CHAMBAL FERTILISERS AND CHEMICALS LIMITED

June 2, 2023

BSE Limited
Phiroze Jeejeebhoy Towers
25th Floor, Dalal Street
Mumbai - 400 001

National Stock Exchange of India Limited
Exchange Plaza, C-1, Block G,
Bandra Kurla Complex,
Bandra (E)
Mumbai - 400 051

Dear Sir,

In continuation to our letter dated May 22, 2023 and pursuant to Regulation 30 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, we are enclosing herewith the transcript of Analysts / Investors conference call held on May 29, 2023, on the financial results of the Company for the quarter and year ended March 31, 2023. The said transcript is also available on the Company's website at - http://investor.chambalfertilisers.com/EarningCallTranscripts.aspx

You are requested to notify your constituents accordingly.

Thanking You,

Yours sincerely,
for Chambal Fertilisers and Chemicals Limited

ANAND AGARWAL Digitally signed by ANAND AGARWAL Date: 2023.06.02 12:28:41 +05'30'

Anand Agarwal
Chief Financial Officer

Encl.: a/a

CHAMBAL FERTILISERS AND CHEMICALS LIMITED

Quarter 4 and Financial Year 2023
Earnings Conference Call Transcript
May 29, 2023

Rishab Barar: Good day everyone. Thank you for joining us on the Chambal Fertilisers and Chemicals Q4 and FY23 Earnings Call.

We have with us today, Mr. Gaurav Mathur – Managing Director; Mr. Anand Agarwal – CFO; Mr. Anuj Jain – Assistant Vice President - Finance and Company Secretary and Mr. Ashish Srivastava – Vice President - Sales and Marketing.

Before we get started, I would like to point out that some statements made or discussed in the conference call today may be forward-looking in nature and must be viewed in conjunction with the risks the Company faces. Chambal Fertilisers and Chemicals does not undertake to update them. The statement in this regard is available for reference in the presentation. We will begin this call with opening remarks from Mr. Mathur.

I would now like to invite Mr. Mathur to share his views. Over to you, sir.

Gaurav Mathur: Thank you, Rishab. Good day everybody and a warm welcome to all of you participating in this call.

We will share our performance over the just concluded quarter and financial year 2023. Since we have already shared the presentation and financial performance with you, I will not restate the numbers in my opening remarks.

While operating performance in Q4 was in line with earlier years, there was an impact of approximately Rs. 197 crore at PBT level on account of subsidy reduction in P&K Fertilizers. This was for the period from January to March '23, as well as further reduction from 1st of April '23. These reductions impact both the Company as well as the channel stock.

Our urea business continues to do well. We achieved the highest ever production of urea at almost 33.5 lakh metric tons. This was at the best energy per tonne of urea leading to good gains on energy efficiency for the year.

We continue to evaluate and implement further energy efficiency projects. We undertook the bi-annual shutdown for Gadepan-III as per plan in March, which will result in further improvement of its performance for the future.

We sustained our share in phosphatic fertilizers aligned with the need to meet farmer requirements in a very challenging year. In the new geographies, in spite of the overall challenging situation, we continue to make inroads to both expand our network as well as increase our sales.

We continued our thrust on expanding the Crop protection and Speciality Nutrients business where we see significant potential. This segment has grown over 50% year-on-year albeit on a relatively low base, and we have more than doubled both our top line and margin in the last two years.

During the year, we launched 10 new products majorly for wheat, paddy, maize, soyabean, sugarcane and mustard crops.

Our Seed to Harvest program for farmers is focused on this business and continues to progress very well.

To give you some numbers in FY23 through this, Chambal undertook programs across approximately 1,163 villages reaching out to close to 1 lakh farmers, did about 2,800 farmer training programs and over 30,000 soil samples. This has had very significant traction with the farmers and we look to significantly scale this up in the coming years.

Subsidy payments have also been timely since November '22 onwards. The budgetary allocation for the current fiscal year i.e. FY23-24 offers comfort that this should continue and that there is adequate subsidy coverage. Additionally, the fall in gas as well as P&K Fertilizers prices should also help impact subsidies positively.

Our Technical Ammonium Nitrate project is on track. The project has been awarded to Larsen & Toubro on a lump sum turnkey basis, and the technology licensor is CASALE, which has many decades of experience in weak nitric acid and ammonium nitrate plants. The project is slated to be complete by Q3 of FY '25-'26.

With that, we will now take your questions. Thank you.

Moderator: Thank you. Our first question comes from Falguni Datta with Jet Age Securities. Please go ahead.

Falguni Datta: Sir, just one question from my side. What was the impact of this reduction in subsidy? I missed in case you had mentioned in your opening remarks.

Anand Agarwal: That is Rs. 197 crore, Falguni.

Falguni Datta: And where has it got reflected, under which head?

Gaurav Mathur: It has been taken into the Quarter 4 Financials and the Full Year Financials.

Anand Agarwal: This is reflecting in the gross margin as such.

Falguni Datta: This is a part of raw materials, this impact?

Anand Agarwal: This is part of raw materials.

Falguni Datta: Okay. Thank you, sir. That's all from my side.

Moderator: Thank you. Our next question comes from Vidit Shah from IIFL Securities. Please go ahead.

Vidit: Just to take the previous question, from this Rs. 197 crore, what would be the impact on the inventory loss because of the subsidy write down from 1st April onwards? And what would be the split between Jan to March? Would that be possible to provide?

Anand Agarwal: Jan to March is Rs. 30 crore, and the balance is for the quarter end for the next semiannual, from April to September.

Vidit: Understood. And you spoke about energy efficiency improvements that have been happening at Chambal and the projects that you have undertaken. So, if you could shed some light on, how much we have improved versus two years back or three years back? And what metric are we currently operating at? And what is the target that the Company has going forward?

Gaurav Mathur: So, Vidit, we have achieved this year approximately 5.15 Gcal per metric tonne of urea, right. And last year I think we were at 5.23. So, over the last four to five years, if I go back, we were more around the 5.3 mark, and now we have come down to 5.15. We have further projects which we were to implement in Gadepan-I and Gadepan-II, which would help to bring this down further.

Vidit: Understood. So, maybe like 5 would be an appropriate target? Or could this go even lower than that?

Gaurav Mathur: No. To be realistic, 5 at this point of time, we don't see that, because you also need to take into account the appropriate payback on the projects that we implement. So, we would expect that we might be able to get to 5.1 in the next few years. The industry average is around 5.8. The overall industry average is around 5.8. So, we are as of now significantly better than the industry.

Vidit: Just one question on this, on the increase in investments that we have seen in short-term investments. I think we have seen them increase by about Rs. 1,800 odd crore. What are these investments been parked-in currently?

Anand Agarwal: These are majorly into mutual funds.

Vidit: Equity or debt or both?

Anand Agarwal: No, no. These are very, very short term. These are liquid funds and overnight funds. These are short-term surpluses and therefore, we can only budget securities.

Moderator: Thank you. Our next question comes from the line of Tarang with Old Bridge. Please go ahead.

Tarang: Congratulations for strong cashflows. I believe the business is net cash ex-subsidy now. So, that's good to see. Just a couple of things. One, if you could give us what the power and fuel expenses were for Q4 FY23?

Anuj Jain: Power and fuel for the quarter is Rs. 968 crore and for the year is Rs. 4,838 crore.

Tarang: Second, on the Rs. 197 odd crore inventory loss that you have recorded in Q4, how much of it is relating to the nitrogen business? And how much of it is to the trading business?

Gaurav Mathur: So, this has nothing to do with the nitrogen business because in the nitrogen business, there are two parts of the subsidy. One is the gas cost, which is essentially a pass-through, but there is escalation in it which the government takes care from time to time. And the second part is the fixed component of the nitrogen business which is a fixed number. It doesn't really change with anything. So, in substance, there is nothing to do with the nitrogen business. It is primarily to do with the P&K business, and within that DAP.

Tarang: I would reckon, I mean, your allocation is about 3 million tons, right? So, any incremental fertilizer that you are selling over and above the reassessed capacity is on the basis of import parity prices and the fact that import parity prices have crashed significantly, especially in Q4, that would have had some impact. Did it?

Gaurav Mathur: Not really. You see what happens is that we did our full production, and there was no impact on production beyond reassessed capacity. As regards the import price parity, that is calculated on an annualized basis. So, it is not a monthly or a quarterly number. It is actually calculated on an annualized basis, and the annual price of imported urea was significantly higher than the cost of indigenous production. So, there was no impact on reassessed capacity production at all.

Tarang: Just the final one on the phosphatics, sorry for harping on this but effectively, I mean, how are you seeing this going forward in FY24 in terms of some checks and balances that you might have perhaps incorporated in the overall system, because, FY23 particularly has been a difficult year in so far as the trading business is concerned. Right from what we saw in September and now what we are seeing in Q4?

Gaurav Mathur: Yes. FY23 was a very, very, unique year, which my colleagues in the industry say has never been seen in the history of the industry. So, what we are obviously looking at going forward is to make sure that most of our stock is placed in the market as early as possible and moved out through the point of sale. I would also just like to add that while we have had this impact in Quarter 4, but our stock as a percentage of the industry was far lower than our market share. So, as a Company, we were quite focused on it, and we were able to keep our stock at quite a low level compared to the industry overall.

Moderator: Thank you. Our next question come from Harmish Desai with Phillip Capital. Please go ahead.

Harmish Desai: Sir, my first question is on the crop production segment. So, can you tell me what kind of margins have we made in this segment in FY23? And what kind of margins are we targeting in the year FY24?

Gaurav Mathur: Good afternoon, Harmish. Thank you for your question. We don't share our margin percentages as such. What I can say to you is that our margins overall are well-comparable or better than the industry average. We have a unique business model, and with that unique business model, we are able to have, we are very happy that we are able to have a very high growth number. So, we have more than doubled our top line over the last two years. Though we started from low base, but yes, we have more than doubled our top line, and our margins have also moved along consistently. We are very keen and particular that we don't compromise on our percentage margin as we continue to grow strongly.

Harmish Desai: That is helpful. And sir, what kind of CAPEX are we targeting in the segment in FY24?

Gaurav Mathur: I will ask Ashish, our Head of Sales and Marketing to respond to that on the segment that we are targeting in FY24.

Ashish Srivastava: See the product portfolio caters to the entire crop range and the entire insecticides, weedicide and fungicide segments. So, the entire crop in the territory is covered. So, the product portfolio is complete in all respects.

Harmish Desai: And sir, I don't know if I have missed it. Can you share the urea production breakup between G1, G2 and G3?

Gaurav Mathur: Anuj, can you please provide that?

Anuj Jain: It's there in the Investor Presentation. So, we have Gadepan-I and Gadepan-II, 20.61 lakh for the Year '23, and for Gadepan-III we have 12.86, so total to 33.47 lakh.

Harmish Desai: And sir, my last question is on IMACID. So, as you said rightly that this entire year has been some kind of an anomaly for IMACID as well as for all other segments. So, what is your expectation from IMACID in FY24?

Gaurav Mathur: We expect that IMACID should continue to perform as per its standard past year performance in FY24. In FY '21, '22, there was a huge upsurge because of the overall international situation, and that got largely normalized in FY '22-'23, and in fact, it went down a little bit. Now we expect that in the current financial year, it should come back to its standard sort of performance which it used to have in the past years.

Harmish Desai: Okay. That is helpful, sir. Thank you, and all the best.

Moderator: Thank you. Our next question comes from Prashant Biyani with Elara Securities. Please go ahead.

Prashant Biyani: Sir, how do you see the trading volume trajectory for H1? And how much of the targeted H1 sales materials have we already bought?

Gaurav Mathur: So, we have all been set certain targets by the Department of Fertilizers, both for the traders as well as the manufacturers. Based on that, we have procured our material. Now, we are also conscious of the stocks that the country carried as opening stocks. There were reasonably substantial opening stocks that the country had as a whole, though we managed to keep our stocks relatively low as of 1st of April.

So, we would say that we would look at that similar volumes, but the more important thing would be that we would try to make sure that we do the volumes which are appropriate on the margin side because the uncertainty on the subsidy in the future from 1st October will also remain. So, we are mindful of that and planning our volumes accordingly.

Prashant Biyani: And sir, whatever we are targeting to sell, have we bought all those materials or for some we are yet to purchase.

Gaurav Mathur: No, no, we haven't. We bought about 50% to 60%, and for Q1 we are covered, but for beyond that we are being very watchful because there is a downward price trend. So, we also want to be careful of when we buy.

Prashant Biyani: And sir, can't we as an industry give representation to the Government to restore annual division of subsidy as was the case earlier? Because the uncertainty on the availability globally has also ebbed now. So, what would be the industry or your view or have we thought on these lines?

Gaurav Mathur: That's a very good point, Prashant. And we continue to work through the Fertilizer Association of India with the Department and the Government, and it has been our representation through FAI that the subsidy should now be declared for the full year. However, as we know, the Government has again declared it for a six-months period from 1st April to 30th September.

Prashant Biyani: But, I mean, sir, just extending this point, nothing seems to work with the Government, especially the Department of Fertilizer arm whereas for other Ministries, we are seeing that they are at least cognizant of industry concerns, whereas here we are seeing retrospective revision. So, I mean, is it that they are just on their own and the representation from this industry just only been heard or they are actually considerate to it?

Gaurav Mathur: Well, I can't answer on behalf of the Government or the Department, and I guess, the Fertilizer Association of India would be best placed to answer this question. But what I can assure you is that we as well as FAI keep appraising the Government quite regularly on the challenges and seeking positive intervention.

Prashant Biyani: Few data related questions. What would be the ammonia production and sales volume for the year?

Gaurav Mathur: So, the total ammonia that we sold last year was of the order of 90,000 tons. May not be precisely 90,000. Give or take a few thousand tons here or there. And the production, total production of ammonia would be close to 1.9 million tons or thereabouts, right?

Prashant Biyani: And sir, just this breakup of freight and packing expenses also like we used to share till the last quarter?

Gaurav Mathur: Freight and packing expenses. Yes. I think Anuj can just give them to you.

Anuj Jain: Freight and forwarding charges for the quarter is Rs. 135 crore, and for the year it is Rs. 778 crore.

Prashant Biyani: And packing?

Anuj Jain: Packing is Rs. 30 crore for the quarter, and for the year it is 135 crore.

Prashant Biyani: And sir, is it possible to give G-III energy consumption level separately?

Gaurav Mathur: Yes. In G-III, our energy for the year because we took a shutdown in March so that actually adds a certain shutdown and startup energy. So, including that it was about 4.88 Gcal per metric tonne roughly.

Prashant Biyani: And if we exclude the maintenance shutdown part then?

Gaurav Mathur: Then it should have been more around 4.75. We are very happy that Gadepan-III energy probably continues to be the best in the world.

Prashant Biyani: And lastly sir because we had taken maintenance shutdown for G3 in March, do you expect the urea sales mix for Q1, the contribution from G-III to reduce?

Gaurav Mathur: Not really, I mean G-III came back in production, so we do not expect. G-III production volume for Quarter 1 will be as per plan.

Prashant Biyani: And sir for Q4 was there lower contribution of G-III sales in total urea?

Gaurav Mathur: See what happens Prashant is that the total volume for G-III is 12.7 lakh metric tons which is applicable as per the NIP-2012 rate. If you see, we have produced beyond that and beyond that the remuneration given is as per the same formula as G-I and G-II. So, we covered the entire production of G-III up to the NIP-2012 policy of 12.7 lakh tons and produced even a little bit more beyond that in spite of the shutdown.

Moderator: Thank you. Our next question comes from Vivek Ramakrishnan with DSP Mutual Fund. Please go ahead.

Vivek Ramakrishnan: My first question is simple in terms of what is the CAPEX for the current year that you have plan for the Company as a whole? I will also ask the second question. You seem to have a bit of a hops and choice in terms of imports and subsidies, all moving in different lags, is the supply chain now in a portion where we can fine tune the purchases so that you can meet your market demand as well as keep your inventories without that much of a subsidy risk, those are my two questions?

Gaurav Mathur: So, our CAPEX this time for this financial year will be in the range of Rs. 300 crore to Rs. 400 crore and within that are a few good energy efficiency projects. Our routine CAPEX if I take out energy efficiency projects would be more in the Rs. 150 crore to Rs. 200 crore ballpark and then depending on the good energy saving projects we add on top of that as regards to your second question could you please repeat that?

Vivek Ramakrishnan: In terms of the supply chains in a last year, you had to import a lot because of the supply chain issues and so on, has the supply chains in your phosphatic and other fertilizers improved so that you can fine tune your purchases and keep your inventory low and avoid the subsidies risk that you saw in FY23?

Gaurav Mathur: Absolutely I mean that is the exact idea intention and the plan is to import and sell material in a manner where we minimize our stocks at the end of September and minimize therefore, any impact of subsidy revision.

Moderator: Thank you. Our next question comes from Falguni Dutta with Jet Age Securities. Please go ahead.

Falguni Dutta: Sir one more clarification on the Rs. 197 crore number, does it include the subsidy from April onwards also?

Gaurav Mathur: Yes, it does.

Falguni Dutta: And the stock that we have in the channels, our stock in the channel, it includes a reduction on that as well?

Gaurav Mathur: So, what happens is, just to be very clear, when there is a subsidy change as of let us say 1st of April, there is stock that we are carrying in our warehouses as well as stock in the channel. The subsidy change impact is addressed for both of them.

Falguni Dutta: So, this Rs. 197 crore takes into account the inventory with the channel also?

Gaurav Mathur: Absolutely because you know the subsidy is payable when the sales happens to the farmer.

Falguni Dutta: So, you will have to account for that as well that is what you meant?

Gaurav Mathur: This is what has been done.

Falguni Dutta: So, now we do not have any impact to come in on that account at least?

Gaurav Mathur: That is right.

Falguni Dutta: And sir one more clarification on your trading volumes. Did you say that there would be mostly flattish year-on year, did I hear correctly?

Gaurav Mathur: The trading volume is a function of a few tad things. It is a function of the targets that the government sets, the consumption pattern of the farmers and in the country as well the financial situation in terms of the margin, the subsidy, the MRP etc. So, based on that we would look to regulate our volumes in a manner that we get the best benefit for the Company which is why we are not really stuck on a volume number per say for the year. I hope that makes it clear.

Moderator: Thank you. Our next question comes from Tarang Agarwal with Old Bridge. Please go ahead.

Tarang Agarwal: Just a follow up. On your trading business what is your inventory value as on 31st March and how many metric tons of inventory?

Gaurav Mathur: So, in terms of metric tons we had roughly if I remember about 1.8, 1.9 lakh metric ton, all-inclusive would be about 1.8, 1.9 lakh metric tons, DAP, NPK and MOP all put together and value Anuj can mention. Anuj is taking out the value what I would say is that our inventory was about only 5% of the industry while our market share is about 10%. So, we did manage to keep our inventory quite low.

Anuj Jain: We have total inventory of Rs. 1,300 crore including urea.

Tarang Agarwal: That I can see. I was looking or Trading Business.

Anuj Jain: So, urea we did not have much inventory so it is mainly trading, but definitely we can give that number seperately.

Gaurav Mathur: We will share that number to everybody.

Tarang Agarwal: So, the next question is on the energy consumption for the business. The 5.15 figure is consolidated for the three plants 1, 2 and 3?

Gaurav Mathur: Yes.

Tarang Agarwal: While the industry average is 5.8, what would be, in your opinion, the consumption of your closest peer or the second most efficient player in the country right now?

Gaurav Mathur: So, currently I think the most efficient single plant of older vintage, I do not want to bring Gadepan-III because that is a new plant, but the most efficient plant of an older vintage would be just over 5.0 something as opposed to us.

Moderator: Thank you. Our next question comes from Marsal, an Investor. Please go ahead.

Marsal: My question is that for this TAN project, what is our total CAPEX and how are we going to fund it, from internal accruals or from the debt?

Gaurav Mathur: So, the capacity of the ammonium nitrate plant is 2.40 lakh tons per annum and the weak nitric acid plant the nameplate capacity is 600,000 tons per annum. What was the second part of your question?

Marsal: My question was that what is the total cost of the technical ammonium nitrate project and then how are you going to fund it, like how much amount we are spending from the from internal approvals and how much will be debt?

Anand Agarwal: Overall cost of the project is Rs. 1,645 crore and we are planning to fund it by way of 50-50 between debt and equity as of now, that is what we have planned.

Marsal: And how it is going to compete. I think the Deepak fertilizers also coming to the similar project and I think they will be commencing before you, so what will be the demand scenario like how much capacity are you projecting for this one?

Gaurav Mathur: So, first of all, well we do not know whether Deepak Fertilizers will come before us or we will come before them let us see how that goes. What I would say to you is that our cost of manufacture and cost of sales to the target markets that we have identified is going to be perhaps the lowest in the country that is one. Second is, that with the growth of overall economy that we see, the overall growth in energy that we see as well as infrastructure, all of which leads to requirement for let us say more cement, more coal, more filling material for roads etc. We obviously believe that there is a strong case for the project, which is why we are putting it up.

Marsal: And sir where is the location of the project?

Gaurav Mathur: That is at our existing site at Gadepan because we are going to utilize the excess technical ammonia, that we are currently selling to make ammonium nitrate and thereby do value addition and earn higher margins.

Marsal: This is sort of integration?

Gaurav Mathur: Yes, at the existing site.

Marsal: The main market for this will be the same mining sector like the target customer will be mining sector, so I think Deepak will be setting the plant in Orissa which has lot of mines of iron ore and the coal mine and all and so what about this logistic like if you are sitting with Rajasthan where there are not many mines, our cost of supply will be higher?

Gaurav Mathur: Marsal, Orissa, etc., is yes there is a lot of coal mining, but that is not the only place where mining happens. There is a very significant mining chunk in around central India in the area of Singrauli, etc., where we have a cost to serve advantage compared to most other locations.

Marsal: The other question is very important means since the last quarter, we have been somehow like almost our PBT is hardly Rs. 10 crore so now is it not a good time to look at our cost because if I see the other expenses they are almost stagnant at Rs. 1,200 crore plus, so is the Company taking some steps into restructuring or no increment or just like cutting down salary or the other expenses because I think this is the right time now that we should look at this apart because this is a huge component we are carrying and rather it is increasing like the last year was only Rs. 4,000 crore and this year it is Rs. 6,000 crore?

Anand Agarwal: Please note that this cost increase in expenses is not just an admin cost and other cost. This is more due to power and fuel, this is more due to freight and forwarding expenses and all this is not due to your fixed cost and all. If a business increases definitely you have to pay more, and these are reimbursable costs.

Marsal: No, just to giving like sort of little bit interaction here. For example since we are spending a sizable amount, I do not know how much exactly we are spending on this freight forwarding, so is the Company planning to do some sort of backward integration, having its own fleet and so on because like spending on the freight, it is going with the drain. We are not getting any asset for us. So, maybe 50% of the freight forwarding, we can do from our own fleet remaining we can just like for example hire from the market and so on something for example. This value addition or something optimization should be done here?

Gaurav Mathur: So, Marsal, please understand that the freight in the fertilizer business consists of two parts. One is the bulk movement from either the factory or the port to the various districts which happens by rake that is fully reimbursed 100% by the Government as part of the freight policy on this. The second part is the movement from the rake point to the dealers location by truck which is also reimbursed by the Government. So, the freight, etc., that you see over here are separate line items. They are largely reimbursed by the Government as part of the freight policy of delivering bulk fertilizers.

Moderator: Thank you. Our next question comes from Vidit Shah with IIFL Securities. Please go ahead.

Vidit: Just a couple of questions for me. The first one was on the CAPEX of the TAN project, you mentioned that FY24 budget is up to Rs. 300 crore, Rs. 400 crore of which I think half of it is on energy efficiency projects, so is it fair to assume that the

TAN project CAPEX is largely going to happen in FY25 and if so, then why are we not bringing this forward to FY24?

Gaurav Mathur: So, a small correction actually when I mentioned Rs. 300 to 400 crore on CAPEX that excludes the TAN project. On the TAN project, we would expect that in this year we would have somewhere of the order of Rs. 500 crore of cash flow on the TAN project specifically. So, it is Rs. 300 to 400 crore as part of our normal CAPEX which includes the energy efficiency projects plus the order of Rs. 500 crore for ammonium nitrate separately.

Vidit: And how much has already been spent on the ammonium nitrate project?

Gaurav Mathur: Currently, we spend of the order of Rs. 100 crore.

Vidit: And just one last data point in terms of the pool natural gas cost for Q4 and what it is currently?

Gaurav Mathur: The current natural gas is of the order of $17.6 – 17.7 per MMBtu NCV basis. We expect that it might remain around this number going forward because the bulk of the gas price is linked to Brent crude for the industry. So, for Quarter 1, it is expected to remain here maybe similar number for Quarter 2 also.

Vidit: And what was it in Quarter 4 FY23?

Anuj Jain : March' 23 was 17.4 and Quarter 4, it was 19.2.

Vidit: Okay. Understood. All right. Thanks. Thanks for these answers, sir. All the best.

Moderator: Thank you. Our next question comes from Prashant Biyani with Elara Securities. Please go ahead.

Prashant Biyani: Just one question. Sir, in the light of falling ammonia prices, how do you wish to defend the urea ammonia profitability for this year?

Gaurav Mathur: So, that is a very good question. So, we will definitely see a reduction in profitability on the ammonia part which again was a bit of a anomaly last year. Now let us see how it goes because these things can be transitory also. Today, we see a downward projection and our expectation is that now the price has stabilized and should not go down further and yes it will place some challenges on ammonia margins going forward. At the same time, we also have to look at that when we sell ammonia, we get better efficiency in the plants. So, overall, it is not just a simple equation of the direct margin that one makes on ammonia, but a combination of the direct margin plus the energy efficiency that we get by operating our plants at a high rate.

Prashant Biyani: Is it possible to share the ammonia contribution to EBITDA for last year?

Gaurav Mathur: I think that is something which we usually do not want to share, Prashant.

Moderator: Thank you. As there are no further questions, I would now like to hand the conference over to the management for closing comments.

Gaurav Mathur: Thank you very much Rishab. Thank you everyone for joining the conference and for your insightful questions. We wish you a very nice day going forward. Thank you very much.

Moderator: Thank you. On behalf of Chambal Fertilisers and Chemicals, that concludes this conference. Thank you for joining us.