



CHAMBAL FERTILISERS AND CHEMICALS LIMITED

May 10, 2021

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,

Pursuant to Regulation 30 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, we are enclosing herewith a copy of the presentation, on the financial results of the Company for the quarter and year ended March 31, 2021, which shall be shared with the Analysts / Investors.

You are requested to notify your constituents accordingly.

Thanking You,

Yours sincerely,

for **Chambal Fertilisers and Chemicals Limited**

Rajveer Singh

Vice President - Legal & Secretary

Encl.: a/a



Chambal Fertilisers and Chemicals Limited

Investor presentation

31st March 2021

Disclaimer



- The following slides may contain “forward looking statements” including, statements relating to the implementation of strategic initiatives by Chambal Fertilisers and Chemicals Limited (“CFCL” or “Chambal” or “Company”) and future business developments and economic performance.
- While these forward looking statements indicate the Company’s assessment with regard to the development of its business, there are a number of risks, uncertainties and other unknown factors that could cause actual developments and results to differ materially from the Company’s expectations.
- These factors include, but are not limited to, general market, macro-economic, governmental and regulatory trends, movements in currency exchange and interest rates, competitive pressures, technological developments, changes in the financial conditions of third parties dealing with the Company, legislative developments, and other key factors that could affect the Company’s business and financial performance.
- The Company undertakes no obligation to periodically revise any forward looking statements to reflect future/ likely events or circumstances.



Highlights for Q4 and FY 21



Key business developments: FY21

Highest ever EBIDTA, PBT and PAT due to robust operating performance in FY 2020-21

- Increase in sales of DAP, MOP and NPK
- Higher production and sales of UREA and better efficiency

Additional allocation of Rs 62,600 crore fertiliser subsidy by Govt. of India - Reduction in CFCL subsidy outstanding substantially to Rs 1103 crore as at FY21 from Rs. 5349 crore as at FY20

- To help fertilizer companies towards reducing debt and finance cost, improve financial metrics

Offices opened in Gujarat, Maharashtra, Andhra Pradesh, Telangana and West Bengal strengthening geographic presence

- Aiming to be PAN India player by expanding to high potential states
- Target Marketing network comprises of around 1000 dealers and 7000 retailers

CRISIL rating revision for bank borrowings by CRISIL to AA+/stable from AA/Positive (long term rating)

- Reaffirmation of the rating of "CRISIL A1+" to the Commercial Paper programme of the Company for Rs. 4500 crore

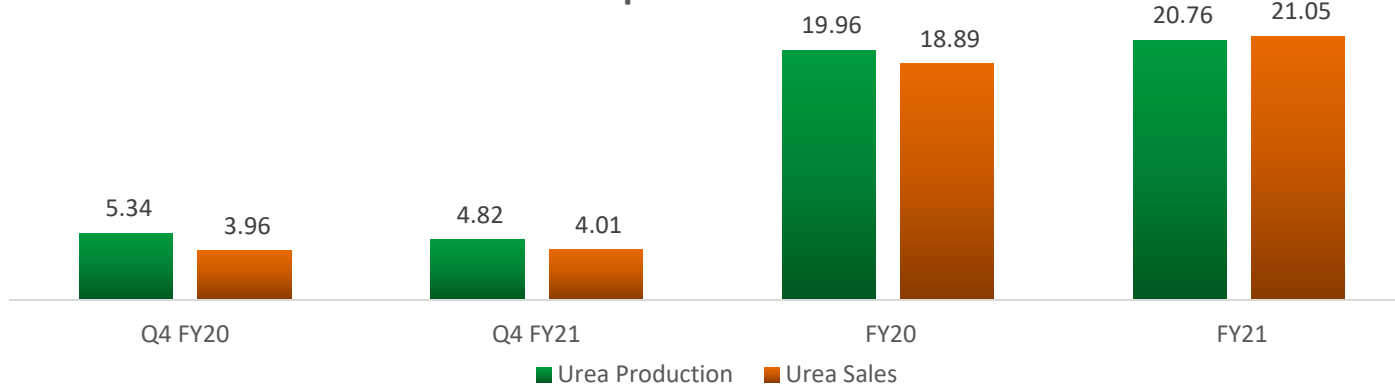
Appointment of Mr. Gaurav Mathur as the Managing Director of the Company

- Mr. Mathur succeeds Mr. Anil Kapoor who retired after completing his term on April 15, 2021
- Mr. Mathur is a chemical engineer from Indian Institute of Technology, Kanpur with more than 30 years of experience in the fields of Industrial Explosives, Specialty Chemicals, Coatings & Paints and Pharmaceutical Industries

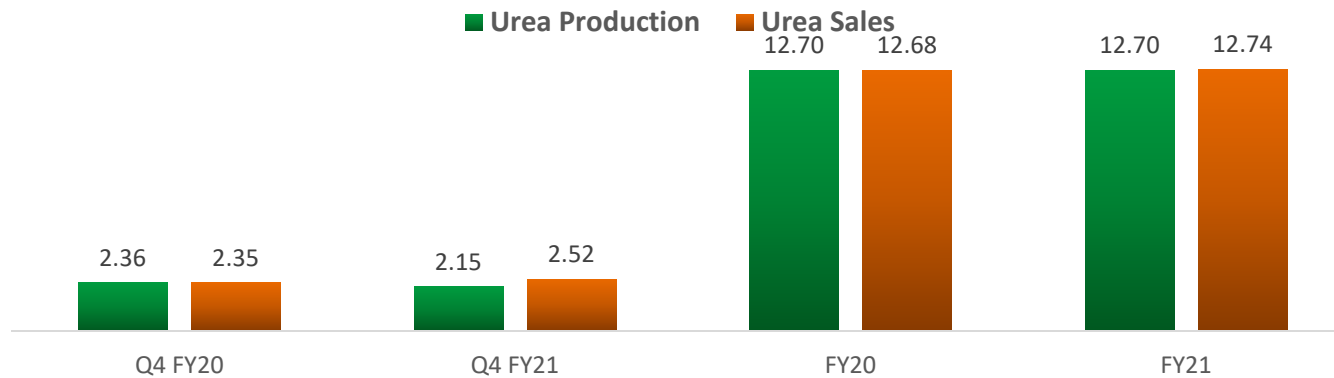


Urea production and sales : Q4 and Year End (FY20 vs FY 21)

Gadepan I & II Plants



Gadepan III Plant

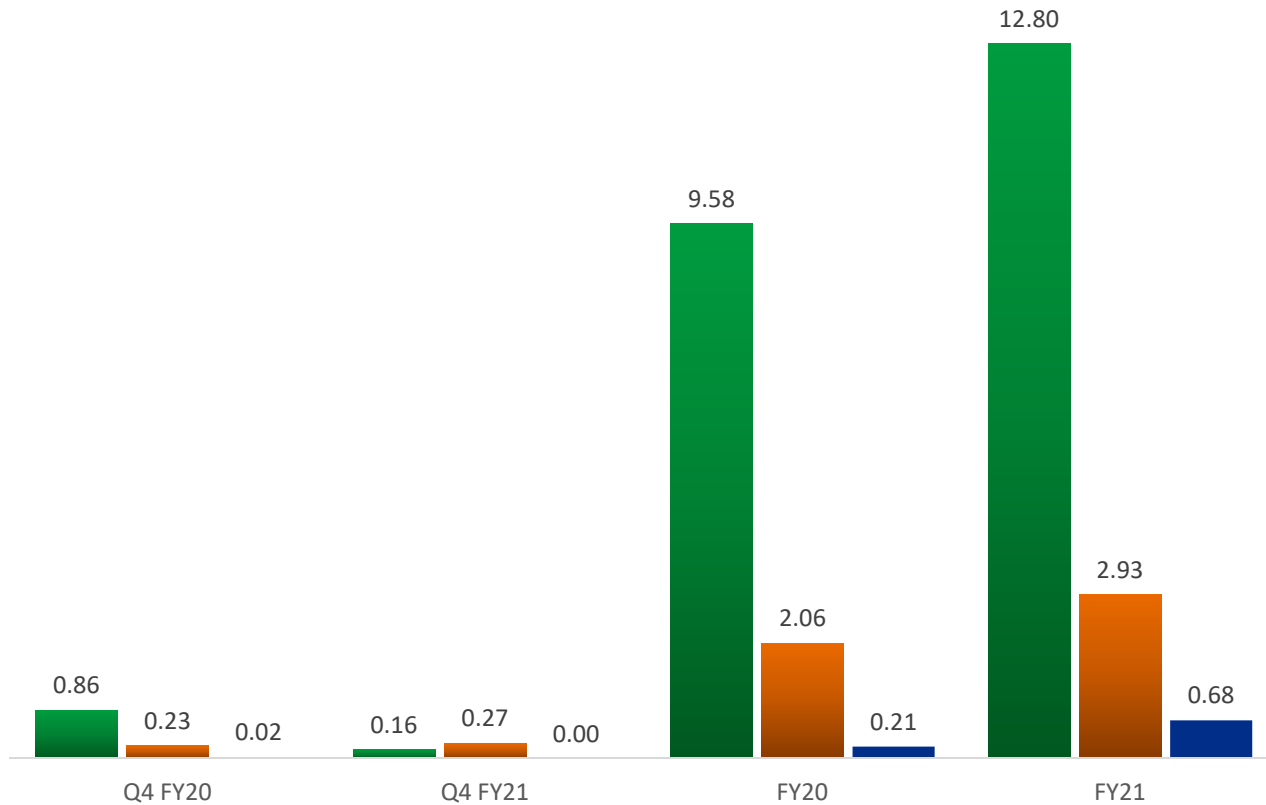


- The plants operated at optimal capacity.
- During FY 20-21 Energy of all three plants was better in comparison to the previous year.
- Gadepan III plant production is limited to 12.70 Lakhs MT of Urea as per Govt. of India policy.



Non urea fertiliser sales volumes continue to grow : Q4 and Year End (FY20 vs FY21)

■ DAP Sales ■ MOP Sales ■ NPK Sales



- In line with CFCL's strategy of enhancing thrust on non urea fertilisers, sales of DAP, NPK and MOP fertilisers grew strongly in the year.
- Sales of P&K fertilisers through POS machines higher by 38% during the current FY as comparison to previous year, reflecting better demand from farmers

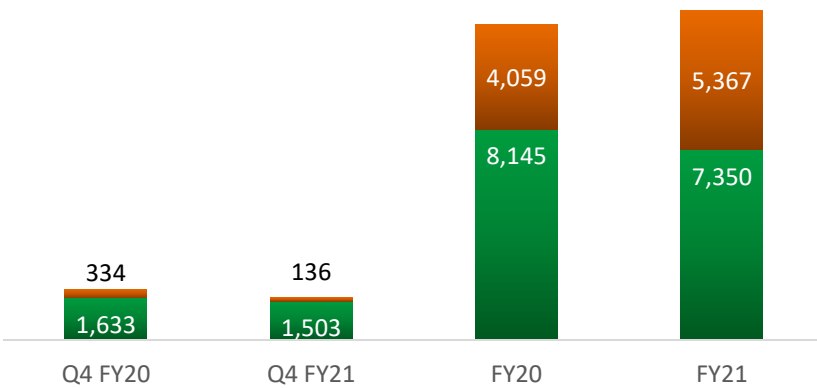
Unit Lakhs/MT

Financial overview Q4 and Year End (FY20 vs FY21)- Standalone

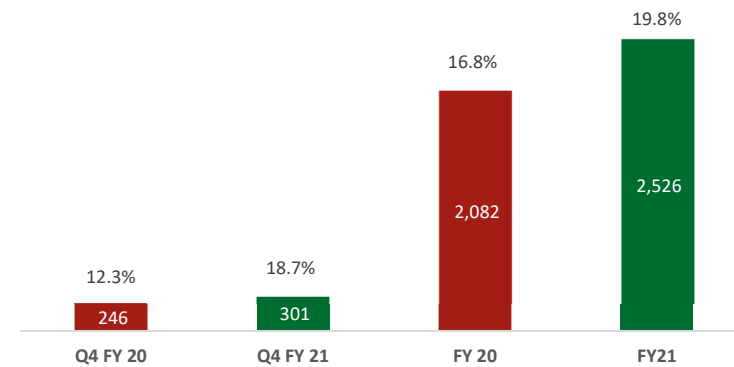


Revenue (INR Crore)

■ Urea ■ Non Urea



■ EBITDA (INR crore) ■ Margin %

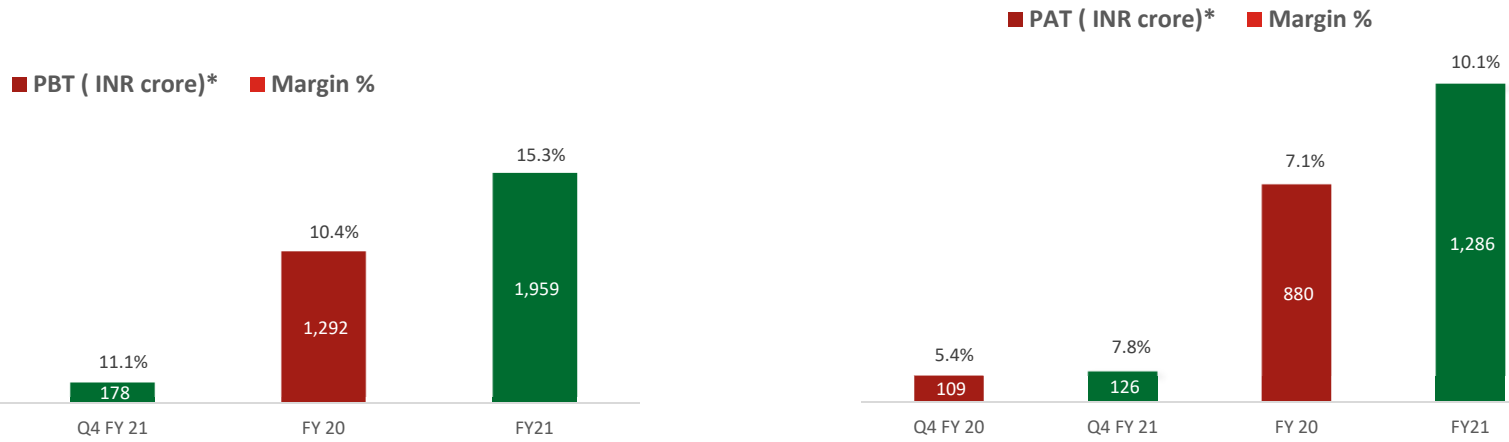


* Before exceptional items

- Revenue increased due to higher sales of non urea fertilisers whereas Urea turnover reduced due to fall in gas prices.

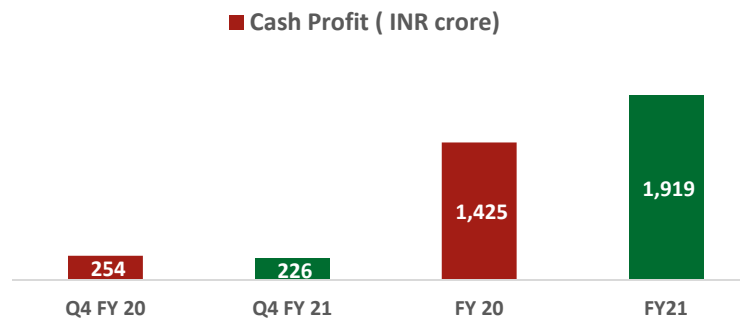
- EBITDA growth was largely the result of growth in volumes and contribution from the non Urea fertiliser portfolio apart from growth in Urea EBITDA due to better operating efficiencies.

Financial overview Q4 and Year End (FY20 vs FY21)- Standalone



* Before exceptional items

* Excluding one time deferred tax credit





Detail of Other Income (Standalone)

(INR Crore)

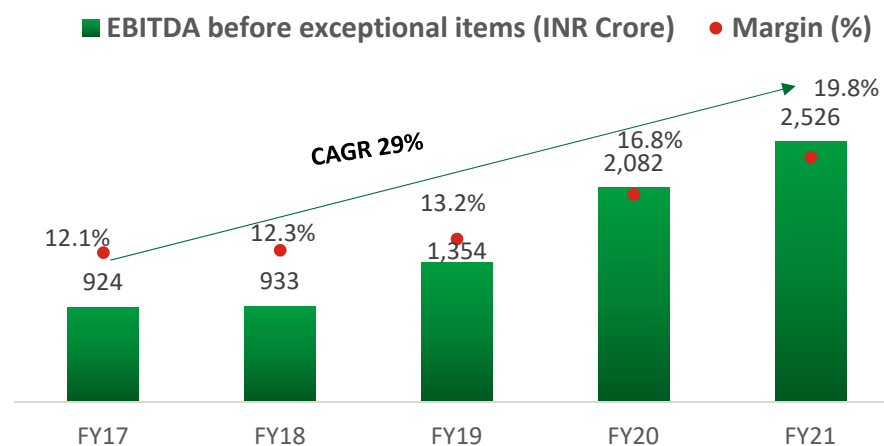
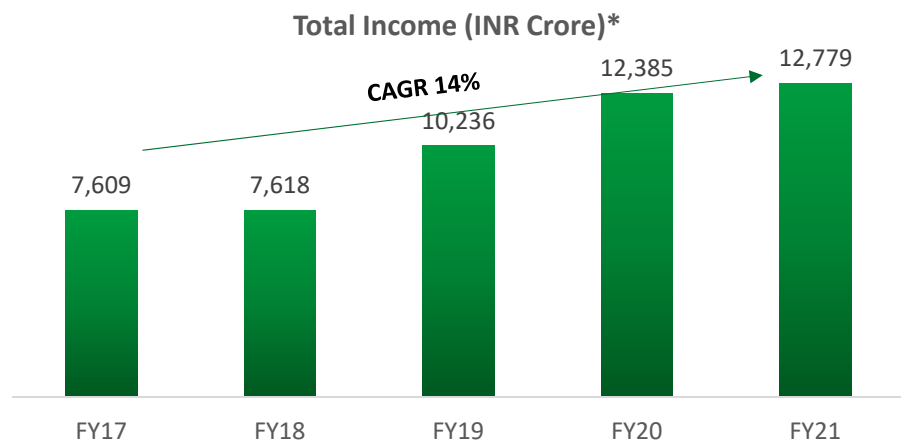
Particulars	Q4 FY 20	Q4 FY 21	FY 20	FY 21
Dividend Income	-	-	71.83	25.48
Mark to Market & Exchange rate variation	14.91	(45.38)	30.38	(1.08)
Insurance Claim Received	3.65	1.91	28.73	11.67
Other Miscellaneous Income	10.40	10.04	48.40	23.82
Total	28.96	(33.43)	179.34	59.89

Detail of Other Expenses (Standalone)

Particulars	Q4 FY 20	Q4 FY 21	FY 20	FY 21
Power & Fuel	532.28	414.01	2113.57	1645.54
Freight & Forwarding Charges	128.06	110.51	682.79	778.85
Consumption of Packing Charges	21.06	23.69	93.73	102.78
Exchange rate variation & Mark to Market	56.99	(48.41)	77.87	-
Other Miscellaneous Expenses	103.20*	60.33	290.31*	212.02
Total	841.59	560.13	3258.27	2739.19

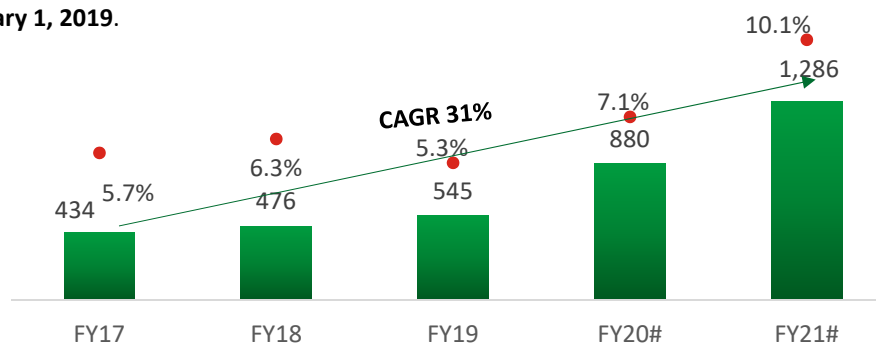
* Including Rs 62.02 Crores towards impairment loss, assets write off and fair value loss.

P&L overview (Standalone) - Continued Operations



- Revenue increase/decrease is mainly due to variation in gas prices and quantity sold.
- The revenue from Gadepan-III Plant commenced from January 1, 2019.

■ PAT (INR Crore) ● Margin (%)

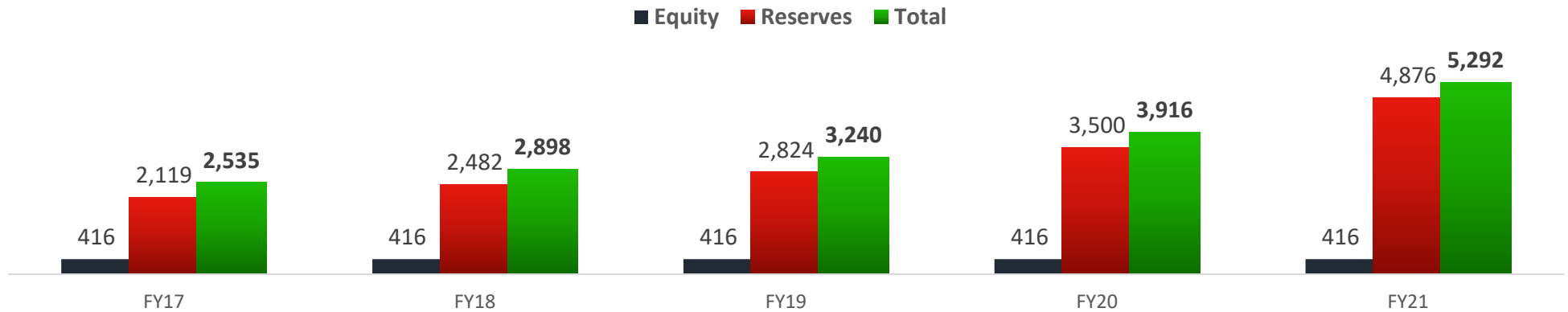


Excluding one time deferred tax benefit of Rs. 344 crore and Rs 61.25 crore during FY 20 and 21 respectively.



Equity and Borrowings (Standalone)

Total Shareholder Funds (INR crore)



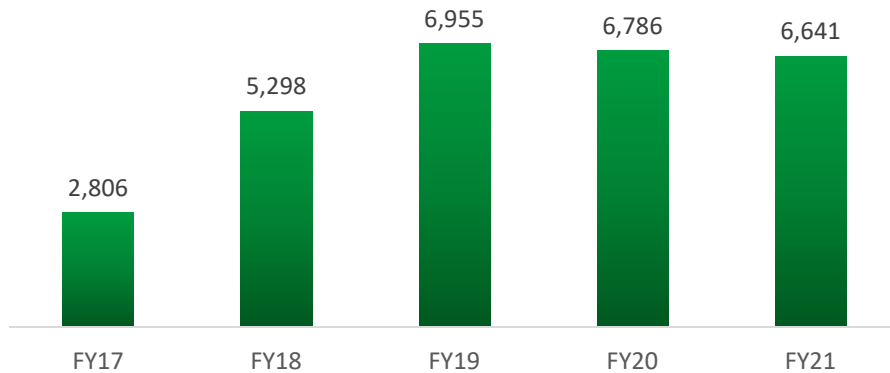
Debt (INR crore) – Continued Operations	FY17	FY18	FY19	FY20	FY21
Long Term	1,075	3,157	4,383	4,680	3,848
Short Term*	3,078	2,452	4,162	4,934	0
Total	4,153	5,609	8,545	9,614	3,848

*Short Term loans include the amount received under Special banking Arrangements (SBA) from Govt. of India against Subsidy outstanding, which is adjusted against the subsidy in the next financial year.

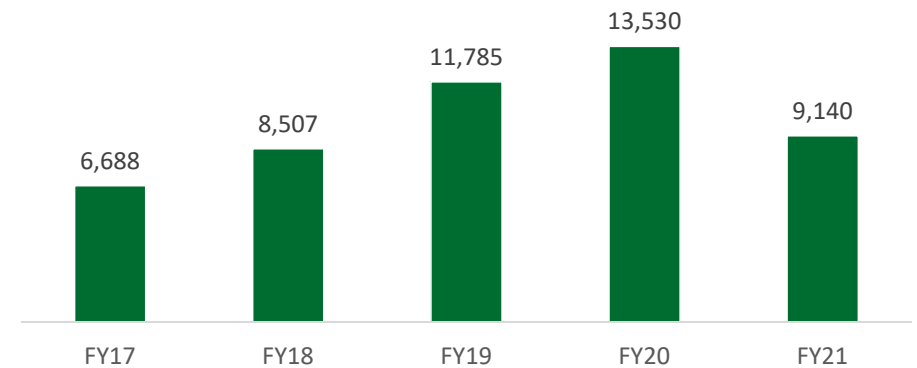
Fixed Assets, Receivables and Capital Employed (Standalone) – Continued Operations



Fixed Assets (INR crore)

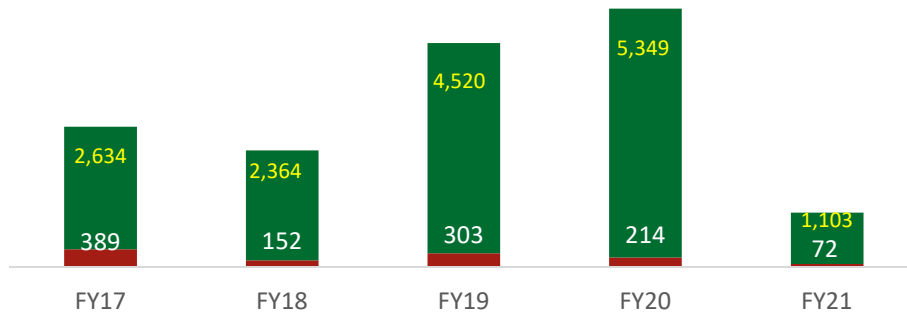


Capital Employed (INR crore)

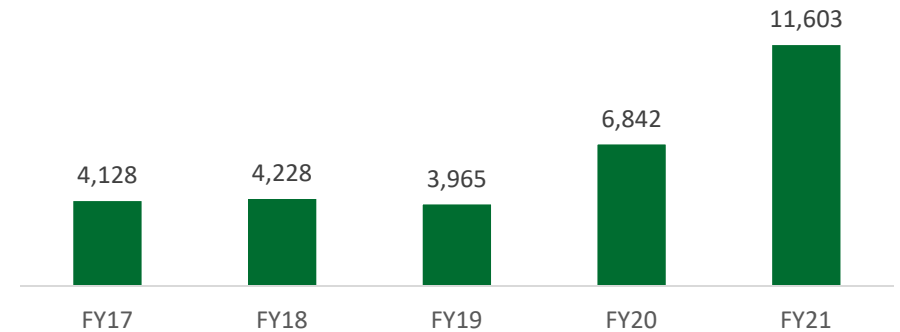


Receivables (INR Crore)

■ Market Debtors ■ Subsidy Debtors



Subsidy Received (INR Crore)

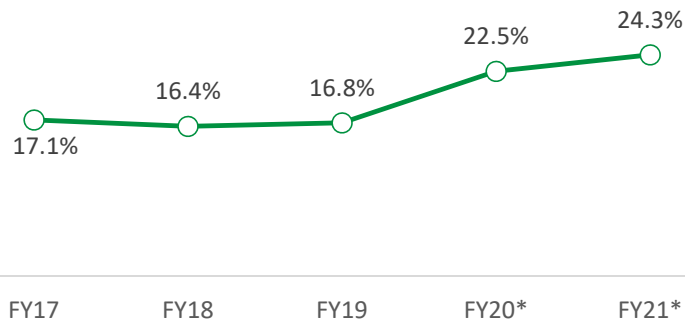


Subsidy debtors includes Rs. 749 Crore and Rs. 483 Crore for FY 20 and FY 21 respectively, pending clearance of stock through POS (Point of Sales).

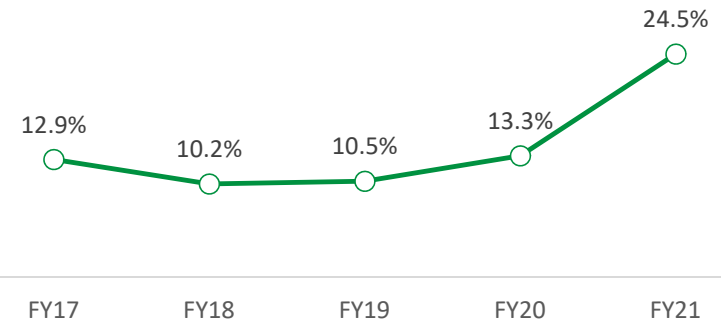


Financials Ratios (Standalone) – Continued Operations

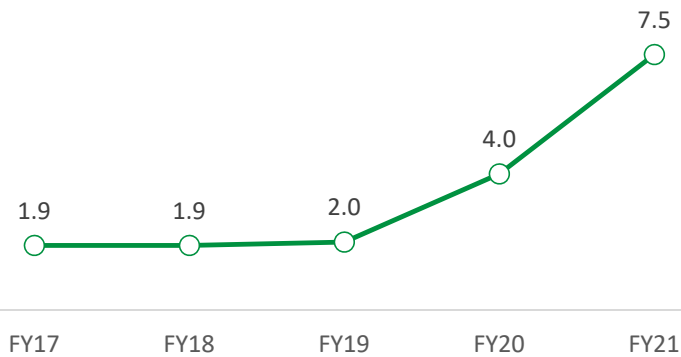
ROE (%)



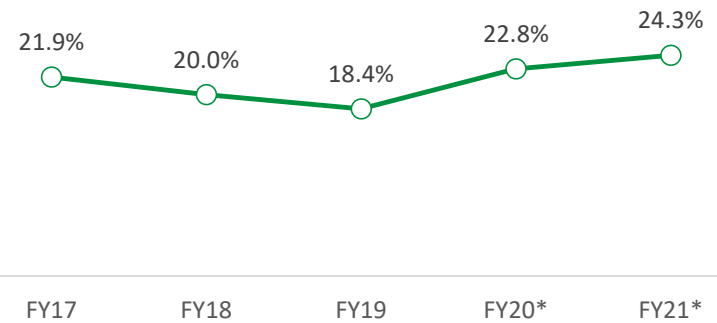
RoCE (%) - Before Exceptional Items



Dividend Per Share



Dividend Payout (%)

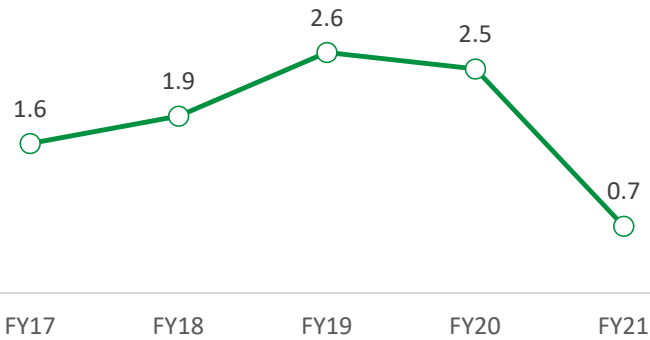


**Excluding one time deferred tax benefit of Rs. 344 crore and Rs. 61.25 crore during FY 2020 and 2021 respectively.*

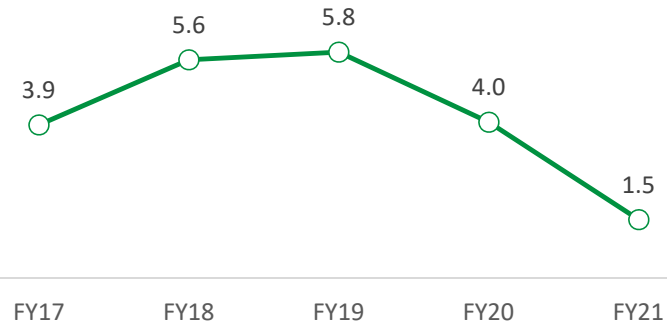
Financials Ratios (Standalone) – Continued Operations



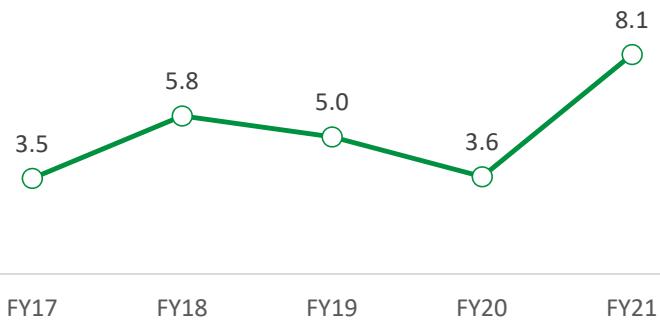
Total Debt to Equity (times)



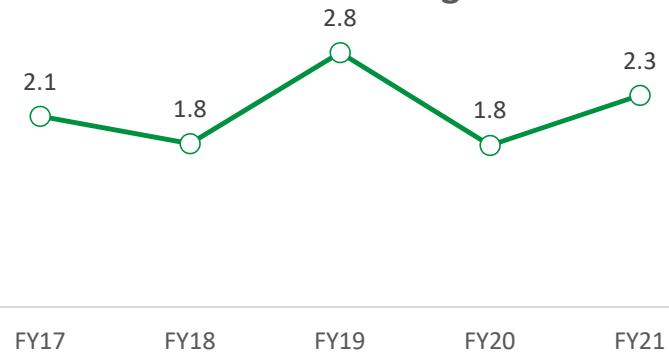
Debt to EBIDTA



Interest Coverage Ratio

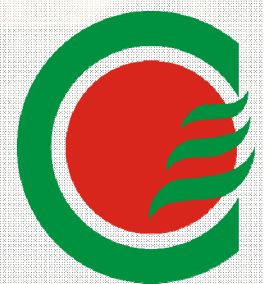


Debt Service Coverage Ratio





Chambal – Overview



About Chambal



One of the largest Agri-Products Company in India



Strong Balance Sheet, Zero short term debt and financially sound



Highly experienced management team with strong track record



Selling a portfolio of products valuing over Rs. 12,500 crore annually



Largest single site Urea manufacturer – significant economies of scale
New Urea Plant (Gadepan-III) one of the most energy efficient urea plants in the world



Significant and growing non-urea portfolio of products sourced directly from reputed global manufacturers

Chambal value proposition



Scale of manufacturing operations with cost leadership



Three plants of the Company located at Gadepan in Kota district of Rajasthan

- Annual production of more than ~3.3 million MT of urea
- Company accounts for over 13% of the total urea produced in the country

Gadepan - I

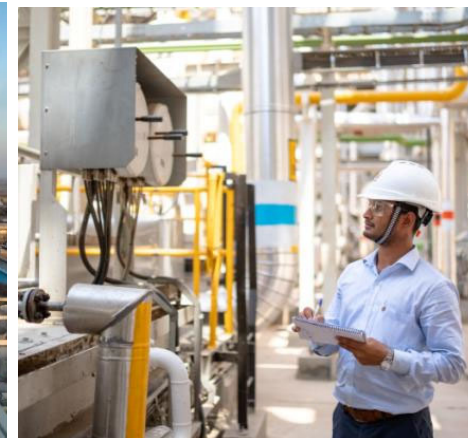
- Ammonia Plant with a capacity to produce 1,800 MT Ammonia per day
- Urea plant has the capacity to produce 3,100 MT of Urea per day (around ~1.04 million MT per annum)

Gadepan - II

- Ammonia Plant has a capacity to produce 1,700 MT per day
- Urea plant has the capacity to produce 3,000 MT of Urea per day (around ~1.0 million MT per annum)

Gadepan – III

- Ammonia Plant has a capacity to produce 2,200 MT per day
- Urea plant has the capacity to produce 3,850 MT of Urea per day (around ~1.27 million MT per annum)
- Energy consumption per MT of urea: below 5 gcal



- **Single site facility also enables more efficient management of costs**
- **Minimal addition of manpower towards operations post commencement of production in Gadepan- III plant**



Distribution and Reach (other than new territories)

Unparalleled reach in 9 states and 1 union territory across North, Western and Central India.

Deeply entrenched dealer and distribution network and brand association built over decades

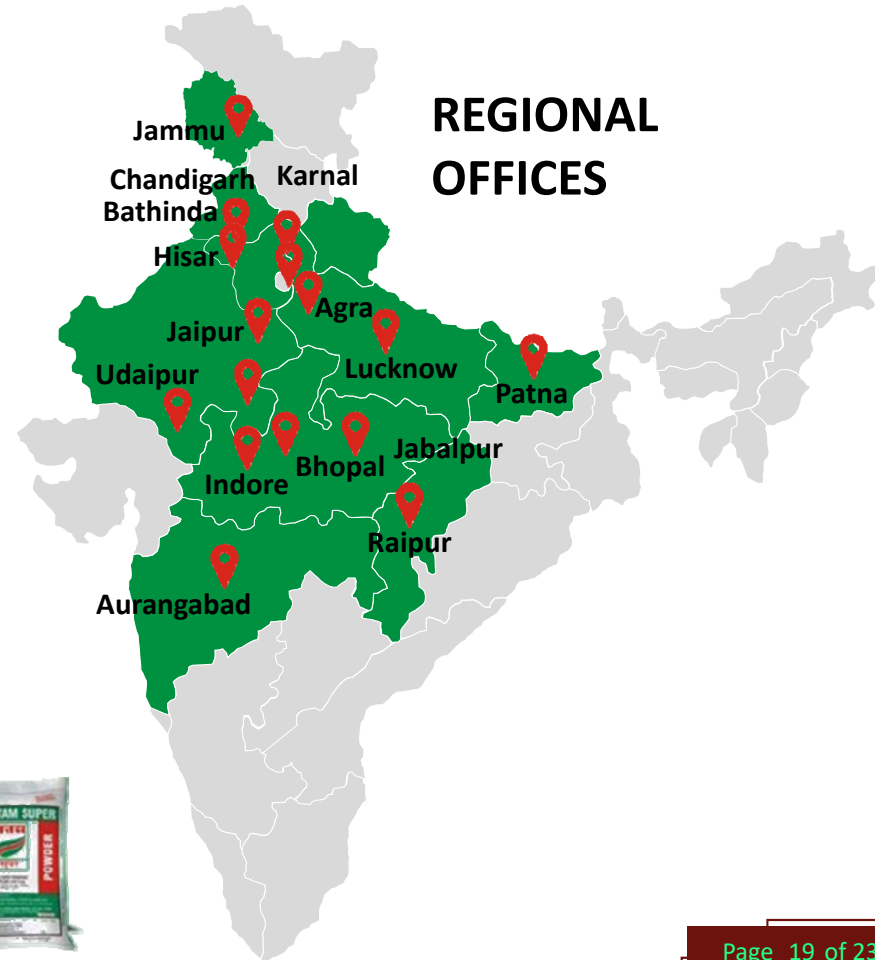
Marketing network comprises of

Products supplied include Urea, DAP, NPKs, MOP, crop protection chemicals and specialty nutrients

15
Regional offices

~3,650
Dealers

~50,000
Retailers





Strong Brand and Channel Connect

CFCL enjoys long standing dealer and retailer partnerships developed over two decades

CFCL's brand Uttam is the preferred brand amongst farmers in Punjab, Haryana, Rajasthan, Madhya Pradesh and Jammu & Kashmir

Over the last 26 years, across CFCL's marketing territory, a farmer would have used a CFCL product at least once

Products valueing over Rs. 12,500 crore flow through the Company's distribution channel every year

Bouquet of products are sold under a Single Window concept

Very long standing and trusted supplier/customer relationships

Timely payments and supplies

Emphasis on marketing and financial discipline - Negligible bad debts/ defaults

SALES PATTERN 2020-21

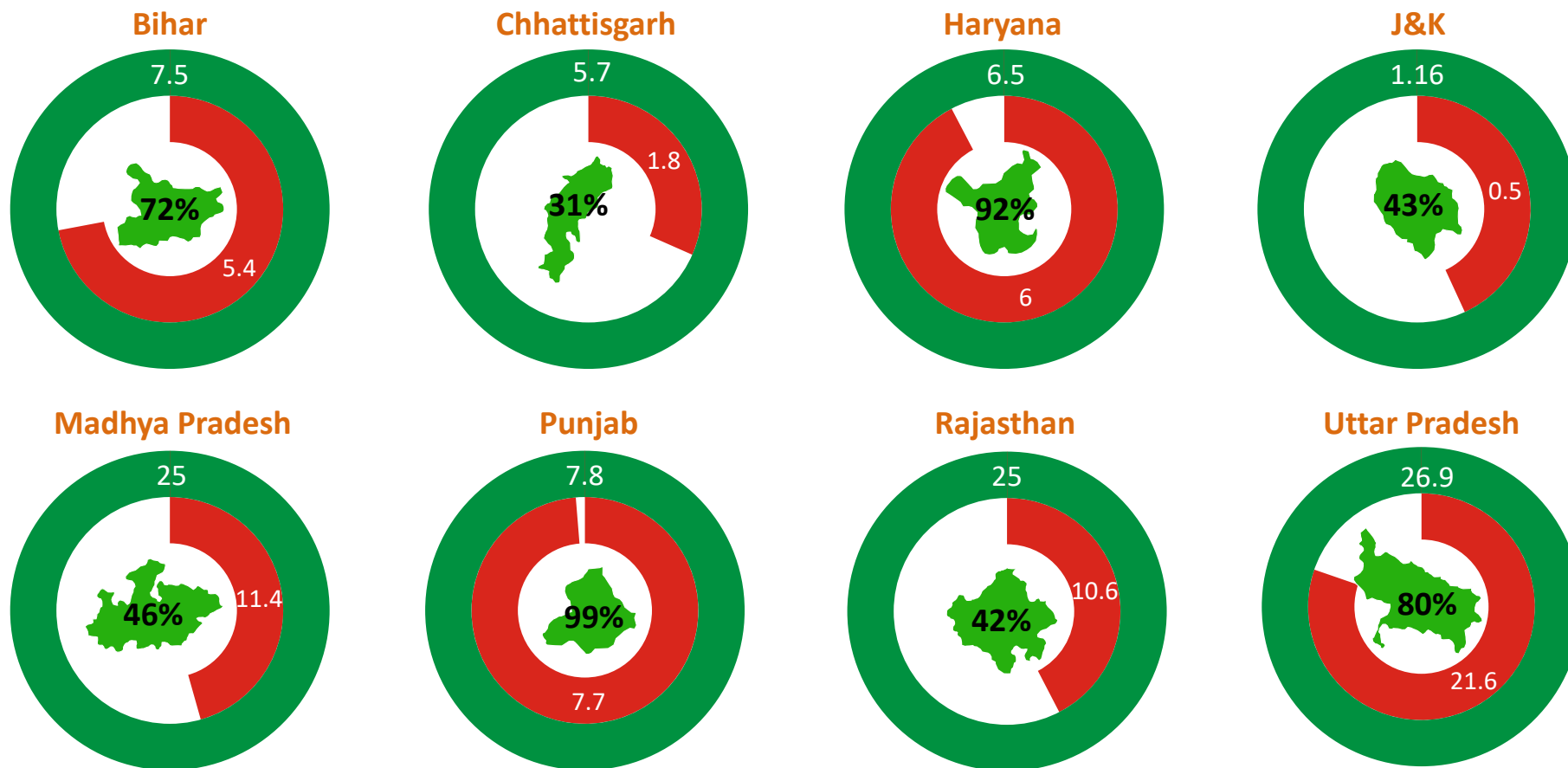
MARKET SHARE

STATE	UREA	DAP	MOP
Bihar	10%	12%	28%
Chhattisgarh	22%	8%	18%
Haryana	23%	31%	25%
J&K	12%	8%	36%
Madhya Pradesh	20%	21%	23%
Punjab	15%	18%	19%
Rajasthan	31%	32%	32%
UP+UK	9%	13%	23%
CFCL Territory Total	16%	18%	24%



Market Potential

FOOD BELT; LARGELY IRRIGATED – LOWER CONSUMPTION VARIABILITY



■ Gross Cultivated Area mha
 ■ Gross Irrigated Area mha
 (%) Irrigated Area as percentage of cultivated Area in each state



Environment and Sustainability

- Sustainability is an integral part of Chambal's corporate philosophy.
- Consumption of fresh water per MT of urea manufactured is the lowest in fertilizer industry in India.
- The company uses only harvested rain water in operations.
- The Company follows the concept of Reduce, Re-use and Re-cycle of the waste management.
- Waste water is substantially re-cycled back into the system and the balance is used in the irrigation network within the complex.
- Emission monitoring system installed across plant.
- Robust safety interlock system to prevent emissions of hazardous gases.
- The Gadepan residential colony is amongst the best industrial townships of the Country.
- Corporate social responsibility program is aimed to make perceptible changes in the lives of people through its intervention in education, livelihood, rural development, etc.




Contact Us





For queries and requests, please contact:

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