

## CHAMBAL FERTILISERS AND CHEMICALS LIMITED

### Record of proceedings of Institutional Investor Meeting

1.	Date of Meeting	February 15, 2022
2.	Venue of Meeting	Virtual
3.	One-on-One meeting with	GIC Private Limited, Singapore
4.	Company Representative	Mr. Abhay Bajjal, Chief Financial Officer
5.	Gist of Discussions	<p>The main points of discussion were as under:</p> <ol style="list-style-type: none"><li>I. The background of the Company and history of setting up the plants was explained. The Company is having three plants (i.e. Gadepan-I, Gadepan-II and Gadepan-III) to manufacture Urea and it also markets other non-Urea fertilisers and crop protection chemicals. The geographical spread of the marketing territory of the Company and promoter shareholding in the Company were also explained.</li><li>II. The Urea Government policy on subsidy for Gadepan-I and Gadepan-II plants is unit cost based policy whereas Gadepan-III plant of the Company is covered under the New Investment Policy 2012 ("NIP 2012") of Government of India. NIP - 2012 has done away with the concept of individual unit cost exercise and also introduced the Import Parity Price linked regime to incentivize the urea units. Gadepan-III plant is performing better than the implied benchmarks under NIP-2012.</li><li>III. The overall profitability of the Company has increased due to multiple factors. The Company has been successful in achieving cost control by automation and promoting productivity per employee. The Company has also enlarged its product portfolio over the years by including non-urea fertilisers such as Di-Ammonium Phosphate (DAP), Muriate of Potash (MOP) etc. which are covered under Nutrient Based Subsidy policy of the Government of India. All these factors resulted in reducing the fixed cost per tonne and increasing the overall returns to the Company. Further, profits from Gadepan-III plant of the Company has also helped in increasing the overall returns of the Company.</li><li>IV. The Company shall continue to remain focused on agri inputs segment.</li><li>V. The rationale of setting up the plant to manufacture Technical Ammonium Nitrate is to monetize and add value to excess Ammonia available to the Company while producing Urea. The Company is currently selling the excess Ammonia available to the Company. The Company will have the advantage of cheaper Ammonia due to energy efficiency of the plants, better logistics and lower capital related costs than competition.</li></ol>

  
