



CHAMBAL FERTILISERS AND CHEMICALS LIMITED

November 6, 2020

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 period ended September 30, 2020, 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

Q2 FY21 Results

November 05, 2020





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.

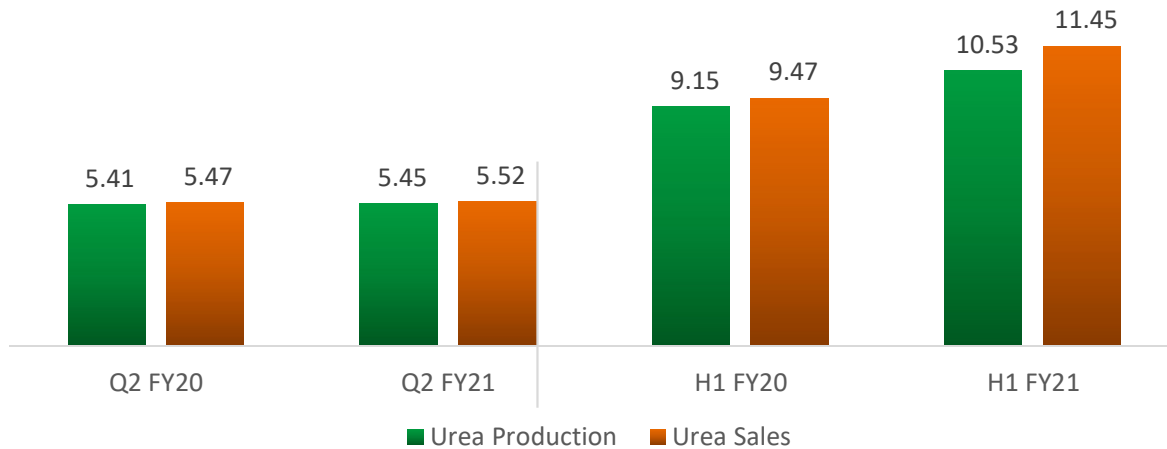


Q2 and H1 FY21 Operating and Financial Performance

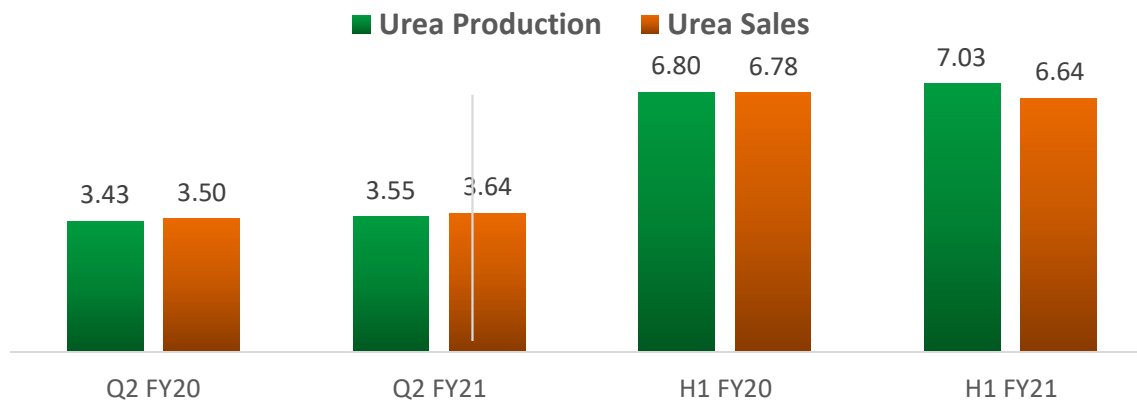
Urea production and sales



Gadepan I & II Plants



Gadepan III Plant

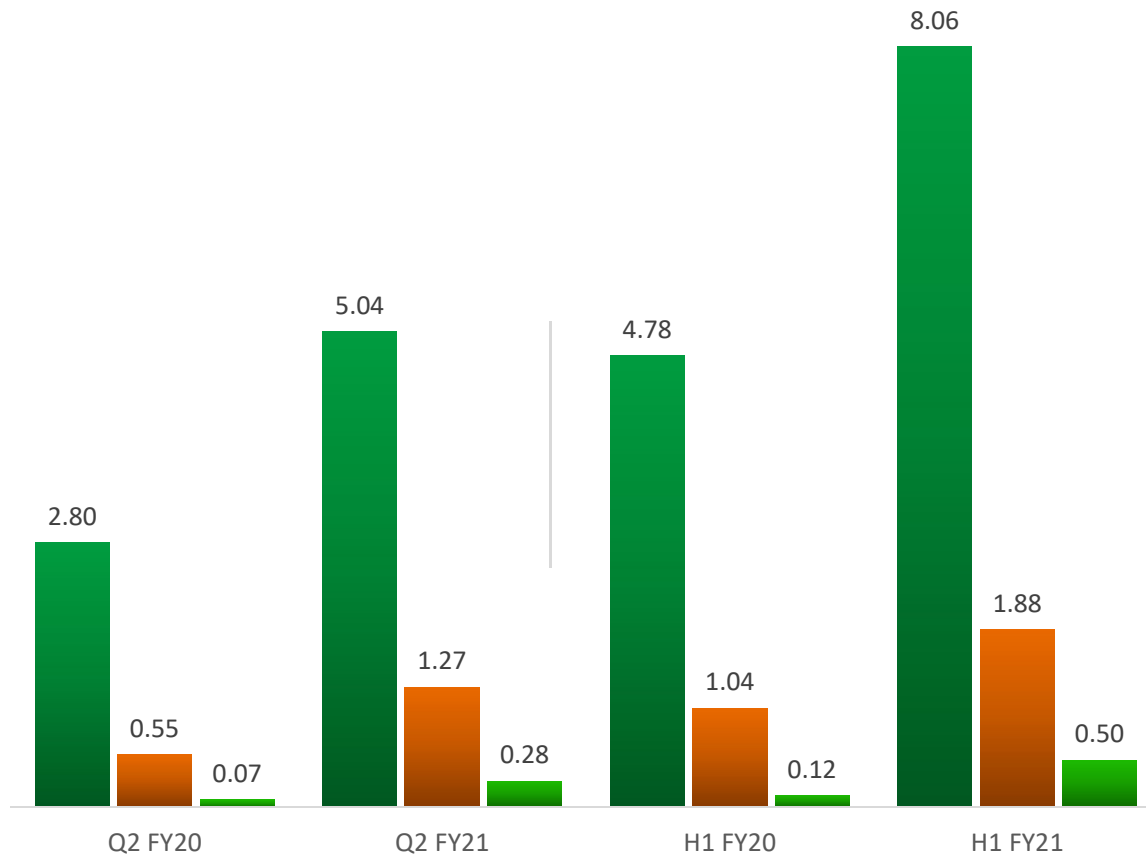


- The plants operated at full capacity.
- Combined Energy of all the three plants for half year ended September 30, 2020 was better in comparison to corresponding period of previous year.
- Sales through Point of Sales (POS) machines higher by 11% during the half year ended September 30, 2020 in comparison to corresponding period of previous year, reflecting better demand from farmers



Non urea fertiliser sales volumes continue to grow

■ 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 period under review
- Sales of P&K fertilisers through POS machines higher by 67% during the half year ended September 30, 2020 in comparison to the corresponding period of previous year, reflecting better demand from farmers

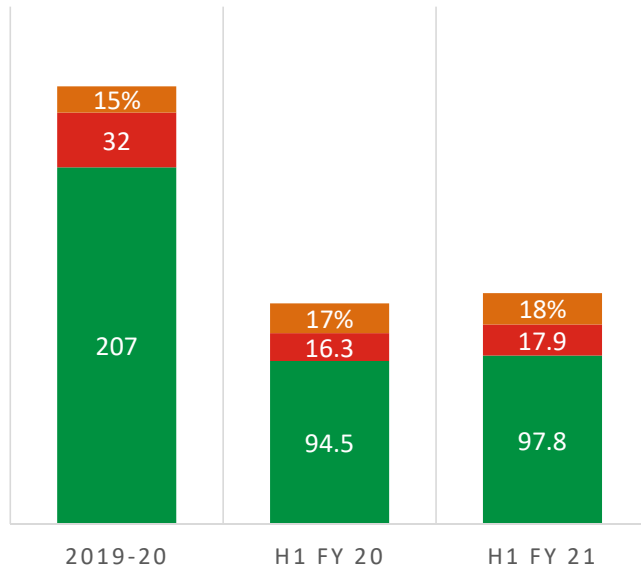


Nutrient Consumption: CFCL vs Others (Core CFCL Area)

Volume in lac MT

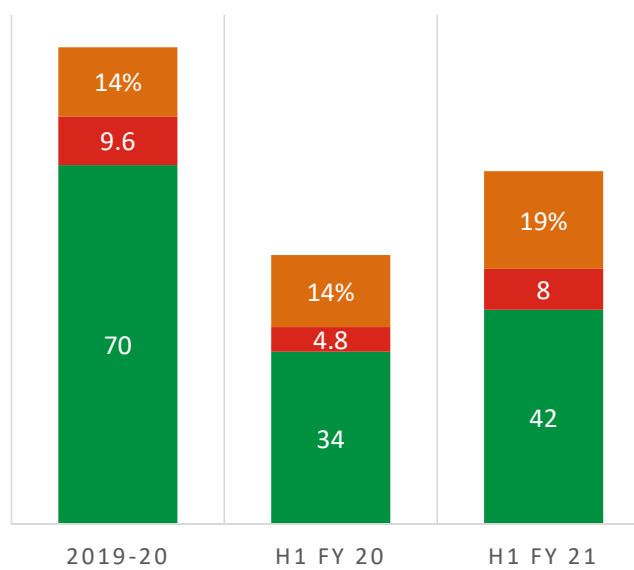
UREA SALE

■ Total Urea ■ CFCL Sales ■ % CFCL Share



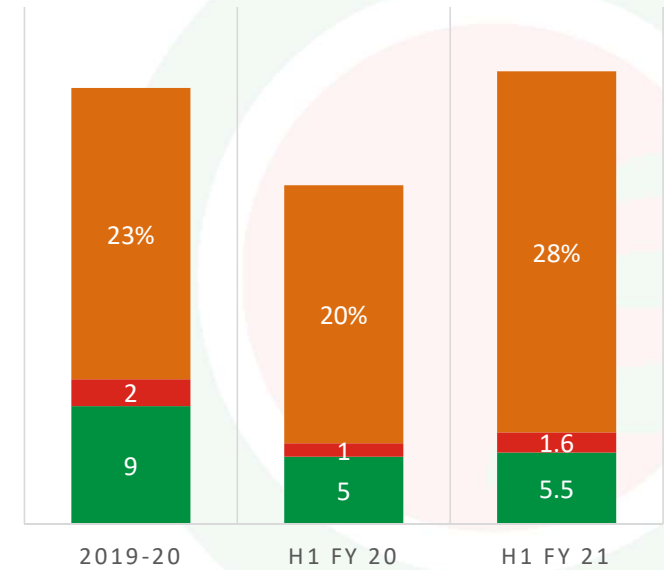
DAP SALE

■ Total DAP ■ CFCL Sales ■ % CFCL Share



MOP SALE

■ Total MOP ■ CFCL Sales ■ % CFCL Share



Continued growth in the non urea fertiliser portfolio of the Company.

Note: The Company has commenced sales in Maharashtra during the current financial year, hence the same is not included in the above.

Data Source: mfms.nic.in

Managing Director's quote



Commenting on the performance, Mr. Anil Kapoor, Managing Director, Chambal Fertilisers' and Chemicals Limited, said: *"We are encouraged by the growth we have delivered, particularly in phosphatic and potassic fertilisers. We believe there is opportunity for CFCL to further grow in this space. Our Urea plants continue to operate at full capacity. We look forward to continued growth and sustained value creation for all our stakeholders."*

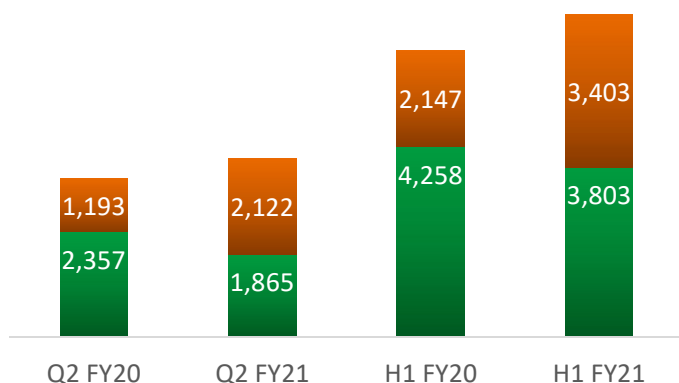
Profit & Loss

Standalone

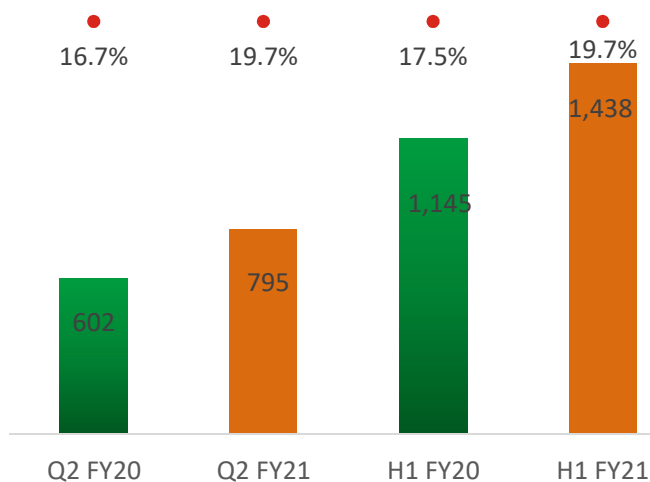


Revenue (INR Crore)

■ Urea ■ Non Urea

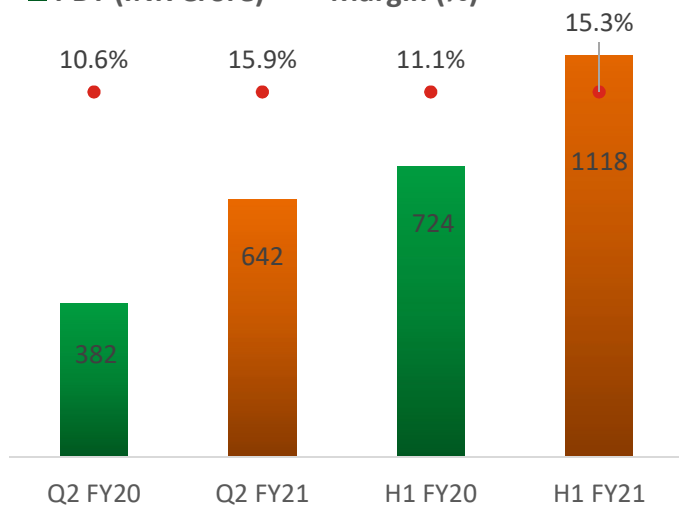


■ EBITDA (INR Crore) ● Margin (%)

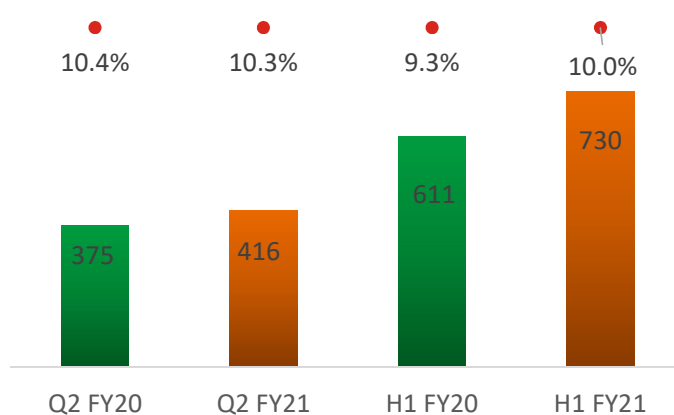


- Revenue increased due to higher sales of non urea fertilisers whilst Urea turnover reduced due to the fall in gas prices.
- EBITDA growth was largely the result of growth in volumes and contribution from the non Urea fertiliser portfolio apart from growth in Urea EBITDA due to better operating efficiencies.
- PBT also increased on account of lower Finance Costs, mainly due to lower interest rates .

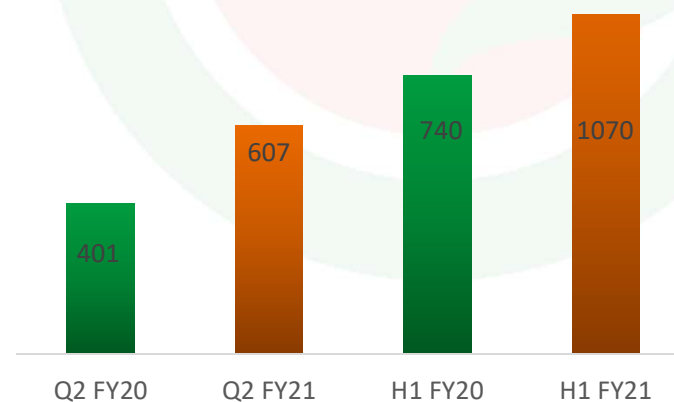
■ PBT (INR Crore) ● Margin (%)



■ PAT (INR Crore) ● Margin (%)



Cash Profit (INR Crore)





Balance sheet overview

Rs. Crore	September 30, 2020	September 30, 2019	Growth %	March 31, 2020	Growth %
Total Equity	4,750	3,789	25	3,916	21
Total Debt	7,476	8,577	-13	9,614	-22
Capital Employed	12,226	12,366	-1	13,530	-10
Cash & cash equivalents	51	261	-80	133	-62
Receivables	5,365 *	4,448	21	5,563	-4
Trade Payables	1,398	802	74	540	159
Inventories	1,331	1,358	-2	1,136	17
Fixed Assets	6,703	6,901	-3	6,786	-1

Debt (INR crore)	September 30, 2020	September 30, 2019	March 31, 2020
Long Term	4,223	4,770	4,680
Short Term	3,253	3,807	4,934
Total	7,476	8,577	9,614

- Reduction in debt due to better inflow of subsidy in Urea during the quarter and half year.
- Better cash sales reduced Market debtors.
- Capital Employed reduced due to better collection of subsidy and reduction in subsidy accrual on account of lower gas prices.

*including subsidy of Rs. 4031 Crore in respect of which claims have been preferred with Government of India.

Subsidies (INR Crore)



Subsidy receipts	Q2FY21	Q2FY20	Change %	H1FY21	H1FY20	Change %
Urea	2,499	2,048	22	3,826	3,737	2
P&K Fertilisers	238	320	-26	756	904	-16
Other Miscellaneous	1	4	-75	1	6	-80
Total	2,738	2,372	15	4,583	4,647	-1

Note: Includes subsidy received last year through Special Banking Arrangement of Rs. 1274.16 Crore in March 2020 and Rs. 700.09 Crore during March 2019.

Subsidy outstanding	Q2FY21	Q2FY20	Change %	H1FY21	H1FY20	Change %
Urea	3,459	3,226	7	3,459	3,226	7
P&K Fertilisers	1,301	674	93	1,301	674	93
Other Miscellaneous	14	16	-13	14	16	-13
Total	4,774 *	3,916	22	4,774	3,916	22

**including subsidy of Rs. 4031 Crore in respect of which claims have been preferred with Government of India.*



CFCL – The Company

Chambal value proposition





Operations - Facilities

Three plants 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 of Ammonia per day
- Urea plant has the capacity to produce 3,100 MT of Urea per day

Gadepan-II

- Ammonia Plant has a capacity to produce 1,700 MT per day
- Urea Plant has a capacity of 3,000 MT per day of Urea

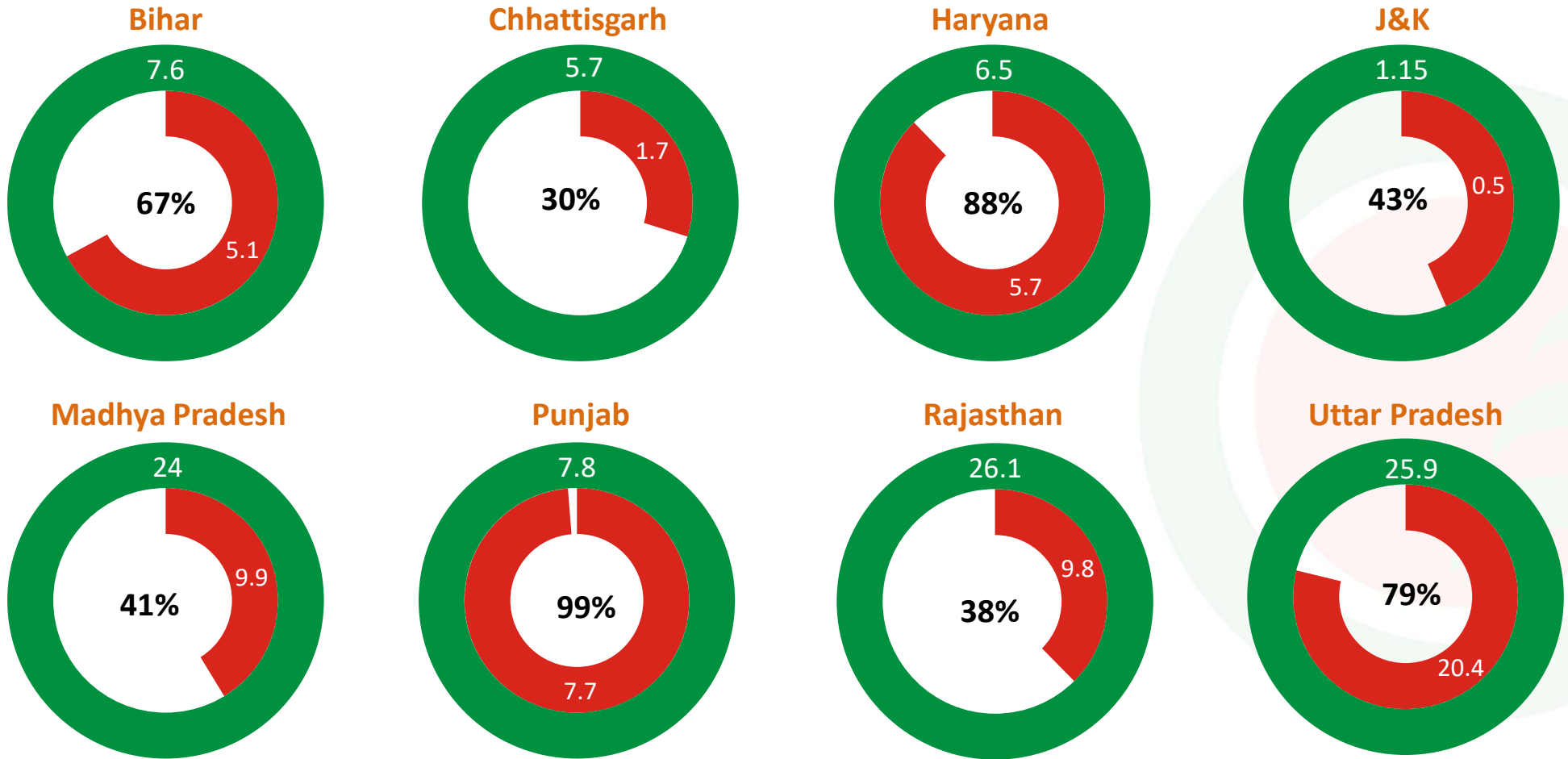
Gadepan – III

- Gadepan III plant is one of the most efficient plants in the world, producing 1.27 million MT urea per annum
- Energy consumption per MT of urea: below 5 gcal





Large proportion of cultivable areas in target markets are irrigated



Gross Cultivable Area Mha **Gross Irrigated Area Mha** (%) Irrigated Area as percentage of cultivable Area in each state

Wide Reach and efficient distribution



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

CFCL's brand Uttam is the preferred brand amongst farmers in the states of Punjab, Haryana, Rajasthan and Madhya Pradesh

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

Bouquet of products are sold under a Single Window concept

Very long standing and trusted supplier relationships

Timely payments and supplies

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

MARKET SHARE 2019-20

STATE	UREA	DAP	MOP
Bihar	9%	10%	31%
Chattisgarh	11%	7%	12%
Haryana	22%	21%	24%
J & K	17%	11%	24%
Madhya Pradesh	20%	16%	23%
Punjab	16%	13%	17%
Rajasthan	30%	23%	29%
UP	9%	10%	18%
CFCL Territory Total	15%	14%	23%

Distribution and marketing: built over several decades



Unparalleled reach in 9 states and 1 Union Territory across Eastern, Northern and Western India

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

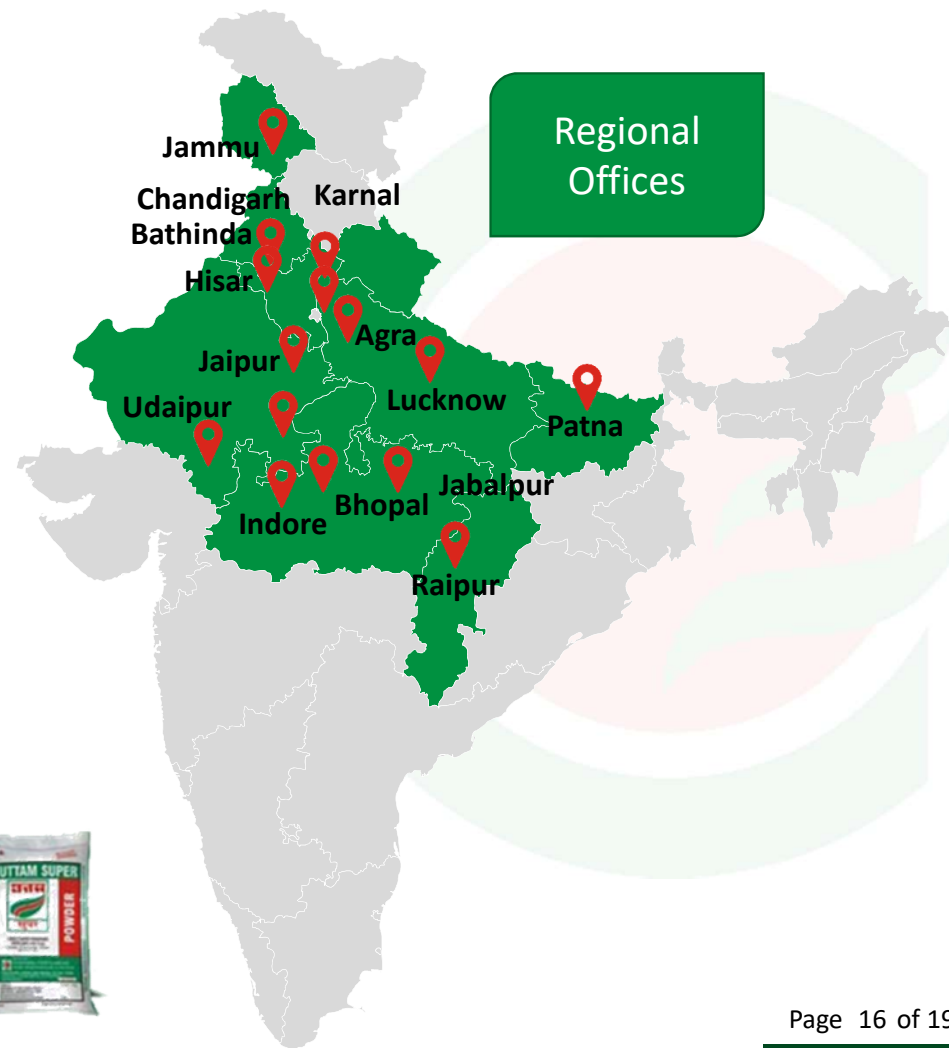
Marketing network comprises of

Products supplied include Urea, DAP, NPK, MOP, pesticides and micro nutrients

14
Regional offices

~2,700
Dealers

~50,000
Retailers

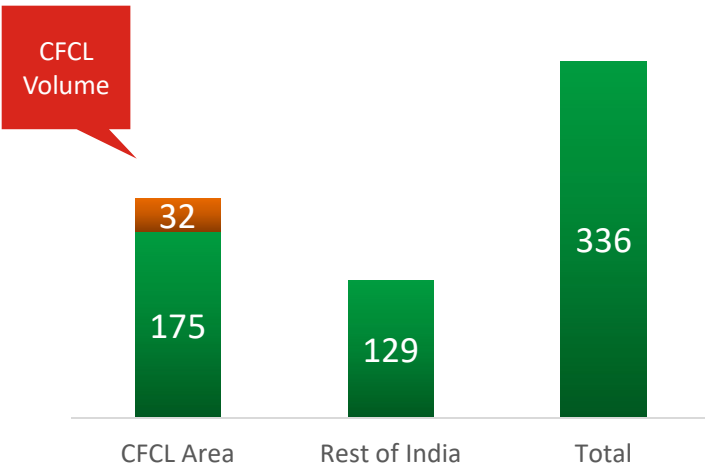




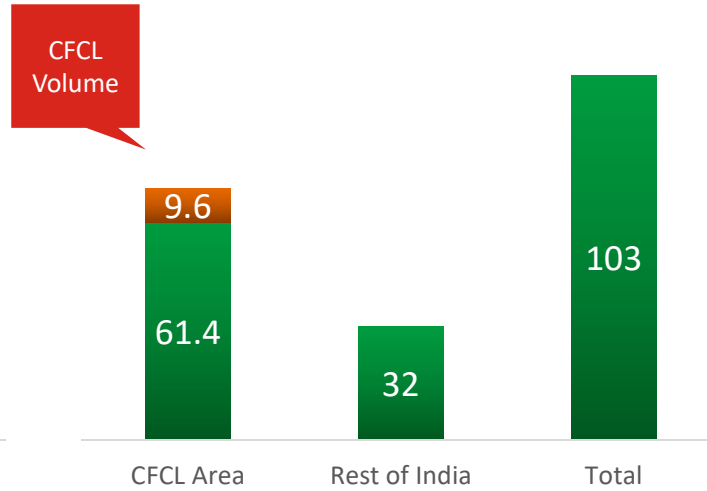
Nutrient Consumption: CFCL vs Others

Volume in lakh MT (FY19-20)

Urea



DAP



MOP





- **Chambal enjoys sizeable market share across all nutrients**
- **Opportunity to increase market share in DAP and MOP**


Data Source: mfms.nic.in

Contact Us





For queries and requests, please contact: www.chambalfertilisers.com


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**Thank
You**