



RASHTRIYA CHEMICALS AND FERTILIZERS LIMITED

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

Phone: 022-24045024/ Fax: 022 24045022

CIN: L24110MH1978GOI020185

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CORRIGENDUM

Re-scheduling of Date of 40th Annual General Meeting from Friday, 21st September, 2018 to Wednesday, the 26th September, 2018

We draw kind attention of all the members of **Rashtriya Chemicals and Fertilizers Limited** ("the Company") to the Notice dated 8th August, 2018 convening 40th Annual General Meeting (AGM) of the Company scheduled to be held on Friday, the 21st day of September, 2018 at 3.00 p.m. at "Sivaswamy Auditorium", The Fine Arts Society, Fine Arts Chowk, RC Marg, Chembur, Mumbai 400 071. ***This corrigendum should be read in conjunction with the Notice of 40th Annual General Meeting and Annual Report for 2017-18 of the Company.***

Due to unavoidable circumstances, the 40th Annual General Meeting of the Members of the Company will be held on ***Wednesday, the 26th day of September, 2018 at 3.00 p.m.*** instead of Friday, 21st day of September, 2018 at the same venue "Sivaswamy Auditorium", The Fine Arts Society, Fine Arts Chowk, RC Marg, Chembur, Mumbai 400 071.

Members are requested to note the revised dates as under due to the re-scheduled date of the Annual General Meeting:

Sr No	Particulars	As per the Original date of the Annual General Meeting (Friday, 21 st September, 2018)	As per the revised date of the Annual General Meeting (Wednesday, 26 th September, 2018)
1.	The Register of Members and Transfer Books of the Company will remain closed from	Saturday, the 15 th September, 2018 to Friday, the 21 st September, 2018 [both days inclusive]	<i>Thursday, 20th September, 2018 to Wednesday, 26th September, 2018 (both days inclusive)</i>
2.	Cut-off date for payment of Dividend and remote e-voting	Friday, the 14 th September, 2018	<i>Wednesday, the 19th September, 2018</i>
3	The remote e-voting period	Commences on Tuesday, the 18 th September, 2018 (9.00 a.m. IST) and ends on Thursday, the 20 th September, 2018 (5.00 p.m. IST).	<i>Commences on Saturday the 22nd September, 2018 (9.00 a.m. IST) and ends on Tuesday, the 25th September, 2018 (5.00 p.m. IST)</i>

The members of the Company be requested to read and take note of the following wherever mentioned in Annual Report and Notice of AGM:

- The date of AGM as Wednesday, 26th September, 2018 at 3.00 p.m. (Page No.1, 3, 74, 75, proxy form and Letter from Chairman of Annual Report).**
- Book Closure date as Thursday, 20th September, 2018 to Wednesday, 26th September, 2018 (both days inclusive) (Page No.3 & 75 of Annual Report).**
- E-voting period commences on Saturday, the 22nd September, 2018 (9.00 a.m. IST) and ends on Tuesday, the 25th September, 2018 (5.00 p.m. IST) (Page No.6 of Annual Report).**
- Cut-off date for the payment of dividend and e-voting as Wednesday, the 19th September, 2018 (Page No. 3 & 6 of Annual Report).**

Save for the above changes, all the information and contents set out in the Notice of 40th Annual General Meeting and Annual Report for the year 2017-18 remain unchanged.

For Rashtriya Chemicals and Fertilizers Limited

Place: Mumbai
Date: 25th August, 2018

(J. B. Sharma)
Company Secretary



Rashtriya Chemicals and Fertilizers Limited

(A Government of India Undertaking)

Let us grow together



40th ANNUAL REPORT 2017-18

NAYA BHARAT- HUM KARKE RAHENGE



Hon'ble Union Cabinet Minister for Chemicals and Fertilizers Shri Ananth Kumar visited RCF Stall in Exhibition cum Seminar based on the theme "Naya Bharat - Hum Karke Rahenge" organized at Bangalore. Shri Umesh V. Dhatriak, Chairman & Managing Director accompanied him during the visit.

ADDITIONAL SECRETARY VISITS RCF



Smt. Meenakshi Gupta, Additional Secretary & Financial Advisor, Dept. of Fertilizers, Govt. of India visited RCF. Shri Umesh V. Dhatriak, Chairman & Managing Director, Shri Sudhir D. Panadare, Director (Technical), Shri Umesh Dongre, Director (Finance), and other senior executives accompanied her during the visit.

BOARD of DIRECTORS



Shri Umesh V. Dhattrak
Chairman & Managing Director



Shri Suresh Warior
Director (Finance)
(Up to 30.11.2017)



Shri Sudhir D. Panadare
Director (Technical)
(From 18.12.2017)



Shri Umesh Dongre
Director (Finance)
(From 09.02.2018)



Shri Sushil Kumar Lohani, IAS
Jt. Secretary, Dept. of Fertilizers,
New Delhi (Up to 17.05.2018)



Ms Alka Tiwari, IAS
Jt. Secretary, Dept. of Fertilizers,
New Delhi



Ms Gurveen Sidhu, IA&AS
Jt. Secretary, Dept. of Fertilizers,
New Delhi (From 18.05.2018)



Shri Harin Pathak
Independent Director



Shri Bharatkumar Barot
Independent Director
(Up to 23.11.2017)



Shri G. M. Inamdar
Independent Director



Shri Suryanarayana Simhadri
Independent Director



Shri J. B. Sharma
Company Secretary
(From 01.10.2017)

MISSION STATEMENT

“Exponential growth through business excellence with focus on maximising stakeholder value by manufacturing and selling fertilizers and chemicals in a reliable, ethical and socially responsible manner”.

VISION STATEMENT

“To be a world class corporate in the field of fertilizers and chemicals with dominant position in Indian market, ensuring optimal utilisation of resources, taking due care of environment and maximising value of stakeholders”.

VALUE STATEMENT

“RCF shall deal in all aspects of Business with integrity, honesty, transparency and with utmost respect to the stakeholders, by honouring our commitments, providing results and striving for highest quality.”

LETTER from the CHAIRMAN

Dear Shareholders,

It gives me immense pleasure to share with you our performance for the year 2017-18 and perspectives on the way forward. Your Company has time and again proved that no challenge is greater than their employees' dedication and commitment which brings the Company to greater heights with every passage of time. Simultaneously, your Company has incessantly continued its efforts in reducing costs by improvising on efficiencies. Throughout the time, our Company has constantly evolved to stay relevant to meet the needs of customers and deliver value to all its stakeholders.

Overview of the Economy

India has emerged as the fastest growing major economy in the world as per the Central Statistics Organisation (CSO) and International Monetary Fund (IMF) and it is expected to be one of the top three economic powers of the world over the next 10-15 years, backed by its strong democracy and partnerships. India's GDP growth is estimated as 6.7% in 2017-18 and is expected to grow at 7.3% in 2018-19. The tax collection figures during FY 2017-18 show an increase in net direct taxes by 18% on year-on-year basis. While some of the growth in tax collections may be attributed to the growth in economy and rising compliance, it is also as a result of implementation of GST. GST might have played a big role in the direct tax collection by putting a check on tax evasion which, in turn, might have boosted the direct tax revenue collections.

The Union Budget for 2018-19 was announced by Union Minister for Finance, Government of India, in Parliament on February 1, 2018. This year's budget focuses on uplifting the rural economy and strengthening of the agriculture sector, healthcare for the economically less privileged, infrastructure creation and improvement in the quality of education of the country. As per the budget, the Government is committed towards doubling the farmers' income by 2022. A total of ₹ 14.34 lakh crore (US\$ 225.43 billion) will be spent for creation of livelihood and infrastructure in rural areas. Budgetary allocation for infrastructure is set at ₹ 5.97 lakh crore (US\$ 93.85 billion) for 2018-19. All-time high allocations have been made to the rail and road sectors.

Numerous foreign companies are setting up their facilities in India on account of various government initiatives like Make in India and Digital India. India's gross domestic product (GDP) is expected to reach US\$ 6 trillion by FY 2027 and achieve upper-middle income status on the back of digitisation, globalisation, favourable demographics, and reforms.

Overview of the Fertilizer Industry

Primary fertiliser sales in financial year (FY) 2017-18 witnessed a modest growth of 2% year over year (YoY) owing to healthy off-take by farmers and low inventory stocking by companies in view of pan-India implementation of Direct Benefit Transfer (DBT). Urea sales volume grew 2% yoy to 30.31 MMT in FY 2017-18 from 29.60 MMT in FY 2016-17; indigenous urea sales grew 1% YoY while urea imports grew 9% in the same period. Non-urea fertilisers grew 2% YoY in FY 2017-18 driven by healthy sales of DAP, MOP and complexes with DAP, NPK and MOP sales growing 1%, 4% and 14% respectively. DAP sales volume grew 1% to 9.0 MMT in FY 2017-18 from 8.9 MMT in FY2017 while sale of NPK complexes grew 4% YoY to 9.0 MMT in FY 2017-18 from 8.7 MMT in FY 2016-17. MOP sales volume continued to witness healthy growth of 14% in FY 2017-18 post impressive growth of 15% in FY 2016-17 owing to the price of the fertiliser remaining low.

Domestic urea production has witnessed a decline of ~0.5% yoy to 24.10 MMT in FY 2017-18 from 24.20 MMT in FY2016-17. The decline has been majorly due to certain planned and unplanned shutdowns in various urea plants during the early part of the year. However, post normalisation of operations, the production rates have improved in latter half of the year. Urea imports have risen 9% to 5.9 MMT in FY2017-18 as against 5.5 MMT in FY2016-17. The growth in import comes on the back of lower base of FY2016-17 while imports on an absolute level remain lower in FY 2017-18 vis-a-vis past years, which has also led to systemic inventory levels declining sharply at the end of FY 2017-18.

The Direct Benefit Transfer (DBT) was recently rolled out on a pan India basis from February 1, 2018 after completion of the pilot stage that was implemented across 19 districts. The new subsidy framework aims to address several challenges being faced under the existing system, including diversion of urea for non-Agricultural use, imbalanced use of fertilisers, delay in subsidy receipts from the Government of India (GoI) and protection of some of the legacy and inefficient plants. However, owing to the large subsidy backlog, inadequate subsidy provisioning in the Union Budget as well as shifting of subsidy realisation from point of dispatch to point of retail sale, the implementation of DBT is likely to have a negative impact on the working capital cycle of the fertiliser industry in the near term. During the pilot stage, several operational and technological issues such as Aadhaar based identity authentication failure, weak internet connectivity, delay in update of stock position by wholesalers and stock reconciliation issues among other technical glitches were witnessed. However, subsequently several steps were taken to reduce the rate of authentication failure and lowering of transaction time.

GoI has allowed 14 urea units which were unable to carry out energy efficiency capex to continue with existing norms with nominal penalties while norms have been tightened for 11 urea units which had completed capex and were able to meet energy norms under NUP-2015. The units which have been unable to meet the target energy norms will face nominal penalties. The CCEA also approved continuation of existing norms for the naphtha-based urea units for another two years i.e. FY 2018-19 and FY 2019-20 or till pipeline connectivity is achieved whichever is earlier. With revision in norm for 11 units at present the savings in subsidy is expected to be around ₹ 268 crore per annum according to GoI and once the remaining units migrate to revised norms, the total subsidy saving expected to be ₹1500-1700 crore per annum based on prevailing pooled gas prices. However, the tightening of norms will negatively affect the profitability of the urea units as the energy savings earned would decline vis-a-vis the earlier norms. The new norms will remain applicable till March 31, 2025.

Corporate Overview of the Company:

During the year, your Company achieved a Turnover of ₹ 7318.63 crore as against ₹7223.17 crore in previous year (PY). Profit Before Tax (PBT) during the year, stood at ₹128.34 crore as against ₹248.73 Crore, i.e. a reduction by 52% over previous year. Profit After Tax (PAT) stood at ₹78.80 crore as against ₹179.26 Crore i.e. reduction by 44% over previous year. Reduction in profits of the Company is mainly on account of lower sales of Urea, Suphala & Traded



products, lower energy efficiencies, wage revision provision etc.

Your Company achieved sales volume of 30.64 lakh MT during 2017-18 as compared to 31.87 lakh MT during the previous year. The Total sale of manufactured fertilizers during 2017-18 was 29.81 lakh MT as against 30.44 lakh MT during the previous year. Sales of manufactured fertilizers registered reduction of 2.07 % over previous year owing to lower sales of fertilizers and bought out products.

Projects

I am happy to announce that your Company is planning to undertake major projects in the direction of:

self-reliance on scarce resources like water;

- improving efficiency in use of energy in production operations;
- participation in the revival of closed fertilizer units; and
- making efforts for increasing consistently availability of raw materials / finished fertilizers through joint ventures in India and Abroad,

The details of such projects are available in the Directors' Report. Your Company is also looking for opportunities for long term off take agreements for procurement of fertilizers, to ensure sustained growth. I am confident that with your continuous support, encouragement and faith in us and support from the Government, your Company would march ahead successfully.

I am delighted to present the Annual Report for the year 2017-18 and hope to see you on 21st September, 2018 at the 40th Annual General Meeting of the Company.

Going forward

The Government of India is focused on the development of the agricultural sector and on improving the rural economy. In the union budget for FY2018-19, the GoI announced a downward revision in the subsidy provision for FY2017-18(RE) to ₹ 650 billion as against ₹700 billion estimated earlier while the subsidy allocation for FY2018-19 was increased to ₹ 700 billion. While the subsidy allocation for urea was increased by ~5% to ₹ 450 billion, that for NPK has been increased by 13% to ₹ 251 billion. The subsidy backlog for the industry is expected to remain high at ₹ 286 billion towards the end of FY2017-18. While subsidy backlog is lower in comparison to levels seen in the end of FY2015-16, it continues to remain at high levels and will continue to impact the profitability of the industry. Additionally, any material uptick in the raw material prices may see the backlog figure to increase in FY2018-19 from current levels if no additional subsidy allocation is made during the year. Further, the Ministry of Finance has approved a Special Banking Arrangement (SBA) amounting to ₹7000 crore for the Fertiliser Ministry, in the form of interest subvention, as was the case in February 2017. As the SBA is a short-term loan extended at a subsidised interest rate (with the government interest liability limited to the 10-year G-Sec rate), it will have to be repaid from the budgetary allocation in FY2018-19. Thus, the SBA, will certainly help in reducing the interest costs being borne by the fertiliser units but the issue of subsidy backlog will continue to plague the industry.

The outlook for fertiliser sales remains positive for the upcoming Kharif season given in the expectation of a normal monsoon and prospects for rise in MSP given the budget pronouncements. Given the forecast of a normal monsoon and assurance by the GoI to ensure MSPs at 150% of the cost of production for farmers, the sowing level in the upcoming Kharif season is expected to witness healthy growth YoY which should promote healthy fertiliser off-take during the season. The overall fertiliser sales expected to witness 2%-4% YoY growth in the upcoming Kharif season.

The Government is extremely committed in improving the quality of soil and in bringing it to its ideal NPK levels. The ideal NPK ratio is 4:2:1 whereas Indian soils the ratio is 6.8:2.7:1.

- With the sales of fertilizers now being streamlined with the DBT mechanism which is linked with soil health cards we can expect improvement in the nutrient usage. The government has distributed 136.5 million soil health cards till date.
- We can expect the production non controlled fertilizers like DAP and SSP to increase given the importance of balanced usage of fertilizers and also with the government increasing the subsidy rate for P grade and S grade fertilizers.
- Urea usage to be moderate during FY18-19 due to the effectiveness of neem coating of urea and with the introduction of 45kg urea bags (earlier 50kg urea bags were sold).

As per our estimates the raw material cost for the fertilizer industry could increase by 5% due to the increase in gas prices. This could pressure on fiscal spending of the government while disbursing the subsidies.

The fertilizer sector faces an inverted duty structure with the raw materials being taxed at 18% (except phosphoric acid which is taxed at 12%) and the final product being charged at 5%.

Introduction of DBT will help bring relief to manufactures with the subsidies being transferred directly to them, but since the implementation is still picking up there are a few teething issues which need to be resolved, till then this could lead to a short term liquidity crunch with the manufacturers in the collection of subsidies.

Acknowledgement

Before I conclude, I would like to place on record my appreciation to all my colleagues on the Board, past and present, for their valuable contribution in the growth of the company. Finally, on behalf of the Board, I would like to thank you, our valued shareholders, for your unwavering support in our journey to deliver value to all our stakeholders.

Thank you, ladies and gentlemen.

Umesh V. Dhattrak

Chairman & Managing Director

Mumbai

Dated : 8th August, 2018

RAJBHASHA HINDI SAMMELAN



Hon'ble Governor of Maharashtra Shri Vidyasagar Rao and Chairman & Managing Director of RCF Shri Umesh V. Dhatrak inaugurating a book on the occasion of Rajbhasha Hindi Sammelan of West and Central Zone held at RCF Gangadhar Deshmukh Hall Chembur, Mumbai

WIPS AWARD



Shri Umesh V. Dhatrak, Chairman & Managing Director, Shri Sudhir D. Panadare, Director (Technical), Shri Umesh Dongre, Director (Finance) appreciating RCF WIPS Cell for achieving an Award in recognition of Best Activities for Women from Forum of Women in Public Sector (WIPS) .

FINANCIAL HIGHLIGHTS AT A GLANCE

Sr. No.	PARTICULARS	2017-18 As per Ind AS	2016-17 As per Ind AS	2015-16 As per revised Schedule VI	2014-15 As per revised Schedule VI	2013-14 As per revised Schedule VI	2012-13 As per revised Schedule VI	2011-12 As per revised Schedule VI	2010-11 As per revised Schedule VI	2009-10	2008-09	2007-08	2006-07	2005-06	2004-05	2003-04
1	Turnover (Gross Sales+ Subsidy + Other Income)	7514.64	7450.74	9013.43	8057.65	6877.89	7102.49	6662.36	5671.60	5826.25	8538.43	5325.06	3644.60	3187.80	2895.90	2396.64
2	Profit before Interest (Net), Depreciation and Tax (EBIDTA)	319.19	478.34	573.24	887.29	628.59	612.72	531.24	476.74	439.70	487.22	384.31	363.66	284.39	303.99	233.38
3	Depreciation	137.04	141.10	145.13	258.12	141.75	173.15	142.44	112.62	75.60	86.58	86.96	75.42	68.53	96.71	69.17
4	Interest [Net]	53.81	88.51	135.93	111.38	119.90	59.09	12.75	9.65	19.87	74.93	59.32	46.93	0.80	(3.98)	(91.59)
5	Prior year Adj. - Expenses / (Income)	0.00	0.00	1.08	8.16	(0.38)	0.36	1.59	(0.22)	0.02	0.01	(4.04)	0.07	(0.61)	(0.41)	(0.85)
6	Exceptional Items	0.12	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
7	Profit / (Loss) Before Tax	128.22	248.73	291.10	509.63	367.32	380.12	374.46	354.69	344.21	325.70	242.07	241.24	215.67	211.67	256.65
8	Tax Provision (Net of Adj.)	49.42	69.47	99.87	187.57	117.43	99.22	125.22	109.57	109.34	114.12	83.92	92.50	67.71	70.71	88.86
9	Profit / (Loss) After Tax	78.80	179.26	191.23	322.06	249.89	280.90	249.24	245.12	234.87	211.58	158.15	148.74	147.96	140.96	167.79
10	Dividend															
	Rate %	6.00	11.00	11.00	18.00	15.00	15.00	14.00	11.00	11.00	12.00	10.00	10.00	10.00	17.00	17.00
	Amount :	39.91	73.04	73.04	119.52	96.79	96.81	89.77	70.53	70.77	77.45	64.55	64.55	62.91	107.02	105.81
	Dividend Payout Ratio %	50.64	40.75	38.19	37.11	38.73	34.46	36.02	28.77	30.13	36.61	40.82	43.39	42.52	75.92	63.06
11	Working Capital	1544.05	1607.38	1465.03	1695.06	1378.73	1199.67	1116.04	1036.33	1933.66	1896.01	1418.44	1434.06	884.39	849.81	734.48
12	Capital Employed	4388.64	4710.66	5564.75	4705.99	4333.38	4073.22	3423.14	2542.65	3176.37	2973.17	2472.58	2449.97	1756.80	1738.87	1609.53
13	Net Worth	2929.69	2925.02	2829.12	2710.93	2508.39	2355.29	2171.20	2011.73	1837.14	1672.42	1537.38	1447.30	1361.50	1271.42	1234.08
14	RATIOS															
	Current Ratio [CA : 1]	1.64	1.56	1.35	1.62	1.58	1.42	1.40	1.85	2.25	1.93	2.63	3.28	2.29	2.78	2.86
	Debt Equity Ratio [Debts: 1]	0.11	0.04	0.05	0.14	0.13	0.09	0.13	0.08	0.72	0.85	0.81	0.66	0.32	0.29	0.17
	EBIDTA to capital employed %	7.27	10.15	10.30	18.85	14.51	15.04	15.52	18.75	13.84	16.39	15.54	14.84	16.19	17.48	14.50
	PBT to Capital Employed %	2.92	5.28	5.23	10.83	8.48	9.33	10.94	13.95	10.84	10.95	9.79	9.85	12.28	12.17	15.95
	PAT to Capital Employed %	1.80	3.81	3.44	6.84	5.77	6.90	7.28	9.64	7.39	7.12	6.40	6.07	8.42	8.11	10.42
	PBT to Net Worth %	4.38	8.50	10.29	18.80	14.64	16.14	17.25	17.63	18.74	19.47	15.75	16.67	15.84	16.65	20.80
	PAT to Net Worth %	2.69	6.13	6.76	11.88	9.96	11.93	11.48	12.18	12.78	12.65	10.29	10.28	10.87	11.09	13.60
	PAT to Equity %	14.28	32.49	34.66	58.38	45.30	50.92	45.18	44.43	42.57	38.35	28.67	26.96	26.82	25.55	30.41
	PBT to Turnover %	1.71	3.34	3.23	6.32	5.34	5.35	5.62	6.25	5.91	3.81	4.55	6.62	6.77	7.31	10.71
	PAT to Tounover %	1.05	2.43	2.14	4.04	3.67	3.99	3.78	4.37	4.07	2.50	3.00	4.12	4.69	4.92	7.07
	Earning per share Before Tax (₹)	2.32	4.51	5.28	9.24	6.66	6.89	6.79	6.43	6.24	5.90	4.39	4.37	3.91	3.84	4.65
	Earning per share After Tax (₹)	1.43	3.25	3.47	5.84	4.53	5.09	4.52	4.44	4.26	3.84	2.87	2.70	2.68	2.56	3.04
	EBIDTA to Turnover %	4.25	6.48	6.42	11.12	9.23	8.71	8.05	8.49	7.55	5.71	7.22	9.98	8.92	10.50	9.74

**Senior Managers**

Name	Designation
T. V. Reddy	Chief Vigilance Officer
Ravindra P. Jawale	Executive Director (Thal)
Shirish G. Bhogle	Executive Director (HRD, R&D and IT)
Saifuddin K. Fidvi	Executive Director (QC-Corp)
Ajit S. Kashikar	Executive Director (Trombay)
Arun V. Nawade	Executive Director (HR)
P. L. C. K. Prasad	Executive Director (Fin & CSO)
Chandraguptarajah S. A.	Executive Director (Trombay Projects)
V. P. Sreekrishnan	Executive Director (Operations)
Arvind T. Jadhav	Executive Director (IPD) I/C.
Nuhu H. Kurane	Executive Director (Marketing) I/C.
Subhash S. Kawade	Chief Gen Mgr (Trombay Finance)
Rajendra P. Paradkar	Chief Gen Mgr (Co-Ordination)
Asok Kumar Das	Chief Gen Mgr (Commercial)
Milind M. Deo	Chief Gen Mgr (Technical), Thal
Satish B. Pawar	Chief Gen Mgr (HR-Admn)
Abhay V. Lonkar	Chief Gen Mgr (Utility & Projects), Thal
Gajanan N. Tatwawadi	Gen Mgr (Nitrogen)
Shirish M. Chalke	Gen Mgr (Corp.Fin & Mktg Fin)
Vivek S. Fadnis	Gen Mgr (Nitrogen), Thal
Raghunandan Khemani	GM (Talcher Proj) / COO (Downstream) - TFL
Milind W. Meshram	Gen Mgr (IPD)
Hemant R. Kulkarni	Gen Mgr (HR / Admn.), Thal
Suhas S. Shelar	Gen Mgr (Mktg)
Alkesh R. Takpere	Gen Mgr (Corporate)
Milind V. Kulkarni	Gen Mgr (Commercial), Thal
Vijay P. Mutadak	Gen Mgr (IT)
Vasant S. Nandekar	Gen Mgr (TS)

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Share Transfer Agent: M/s. Link Intime India Pvt. Ltd., C-101, 247 Park, L.B.S. Marg, Vikhroli West, Mumbai – 400 083
(022) 49186000

Bankers State Bank of India
Swastik Chamber
Chembur, Mumbai.

Statutory Auditors: M/s Kalyaniwalla & Mistry LLP, Mumbai
M/s Chhajed & Doshi, Mumbai

Cost Auditors: M/s K. G. Goyal & Associates, Jaipur.

Internal Auditors: M/s Amit Ray & Co., Mumbai
M/s Bandyopadhyaya Bhaumik & Co., Kolkata

Solicitor: M/s M.S. Bodhanwalla & Co., Mumbai.

RASHTRIYA CHEMICALS AND FERTILIZERS LIMITED

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

Phone: 022-24045024/ Fax: 022 24045022

CIN: L24110MH1978GOI020185

Email Id: investorcommunications@rcfltd.com / Website: www.rcfltd.com

NOTICE

FORTIETH ANNUAL GENERAL MEETING

NOTICE is hereby given that the FORTIETH ANNUAL GENERAL MEETING OF THE MEMBERS OF RASHTRIYA CHEMICALS AND FERTILIZERS LIMITED will be held at "Sivaswamy Auditorium", The Fine Arts Society, Fine Arts Chowk, RC Marg, Chembur, Mumbai 400 071, on Friday, the 21st day of September, 2018 at 3.00 p.m. to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Financial Statements (Standalone and Consolidated) of the Company for the year ended 31st March, 2018, including Profit & Loss Statement for the year ended 31st March, 2018 and Balance Sheet as at that date together with the Reports of Directors and Auditors thereon.
2. To declare dividend on equity share capital for the financial year 2017-18;
3. To appoint a Director in place of Ms. Alka Tiwari (DIN: 03502306), who retires by rotation and being eligible, offers herself for reappointment.
4. To fix the remuneration of Statutory Auditors for the Financial Year 2018-19 and in this regard to consider and if thought fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution**:

"RESOLVED THAT pursuant to Section 142 and other applicable provisions, if any, of the Companies Act, 2013, approval of the Company be and is hereby accorded to the Board of Directors to fix the remuneration, as may be reasonable and expedient, of the Statutory Auditors appointed by the Comptroller and Auditor General of India for conducting the Audit of the accounts of the Company for the financial year 2018-19."

SPECIAL BUSINESS:

5. To appoint Shri Umesh Vasant Dhatrak, as Chairman & Managing Director of the Company.

To consider and if thought fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution**:

"RESOLVED THAT pursuant to the provisions of Sections 149, 152, 160 and 161 and all other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re- enactment thereof for the time being in force), Shri Umesh Vasant Dhatrak (DIN: 07718394), who was appointed by the Board of Directors in its meeting held on 21st September, 2017 as an Additional Director and Chairman & Managing Director of the Company and who holds office upto the date of this Annual General Meeting in terms of Section 161 of the Companies Act, 2013 and in respect of whom the Company has received a notice in writing from a member proposing his candidature for the office of Director, be and is hereby appointed as the Director and Chairman & Managing Director of the Company w.e.f. 14th September, 2017 on terms and conditions as determined by the Government of India, in the scale of ₹80,000-₹1,25,000/- plus perquisite as applicable to the grade, for a period of five years from the date of his assumption of charge of the post or till the date of his superannuation or until further orders, whichever is earliest. He shall not be liable to retire by rotation."

6. To appoint Shri Sudhir D. Panadare, as Director (Technical) of the Company.

To consider and if thought fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution**: