

जय भगवान शर्मा  
कार्यपालक निदेशक  
(विधी एवं कंपनी सचिव)

**Jai Bhagwan Sharma**  
Executive Director  
(Legal & Company Secretary)

राष्ट्रीय केमिकल्स एण्ड  
फर्टिलाइजर्स लिमिटेड  
(भारत सरकार का उपक्रम)  
साथ बढ़ें समृद्धि की ओर

“प्रियदर्शिनी”,  
ईस्टर्न एक्सप्रेस हाइवे,  
सायन, मुंबई-400 022.



**Rashtriya Chemicals and  
Fertilizers Limited**

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

“Priyadarshini”,  
Eastern Express Highway,  
Sion, Mumbai - 400 022.

**CIN - L24110MH1978GOI020185**

दूरधनी / Tel: (Off.): (022) 2404 5024 • ई-मेल / E-mail: jbsharma@rcfltd.com • वेबसाइट / Website: www.rcfltd.com  
**RCF/CS/Stock Exchanges / 2023** June 22, 2023

The Corporate Relations Department <b>BSE Limited</b> Department of Corporate Services Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai – 400001.	The Listing Department <b>National Stock Exchange of India Limited</b> Exchange Plaza, 5th Floor, Plot No.C/1, G Block, Bandra Kurla Complex, Bandra(East), Mumbai- 400 051.
<b>Script Code: 524230 /959872/973742</b>	<b>Script Code: RCF EQ</b> <b>ISIN: INE027A07012/ NE027A08010</b>

Dear Sir/Madam,

**Sub: Outcome of the Board Meeting in accordance with the SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015**

This is to inform that Board at its meeting held on today i.e. June 22, 2023 has approved the Revised Consolidated Audited Financial Statements of the Company for the financial year ended March 31, 2023 based on consolidation of Audited Financial Statements of joint venture companies. There is no change in the Consolidated Audited Financial Results for the year ended March 31, 2023 submitted by the Company on May 30, 2023.

Accordingly, pursuant to Regulations 33 and 52 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we enclose the following:

- Revised Consolidated Audited Financial Statements of the Company for the financial year ended March 31, 2023;
- Auditor's Report issued by the Statutory Auditors in respect of the Revised Consolidated Audited Financial Statements for the financial year ended March 31, 2023;

The meeting of Board of Directors commenced at 10.45 am and concluded at 11.50 am.

This is for your kind information and record.

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

**J. B. Sharma**  
Executive Director  
Legal & Company Secretary

Encl: a./a.

M M Nissim & Co LLP  
Chartered Accountants  
Barodawala Mansion, B Wing, 3<sup>rd</sup> Floor  
Dr. Annie Besant Road, Worli,  
Mumbai - 400018

Gokhale & Sathe  
Chartered Accountants  
304,308, 309, Udyog Mandir No.1,  
Bhogoji Keer Marg, Mahim West,  
Mumbai-400016

**INDEPENDENT AUDITOR'S REPORT (Revised)  
TO THE MEMBERS OF RASHTRIYA CHEMICALS AND FERTILIZERS LIMITED**

**Report on the Audit of the Consolidated Ind AS Financial Statements**

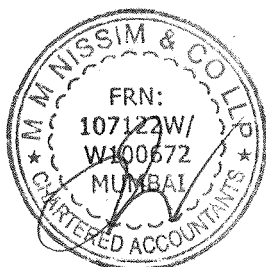
**Opinion**

We have audited the accompanying Consolidated Ind AS Financial Statements of **RASHTRIYA CHEMICALS AND FERTILIZERS LIMITED** (hereinafter referred to as "the Holding Company") and its jointly controlled entities comprising of the Consolidated Balance Sheet as at **March 31, 2023** the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Changes in Equity and Consolidated Statement of Cash Flows for the year ended **March 31, 2023** and notes to the Consolidated Ind AS financial statements, including a summary of the significant accounting policies and other explanatory information. (hereinafter referred to as "the Consolidated Ind AS Financial Statements").

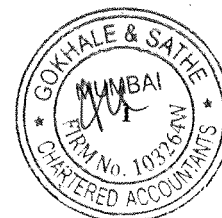
In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Consolidated Ind AS Financial Statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015 as amended, ("Ind AS") and other accounting principles generally accepted in India, of the consolidated state of affairs of the Holding Company as at **March 31, 2023** and its consolidated **profit**, consolidated total comprehensive income, consolidated changes in equity and its consolidated cash flows for the year ended on that date.

**Basis for Opinion**

We conducted our audit of the Consolidated Ind AS Financial Statements in accordance with the Standards on Auditing specified under section 143(10) of the Act (SAs). Our responsibilities under those Standards are further described in the *Auditor's Responsibilities for the Audit of the Consolidated Ind AS Financial Statements* section of our report. We are independent of the Holding Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the independence requirements that are relevant to our audit of the Consolidated Ind AS Financial Statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Consolidated Ind AS Financial Statements.



RCF Consolidated Audit Report FY 22-23 Revised



## Emphasis of Matter

We draw attention to the following matters:

a) **Note No. 65 - Revision of Consolidated Ind AS Financial Statements:**

Auditors report issued on May 30, 2023, is revised with reference to note 65 to the Consolidated Ind AS Financial Statements wherein, the Board of Directors have directed the Company to revise the Consolidated Ind AS Financial Statements to consolidate the audited figures of Talcher Fertilizers Limited, Jointly Controlled Entity based on its audited financial statements. Accordingly, the Consolidated Ind AS Financial Statements have been amended to that extent and approved by the Board of directors in their meeting held on June 22, 2023. Our audit procedures are restricted solely to the revision of the Consolidated Ind AS Financial Statements pursuant to the decision of the Board of Directors.

b) **Note No. 48 - Property, Plant and Equipment: Title deeds of Immovable properties:**

In respect of immovable properties other than land, i.e. building and other structures situated at its Trombay and Thal units, the Holding Company has self-constructed properties on the land owned by the Holding Company as evidenced by property cards/title deeds of land.

The Holding Company has contested that major portion of the immovable assets became vested with the Holding Company as a result of Government of India reorganizing certain fertilizers companies in the past. Based on the legal opinion obtained, the Holding Company is of the view that it has clear title to the same and also initiated the process of obtaining evidence of title towards self-constructed properties.

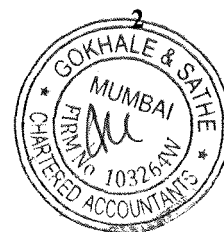
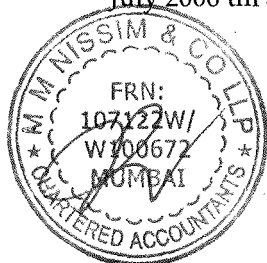
Apart from such properties, immovable properties, including land for which title deeds are not in the name of the Holding Company is mentioned in the standalone Ind AS financial statements.

c) **Note No. 50 - Gas pooling applicable to Fertilizer (Urea) sector:**

During the year 2022-23, The Holding Company has recognized a receivable of Rs. 79.84 crores recoverable from Department of Fertilizers on account of pooled price differential for the Year 2021-22 and for the period December 2022 to February 2023 raised by GAIL India Limited on account of substitution of EPMC and Spot gas used for Urea operations with cheaper market priced gas.

d) **Note No. 61 - Exceptional Item:**

Pursuant to the Ministry of Petroleum & Natural Gas (MoPNG) order No. L-13013/3/2012-GP-I, dated: 16th December 2015, GAIL had sought a differential levy on usage of gas for non-fertilizer/non-Urea operations, amounting to Rs. 1457.92 crores for the period commencing from 1st July 2006 till 30th June, 2019 by initiating arbitration proceedings before Administrative Mechanism



for Resolution of CPSEs Disputes (AMRCD). The Liability pertaining to period 1<sup>st</sup> July 2006 till 31<sup>st</sup> March 2016 was settled and excess provision of Rs. 147.00 crores were reported as an exceptional item in Year 2021-22. During the current year 2022-23, the liability from Financial Year 2016-17 onwards is crystalized and Rs. 30.15 crores excess provision is not considered necessary has been derecognized and reported as an exceptional item.

Our opinion is not modified in respect of the above matters.

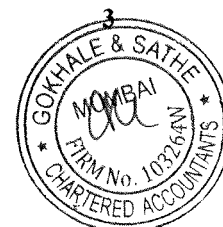
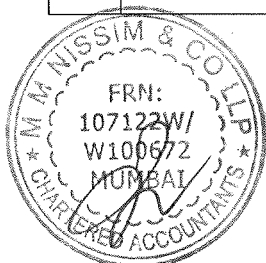
### Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Consolidated Ind AS Financial Statements of the current period. These matters were addressed in the context of our audit of the Consolidated Ind AS Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

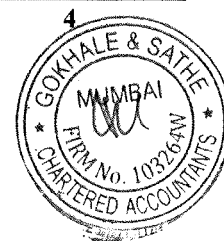
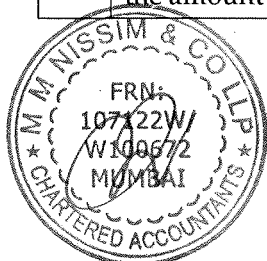
The key audit matters identified in our audit are:

1. Revenue Recognition and measurement in respect of subsidy income.
2. Estimation of Provision & Contingent Liabilities.
3. Information Technology General Control.

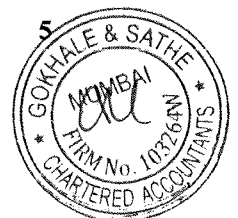
Sr. No.	Key Audit matter	Response to Key Audit Matter
1.	<p><b>Revenue recognition and measurement in respect to subsidy income.</b></p> <p>Recognition of subsidy is generally made on the basis of in principle recognition/approval /settlement of claims from Government of India/Fertilizer Industry Co-ordination Committee while finalizing the consolidated Ind AS financial statements.</p> <p>During the year, Subsidy adjusted on account of the escalations/de-escalations basis for the year amounts to Rs. 114.53 Crore refundable to FICC/DOF (PY Rs. 1588.30 Crore receivable).</p> <p>Such adjustments have been done for escalations/de-escalations in the cost of inputs and other costs, as estimated by the management based on the prescribed norms in line with known policy parameters.</p>	<p>Our Procedure included:</p> <p><b>Accounting policies and principles:</b></p> <p>We have reviewed the Holding Company's accounting policies for Subsidy on Urea as mentioned under "Note A. Statement of Significant Accounting policies III) D) Revenue Recognition" of the consolidated Ind AS financial statements and the same is compared with the applicable Ind AS.</p> <p><b>Tests of controls:</b></p> <p>We have evaluated the design, implementation and operating effectiveness of key controls over recognition of subsidy income.</p> <p><b>Tests of details:</b></p>



Sr. No.	Key Audit matter	Response to Key Audit Matter
	<p>MRP of Urea being fixed by Government of India, the Holding Company is entitled for subsidy wherein certain inputs costs are a pass through and compensation for production beyond a level of production known as Reassessed capacity is restricted to lower of Import Parity Price (IPP) of Urea plus other incidental charges which the government incurs on imported Urea, or its own concession price, as determined under extant policies for Urea. Further subsidy income is net of adjustments of recoveries towards sale/transfer for surplus ammonia or non-conversion of entire ammonia into Urea.</p> <p>Since there is a time lag between actual expenditure incurred and notification of concession rates for the year, Management exercises significant judgement in arriving at the income entitlement on account of same for the year.</p> <p>Therefore, there is a risk of revenue being misstated on account of errors in estimation of concession/IPP rates yet to be notified, due to absence of notification available and change in methodology/ calculation, if any for arriving at price concession.</p>	<p>We have verified the supporting documentation for determining that the subsidy was recognized in the correct accounting period and as per notified rates.</p> <p>In absence of notified rates, we have verified calculation of estimated rates based on information available with the Holding Company for such costs which are a pass through.</p> <p>In case estimation of income is based on other parameters like IPP of Urea etc. The verification of the same is based on available information in public domain.</p> <p>Testing reasonability of assumptions based on past trends, consistency in application and changes in the same owing to change in Government policies.</p> <p><b>Performing substantive analytical procedures: -</b></p> <p>Ascertainment and analysis of variations with respect of amounts estimated and actually entitled upon notification with respect to previous years.</p> <p>We also assessed as to whether the disclosures in respect of revenue were adequate.</p>
2	<p><b>Estimation of Provision &amp; Contingent Liabilities</b></p> <p>In the recognition and measurement of provisions, there is uncertainty about the timing or amount of the future expenditure required to settle the liability.</p> <p>In respect of contingent liabilities, there are estimates and assumptions made to determine the amount to be disclosed as at the year ended</p>	<p><b>Internal enquiry:</b></p> <p>We enquired of the senior management and inspected the minutes of the board and various committees of the board where relevant, for claims arising and challenged whether provisions are required.</p> <p><b>Tests of details:</b></p>



Sr. No.	Key Audit matter	Response to Key Audit Matter
	<p>31 March 2023, the amounts involved are significant. There is a high degree of judgement required for the recognition and measurement of provisions and disclosure of contingent liabilities.</p> <p>There is a risk of material misstatement that the estimates are incorrect and that the provisions or contingent liabilities are materially misstated.</p>	<p>In respect of significant claims, we checked the amount of claim, nature of issues involved, management submissions and corroborated the same with external evidence, where available.</p> <p><b>Enquiry and confirmation of lawyers:</b></p> <p>In respect of matters which are under dispute, we have assessed opinion of the Holding Company's in-house Legal Department / external lawyers wherever necessary.</p>
3	<p><b>Information Technology Controls</b></p> <p>A significant part of the Holding Company's financial reporting process is heavily reliant on IT systems with automated processes and controls over the capture, storage and extraction of information. A fundamental component of these processes and controls is ensuring appropriate user access and change management protocols exist and being adhered to. These protocols are important because they ensure that access and changes to IT systems and related data are made and authorised in an appropriate manner. As our audit sought to place a high level of reliance on IT systems and application controls related to financial reporting, high proportion of the overall audit effort was in Information Technology (IT) Systems and Controls. We focused our audit on those IT systems and controls that are significant to the Holding Company's financial reporting process.</p>	<p>We focused our audit on those IT systems and controls that are significant to the Holding Company's financial reporting process.</p> <p>We assessed the design and tested the operating effectiveness of the Holding Company's IT controls including those over user access and change management as well as data reliability.</p> <p>In a limited number of cases, we adjusted our planned audit approach as follows:</p> <ul style="list-style-type: none"> <li>- We extended our testing to identify whether there had been unauthorized or inappropriate access or changes made to critical IT systems and related data;</li> <li>- Where automated procedures were supported by systems with identified deficiencies, we extended our procedures to identify and test alternative controls; and</li> </ul>



Sr. No.	Key Audit matter	Response to Key Audit Matter
		<p>- Where required, we performed a greater level of testing to validate the integrity and reliability of associated data and reporting.</p> <p>Further, We have relied on provisional observations of independent consultant's past reports and the Holding Company's replies to the observations raised by the consultants.</p>

### Other Information

The Holding Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Holding Company's Annual report but does not include the Consolidated Ind AS Financial Statements and our auditor's report thereon. The Holding Company's Annual report is expected to be made available to us after the date of this auditor's report.

Our opinion on the Consolidated Ind AS Financial Statements does not cover the other information and we do not express any form of assurance conclusion thereon.

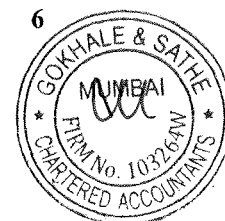
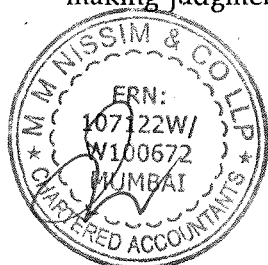
In connection with our audit of the Consolidated Ind AS Financial Statements, our responsibility is to read the other information and in doing so, consider whether the other information is materially inconsistent with the Consolidated Ind AS Financial Statements, or our knowledge obtained in the audit or otherwise appears to be materially misstated.

When we read the Holding Company's Annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and take necessary actions, as applicable under the relevant laws and regulations.

### Responsibilities of Management and Those Charged with Governance for the Consolidated Ind AS Financial Statements

The Holding Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 (the Act) with respect to the preparation of these Consolidated Ind AS Financial Statements that give a true and fair view of the financial position, the financial performance, total comprehensive income, changes in equity and cash flows of the Holding Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) prescribed under section 133 of the Act.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Holding Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and



maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Consolidated Ind AS Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Consolidated Ind AS Financial Statements, the respective management of the Holding Company and its Joint ventures are responsible for assessing the ability of each Company to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective management either intends to liquidate the Company or to cease operations or has no realistic alternative but to do so.

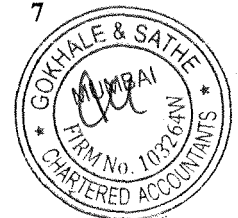
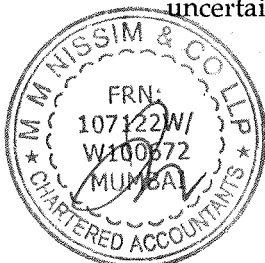
The respective Board of Directors of the Holding Company and its Joint Ventures are responsible for overseeing the financial reporting process of each Company.

### **Auditor's responsibilities for the Audit of Consolidated Ind AS Financial Statements**

Our objectives are to obtain reasonable assurance about whether the Consolidated Ind AS Financial Statements as a whole are free from material misstatement, whether due to fraud or error and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Consolidated Ind AS Financial Statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Consolidated Ind AS Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control.
- Obtain an understanding of internal controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on the internal financial controls with reference to the Consolidated Ind AS Financial Statements and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of the Management use of the going concern basis of accounting in preparation of Consolidated Ind AS Financial Statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the appropriateness of this assumption. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related





disclosures in the Consolidated Ind AS Financial Statements or if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Holding Company and its Joint Ventures to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the Consolidated Ind AS Financial Statements, including the disclosures and whether the Consolidated Ind AS Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the Consolidated Ind AS Financial Statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Consolidated Ind AS Financial Statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the Consolidated Ind AS Financial Statements.

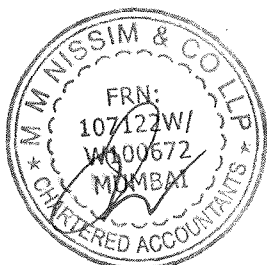
We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence and where applicable, related safeguards.

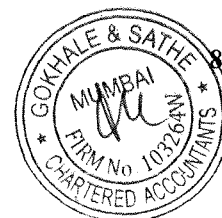
From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Consolidated Ind AS Financial Statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

## Other Matters

- 1) The accompanying Consolidated Ind AS Financial Statement includes the audited financial statements and other financial information in respect of :
  - a) As regards Urvarak Videsh limited, a joint venture, whose audited financial statement/information/results includes the Holding Company's share of net loss of Rs. 19,498 for the year ended 31st March 2023 as considered in the Consolidated Ind AS Financial statements for the year ended 31st March 2023.



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- b) As regards FACT-RCF Buildings Products Limited, a joint venture, the Holding Company doesn't include its share of loss as the Holding Company's share of losses exceeds its interest in Joint venture for the year ended 31st March 2023.

The independent auditor's of this entity have cast a doubt on material uncertainty related to going concern assumption and has given a qualified opinion on issues concerning matters viz., Impairment provisioning, balance confirmations and non-compliance of provisions of rule 2(1) (c) (vii) of Companies (Acceptance of Deposit) Rules, 2014.

- c) As regards Talcher Fertilizers Limited a joint venture whose audited financial statements/information/results includes the Holding Company's share of net loss of Rs 0.84 Crore for the year ended 31st March 2023 as considered in the Consolidated Ind AS Financial statements for the year ended 31<sup>st</sup> March 2023.

These financials statements of the above joint venture entities, have been audited by other auditors whose report have been furnished to us by the Management and our opinion on the Consolidated Ind AS financial statements, so far relates to the amounts and disclosures included in respect of Joint Ventures, and our report in terms of sub-section (3) of Section 143 of the Act, in so far as it relates to the aforesaid Joint Ventures is based solely on the reports of the other auditors.

Our opinion on the Consolidated Ind AS financial statements and our report on other legal and regulatory requirements below, is not modified in respect of the above three matters with respect to our reliance on work done and reports of other auditors on the financial statements of the 3 joint ventures.

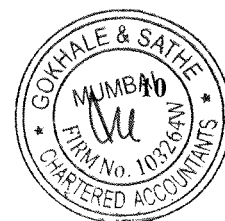
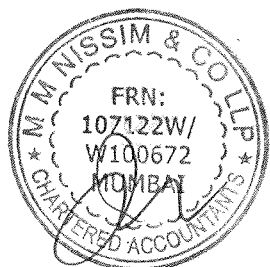
- 2) Pursuant to Note 65 to the Consolidated Ind AS financial statements this report supersedes our earlier report issued on May 30, 2023.

### Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of Section 143 (11) of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by section 143(3) of the Act, based on our audit and on the consideration of reports of the other auditors on separate financial statements of such jointly controlled entities as was audited by other auditors as noted in the 'Other Matters' paragraph, we report to the extent applicable that:
  - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid Consolidated Ind AS Financial Statements.



- b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid Consolidated Ind AS Financial Statements have been kept so far as it appears from our examination of those books and reports of other auditors.
- c) The Consolidated Balance sheet, Consolidated Statement of Profit and Loss including Other Comprehensive Income, Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flow dealt with by this report are in agreement with the relevant books of account maintained for the purpose of preparation of the Consolidated Ind AS Financial Statements.
- d) In our opinion, the aforesaid Consolidated Ind AS Financial Statements comply with the Indian Accounting Standards prescribed under Section 133 of the Act.
- e) The Holding Company being a government company, the provision of section 164(2) is not applicable in accordance with the Notification No. GSR 463 (E) dated 5th June 2015 issued by MCA. Accordingly, no reporting in regard to Clause 3(g) of section 143 is required.
- f) With respect to the adequacy of the internal financial controls with reference to the Consolidated Ind AS Financial Statements of the Holding Company and its Joint Ventures the operating effectiveness of such controls, refer to our separate report in "Annexure B".
3. *Non - Compliance of the SEBI Listing Obligation and Disclosure Requirements (LODR) Regulations, 2015 - as per Regulation 17(1)(b), the Chairman being an Executive Director, at least half of the Board of Directors should be comprised of Independent Directors including one Women Independent Director. Currently, the Holding Company does not have required number of Independent Directors on its board. (Refer Note 44.1.3 to the Consolidated Ind AS Financial Statements)*
4. In accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
- a) The Consolidated Ind AS Financial Statements disclose the impact of pending litigations on the consolidated financial position of the Holding Company and its jointly controlled entities - Refer Note 44 to the Consolidated Ind AS Financial Statements;
- b) The Holding Company and its jointly controlled entities has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts;
- c) There is no delay in transferring the amounts required to be transferred, to the Investor Education and Protection Fund by the Holding Company.



d)

I) The management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any kind of funds) by the Holding Company or its Joint Venture companies to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall:

- directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Holding Company or its Joint Venture companies incorporated in India or
- provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

II) The management has represented, that, to the best of its knowledge and belief, no funds have been received by the Holding Company or its Joint Venture companies incorporated in India from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Holding Company or its Joint Venture companies incorporated in India shall:

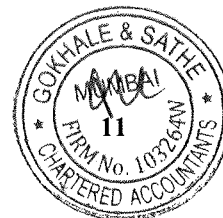
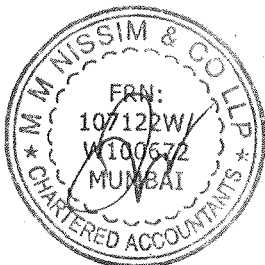
- directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Funding Party or
- provide any guarantee, security or the like from or on behalf of the Ultimate Beneficiaries; and

III) Based on such audit procedures as considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under clause 4 (d) (I) and 4( d) (II) contain any material misstatement.

e) The dividend declared or paid during the year by the Holding Company is in compliance with section 123 of the Act.

5. With respect to the other matters to be included in the Auditor's Report as per section 197 (16) of the Act:

In accordance with requirements of section 197 (16) of the act as amended: As per notification number G.S.R. 463 (E) dated June 5, 2015 issued by Ministry of Corporate Affairs, Section 197 of the Act as regards the managerial remuneration is not applicable to the Holding Company and its Joint ventures, since it is a Government Company.




M M Nissim & Co LLP  
Chartered Accountants  
Barodawala Mansion, B Wing, 3<sup>rd</sup> Floor  
Dr. Annie Besant Road, Worli,  
Mumbai - 400018

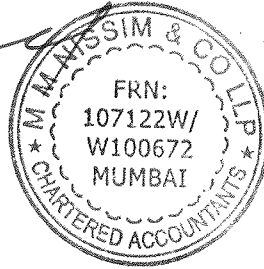
Gokhale & Sathe  
Chartered Accountants  
304,308, 309, Udyog Mandir No.1,  
Bhogoji Keer Marg, Mahim West,  
Mumbai-400016

6. Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 for maintaining books of account using accounting software which has a feature of recording audit trail (edit log) facility is applicable to the Holding Company with effect from April 1, 2023, and accordingly, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 is not applicable for the financial year ended March 31, 2023.

For M M Nissim & Co LLP  
Chartered Accountants  
Firm Regn. No.107122W/W100672

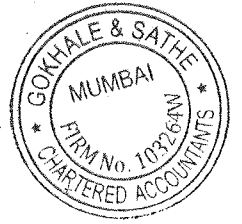
For Gokhale & Sathe  
Chartered Accountants  
Firm Regn. No. 103264W

  
N. Kashinath  
Partner  
Membership No. 036490  
UDIN:23036490BGXSAB2965





Atul Kale  
Partner  
Membership No. 109947  
UDIN: 23109947BGVVRD5823



Place: Mumbai  
Dated: 22<sup>nd</sup> June, 2023

## ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in Para 1 under 'Report on Other Legal & Regulatory Requirements' in our Report of even date.)

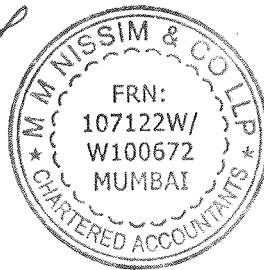
As required by paragraph 3(xxi) of the CARO 2020, we report that the auditors of the following companies incorporated in India have given qualification or adverse remarks in their CARO report on the Standalone Ind AS Financial Statements of respective companies to be included in the Consolidated Ind AS financial statements of the Holding Company:

Name of the Entities	CIN	Relationship with Holding Company	Date of respective auditor's report	Paragraph number in the respective CARO 2020 Reports
URVARAK VIDESH LIMITED	U24120DL2008GOI181057	Joint Controlled Entity	April 27,2023	(xvii)
FACT-RCF BUILDING PRODUCTS LIMITED	U26992KL2008PLC022347	Joint Controlled Entity	May 4, 2023	(i)(a), (vi), (viii) (a), (viii) (b), (xii), (xv) and (xvii)
TALCHER FERTILIZERS LIMITED	U24120OR2015PLC019575	Joint Controlled Entity	June 15, 2023	-

For M M Nissim & Co LLP  
Chartered Accountants  
Firm Regn. No.107122W/W100672



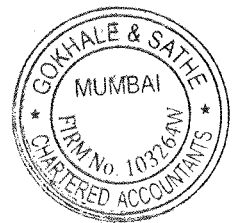
N. Kashinath  
Partner  
Membership No. 036490  
UDIN:23036490BGXSAB2965



For Gokhale & Sathe  
Chartered Accountants  
Firm Regn. No. 103264W



Atul Kale  
Partner  
Membership No. 109947  
UDIN: 23109947BGVVRD5823



Place: Mumbai  
Dated: 22<sup>nd</sup> June, 2023

## ANNEXURE "B" TO THE INDEPENDENT AUDITOR'S REPORT

*(Referred to in Para 1 of the section 'Report on Other Legal & Regulatory Requirements' in our Independent Auditor's Report to the members of the Holding company on the Consolidated Ind AS Financial Statements for the year ended March 31, 2023.)*

### Report On The Internal Financial Controls Under Clause (I) Of Sub-Section 3 Of Section 143 Of The Companies Act, 2013 ("The Act")

In conjunction with our audit of the Consolidated Ind AS Financial Statements of the Company as of and for the year ended 31 March 2023, we have audited the internal financial controls with reference to Consolidated Ind AS Financial Statements of Rashtriya Chemicals and Fertilizers Limited ("the Holding Company") and its Joint Ventures, which are companies incorporated in India as of March 31, 2023.

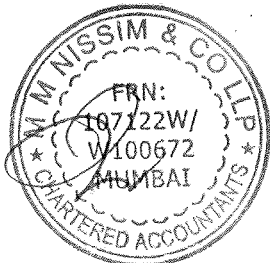
#### Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the Holding Company and its Joint Ventures, which are Companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to the Consolidated Ind AS Financial Statements criteria established by the Holding Company considering the essential components of internal control stated in the 'Guidance Note' issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

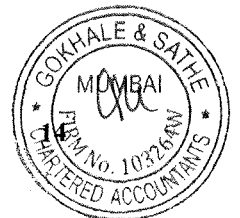
#### Auditors' Responsibility

Our responsibility is to express an opinion on the Holding Company's internal financial controls with reference to Consolidated Ind AS Financial Statement based on our audit. We conducted our audit in accordance with the 'Guidance Note' and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to the Consolidated Ind AS Financial Statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with respect to the Consolidated Ind AS Financial Statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system with reference to the Consolidated Ind AS Financial Statement and their operating effectiveness.



RCF Consolidated Audit Report FY 22-23 Revised



Our audit of internal financial controls with reference to the Consolidated Ind AS Financial Statements included obtaining an understanding of internal financial controls with reference to Consolidated Ind AS Financial Statement, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Consolidated Ind AS Financial Statement, whether due to fraud or error.

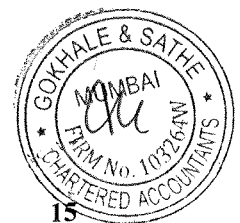
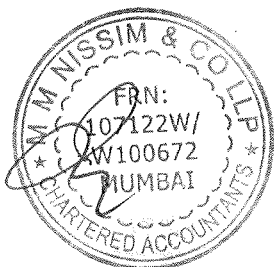
We believe that the audit evidence we have obtained, and the audit evidence obtained by the other auditors of the Joint Ventures, incorporated in India, in terms of their reports referred to in the "Other Matters" paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system with respect to Consolidated Ind AS Financial Statements.

### **Meaning of Internal Financial Controls with reference to the Consolidated Ind AS Financial Statements**

A company's internal financial controls with reference to the Consolidated Ind AS Financial Statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of Consolidated Ind AS Financial Statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to the Consolidated Ind AS Financial Statements include those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of Consolidated Ind AS Financial Statements in accordance with generally accepted accounting principles and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use or disposition of the company's assets that could have a material effect on the Consolidated Ind AS Financial Statements.

### **Inherent Limitations of Internal Financial Controls With reference to the Consolidated Ind AS Financial Statements**

Because of the inherent limitations of internal financial controls with reference to the Consolidated Ind AS Financial Statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to the Consolidated Ind AS Financial Statements to future periods are subject to the risk that the internal financial controls with reference to the Consolidated Ind AS Financial Statements may become inadequate because of changes in conditions or that the degree of compliance with the policies or procedures may deteriorate.





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Chartered Accountants  
Barodawala Mansion, B Wing, 3<sup>rd</sup> Floor  
Dr. Annie Besant Road, Worli,  
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Gokhale & Sathe  
Chartered Accountants  
304,308, 309, Udyog Mandir No.1,  
Bhogoji Keer Marg, Mahim West,  
Mumbai-400016

## Opinion


In our Opinion, to the best of our information and according to explanation given to us, the Holding Company and its Joint Ventures, which are companies incorporated in India, have, in all material respects, an adequate internal financial controls with reference to the Consolidated Ind AS Financial Statements in place and such internal financial controls with reference to the Consolidated Ind AS Financial Statements were operating effectively as at 31 March 2023, based on the internal controls over financial reporting criteria established by the Company considering the components of internal control stated in the Guidance Note' on Audit of Internal Financial Controls over Financial Reporting issued by the ICAI.

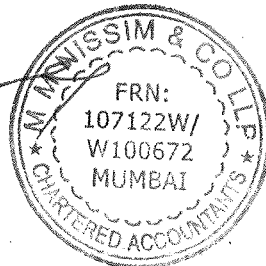
## Other Matters

Our aforesaid report under Section 143(3)(i) of the Act, on the adequacy and operating effectiveness of the internal financial controls with respect to Consolidated Ind AS Financial Statements, in so far as it relates to the three jointly controlled entities, namely Talcher Fertilizers Limited, Urvarak Videsh Limited and FACT RCF Building Products Limited, which are companies incorporated in India, is based solely on the report of the other auditor. Our opinion is not modified in respect of this matter.

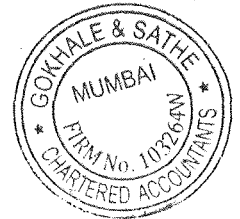
For M M Nissim & Co LLP  
Chartered Accountants  
Firm Regn. No.107122W/W100672

For Gokhale & Sathe  
Chartered Accountants  
Firm Regn. No. 103264W

  
N. Kashinath  
Partner  
Membership No. 036490  
UDIN:23036490BGXSAB2965



  
Atul Kale  
Partner  
Membership No. 109947  
UDIN: 23109947BGVVRD5823



Place: Mumbai  
Dated: 22<sup>nd</sup> June, 2023

Particulars	Note No.	AS AT	
		31.03.2023	31.03.2022
<b>ASSETS</b>			
<b>1. NON CURRENT ASSETS</b>			
(a) Property, Plant and Equipment	1	2522.18	2115.22
(b) Capital Work in Progress	1.4	211.48	512.93
(c) Right of Use Assets	2	15.02	11.69
(d) Investment Property	3	4.99	5.18
(e) Intangible Assets	4	0.43	1.60
(f) Financial Assets			
(i) Investments	5	994.19	926.52
(ii) Trade Receivables	6	-	-
(iii) Loans	7	5.10	10.22
(iv) Others	8	-	-
(g) Other Non-Current Assets	9	304.62	187.56
		<u>4058.01</u>	<u>3770.92</u>
<b>2. CURRENT ASSETS</b>			
(a) Inventories	10	2585.41	2327.61
(b) Financial Assets			
(i) Investments	11	-	8.04
(ii) Trade Receivables	12	2608.82	3026.73
(iii) Cash and Cash Equivalents	13	11.30	1099.73
(iv) Bank Balances other than (iii) above	14	53.23	64.53
(v) Loans	15	5.13	5.18
(vi) Others	16	147.18	69.14
(c) Other Current Assets	17	235.54	158.94
		<u>5646.61</u>	<u>6759.90</u>
<b>TOTAL ASSETS</b>		<u>9704.62</u>	<u>10530.82</u>
<b>EQUITY AND LIABILITIES</b>			
<b>A. EQUITY</b>			
(a) Equity Share Capital	18	551.69	551.69
(b) Other Equity	19	4038.43	3330.18
		<u>4590.12</u>	<u>3881.87</u>
<b>B. LIABILITIES</b>			
<b>1. NON-CURRENT LIABILITIES</b>			
(a) Financial Liabilities			
(i) Borrowings	20	1034.98	1120.41
(ii) Lease Liabilities	21	9.25	7.53
(iii) Other Financial Liabilities	22	33.98	29.98
(b) Provisions	23	191.08	193.95
(c) Deferred Tax Liabilities(Net)	24	236.90	214.07
(d) Other Non-Current Liabilities	25	27.78	30.93
		<u>1533.97</u>	<u>1596.87</u>
<b>2. CURRENT LIABILITIES</b>			
(a) Financial Liabilities			
(i) Borrowings	26	827.67	1847.81
(ii) Lease Liabilities	27	4.71	2.77
(iii) Trade Payables	28	-	-
(A) Total Outstanding Dues of Micro Enterprises and Small Enterprises.		57.13	36.55
(B) Total Outstanding Dues of Creditors Other than Micro Enterprises and Small Enterprises.		1954.16	2306.54
(iv) Other Financial Liabilities	29	446.05	518.56
(b) Other Current Liabilities	25	119.09	178.32
(c) Provisions	30	171.72	123.14
(d) Current Tax Liabilities (Net)	31	-	38.39
		<u>3580.53</u>	<u>5052.08</u>
<b>TOTAL EQUITY AND LIABILITIES</b>		<u>9704.62</u>	<u>10530.82</u>

Statement of Significant Accounting Policies

A

Notes forming part of Financial Statements

1 - 68

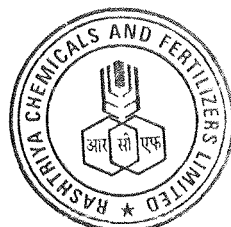
For and on behalf of the Board of Directors  
RASHTRIYA CHEMICALS AND FERTILIZERS LIMITED

(S. C. Mudgerikar)  
Chairman & Managing Director  
DIN : 03498837

(Nazha Shaikh)  
Director (Finance)  
DIN : 07348075

(J. B. Sharma)  
Company Secretary  
Membership No: FCS5030

Dated : 22nd June, 2023.  
Place: Lucknow



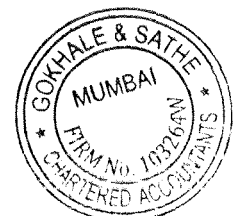
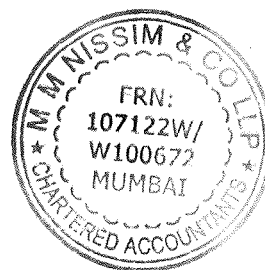
As per our report of even date attached  
For M M NISSIM & CO LLP  
Chartered Accountants  
Firm Regn. No. 107122W / W100672

For GOKHALE & SATHE  
Chartered Accountants  
Firm Regn. No. 103264W

(N. Kashinath)  
Partner  
Membership No: 036490

(Atul Kale)  
Partner  
Membership No: 109947

Dated : 22nd June, 2023.  
Place: Mumbai



**RASHTRIYA CHEMICALS AND FERTILIZERS LIMITED**  
**CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH 2023**

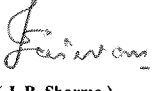
₹ Crore

PARTICULARS	Note No.	Year Ended	Year Ended
		31.03.2023	31.03.2022
I Revenue from Operations	32	21451.54	12812.17
II Other Income	33	143.30	136.45
<b>III Total Income(I+II)</b>		<b>21594.84</b>	<b>12948.62</b>
<b>IV Expenses:</b>			
Cost of Materials Consumed	34	8839.60	5469.83
Purchases of Stock in Trade	35	3047.43	1742.21
Changes in Inventories of Finished Goods and Stock in Trade	36	252.96	(859.69)
Employee Benefits Expense	37	692.37	653.78
Finance Costs	38	223.86	125.89
Depreciation and Amortization Expense / Impairment	39	212.12	183.55
Other Expenses	40	7145.99	4816.77
<b>Total Expenses</b>		<b>20414.33</b>	<b>12132.34</b>
V Profit Before Exceptional Items (III-IV)		1180.51	816.28
VI Share of Profit / (Loss) of Associates / JV's		(0.84)	(1.97)
VII Profit Before Exceptional Items (V-VI)		1179.67	814.31
VIII Exceptional Items	41	(93.47)	(127.63)
IX Profit before tax (VII-VIII)		1273.14	941.94
X Tax Expense			
(1) Current Tax		327.33	267.11
(2) Deferred Tax		21.53	(8.63)
(3) Taxation Adjustment of Earlier Years Excess(-)/Short(+)		(42.03)	(18.93)
XI Profit/ (loss) for the year (IX-X)		966.31	702.39
XII Other Comprehensive Income	42		
(i) Items that will not be reclassified to profit or loss			
Remeasurements of Defined Benefit Plans		(39.32)	(12.28)
Fair Value Equity Instruments		5.19	13.41
(ii) Income tax relating to items that will not be reclassified to profit or loss			
Income Tax on Remeasurement of Defined Benefit Plans		3.56	3.09
Deferred Tax on Fair Value Equity Instruments		(1.30)	(3.37)
<b>Other Comprehensive Income for the Year (XII)</b>		<b>(31.87)</b>	<b>0.85</b>
XIII Total Comprehensive Income for the Year (XI+XII)		934.44	703.24
XIV Earnings Per Equity Share	57		
(i) Basic Earnings Per Share (₹)		17.52	12.73
(ii) Diluted Earnings Per Share (₹)		17.52	12.73
Statement of Significant Accounting Policies	A		
Notes forming part of Financial Statements	1 - 68		

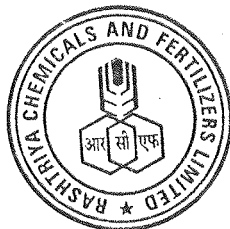
For and on behalf of the Board of Directors  
**RASHTRIYA CHEMICALS AND FERTILIZERS LIMITED**

  
(S. C. Mudgerikar)  
Chairman & Managing Director  
DIN : 03498837

  
(Nazhat Shaikh)  
Director (Finance)  
DIN : 07348075

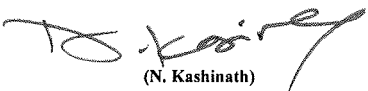
  
(J. B. Sharma)  
Company Secretary  
Membership No: FCS5030

Dated : 22nd June, 2023.  
Place: Lucknow




As per our report of even date attached  
For M M NISSIM & CO LLP  
Chartered Accountants  
Firm Regn. No. 107122W / W100672

For GOKHALE & SATHE  
Chartered Accountants  
Firm Regn. No. 103264W

  
(N. Kashinath)  
Partner  
Membership No: 036490

Dated : 22nd June, 2023.  
Place: Mumbai

  
(Atul Kale)  
Partner  
Membership No: 109947



**RASHTRIYA CHEMICALS AND FERTILIZERS LIMITED**  
**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31ST MARCH 2023**

**A. EQUITY SHARE CAPITAL**

₹ Crore

Balance as at 01.04.2022	Changes in equity share capital during the year	Balance as at 31.03.2023	Balance as at 01.04.2021	Changes in equity share capital during the year	Balance as at 31.03.2022
551.69	-	551.69	551.69	-	551.69

**B. OTHER EQUITY**

**FOR THE YEAR ENDED 31ST MARCH 2023**

₹ Crore

	Reserves and Surplus		Items of Other	Total
	General Reserve	Retained Earnings	Equity Instruments through Other Comprehensive	
Balance as at 01.04.2022	3261.30	-	68.88	3330.18
Profit for the year	-	966.31	-	966.31
Other Comprehensive Income (Net of Tax)	-	(35.76)	3.89	(31.87)
<b>Total Comprehensive Income for the year</b>	-	<b>930.55</b>	<b>3.89</b>	<b>934.44</b>
Dividend paid				
Refer note no. 19A	-	(226.19)	-	(226.19)
Transfer to General Reserve	704.36	(704.36)	-	-
<b>Balance as at 31.03.2023*</b>	<b>3965.66</b>	<b>-</b>	<b>72.77</b>	<b>4038.43</b>

**FOR THE YEAR ENDED 31ST MARCH 2022**

₹ Crore

	Reserves and Surplus		Items of Other	Total
	General Reserve	Retained Earnings	Equity Instruments through Other Comprehensive	
Balance as at 01.04.2021	2740.78	-	58.84	2799.62
Profit for the year	-	702.39	-	702.39
Other Comprehensive Income (Net of Tax)	-	(9.19)	10.04	0.85
<b>Total Comprehensive Income for the year</b>	-	<b>693.20</b>	<b>10.04</b>	<b>703.24</b>
Dividend paid				
Refer note no. 19A	-	(172.68)	-	(172.68)
Transfer from General Reserve	520.52	(520.52)	-	-
<b>Balance as at 31.03.2022*</b>	<b>3261.30</b>	<b>-</b>	<b>68.88</b>	<b>3330.18</b>

\* The closing balance in General Reserve is arrived after adjustment of Remeasurement of Defined Benefit Plans amounting to ₹ 35.76 crore ( P.Y. ₹9.19crore) during the year net of current tax amounting to ₹ 3.56 crore (P.Y. ₹ 3.09 crore)

**Nature and purpose of reserves**

- a. General Reserve:** General reserve represents appropriation of profits. This represents a free reserve and is available for dividend distributions. As the general reserve is created by a transfer from one component of equity to another and is not an item of other comprehensive income, items included in the general reserve will not be reclassified subsequently to the statement of profit and loss.
- b. Retained Earnings:** Retained earnings are the profits that the Company has earned till date, less any transfers to general reserve, dividends or other distributions paid to shareholders.
- c. Equity Instruments through Other Comprehensive Income Reserve:** This reserve represents the cumulative gains and losses arising on the revaluation of equity and debt instruments on the balance sheet date measured at fair value through other comprehensive income. The reserves accumulated will be reclassified to retained earnings and profit and loss respectively, when such instruments are disposed.

For and on behalf of the Board of Directors

**RASHTRIYA CHEMICALS AND FERTILIZERS LIMITED**

As per our report of even date attached

**For M M NISSIM & CO LLP**

**For GOKHALE & SATHE**

Chartered Accountants

Chartered Accountants

Firm Regn. No. 107122W / W100672

Firm Regn. No. 103264W

(S. C. Mudgerikar)

Chairman & Managing Director

DIN : 03498837

(Nazhat Shaikh)

Director (Finance)

DIN : 07348075

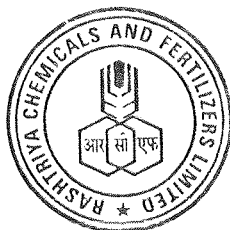
(J. B. Sharma)

Company Secretary

Membership No: FCS5030

Dated : 22nd June, 2023.

Place: Lucknow



(N. Kashinath)

Partner

Membership No: 036490

Dated : 22nd June, 2023.

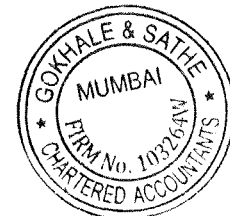
Place: Mumbai



(Atul Kale)

Partner

Membership No: 109947



RASHTRIYA CHEMICALS AND FERTILIZERS LIMITED  
CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2023

₹ Crore

Particulars	Year Ended 31.03.2023	Year Ended 31.03.2022
<b>A Cash Flow From Operating Activities</b>		
Net Profit Before Tax	1273.14	941.94
Adjustments for :		
Share of (Profit) / Loss from Joint Ventures	0.84	1.97
Exceptional Items - (Income)/ Expenses	(93.47)	(127.63)
Depreciation/Amortisation/Loss on Impairment of Assets	212.44	183.84
Provision / (Reversal) of Obsolescence on Raw Materials	-	(1.11)
(Profit) / Loss on Sale of Property, Plant and Equipment / Intangible Assets	0.50	(7.76)
Interest Income	(10.28)	(27.72)
Dividend Income	(0.40)	(0.27)
Rental Income Derived from Investment Properties	(32.21)	(36.39)
Gain / (Loss) on Sale of Current Investments	(1.63)	(4.58)
Interest and Finance Charges	223.86	125.89
Provision for Bad/Doubtful Debts	1.49	0.64
Provision for Obsolescence Stores	1.97	2.88
Provision Written Back	(0.56)	(4.06)
Unrealised Foreign Exchange (Gain) /Loss	13.91	1.11
	316.46	106.81
Operating Profit Before Working Capital Changes	1589.60	1048.75
Adjustments for :		
Trade Receivables and Other Assets	181.67	(1355.54)
Inventories	(259.55)	(1540.00)
Trade Payables and Other Liabilities	(346.97)	1472.70
	(424.85)	(1422.84)
Cash Generated / (Used) from Operations	1164.75	(374.09)
Direct Taxes Paid (Net of Refunds)	(377.74)	(218.00)
<b>Net Cash Generated / (Used) from Operating Activities ----- A</b>	<b>787.01</b>	<b>(592.09)</b>
<b>B Cash Flow from Investing Activities</b>		
Additions to Property, Plant and Equipment / Intangible Assets (Net of Trade Credit)	(384.64)	(169.95)
Sale of Property, Plant and Equipment / Intangible Assets	0.11	9.94
Purchase of Current Investments	(4444.73)	(8588.62)
Investments in Joint Ventures	-	(270.00)
Sale of Current Investments	4454.40	8585.16
Inter Corporate Advances / Repayments	5.10	6.00
Interest Received	10.44	28.11
Dividend Received	0.40	0.27
Rental Income Derived from Investment Properties	32.21	36.39
Margin Money Deposits Matured / (Placed) with Banks	11.18	(15.97)
	(315.53)	(378.67)
<b>Net Cash Generated / (Used) from Investing Activities ----- B</b>	<b>(315.53)</b>	<b>(378.67)</b>
<b>C Cash Flow from Financing Activities</b>		
Net Proceeds /Repayment of Working Capital Facilities and Short Term Loans	(876.91)	783.10
Proceeds from Term loans	-	640.68
Repayments of Term loans	(228.66)	(526.72)
Interest Paid	(222.81)	(121.40)
Dividend Paid	(226.31)	(172.24)
Repayment of Lease liabilities	(5.22)	(4.16)
	(1559.91)	599.26
<b>Net Cash Generated / (Used) from Financing Activities ----- C</b>	<b>(1559.91)</b>	<b>599.26</b>
Net Increase/Decrease(-) in Cash and Cash Equivalent (A+B+C)	(1088.43)	(371.50)
Cash and Cash Equivalents as at 1st April (Opening Balance)	1099.73	1471.23
Cash and Cash Equivalents as at 31st March (Closing Balance)	11.30	1099.73
<b>Components of Cash and Cash Equivalents</b>		
Cash on Hand	-	0.01
Balance With Scheduled Banks		
in Current Accounts	11.30	114.72
in Term Deposits with Less Than 3 Months Maturity	-	985.00
	11.30	1099.73

Note:

- The Cash Flow Statement has been prepared under the 'Indirect Method' as set out in the Indian Accounting Standard (Ind AS) 7 on Statement of Cash Flows and presents cash flows by operating, investing and financing activities.
- Figures of the previous year have been regrouped / rearranged wherever necessary to make it comparable to the current year presentation
- The cash credit facilities availed from bank are part of financing activity which do not form part of cash and cash equivalents for Cash Flow Statement purpose.

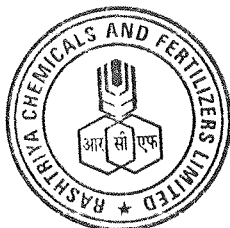
For and on behalf of the Board of Directors  
RASHTRIYA CHEMICALS AND FERTILIZERS LIMITED

(S. C. Mudgerikar)  
Chairman & Managing Director  
DIN : 03498837

(Prashant Shaikh)  
Director (Finance)  
DIN : 07348075

(J. B. Sharma)  
Company Secretary  
Membership No: FCS5030

Dated : 22nd June, 2023.  
Place: Lucknow



As per our report of even date attached

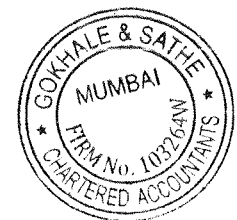
For M M NISSIM & CO LLP  
Chartered Accountants  
Firm Regn. No. 107122W / W100672

For GOKHALE & SATHE  
Chartered Accountants  
Firm Regn. No. 103264W

(N. Kishinuth)  
Partner  
Membership No: 036490

(Atul Kale)  
Partner  
Membership No: 109947

Dated : 22nd June, 2023.  
Place: Mumbai



## FORM AOC-1

Annexure-A

(Pursuant to first proviso to Sub-Section (3) of Section 129 read with Rule 5 of Companies (Accounts) Rules, 2014)  
STATEMENT CONTAINING SALIENT FEATURES OF THE FINANCIAL STATEMENTS OF SUBSIDIARY / ASSOCIATES / JOINT VENTURES

## Part A: Subsidiaries

Name of Subsidiary Company	Reporting Currency	Share Capital	Reserves & Surplus	Total Assets	Total Liabilities	Investments	Turnover	Profit before taxation	Provisio for taxation	Profit after taxation	Proposed Dividend	% of Shareholding	Reasons for non-consolidation:
Not Applicable													

## Part B: Associates and Joint Ventures

Statement pursuant to Section 129 (3) of the Companies Act, 2013 relating to Associate Companies and Joint Ventures

Name of Joint Venture	Last audited balance sheet date	Shares of Associate / Joint Ventures held by			Networth attributable to Shareholding as per the latest audited Balance Sheet (₹ in crore)	Profit / Loss for the year		Description of how there is significant influence	Reason why the associate / joint venture is not consolidated
		No.	Amount of investment in Associate / Joint Venture (₹ in crore)	Extent of Holding %		Considered in Consolidation (₹ in crore)	Not Considered in Consolidation (₹ in crore)		
1. FACT-RCF Building Products Ltd.	31-Mar-2023	3,52,27,000	35.23	50.00%	(73.22)	-	(3.95)	Note A	**
2. Urvarak Videsh Limited	31-Mar-2023	1,80,002	0.18	33.33%	0.02	-	-	Note A	
3. Talcher Fertilizers Limited	31-Mar-2023	80,54,80,826	805.48	33.33%	797.26	(0.84)	-	Note A	

Note

A: There is significant influence due to percentage(%) of Share Capital.

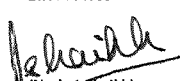
\* Share of JV in Profit / (Loss) for the year - Urvarak Videsh Limited

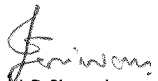
₹ (19,498)

\*\* As per Ind AS 28 - Investments in Associates and Joint Ventures, Para 38, If an entity's share of losses of an associate or a joint venture equals or exceeds its interest in the associate or joint venture, the entity discontinues recognizing its share of further losses  
Para 39 of the standard states that after the entity's interest is reduced to zero, additional losses are provided for, and a liability is recognized, only to the extent that the entity has incurred legal or constructive obligations or made payments on behalf of the associate or joint venture.

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

  
(S. C. Mudgerikar)  
Chairman & Managing Director  
DIN : 03498837

  
(Nazhat-Shaikh)  
Director (Finance)  
DIN : 07348075

  
(J. B. Sharma)  
Company Secretary  
Membership No: FCS5030

Dated : 22nd June, 2023.  
Place: Lucknow