of FRBL to its bankers. A one-time settlement was entered with the bankers and FRBL with both the Joint Venture Partners RCF & FACT contributing equally towards the same. The share of FACT amounting to Rs. 2550 lakh has been paid by RCF and shown as Inter Corporate Deposit (ICD) advanced to it. The principal amount of Rs. 2550 lakh and interest of Rs. 0.54 lakh for the quarter has not been provided for, despite FACT's adverse financial position. Company is certain of settlement of the ICD given as FACT is a Government owned Entity.

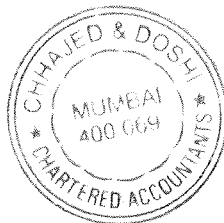
Our conclusion is not modified in respect of these matters.

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



CA. Kiran K Daftary
Partner
Membership No. 010279
UDIN: 19010279AAAAAJ2237

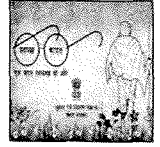
Place: Mumbai
Date: 8th August, 2019





RASHTRIYA CHEMICALS AND FERTILIZERS LIMITED
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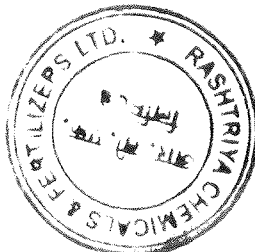
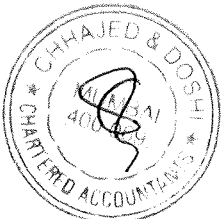
Regd. Office : "Priyadarshini" Eastern Express Highway, Sion, Mumbai 400 022
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Statement of Unaudited Consolidated Results for the Quarter and Period Ended 30TH JUNE 2019

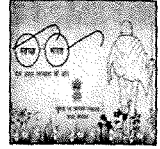
(₹ in Lakh)

Particulars	Consolidated			
	Quarter ended			Year ended
	30.06.2019	31.03.2019	30.06.2018	31.03.2019
	Unaudited			Audited
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1 Income				
a Revenue from Operations	240948	226698	194348	888547
b Other Income	2481	3070	1248	7967
Total Income	243429	229768	195596	896514
2 Expenses				
a. Cost of Materials consumed	94754	101820	93661	388001
b. Purchase of stock-in-trade	31499	49082	178	79815
c. Changes in inventories of finished goods and stock in trade	(4903)	(47463)	(18962)	(60527)
d. Employee benefit expense	14130	16097	14859	59141
e. Finance Costs	6197	5775	3376	15585
f. Depreciation and amortisation expense	3864	3976	3765	15569
g. Other expenses				
i. Power and Fuel	69102	65350	68563	269499
ii. Freight and Handling charges	19961	19748	15922	68705
iii. Others	7707	9458	10713	39545
Total expenses	242311	223843	192075	875333
3 Profit / (Loss) before JV'S share of Profit / (Loss), exceptional items and tax (1-2)	1118	5925	3521	21181
4 Share of Profit / (Loss) of Associates / JV's	(15)	(130)	-	(625)
5 Profit / (Loss) before exceptional items and tax (3-4)	1103	5795	3521	20556
6 Exceptional items	-	(2344)	-	(2344)
7 Profit / (Loss) before tax (5-6)	1103	8139	3521	22900
8 Tax Expense				
i. Current Tax	268	1537	1843	5712
ii. Deferred Tax	37	1885	(621)	5616
iii. Less : Excess / (Short) Provision for Tax for earlier years	-	-	-	1720
Total Tax	305	3422	1222	9608
9 Profit / (Loss) after tax (7-8)	798	4717	2299	13292
10 Other Comprehensive Income (net of tax)				
i. Items that will not be reclassified to profit & loss	(692)	1062	(45)	575
ii. Items that will be reclassified to profit & loss	-	-	-	-
11 Total Comprehensive Income for the period (9+10)	106	5779	2254	13867
12 Paid up equity share capital (Face Value - ₹ 10/- each.)	55169	55169	55169	55169
13 Reserves excluding Revaluation Reserves as at balance sheet date				247680
14 Earnings Per Share Basic & Diluted (EPS) (₹)	0.14	0.86	0.42	2.41
* Not annualised	*	*	*	



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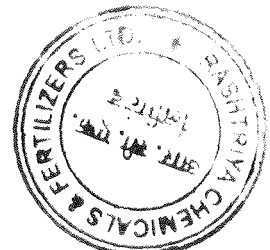
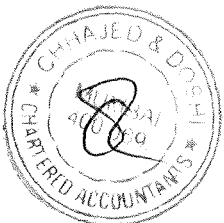
Unaudited Consolidated Segmentwise Revenue, Results, Assets and Liabilities for the Quarter and Period Ended 30TH JUNE 2019

(₹ In Lakh)

Particulars	Consolidated			
	Quarter ended			Year ended
	30.06.2019	31.03.2019	30.06.2018	31.03.2019
	Unaudited			Audited
	1	2	3	4
1 Segment Revenue				
a. Fertilizers	179265	188667	171078	754655
b. Industrial Chemicals	19530	27342	22823	95623
c. Trading	41913	10448	206	37305
d. Unallocated	240	241	241	964
Total	240948	226698	194348	888547
Less: Inter Segment Revenue	-	-	-	-
Revenue from Operations	240948	226698	194348	888547
2 Segment Results				
a. Fertilizers	1485	7966	6272	27776
b. Industrial Chemicals	261	1724	2174	6027
c. Trading	5087	2363	48	3680
Total	6833	12053	8494	37483
Finance Costs	6197	5775	3376	15585
Other Net Unallocable Expenditure / (Income)	(467)	(1861)	1597	(1002)
Profit/ (Loss) Before Tax	1103	8139	3521	22900
3 Segment Assets				
a. Fertilizers	696331	761288	620530	761288
b. Industrial Chemicals	28984	35309	26906	35309
c. Trading	73152	67531	8405	67531
d. Unallocated	33488	27300	36232	27300
Total	831955	891428	692073	891428
4 Segment Liabilities				
a. Fertilizers	164365	156020	185012	156020
b. Industrial Chemicals	11406	11998	6432	11998
c. Trading	1279	38310	149	38310
d. Unallocated	351950	382251	205253	382251
Total	529000	588579	396846	588579

Notes:

- The above results have been reviewed by the Audit Committee and approved by the Board of Directors at their meeting held on August 08, 2019. These results have been subjected to limited review by the Statutory Auditors of the Company.
- The results for the quarter and period ended 30th June, 2019 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 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). It is expected that a decision on the matter would be taken soon by the IMC. Pending such decision, initially subsidy amounting to ₹19894 lakh was withheld. As per DoF approval for release of this subsidy, upon submission of its claims along with bank guarantee for equivalent amount by the Company, an amount of ₹12511 lakh has been received upto 30th June, 2019. Accordingly no provision has been made in these accounts towards the balance amount of ₹7383 lakh withheld, as Company is of the view that no unintended benefits have accrued to owing to use of domestic gas.



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, 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 is recognizing liability based on the difference between domestic gas price and pool / market price of gas for its non-urea operations. The difference is provided considering domestic gas first for urea operations on cumulative basis for the year and the balance if any, for non-urea operations. Accordingly a provision of Nil lakh has been made during the quarter ended 30th June, 2019. The Company has recognised a liability of ₹ 21179 lakh for the period commencing from 1st June, 2015 to 30th June, 2019 (₹ 21179 lakh upto 31st March, 2019) on this account.

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 ₹ 144284 lakh for the period commencing from 1st July 2006 till 31st March 2017 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 referred to Administrative Mechanism for Resolution of CPSEs Disputes (AMRCD).

5 Inter Corporate Deposit (ICD) advanced to Fertilizers and Chemicals Travancore Ltd (FACT) - a 50% JV partner in FACT-RCF Building Products Ltd (FRBL) of ₹ 2550 lakh (being their share of contribution paid by RCF towards one time settlement entered into between FRBL and their bankers resulting in Corporate Guarantee given by Company to FRBL bankers being discharged) along with interest for the quarter amounting to ₹ 54 lakh is outstanding as at 30th June, 2019. The same has not been provided for, despite FACT's adverse financial position as the Company is confident of settlement of the ICD given. Further FACT is a Government owned Entity and interest has been settled by them upto 31st March, 2019.

6 Exceptional items consists of:

Particulars	Quarter ended			Year ended
	30.06.2019	31.03.2019	30.06.2018	31.03.2019
Loss / (Gain) on Revaluation of Development Right Certificate received / receivable from MMRDA towards surrender of land in earlier year.	-	2158	-	2158
Fair value gain on account of valuation of Development Right Certificate receivable from Municipal Corporation of Greater Mumbai towards surrender of land.	-	(4502)	-	(4502)
Net Exceptional Expense / (Income)	-	(2344)	-	(2344)

7 Effective 1st April, 2019 the Company has adopted Ind AS 116 "Leases" and applied the same to lease contracts existing on 1st April, 2019 using the modified retrospective approach. Accordingly, the comparative figures have not been restated. This resulted in recognition of right to use of Asset of ₹ 1237 lakhs, lease liability of ₹ 975 lakhs and adjustment to prepaid lease of ₹ 262 lakhs as of 1st April, 2019. The effect of this adoption is not material on the profit for the current quarter.

8 Deferred Tax / Deferred Tax Liability includes MAT Credit entitlement of ₹678 lakh for period ended 30th June, 2019. (Previous year ₹ 601 lakh)

9 The figures for the quarter ended 31st March, 2019 are the balancing figures between audited figures for the full financial year ended 31st March, 2019 and the published year to date figures upto nine months ended 31st December, 2018.

10 a The above consolidated Financial Results consists of Rashtriya Chemicals and Fertilizers Ltd and its Joint Ventures FACT-RCF Building Products Ltd. (FRBL), Urvarak Videsh Ltd. and Talcher Fertilizers Ltd. The Unaudited Financial Statements of the Joint Ventures, duly certified by the Management have been considered to prepare the Consolidated Financial Results.

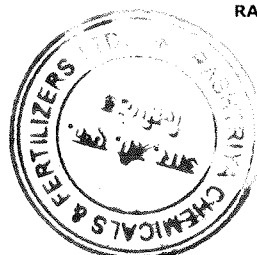
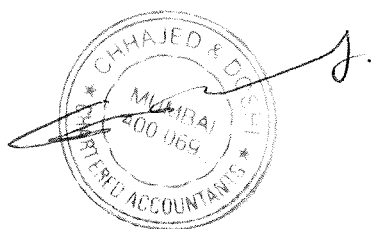
10 b Key numbers of Standalone Financial Results of the Company are as under:

Particulars	Quarter ended			Year ended
	30.06.2019	31.03.2019	30.06.2018	31.03.2019
Total Income	243429	229768	195596	896514
Profit / (Loss) before tax	1118	8269	3521	23525
Profit / (Loss) after tax	813	4847	2299	13917
Total Comprehensive Income for the period	121	5909	2254	14492

11 The figures for the corresponding previous periods have been restated / regrouped wherever necessary, to make them comparable.

12 The Board of Directors have approved investment decision and commitment to RCF's share of equity of ₹118420 lakhs i.e. 31.85% share of equity in its Joint Venture Company Talcher Fertilizers Limited for undertaking Coal Gasification based ammonia urea project. Government of India had approved 29.67% share of equity participation by RCF. For increase in share of equity from 29.67% to 31.85% and revised project cost, approval of Department of Fertilizers is being sought. Company has contributed an amount of ₹ 3285 lakhs against the same till date.

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



Handwritten signature of Umesh V. Dhatriak and the date 8.8.2019.

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

Dated : 8th August, 2019.
Place: Mumbai

CHHAJED & DOSHI

CHARTERED ACCOUNTANTS

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

Independent Auditor's Review Report on consolidated unaudited quarterly and year to date 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 Fertilizers Limited

1. We have reviewed the accompanying Statement of Consolidated Unaudited Financial Results of **Rashtriya Chemicals and Fertilizers Limited** ("the company / the Parent") and its share of the net loss after tax of its jointly controlled entities for the quarter ended 30th June, 2019 and for the period from 1st April 2019 to 30th June, 2019 ("the Statement") (initialled by us for identification), being submitted by the Parent pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.
2. Attention is drawn to the fact that the consolidated figures for the corresponding quarter ended 30th June, 2018 and for the corresponding period from 1st April 2018 to 30th June, 2018, as reported in these financial results have been approved by the Parent's Board of Directors, but have not been subjected to review.
3. This Statement, which is the responsibility of the Parent's Management and approved by the Parent's Board of Directors, has been prepared in accordance with Indian Accounting Standards prescribed under Section 133 of the Companies Act, 2013, and other accounting principles generally accepted in India. Our responsibility is to express a conclusion on the Statement based on our review.
4. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity", issued by the Institute of Chartered Accountants of India. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

We also performed procedures in accordance with the circular issued by the SEBI under Regulation 33 (8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, to the extent applicable.

5. The Statement includes the results of the following jointly controlled entities:
 - a) FACT-RCF Building Products Ltd;
 - b) Urvarak Videsh Ltd; and
 - c) Talcher Fertilizers Ltd.



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6. Based on our review conducted and procedures performed as stated in paragraph 4 above and based on the consideration of the results of the jointly controlled entities submitted by their management referred to in paragraph 8 below, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in the aforesaid Indian Accounting Standard and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, including the manner in which it is to be disclosed, or that it contains any material misstatement.

7. Emphasis of Matter:

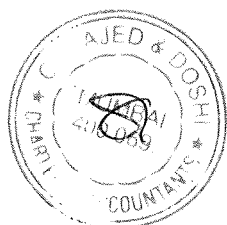
We draw the attention to the following notes to the consolidated financial results:

- 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). It is expected that a decision on the matter would be taken soon by the IMC. Pending such decision, initially subsidy amounting to Rs.19894 lakh was withheld. As per DoF approval for release of this subsidy, upon submission of its claims along with bank guarantee for equivalent amount by the Company, an amount of Rs.12511 lakh has been received upto 30th June, 2019. Accordingly, no provision has been made in these accounts towards the balance amount of Rs. 7383 lakh withheld, as Company is of the view that no unintended benefits have accrued to owing to use of domestic gas.
- 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, 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 is recognizing liability based on the difference between domestic gas price and pool / market price of gas for its non-urea operations. The difference is provided considering domestic gas first for urea operations on cumulative basis for the year and the balance if any, for non-urea operations. Accordingly, a provision of Nil lakh has been made during the quarter ended 30th June, 2019. The Company has recognised a liability of ` 21179 lakh for the period commencing from 1st June, 2015 to 30th June, 2019 (` 21179 lakh upto 31st March, 2019) on this account.

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Pursuant to the said order, GAIL has sought a differential levy amounting to ` 144284 lakh for the period commencing from 1st July 2006 till 31st March 2017 and has initiated arbitration proceedings 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 referred to Administrative Mechanism for Resolution of CPSEs Disputes (AMRCD).



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- c) **Note No 5:** FACT-RCF Building Products Ltd. (FRBL) is a 50:50 joint venture between RCF and FACT (Fertilizers and Chemicals Travancore Ltd.) - a Central Public Sector Undertaking. Company had given Corporate Guarantee on behalf of FRBL to its bankers. A one-time settlement was entered with the bankers and FRBL with both the Joint Venture Partners RCF & FACT contributing equally towards the same. The share of FACT amounting to Rs. 2550 lakh has been paid by RCF and shown as Inter Corporate Deposit (ICD) advanced to it. The principal amount of Rs. 2550 lakh and interest of Rs. 0.54 lakh for the quarter has not been provided for, despite FACT's adverse financial position. Company is certain of settlement of the ICD given as FACT is a Government owned Entity.

Our conclusion is not modified in respect of these matters.

8. The consolidated unaudited financial results include parent's share of net loss after tax of Rs. 0.15 lakh for the quarter ended 30th June 2019 as considered in the consolidated unaudited interim financial results, in respect of 3 jointly controlled entities, based on their interim financial results which have not been reviewed / audited by us.

In respect of joint venture Urvarak Videsh Ltd., the interim financial results have been reviewed by their auditors whose report has been furnished to us by the Management and our conclusions on the Statements in so far as it relates to the amounts and disclosures included in respect of this joint venture is based solely on the report of the other auditor and the procedures performed by us as stated in Para 4 above.

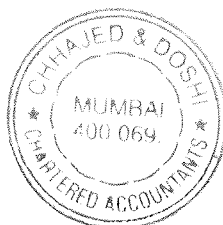
In respect of two joint ventures FACT RCF Building Products Ltd. and Talcher Fertilizers Ltd. the interim financial results have not been reviewed by their auditors and has been furnished to us by the Management. Further in respect of FACT RCF Building Products Ltd., owing to the Company's share of loss exceeding its interest in the joint venture the share of loss stands discontinued. Accordingly, the Company has not recognized share of its losses for the quarter ended 30th June 2019. According to the information and explanations given to us by the Management, these interim financial results are not material to the Parent.

Our conclusion on the Statement is not modified in respect of the above matter.

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



CA. Kiran K Daftary
Partner
Membership No. 010279
UDIN: 19010279AAAAAK5309



Place: Mumbai
Date: 8th August, 2019