



CHAMBAL FERTILISERS AND CHEMICALS LIMITED

**Transcript of 38<sup>th</sup> Annual General Meeting of  
Chambal Fertilisers and Chemicals Limited held on  
Tuesday, September 12, 2023 at 10:30 A.M. Indian  
Standard Time**

**Moderator**

- Good Morning, Ladies and Gentlemen. Welcome to the 38<sup>th</sup> Annual General Meeting of Chambal Fertilisers and Chemicals Limited. For the smooth conduct of the meeting, the members will be in mute mode and audio and video will be opened when a member speaks at the meeting. I now request Mr. Saroj Kumar Poddar, Chairman to initiate the proceedings of Annual General Meeting. Over to you sir.

**Mr. Saroj Kumar Poddar – Chairman**

- Thank you. Anuj, Company Secretary, may please kindly confirm the quorum.

**Mr. Anuj Jain – Company Secretary**

- Good morning. At present, we have around 87 members who are participating through video conferencing. Therefore, the requisite quorum is present and the meeting is duly constituted. Thank you.

**Mr. Saroj Kumar Poddar - Chairman**

- Friends, the quorum being present, I call the meeting to order.
- Once again, Good Morning, Ladies and Gentlemen. I welcome all of you to the 38<sup>th</sup> Annual General Meeting of Chambal Fertilisers and Chemicals Limited. I am attending the meeting through video conferencing from New Delhi. This Annual General Meeting is being held through video conferencing/other audio-visual means in accordance with the provisions of the Companies Act, 2013 and circulars issued by the Ministry of Corporate Affairs and SEBI. I am satisfied that all the efforts feasible under the circumstances have been made by the Company to enable all our members to participate and vote on the items being considered in the meeting. Let me now introduce the members of the Board of Directors and Key Management Personnel attending the meeting. The picture of the concerned Director will be zoomed by the operator. The concerned Director or KMP may please wave or greet the members at the time of introduction.
- The first is Mrs. Rita Menon. Rita is very much visible in the video.
- Then we have Mr. Vivek Mehra.
- Then we have Mr. Pradeep Jyoti Banerjee – Independent Director and Chairman of Audit Committee who has joined from Netherlands.
- Then we have Mr. Chandra Shekhar Nopany – Non-Executive Director, joining from New Delhi.
- And then we have Mr. Berjis Minoo Desai – Independent Director joining from Mumbai.

- I'm sure the Company Secretary and MD are known to all of you. So, I don't think I'll need to re-introduce them.

**Mr. Anuj Jain – Company Secretary**

- Sir, Mr. Bhartia could not attend the meeting due to unavoidable reasons and Mr. Abhishek Rara, Partner of Price Waterhouse Chartered Accountants LLP, Auditor of the Company, and Mr. Manish Gupta, Partner, RMG & Associates, Secretarial Auditor of the Company, are also present in the meeting.

**Mr. Saroj Kumar Poddar – Chairman**

- Good. Will you go on Anuj.

**Mr. Anuj Jain – Company Secretary**

- Yes sir. The Register of Directors and Key Managerial Personnel maintained under Section 170 of the Companies Act, 2013, Register of Contracts or Arrangements maintained under Section 189 of the Companies Act, 2013, certificate of Statutory Auditors in respect of CFCL Employees Stock Option Scheme, 2010 and other documents mentioned in the notice of the Annual General Meeting are available for inspection electronically. Members who desire to inspect the documents may send an e-mail at [isc@chambal.in](mailto:isc@chambal.in), which is also mentioned in the notice of the meeting.

**Mr. Saroj Kumar Poddar – Chairman**

- Now, I would like to share my thoughts with you on the overall scenario and the performance of the Company. Welcoming you all to the 38<sup>th</sup> Annual General Meeting of Chambal Fertilisers and Chemicals Limited.
- In the year 2022-23, India's agriculture sector contributed significantly to the country's GDP growth, driven by increased crop production, government support through various schemes, and adoption of modern agricultural practices. Nevertheless, climate change continues to pose threat to agriculture in India, with irregular weather pattern affecting crop yields and, I'm sure, all of us have seen how the monsoons have behaved. August was a poor month, but fortunately, we have some rains this month.
- The financial year 2022-23 was also marked by challenges, both on the national and international fronts, which had profound impact on the fertiliser industry. As a matter of fact, you must have noticed that even in the G20, our Prime Minister Mr. Modi specifically referred to the problems relating to the fertiliser sector on account of the Russia-Ukraine war. The international market has witnessed significant fluctuations in the prices of key raw materials including natural gas and crude oil. These fluctuations, often attributed to geopolitical tensions, impacted our input cost and profitability.
- On the domestic front, Government policies on subsidies and pricing mechanism for fertilisers underwent changes. While reduction in subsidies were aimed to control

Government expenditure, they also posed a significant challenge for the industry. That's because, every time the Government revises subsidy, they do it retrospective, and that impact is felt by each and every fertiliser company, particularly the manufacturers. Striking the right balance between the affordability of fertilisers for farmers and sustainability of the industry, continues to remain a complex task. Your Company's strategic initiatives such as optimising energy efficiency, diversifying product portfolio and expansion into new markets, supported by reliable supply chains and established marketing network, has not only enabled us to weather the storm, but has also reinforced our commitment in meeting the evolving needs of the farmers and ensuring the nation's food security.

- Dear shareholders, let me now apprise you of the business and financial performance of your Company for the year 2022-23. Your Company's urea business continues to do well. We achieved the highest production of urea this year at 33.5 lakh metric tons. Overall, all the three urea plants have been operating at optimum level with high energy efficiency, and my compliments to our management for achieving this success. During the financial year 2022-23, the Company registered 73% increase in Total Income, which is Rs. 28,032 crores, compared to Rs. 16,164 crores during the previous year. However, the Profit After Tax stood at Rs. 1,069 crores as against Rs. 1,287 crores during the previous year. The reduced profitability is attributed to the high-cost of raw material and inadequate nutrient-based subsidy.
- We continued our thrust on expanding the Crop Protection and Speciality Nutrient business, where there is ample potential for growth. I am happy to inform you, that our Crop Protection Chemical and SPN business witnessed more than 50% year-on-year growth. We introduced 10 new products in this category, which have contributed to 9% of our revenue within the first year of launch.
- I'm also pleased to inform you Ladies and Gentlemen, that the Company's new Technical Ammonium Nitrate Project is on track. The project execution has been awarded to Larsen & Toubro on a lumpsum turn-key basis, and the technology licensor is Casale, which has several decades of experience in weak nitric acids and ammonium nitrate plants. The project is stated to be completed in 2025-26.
- The production of urea remains steady during the first quarter of 2023-24, which stood at 8.9 lakh metric tons. It is heartening to note that the budgetary allocation for the current fiscal is adequate to cover for the subsidy payment for the whole year.
- Quickly touching upon the standalone results. We achieved a Total Income of Rs. 5,734 crores during the quarter ended June 30, 2023 as against Rs. 7,398 crores during the quarter of the previous year. The Profit After Tax stood at Rs. 469 crores as against Rs. 406 crores during the same period last year. During the quarter, the sales of P&K fertilisers were affected due to delayed monsoons and the cyclone Biporjoy. The crop protection chemicals and speciality nutrients continued to perform well with another strong quarter of double-digit growth.

- Our farmers outreach programs, in particular, the “Seed to Harvest” initiative taken by Chambal has given us the platform to offer all required agri-inputs and agri-chemicals to our farmers from the initial sowing stage to the final harvest. This comprehensive approach ensures that the farmers get our unwavering support and guidance throughout the entire agricultural cycle and also reaffirms our steadfast commitment to their prosperity.
- The Company imparts highest importance to environment and social governance parameters, which is the ESG parameter. Our commitment to social responsibility is evident from our diverse CSR initiatives in the field of education, healthcare, sustainability, rural development, sports and others. A noteworthy symbol of Chambal’s commitment to sustainability is its Crop Residue Management initiative. This endeavour has significantly reduced crop residue burning in the villages of Haryana and Punjab, which has contributed to reduction of emissions and smog formation all over North India. Our multi-faceted approach to making tangible improvements is aiming to create a brighter and more prosperous future for the communities we serve.
- Looking forward friends, we remain committed to our long-term strategy. We will continue to invest in technology, infrastructure and people, and ensure that we maintain our competitive edge. We are confident that our sharp focus on product innovation, customer satisfaction, and operational efficiency shall enable the Company to deliver impressive results in the years ahead. Your Company is well-positioned to capitalise on new opportunities as and when they arise.
- I would like to take this opportunity to express my sincere appreciation to our dedicated employees who have worked tirelessly to achieve our goals. I would also like to thank our customers, suppliers and all stakeholders for their unwavering support. Before I conclude, I want to express my gratitude to you, my esteemed shareholders, for your continued support. Your faith on us motivates us to exceed expectations and push the boundaries to achieve our shared objectives and obviously, I would like to thank all the colleagues on my Board who have been very very supportive for the growth of the Company and, our KMP led by Abhay Baijal, who is running the business, along with Anuj, Anand and all others. So, thank you Ladies and Gentlemen.
- Friends, since the notice of the meeting and the audited financial statements and audited consolidated financial statements, Report of the Auditors and the Board’s Report have already been circulated to the members, may I take it as read. The qualifications, observations, comments or other remarks in Auditor’s Report and Secretarial Audit Report, if any, which have any material adverse effect on the functioning of the Company, shall also be read at the AGM. These reports are forming part of the Annual Report. As per these reports, I am happy to inform you, there is no such qualification, observation, comment or any other remark. Now, I request Anuj Jain - Company Secretary to brief the members on e-voting procedure.

**Mr. Anuj Jain – Company Secretary**

- Thank you, sir. As per the provisions of the Companies Act, 2013, Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard on General Meetings, the Company has engaged National Securities Depository Limited to provide the facility of remote e-voting to the members and the facility of e-voting to the members participating in the AGM through video conferencing and other audio- video means. The remote e-voting facility was open from 9 A.M. Indian Standard Time on Friday, September 8, 2023 to 5 P.M. Indian Standard Time on Monday, September 11, 2023. The members who have not cast their vote by remote e-voting, will be able to vote through e-voting in the meeting on the link provided on the portal through which they have joined this meeting. I will explain further once the agenda items are taken up. Thank you.

**Mr. Saroj Kumar Poddar – Chairman**

- We will now proceed with the business as set out in the agenda of the AGM.
- Item #1 pertains to the adoption of the financial statement of the Company. In pursuance of Section 129 read with Section 134 and other applicable provisions in the Companies Act, 2013, the audited financial statements and consolidated financial statements of the Company for the year ended March 31, 2023, Board's Report and reports of the Auditors are laid before the AGM. The statement containing the salient features of the financial statements of subsidiaries and joint venture is also attached thereto.
- Item #2 pertains to declaration of final dividend on equity shares for the year ended March 31, 2023. The Board of Directors has recommended a financial dividend of Rs. 3 per equity share of Rs.10 each, and it requires your approval. This is in addition to the interim dividend of Rs.4.50 which was already paid to you earlier this year. The final dividend together with the interim dividend, aggregates to Rs.7.50 per equity share.
- Item #3 pertains to the re-appointment of Mr. Chandra Shekhar Nopany as a Director of the Company. In pursuance of Section 152 of the Companies Act, 2013, one third of the Directors liable to retire by rotation, shall retire at every annual general meeting. Mr. Nopany is liable to retire by rotation at this AGM and has offered himself as a Director of the Company for re-appointment.

Members may kindly note that we are now moving to the special business. The objective and implications of these business are also explained in the notice.

- Item #4 pertains to ratification of remuneration payable to K. G. Goyal & Associates, Cost Auditors. The Board of Directors has appointed K. G. Goyal & Associates, Cost Accountants to conduct the audit of the cost records of the Company, as applicable for the financial year ending March 31, 2024 at a remuneration of Rs.1,20,000 plus applicable taxes, and reimbursement of out-of-pocket expenses. As per the

Companies Act, 2013, the members need to ratify remuneration payable to the Cost Auditor. The text of the resolution is given in the notice.

- Item # 5 Ladies and Gentlemen pertains to the appointment of Mr. Abhay Baijal as Managing Director of the Company. Subject to the approval of members, the Board of Directors has appointed Abhay Baijal as Managing Director for a period of two years from July 21, 2023 to July 20, 2025, not liable to retire by rotation. The qualification, experience, key terms and conditions of appointment, including remuneration and other details of Abhay, are also given in the notice of the AGM. The text of the resolution is also given in the notice.
- Item #6 pertains to the re-appointment of Mr. Vivek Mehra as an Independent Director of the Company. Vivek was appointed as an Independent Director of the Company for a period of five years up to September 17, 2023, and is eligible for re-appointment for one more term of five years. The Board of Directors, on the recommendations of the NRC, have recommended the re-appointment of Mr. Vivek Mehra as an Independent Director of the Company for a second term of five consecutive years from September 18, 2023 to September 17, 2028. The Company has received a notice from a member proposing Mr. Vivek Mehra as the director of the Company. The qualification, experience and other details of Vivek Mehra are given in the notice of the AGM. Approval of the members by way of special resolution has been sought for the re-appointment of Mr. Vivek Mehra as an Independent Director of the Company. The text of the resolution is given in the notice.
- We now move on to discussion with members who have registered their interest in raising questions and asking queries. While we proceed with the queries of members, the e-voting during the AGM will continue and can commence. I now request Anuj to kindly commence the Question & Answer session.

**Mr. Anuj Jain – Company Secretary**

- Thank you, Chairman. The speaker shareholders are requested to mention their name, folio number, DP ID and client ID and location from where they are attending the meeting. The members can also post queries in the communication box available on the screen to each member participating in the meeting. I will now invite Mr. Manoj Kumar Gupta, having client ID 888001208880002007923 to unmute his audio and video. In the interest of time, I request Mr. Gupta to be brief and restrict his question or his comments to two to three minutes. Mr. Gupta.

**Moderator**

- Sir, I would request that Mr. Manoj Kumar Gupta has not joined the meeting yet.

**Mr. Saroj Kumar Poddar – Chairman**

- Let's move to the next Anuj.

**Mr. Anuj Jain – Company Secretary**

- Now I invite Mr. Yusuf Yunis Rangwala, having client id 101001601010000232396 to unmute his audio and video.

**Moderator**

- Sir, Mr. Yusuf Yunis Rangwala has not joined the meeting yet. I would request you to call upon the next speaker shareholder.

**Mr. Saroj Kumar Poddar – Chairman**

- Carry on Anuj.

**Mr. Anuj Jain – Company Secretary**

- Yeah. I would now invite Mr. Parveen Kumar having DP ID IN300118, client ID 10449827 to unmute his audio and video. In the interest of time, I would request Mr. Praveen Kumar to be brief and restrict the questions or his comments to two to three minutes. Mr. Praveen Kumar.

**Mr. Praveen Kumar – Shareholder**

- Very, very good morning to my respected Chairperson, esteemed decorated Board of Directors, and my co-fellow shareholders who joined this meeting online. Sir, I have few observations which I love to share with the entire house. First of all, I'm very, very thankful for the respected management to give me a platform to share my views and express my feeling on this platform. I am part of our Company for such a long time and your speech is excellent Sir. You cover almost everything into it and I'm very, very proud of the fact that as far as the CSR activity is concerned, our Company is doing fantabulous job and Sir we are catering to the farmers, so I am hats off to you because our economy is largely the farmer based, 70% of our people is working in the farmland, so I'm very, very thankful for the entire management team to educate them so that at least we can have the biggest crop in our country. We are the biggest producer of the crop in the country and by providing technical solutions to them and educate them, I think you are doing marvelous job not because as a Founder and Chairperson of this Company, but as a citizen of India Sir and I have the deepest respect for you for that and I salute your investor friendly approach because you are so dedicated, devoted to bring sustainable growth for retail investor like me, so I'm very, very thankful to you.
- I supported all the resolutions which you set out for the notice today and Sir one more thing which is very, very good about our Company is the CSR activities you are doing, you are doing so much work in that aspect. I think you will be rewarded the highest civilian award of our country, so I'm very, very thankful to you and the entire management team and highest standard of corporate governance maintained by our Company Secretary and his entire team. That truly boost our morale as a retail

investor because if you have any queries, we will send them, it will be promptly replied.

- So, I'm very, very thankful for our respected CFO, our Company Secretary Mr. Anuj Jain, Mr. S.K. Chaudhury they are doing fantabulous job and they are the biggest assets for us as far as the retail investor is concerned. Sir, my question to you is what will be the growth driver for the next two years, please let me know about this and I wish you all the luck and all the best for the future Sir because you are working so hard to create value for us. Thank you. Thank you very much for this opportunity. Wish you all the very, very best. Thank you, Sir. Thank you very very much.

**Mr. Saroj Kumar Poddar – Chairman**

- Thank you, Praveen.

**Mr. Anuj Jain – Company Secretary**

- Thank you, Praveen. I now invite, Mr. Om Prakash Kejriwal having Client ID 816011208160111477752 to unmute his audio and video.

**Mr. Om Prakash Kejriwal – Shareholder**

- Good morning, Sir ji and thank you everybody attending this AGM. Myself Om Prakash Kejriwal your equity shareholder from Kolkata, a City of Joy. Thank you Sir ji for providing me the platform to speak something before you. Thanks to our Secretarial Department for helping me in registration as a speaker shareholder. Sir ji this is my first AGM only due to virtual. It is just an opportunity for me to join this AGM sitting in Kolkata. If possible, please follow this virtual AGM in next year also, so that more and more shareholder could join our AGM from different parts of the world. Sir ji after looking your Company, I feel what have you made of it, why don't you do something? Our net profit margin is going downward since 2020 in standalone account. In 2020 it was 10.03%, in 2021 it was 10.59%, in 2022 it was 8%, and in 2023 it is 3.85%, steeply down, what is the reason Sir ji for net profit margin down? Again, in June quarter our net profit margin is 8.40%. Sir ji what is your expectation for remaining 3 quarters? And what is your future prospect, please tell something? And what is our Capex plan for next 2-3 years? Sir ji is there any planning to merge Mangalore Chemicals and Fertilizers Limited with Chambal Fertilisers, please share your views? Sir ji, since Mangalore Chemicals has come, I feel that you have made Chambal Fertilisers, an adopted son. Mangalore Fertilisers is looked after nicely, but no one is looking after Chambal Fertilisers, so please tell what is the reason Sir ji? Sir ji, I have few requests, split of shares, please split our shares into 5:1 ratio so that more and more investor could join our Company and more investor means more popular company and it will be like a mini bonus type reward for we minority shareholder, so please think over it. Sir ji the PSU company like GNFC, GFSC, FACT are doing very well though they are government owned

company, then why we are lag behind? Do something Sir ji, we can do much, much better than them because they are government company, we are a private company. So, please do something. Early AGM, Sir ji we are a very good company, you should do AGM in June and July month because in September month there is much pressure, every day there is 5 to 10 AGM we have to attend, so please organize our AGM in early month June and July.

- Tata's are doing all the AGMs in June month, so please consider it. Promoter holding 60.56% this time, are you any planning to increase our promoter holding? Factory visit, Sir ji I am your old shareholder. My wife is very old shareholder of your Company, so please organize a factory visit so that we can see our plant how it is running? Physical copy of annual report, please send me a physical copy of annual report, I have requested in my e-mail. At last Sir ji, please maintain your smile and be cheerful. I'm always with you as a long-term investor. Thank you. Thank you, Sir ji.

**Mr. Saroj Kumar Poddar – Chairman**

- Thank you. Thank you, Mr. Kejriwal.

**Mr. Anuj Jain – Company Secretary**

- Thank you, Mr. Kejriwal. I now invite Mr. Amit Kumar Banerjee having folio number E0456653 to unmute his audio and video. In the interest of time, I would request Mr. Amit Kumar to be brief and restrict the questions or comments to two to three minutes. Mr. Banerjee.

**Mr. Saroj Kumar Poddar – Chairman**

- Yes Mr. Banerjee, you can start.

**Mr. Amit Kumar Banerjee – Shareholder**

- Good morning to everyone. Respected Chairman of the meeting, other board members present, myself Amit Kumar Banerjee from City of Kolkata. Thank you for getting me connected and opportunity to speak such a wonderful meeting today organized by your company, Chambal Fertilisers and Chemicals Limited. It is our 38<sup>th</sup> annual general meeting through video conferencing. As well as the performance is concerned, yes, it is very nice, good growth. Total revenue improved with a tune around Rs. 28,031 crores, about 73% increase in comparison with the last year is a very good performance. Profit after tax about Rs. 1,069 crores, dividend is also there about Rs. 7.50, interim already paid and final will be the Rs. 3. CSR activity is also there for the welfare measures, so is overall very good. Sir, I'm a very old shareholder from IPO, very long years together we are not getting any bonus. Sir do first kindly consider bonus. I also like previous speakers suggesting the split of the shares also. Our Company is one of the reputed and the largest industry in our

country. Sir, what is the key challenges now at present our Company is facing? What is the key reason for lower profitability in spite of a good turnover presented during this year under review. Risk management vision, kindly share your views? Is there any plan for qualified institutional placement? I hope our management will definitely maintain the growth and prosperity of the company, maintain infrastructure, technology, and also definitely keeping in mind shareholders rewarding policy. I thank all team members for smooth conducting such a wonderful video conferencing meeting today. My name is Amit Kumar Banerjee, over to you for further proceedings. Thank you, Sir.

**Mr. Saroj Kumar Poddar – Chairman**

- Thank you, Amit.

**Mr. Anuj Jain – Company Secretary**

- Thank you, Mr. Banerjee. I now invite Mr. Suresh Chand Jain having client ID 109001201090017871771 to unmute his audio and video. In the interest of time, I would request Mr. Jain to be brief and restrict the questions or comments to two to three minutes. Mr. Jain.

**Moderator**

- Sir, I would request you to call the next speaker shareholder if any because Mr. Suresh hasn't joined the meeting yet.

**Mr. Anuj Jain – Company Secretary**

- So, I now invite the next speaker shareholder who is registered. Ms. Swaran Lata having DPID IN302365, having Client ID 10000789 to unmute her audio and video. In the interest of time, I would request Ms. Lata to be brief and restrict the questions or comments to two to three minutes. Ms. Lata.

**Ms. Swaran Lata – Shareholder**

- First of all, good morning Chairman Sir, Board of Directors, and the fellow shareholders attending the meeting. Sir, thank you for your excellent speech and also our company is doing so well, I don't have any complaints, but Sir I just want to know that what steps has the management taken to safeguard the interest of us shareholders and also as like the previous shareholders have asked Sir does the management plan to issue the interim dividend or bring out a bonus issue this year? At last, I would like to thank our Company Secretary, Mr. Anuj Jain and the whole Secretarial Team for enabling me to interact with the management and I also hope that the management will continue to hold the AGM through VC in future also, which enables the shareholders like me to interact with the management from far away places. Thank you, Sir.

**Mr. Saroj Kumar Poddar – Chairman**

- Thank you.

**Mr. Anuj Jain – Company Secretary**

- Thank you, ma'am. No other shareholder has registered as speaker before the cutoff time fixed for registration, which is 48 hours before the scheduled time of commencement of this meeting. Chairman Sir.

**Mr. Saroj Kumar Poddar – Chairman**

- Okay. So, thank you friends for raising number of comments. First of all, my grateful thanks to all of you for appreciating the performance of the Company and the good work being done by the Company. I can only assure you that your Board is fully conscious of retaining shareholder value and raising shareholder value and all the steps that are being done are with this objective in mind. While I will ask our Managing Director, Abhay Baijal to reply to some of the questions.
- I thought there are one or two issues that I would like to respond and the first is with regard to MCFL. Let me make it abundantly clear, MCFL has no connection with Chambal. MCFL is an independent company and there is no plan to merge MCFL with Chambal, but let this be very clear. Chambal is going on its own and of course MCFL is also growing on its own, one is a urea business, one is a phosphate business, so they are independent companies with independent management and independent shareholders, so there are no plans to merge. You talked about why profits are lower, I would request Abhay to explain that and we can also tell you that as a corporate policy, we will always protect the interest of shareholders and create shareholder value and I am sure, Abhay will be able to explain that much greater details. Abhay.

**Mr. Abhay Baijal – Managing Director**

- Thank you, Chairman and thank you all the shareholders for the queries that have been raised. I would categorize the queries into three parts. The first part is with regards to growth and future plans of the Company. As you already know, we are already embarking on the technical ammonium nitrate project, which is almost Rs. 1,500 crores plus in terms of investment and that is likely to add significantly to the bottom line of the Company from financial year 2025-26 onwards, but that secondly we are also growing our portfolio in the crop protection segment as the Chairman mentioned, we have seen very, very healthy growth there and we have achieved almost very healthy double digit expansion in volumes and margins and we continue to do very well there. While we look at many other further options because our chemical industry is very capital intensive, we have to very carefully examine each and every investment from the point of view of returns and also as you rightly mentioned shareholder value and so on. So, these are ongoing processes

as and when we will come to conclusions with respect to the areas of expansion, we shall definitely announce them and we will definitely learn the things that will happen and we are hopeful that we will keep rolling out more and more expansion processes, but these take their time.

- The point has been made on the second part in terms of split of shares, bonus shares or in terms of dividing the share capital in a certain manner. Now, I would request people to understand that we have got almost 41-42 crore shares outstanding and as many studies have shown that split in shareholders naturally becomes an issue if the value per share goes to a level at which per shareholding becomes difficult to hold for small shareholders. We will definitely look at that position. Currently, we don't see very much merit in doing that, but this is a very good suggestion which we will definitely examine going forward.
- The Third Point that was made with respect to holding the Annual General Meeting somewhat earlier in June/July timeframe. Well, I can say that, that is dependent on the cycle and how we close our books of account. Many of our activities do complete only by the end of the April or May because of many open issues that are there because of that reason, we definitely have to take it up to September, but your suggestion is taken, if we can do it a month or two earlier we will definitely do that or make that effort going forward for which I'll request the Company Secretary and even our CFO to look into this matter. If we have a development in that area, we'll definitely get back to you.
- There was one question about profitability, that the profitability has been falling and then coming up. I can explain that this is a business in which the government has a very large foothold in terms of policy decisions and therefore the contribution available to the Company is remaining more or less standard. While the turnover can increase because of increase in commodity prices, you know that commodity prices are fluctuating very widely as the Chairman has mentioned, the point due to geopolitical reasons, so it may appear that the turnover of the Company has gone up, but the contribution more or less remains static with the government policies and which is why many times you may see a change in the ratio, but we are committed to increase the contributions and therefore the profitability and the EPS per share and you should be rest assured that we are here to protect every and do every such thing that protects and grows shareholder value. I think these are the four or five comments that were generally made and I hope I have been able to answer to the best of your satisfaction.

**Mr. Saroj Kumar Poddar – Chairman**

- No, I think Abhay you have answered most of the questions very explicitly and very clearly and I think the only comment I would like to pass is Om Prakash Kejriwal had raised the issue on comparison with GNFC and GSFC. I think this is not really a fair competition because our product portfolios are completely different. Please when you compare company performance, please also look at the product portfolio. They are very much into chemicals and they generate more profits into chemicals. You

can ask the question why are we not into chemicals? We have already started our first entry through the technical ammonium nitrate business and we are also looking into diversifying our product portfolio. So, Abhay thank you once again. I would now request Anuj to brief the members about voting at the meeting.

**Mr. Anuj Jain – Company Secretary**

- Yeah, thank you, Chairman. The e-voting facility is open for the members who have not cast their vote through remote e-voting. Icon for e-voting is available on the screen. The members may click on the EVEN that is 125044, which is available on the screen. It will redirect to the window on each of the items of the resolutions. I now request Chairman for proceedings of the meeting. One more thing, there is one question in the chat box. I would just like to brief on that.

**Mr. Saroj Kumar Poddar – Chairman**

- Please Anuj, reply to that.

**Mr. Anuj Jain – Company Secretary**

- Yeah, Mr. Sonat having Client ID IN30047641946720 has asked financial year 2023 outlook in terms of sales, operating profits, and PAT. So, I think Mr. Baijal has already clarified in his earlier answers, this part. So, with this, now I would request the Chairman to continue with the proceedings of the meeting.

**Mr. Saroj Kumar Poddar – Chairman**

- Thank you, Anuj. Mr. Manish Gupta, Partner RMG & Associates Company Secretaries in whole time practice, has been appointed as scrutinizers to scrutinize the remote e-voting and voting at the AGM. The consolidated result of the remote e-voting and e-voting at the AGM shall be made available along with the scrutinizer's report, Mr. Anuj Jain, Company Secretary is authorized to declare the results of the voting. Friends, all the items of business will be part of this notice of AGM have been taken up. The e-voting will continue to be available for the next 15 minutes on all items forming part of the notice of the meeting. The AGM will stand concluded at the end of this period of 15 minutes. Thank you, friends once again for joining us today. On behalf of the Board of Directors and Management of the Company, I convey our sincere thanks to all the members who are attending and participating in the meeting. I wish you all a happy and healthy year ahead. Thank you.

**Mr. Anuj Jain – Company Secretary**

- Thank you, Chairman.