



CHAIRMAN'S SPEECH

47TH ANNUAL GENERAL MEETING OF RASHTRIYA CHEMICALS AND FERTILIZERS LIMITED

FRIDAY , OCTOBER 17, 2025 AT 3.00 PM



47TH ANNUAL GENERAL MEETING HELD ON FRIDAY, OCTOBER 17, 2025

CHAIRMAN'S SPEECH

DEAR VALUED SHAREHOLDERS OF RCF,

The financial year 2024-25 unfolded against a backdrop of global economic uncertainty, fluctuating commodity prices, and evolving policy frameworks, which posed both challenges and opportunities for the fertilizer industry. Despite these headwinds, your Company remained resilient, adapting to the changing environment while continuing to fulfill its mandate of supporting the nation's agricultural sector. Your Company delivered a robust performance while remaining steadfast in its commitment to creating long-term value for all stakeholders. By ensuring the uninterrupted supply of quality fertilizers, your Company has played a pivotal role in strengthening the nation's agricultural backbone, supporting food security, and empowering millions of farmers across the country.

Amid rising challenges of sustainability and resource efficiency, your Company has remained committed to adopting innovative practices, enhancing operational excellence, and promoting balanced and judicious use of fertilizers. With a steadfast focus on rural development and farmer welfare, we continue to align our efforts with the national agenda of sustainable agriculture and inclusive growth.

It is my great privilege to address you today as we convene the 47th Annual General Meeting of Rashtriya Chemicals and Fertilizers Limited for the financial year 2024-25. On behalf of the Board of Directors, I extend a warm and cordial welcome to all our esteemed shareholders and stakeholders joining us for this important occasion.



The Directors' Report and Audited Financial Statements along with report of the Statutory Auditors and report of Comptroller and Auditor General of India are already with you. I am sure you are fully aware of the physical and financial health of the Company.

In this context, I would like to take a few moments to highlight the broader economic environment in which your Company operated during the year, the challenges faced by the fertilizer industry, and the measures adopted by your Company to sustain performance, strengthen operational efficiency and continue its contribution to the nation's agricultural growth.

1.0 ECONOMIC SCENARIO

The financial year 2024-25 was marked by significant economic headwinds and opportunities at both global and domestic levels. Globally, fluctuations in crude oil and natural gas prices, currency movements and supply chain disruptions continued to exert pressure on input costs for the fertilizer industry. Rising energy prices and volatility in raw material availability particularly ammonia, phosphoric acid, and potash posed considerable challenges to the sector.

On the domestic front, India's economy remained resilient with strong agricultural demand supported by government initiatives to ensure food security. The fertilizer industry, however, had to contend with subsidy rationalization, and growing expectations around sustainability and balanced nutrient usage. Additionally, the push towards self reliance in fertilizer production and the promotion of alternative nutrients such as nano-urea, bio-fertilizers, and fortified products reshaped the operating landscape.



Despite these challenges, the sector continued to play a pivotal role in supporting farmers and strengthening the agricultural backbone of the country. Your Company, with its integrated operations, robust distribution network, and unwavering commitment to serving the farming community, navigated this evolving environment with resilience and determination.

2.0 INDUSTRY SCENARIO

Overall fertilizers production has increased by 2.62% during financial year 2024-25 as against financial year 2023-24 due to increase in production of NPK & SSP. Production of urea has decreased by 2.44 % during the financial year 2024-25 as against 2023-24. Production of DAP has decreased by 12.19% during the financial year 2024-25 as against 2023-24. NPK production increased by 18.68% during financial year 2024-25 as against financial year 2023-24. SSP of production has increased by 18.27% during the financial year 2024-25 as against financial year 2023-24.

Imports have decreased by 9.42 % due to the decrease in Urea & DAP . India's fertiliser import dynamics experienced notable shifts, marked by a discernible decline of 19.81% in Urea & 17.93% in DAP imports compared to the preceding year. Conversely, MOP surged with an impressive growth rate of 23.42%. This trend seamlessly aligns with the government's vision under the Atma Nirbhar Bharat initiative, emphasizing reduced dependence on imports and the promotion of indigenous alternatives.

Sales have increased by 8.69 % due to the increase in Urea, MOP, NPK & SSP. India experienced a notable growth in sales across key fertilizers, with Urea, MOP, NPK & SSP boasting impressive increases of 8.37%, 33.89%, 28.37% and 8.46%, respectively, compared to the previous year. Sales of SSP has decreased by 14.15% as compared to previous year.



3.0 OUTLOOK AND CHALLENGES

Fertilizers Sales volumes are expected to grow 1-3% YoY in financial year 2025-26, in line with long-term trends. Finished fertiliser prices, as well as associated raw materials, have largely remained steady. However, of late, some of the raw materials and finished fertilisers (especially DAP) have witnessed some price uptrends.

Your Company, with its strong manufacturing base, integrated supply chain, and unwavering commitment to farmers, is well-positioned to leverage these opportunities and navigate challenges, thereby continuing to play a vital role in strengthening Indian agriculture and contributing to the nation's food security.

4.0 OPERATIONAL PERFORMANCE DURING FY 2024-25

Your Company has time and again proved that no challenge is greater than RCFians dedication and commitment which brings the Company to greater heights with every passage of time.

During the year, your Company achieved Revenue from Operations of Rs. 17098.46 crore as against Rs. 17146.74 crore in previous year (PY). Profit Before Tax (PBT) during the year, stood at Rs.327.50 crore as against Rs. 303.63 Crore in the PY. This improvement was primarily due to better margins of Industrial products and Complex Fertilizers. Further during year profitability was adversely impacted due to losses incurred on DAP imports, which were undertaken as per the directives of the Department of Fertilizers (DoF) and sold at a capped MRP. Despite additional compensation of ₹3,500 PMT and policy announcements aimed at mitigating adverse import price variations, margins remained under pressure. Further, under-recoveries continue to persist, aggravating the overall impact.



In the face of intense market competition & falling international prices, Industrial Products Division has achieved the sales turnover of Rs 1654.77 Crore from its Industrial Chemicals segment.

Your Company has been designated as State Trading Enterprise (STE) for Import of Urea on Government Account. Based on the instructions of Department of Fertilizers (DoF), your Company imported approx. 11.54 lakh MT of Urea through issue of Global Tenders during the year 2024-25.

During the year, your Company has achieved the following milestones:

- ✓ Total fertilizer sales increased 2% compared to the previous year.
- ✓ Highest-ever sales of Suphala 15:15:15, reaching 6.39 Lakh Metric Tonnes (LMT), marking a 14% increase over the previous year's volume of 5.60 LMT.
- ✓ Highest-ever sales of imported DAP and TSP, totalling 5.89 LMT (comprising 5.64 LMT of DAP and 0.25 LMT of TSP), reflecting a 14% growth over previous year.
- ✓ Highest-ever Import products sale of 9.20 LMT and an increase of 8% over previous year.
- ✓ Achieved the highest-ever sale of Microla, reaching 455 KL, surpassing the previous record of 410 KL in 2021-22 and registering a 43% increase over the previous year.
- ✓ Sujala (F+D) sales increased by an impressive 91%, rising from 3,136 MT in the previous year to 5,994 MT in 2024-25.
- ✓ VAP products sale increased by 163 % from 4010.80 mt during 2023-24 to 10,572 mt during 2024-25.
- ✓ Highest-ever PDM sale of 20,870 mt and increased by 68% (8470 MT) over previous year.
- ✓ PROM sale increased by 52 %, from 2618 MT (Tie up + Ind) in 2023-24 to 3,950 mt during 2024-25.
- ✓ Ever highest FOM sale of 5369 mt.
- ✓ Highest ever sale of AN melt of 2,11,781 mt.



- ✓ Highest ever sale of Di-methyl Amine of 23,041 mt.
- ✓ Highest ever sale of Sulphuric Acid of 42,809 mt.
- ✓ Highest ever sale of Refrigerant Ammonia of 1,105 mt.

Your Company achieved sales volume of 36.76 lakh MT during the year 2024-25 as compared to 36.01 lakh MT during the previous year. Your Company sold 20.72 lakh MT of Urea, 6.39 lakh MT of NPK 15:15:15, 0.36 lakh MT of City Compost/PDM/PROM/FOM and 9.20 lakh MT of other bought out products i.e. DAP, MOP, Imp NPK etc.

Your Company sold 9.20 LMT Imported products i.e. DAP, MOP and Imp NPK etc. as compared to 8.54 LMT during previous year. Sales of imported fertilizers registered growth of 8% over previous year.

The sale of Sujala & Microla picked up momentum during the year. Sujala sale registered growth of 91% touching 5,994 MTs during the year as against 3,136 MTs in the previous year. Microla sale registered growth of 43% touching 455 KL during the year as against 317 KL in the previous year. The sale of Biola touched 123 KL during the year as against 122 KL sold in the previous year. Other products such as pH balancer, Shubhada, Silica and OGS also registered healthy volumes during the year.

The frame of reference in which your Company operates i.e. the state of economy in general and fertilizer industry in particular, during 2024-25, is briefly outlined for better understanding of the performance of your Company. I am glad to inform you that against all odds, your Company stood up to the challenges and delivered a stellar performance.



5.0 AWARDS

I am also happy to share with you the several recognitions and awards have been received by the company under various categories from Central as well as State Government and Institutes of repute. Details of the same can be seen in the annual report already available with you.

6.0 DIVIDEND

Considering the consistent profits being made by the Company and based on the Company's performance, your Directors are pleased to recommend a final Dividend of Rs 1.32 per equity share of Rs10/- each for the financial year 2024-25, which would involve a total cash outflow of Rs 72.82 Crore (Rs 68.41 Crore in the previous year). The final dividend pay-out is subject to the approval of members at the ensuing Annual General Meeting.

7.0 MEMORANDUM OF UNDERSTANDING WITH GOVERNMENT

Your Company has secured "Very Good" rating for the year 2023-24. The performance rating for 2024-25 MoU is yet to be finalised by the Government and the Company expects to achieve "Good" ratings this year.

8.0 FUTURE PLANS

The road ahead is filled with challenges and opportunities. Your company is fully equipped to grab the opportunities and face any challenges that the market throws up.

The Company has been regularly undertaking expansion and modification projects to improve efficiencies, reduce emissions, reduce costs and augment



capacities of its manufacturing plants. The same are detailed in the Annual report.

I will briefly mention some of the major projects that have been planned for the growth of the Company and are under implementation at Trombay and Thal.

➤ **Setting up new NPK Fertilizer plant at Thal**

India is largely dependent upon Imported NPK nutrients to meet its domestic requirements. As an “Atmanirbhar Bharat” initiative, your Company is setting up NPK Fertilizer plant having capacity of 1200 MTPD (DAP basis) at Thal. The plant would be capable of producing various grades of NPK fertilizer as per market requirements. The estimated Project Cost of the project is Rs.1494.33 Crore including taxes. Project is expected to be completed by March 2027.

➤ **Ammonia Plant revamp (HTAs scheme) at Thal**

Your Company is implementing energy schemes suggested by M/s Topsoe A/S – Technology supplier of Ammonia plant at Thal. Estimated Project Capital Cost is about Rs.1308 Crore including taxes. The expected energy saving is 0.40 Gcal/MT of Ammonia at existing Ammonia production level and expected to be completed by July 2027.

➤ **ETP up-gradation at Thal**

Your Company is upgrading the existing Effluent Treatment Plant at Thal for treating 10,000 M³/day effluent to ensure the quality of treated effluent not only for meeting the statutory norms but also suitable for recycling the treated effluent as raw water. Benefit of the project will be better environment management on sustained basis through recycling of treated effluent as a raw water. The project is being executed in two phases. The 1st phase has been partially commissioned on 19th January 2025 and treating 4000 M³ per day of



effluent. In 2nd phase, balance effluent will be recycled, to achieve “Zero Effluent Discharge”. Action for 2nd Phase has been initiated.

Joint Venture Projects: Plan for expansions through JV route are envisaged as under:

- ✓ **Coal Based Fertilizer Plant**, comprising of 2200 MTPD Ammonia plant and 3850 MTPD Urea plant, at Talcher, Odisha based on coal gasification technology is estimated to cost approx. Rs.17,080.69 (+/-10%) Crore.

9.0 RESEARCH AND DEVELOPMENT

The tool to future sustainability is Research and Development (R&D). Your Company has taken up several Research and Development projects, some of which are for commercial scale design and engineering. Our strong R&D team has been analysing soil, weather, and crop data through various new-age technologies, in order to empower the farmers with predictive farming skills.

10.0 HUMAN RESOURCES

Your Company has always maintained good industrial relations with all its employees. All Industrial relations issues are settled through regular discussions, meetings and dialogues. Your Company has a very strong corporate management team. The systems and procedures are constantly upgraded and improved imbibing the best of management techniques and Corporate Governance norms.

11.0 CSR ACTIVITIES

As part of its initiatives under “Corporate Social Responsibility”, the Company has undertaken several projects in the areas of rural development, health care and education, with the aim of serving the needy. During the year, your



Company has spent Rs 16.15 Crore on CSR activities. The activities, in brief, are mentioned in Directors' Report.

12.0 SUSTAINABLE DEVELOPMENT

Your Company has taken up several Sustainable development activities such as Building of Check Dams, Prevention of soil erosion and watershed management, reduction of Green House Gas emissions, sustainable electricity distribution based on Solar Energy, etc. Details of the same can be seen in the annual report already available with you.

13.0 HEALTH, SAFETY AND ENVIRONMENT

Your Company is committed to ensuring clean environment, beyond satisfying all stipulated requirements laid down by the statutory authorities, around its operating units.

Your Company has established ISO 14001 compliant Environment Management System (EMS) at its both manufacturing units. The Systems are constantly upgraded and regular Internal Audits and Management Reviews are carried out to ensure compliance and continuous improvement in the system.

The Effluent Treatment plants at Trombay and Thal have ensured that the environment in and around the Units are fully protected. Various schemes with state-of-the-art technologies and modernization schemes are implemented to reduce energy consumption and wastages of the scarce natural resources. The waste streams from the plants are recycled/ reused for useful purposes.

Trombay and Thal units of the Company have taken up massive tree plantation drives in factory premises, in residential colonies and, surrounding areas during the year 2024-25.



14.0 CORPORATE GOVERNANCE

Your Company believes that sound corporate governance is fundamental to the enhancement of the value of the Company and its long term growth. Based on the core principles of fairness, transparency and accountability, your Company strives to maintain a high standard of governance through comprehensive and efficient frame work of policies, procedures and systems to promote responsible corporate culture. The Company expects “Excellent” Rating on Corporate Governance on compliance of DPE guidelines for the year 2024-25.

15.0 MEMBERS' ACTIVE INTEREST IN THE COMPANY

It is heartening to see the share owners taking very active interest in the Company by interacting with senior management regularly.

16.0 ACKNOWLEDGEMENT

I convey my heart felt gratitude and sincere thanks to all the stakeholders of the Company for their unstinted support; faith and trust reposed in the Company which has helped us to perform in an excellent manner. I would like to thank all my colleagues, both past and present, on the Board for their unstinted support and guidance. I would also like to thank the Government of India particularly the Department of Fertilizers and FICC, Government of Maharashtra, MCGM and other State Governments, Statutory, Cost, Secretarial and Government Auditors, Banks, Financial Institutions, Railways, MoU Task Force, Local authorities, Factory Inspectorate and IBR, customers, suppliers, vendors and contractors for their continued support.

Finally, I thank “Team RCF” with All the Unions and Associations for their dedication and sincere efforts in ensuring the smooth and excellent functioning



of the Company, without whose continuous support and hard work none of this would have been possible.

Thank you Ladies and Gentlemen. ***“Let us Grow Together”***.

I now move the annual accounts for adoption.

(S. C. Mudgerikar)
Chairman & Managing Director

Date: October 17 , 2025

Place: Mumbai