

राष्ट्रीय केमिकल्स एण्ड
फर्टिलाइजर्स लिमिटेड

(भारत सरकार का उपक्रम)
साथ बढ़ें समृद्धि की ओर



Rashtriya Chemicals and
Fertilizers Limited

(A Government of India Undertaking)
Let us grow together

जय भगवान शर्मा
कंपनी सचिव

JAI BHAGWAN SHARMA
COMPANY SECRETARY

"Priyadarshini",
ईस्टर्न एक्सप्रेस हाइवे,
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Sion, Mumbai - 400 022.

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CIN: L24110MH1978GOI020185

No.RCF/CS/2020

July 16, 2020

The General Manager
The Corporate Relations Department
BSE Limited
Department of Corporate Services
Phiroze Jeejeebhoy Towers,
Dalal Street,
Mumbai - 400001
Scrip Code: 524230

The Listing Department
National Stock Exchange of India
Limited, Exchange Plaza, 5th Floor,
Plot No.C/1, G Block,
Bandra Kurla Complex,
Bandra(East),
Mumbai- 400 051
Scrip Code: RCF EQ

Dear Sir/Madam,

Sub: Disclosure of Covid-19 pandemic impact on the Company's operations

**Ref.: Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirement)
Regulations, 2015 read with SEBI Circular No.
SEBI/HO/CFD/CMD1/CIR/P/2020/84 dated May 20, 2020**

Further to our disclosures dated 20th April, 2020 on the Company's operations, updated impact of COVID-19 pandemic and lockdown on the operations is provided below.

Impact on business operations

Rashtriya Chemicals & Fertilizers Limited is in the business of manufacture and sales of fertilizers and Industrial chemicals PAN India. **The immediate impact of the Covid-19 pandemic with respect to customer and governmental reactions to the crisis have been varied.**

Company was affected by lockdown as well as COVID-19 in many ways but the recovery has been fast underway due to number of immediate steps taken by the Company. The Company's manufacturing operations are in state of Maharashtra- (Trombay & Thal),

At Trombay unit, after a temporary suspension of operations, production of major fertilizers like Urea & Suphala have normalized along with bio fertilizers and the sales of the same also has been consistent. The operations of industrial products like Nitric Acid, AN Melt, CNA, ABC also recovered well after a lull in April 20.

At its Thal unit, Urea operations continue to operate at normal levels despite some logistics hurdles in the initial period and has achieved optimum operation during the entire Covid19 period.

Owing to lockdown imposed worldwide due to COVID-19, there has been a delay in installation and commissioning of the repaired Gas Generators as originally envisaged at its Thal Unit. The same has been received in July 2020 and is expected to be commissioned in August 2020.

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Similarly, at Trombay unit, the commissioning of its Gas Turbine Plant stands revised to March 2021 as against originally envisaged during May-June 2020.

As RCF had incurred such expenditure targeting energy reduction, Government of India further considering the disruptions caused due to Covid-19 pandemic, has allowed continuation of existing norms for its Trombay Urea plant with a minor penalty till 30th September 2020.

All safety protocols related to Covid-19 as advised by the Government are being implemented and observed at the Plants and its offices. The Company adopted a work from home or a reduced man power ratio in office for non-site based employees as per directives received from time to time from various competent authorities.

Being a responsible Company, RCF values its workforce in highest esteem and all possible safety measures are put in place apart from timely access to medical facilities.

Potential impact of Covid-19 on operations

The Company's fertilizers and industrial product segment operates within the (B2B) scenario where we are selling to dealers & thereafter dealers selling to end users. Our fertilizer products are classified under essential commodities and the impact on demand has been very negligible due to the pandemic.

The Company continues to closely monitor sourcing and supply positions to identify any potential material risks. The Company has so far not experienced any specific issue in raw material sourcing.

As the lockdown imposed is very dynamic and varied, the precise value of impact cannot be quantified in this very fluid and changing environment.

Existing contracts/agreements and non-fulfilment of the obligations if any:

The Company at present continues to fulfil its obligations with respect to all the existing contracts and agreements. The Company does not foresee any material impact on account of non-fulfilment of obligation by any party in existing contracts or agreements except the delay in execution of GTG projects at both the Units as stated above.

Capital and liquidity

Increase in short term borrowings was reported by the Company as at 31st March 2020. In fact, owing to settlement of Imported Urea claims by Government of India, in April 2020 there has been a reduction in short term borrowings.

Company has a very positive liquidity position with sufficient credit lines available.

The customers continue to pay within normal credit terms and the Company remains committed to paying its suppliers on time. The Company has also instituted, across all its operations, aggressive and focused cost control programs to conserve its healthy cash position.

However, owing to rationalization in Government expenditure on account of Covid-19, there has been delays in settlement of subsidy by Government of India. Any further delay would add to stress on working capital and borrowing costs.

Internal Financial Reporting and Control;

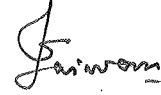
There is no impact on internal financial controls due to the Covid-19 pandemic.

Annual Financial Results

The Company's financial results for the quarter and year ended March 31, 2020 published on May 29, 2020 were not materially affected by the lockdown. The Notes to Financial Results included the Company's assessment of the carrying value of various assets and liabilities.

You are requested to take the above on record.

Yours faithfully,
For Rashtriya Chemicals & Fertilizers Limited



(J.B. Sharma)
Company Secretary