



Mangalore Chemicals  
& Fertilizers Limited

**Q1 FY24 EARNINGS WEBINAR**

**MR. NITIN KANTAK, WHOLE TIME DIRECTOR**

**MR. T M MURALIDHARAN, CHIEF FINANCIAL OFFICER**



**NAVIN AGRAWAL, HEAD - INSTITUTIONAL EQUITIES**

**TUESDAY, AUGUST 8, 2023**

– **Mr. Navin Agarwal – SKP Securities:**

- Good afternoon, ladies and gentlemen, on behalf of Mangalore Chemicals & Fertilizers Limited and SKP Securities, it is my pleasure to welcome you to MCFL's Q1FY24 earnings webinar. We have with us Mr. Nitin Kantak, Whole time Director along with Mr. T.M. Muralidharan, Chief Financial Officer, whom most of you have already met in the past. All participant lines have been muted and this webinar is being recorded for compliance reasons. We will have the opening remarks in a presentation by the management followed by Q&A session.
- Thank you and over to you, Mr. Kantak.

– **Mr. Nitin Kantak – Whole time Director, Mangalore Chemicals & Fertilizers Ltd:**

- Thank you, Nikhil, for arranging this conference call.
- Good afternoon, ladies and gentlemen, I am honoured to welcome you all to our investor meet today. It gives me great pleasure to share with you the agriculture scenario, overall business environment and the financial results of the first quarter of this financial year 2023-24.
- Let us begin by highlighting the current agriculture scenario. The onset of south-west monsoon was delayed by about 10 days and as of June end rainfall was slightly below normal in India overall and about 55% below normal in our marketing area. This has improved over the last month and now we are about 5% surplus rainfall in our marketing area. The reservoir levels in our market were far below long period average, thus impacting sowing of all crops. As of end of June the crop acreage was just 15% of the Kharif season against 39% last year. This has now improved to 64% against 72% last year. Overall, business environment was stable that gave us opportunity to have continuous operations of our plants. The volatility in international prices of fertilizer inputs and finished fertilizers has reduced and the prices are now stable.
- All India urea primary sales for the quarter were down 4.1% year-on-year to 8.08 million metric tons.
- All India DAP primary sales for the quarter were down 10.8% to 2.83 million metric tons.
- All India NP/NPK primary sales for the quarter were up 16.2% to 2.65 million metric tons.
- And all India MOP primary sales for the quarter were down 22.5% to 0.32 million metric tons.
- In terms of MCFL operational highlights during the quarter we have achieved 2.08 lakh metric tons sales. 34% growth over the last year.
- Industry urea sales in the MCFL market were down 7.5% to 20.05 lakh metric tons whereas MCFL sales increased by 64% to 1.21 lakh metric tons. You could recall that last year in the first quarter we had taken shutdown for the EIP project because of which we could not supply enough Urea to the market. This time we were able to operate our plant continuously.
- As far as DAP is concerned, industry DAP sales for the quarter were down 5.6% to 8.19 lakh metric tons whereas MCFL DAP sales decreased 29% to about 30,000 tons. This was because of our conscious decision to reduce DAP production and imports due to lower contribution.
- NP/NPK industry sales for the quarter increased by 15% to 19.02 lakh metric tons whereas MCFL NP sales increased 45% to about 57000 metric tons.

- We have increased our market share of 20:20:0 product from 11% to 25% year-on-year in the Karnataka state which is our major market.
- On the plant operations front, both our Urea plant and NP-DAP plant operated without interruption throughout the quarter. Urea daily production continued at around 1350 tons per day post EIP. We have ramped up our NP-DAP daily production from 900 tons per day to about 1300 tons per day and posted record monthly production in the months of May, June as well as July.
- Moving onto our financial performance for the quarter, I am pleased to announce that we have delivered excellent results. Our revenue for the quarter stood at Rs. 965 crores reflecting a 6% decrease over corresponding period last year. This was due to significant reduction in commodity prices despite increase in volumes by about 34%. EBITDA for the quarter after accounting for Rs. 29 crores loss of Q4, FY 23 due to retrospective downward revision in NBS stands at Rs. 125 crores - an increase of 80% over Q1 FY23. This can be attributed to our strategic initiatives, improved product mix and efficient cost management.
- PBT for the quarter is Rs. 76 crores, an increase of 105% over Q1 FY23 and our PAT for the quarter also registered a remarkable 130% rise reaching to Rs. 49 crores. This impressive numbers demonstrate the resilience and effectiveness of our business model.
- I am happy to inform the investors that MCFL board in the meeting yesterday has approved 300 tons per day sulphuric acid project at a capital investment of INR 240 crores. The project will be completed in 22 months. This will meet our sulphuric acid requirement of the complex and also gives opportunity to integrate this plant with Ammonia-Urea plants to utilize the waste steam generated thereby reducing Urea energy further by about 0.25 giga calorie per metric ton.
- Looking ahead we remain optimistic about the future performance of our company. We anticipate continued growth in the agriculture sector supported by favourable macroeconomic conditions and increasing investment in the rural infrastructure. Our strategic focus area includes market expansion, portfolio diversification and operational efficiency. By harnessing our core strengths and capitalizing on emerging opportunities we are confident in achieving sustainable growth and creating long term value for our shareholders.
- Now I would like to conclude my opening remarks and hand over to Mr. Muralidharan for a detailed financial presentation, after which the floor will be open for questions. I encourage you to actively participate in this session as your valuable insights and inquiries are instrumental in shaping our future direction.
- Thank you.
- **Mr. T.M. Muralidharan – CFO, Mangalore Chemicals & Fertilizers Ltd:**
- Thank you, sir, for your introductory remarks.
- Good afternoon to all of you.
- In this presentation in which I will cover the highlights of Q1FY24 and some past annual performance.
- As briefed by our CEO and Whole time Director, we are able to maintain the high daily production rate of 1350 tons per day of Urea post commissioning of the Ammonia energy improvement project. As regards phosphates we are able to increase our production by 35% between Q1FY24 and Q1FY23.

- During this quarter we also imported 1,09,000 tons of DAP, MPK and MOP. This entire volume we expect to do primary sales during the Q2 of current financial year FY24.
- MCFL registered a modest decline in revenue of 6% during the quarter compared to the corresponding quarter of FY23. This is primarily on account of reduction in commodity price, despite increase in sales volume of 34%.
- Coming to EBITDA there is an increase by 80% for the quarter compared to previous year despite one-time loss of Q4, FY23 we took on account of retrospective downward revision of NBS from 1<sup>st</sup> January 2023.
- As regards PBT we have registered an increase of 105%. As regards PAT we were able to increase by another 130% from 23 crores in FY23 Q1 to 49 crores in Q1FY24.
- Now we present details of production sales and revenue. The production and sale of urea is 1.22 lakh metric tons and 1.21 lakh metric tons respectively in Q1FY24 compared to production of 0.73 lakh tons and sale of 0.74 lakh tons in the corresponding quarter of FY23. As regards complex fertilizers we have sold 0.87 lakh metric tons in current quarter compared to 0.82 lakh metric tons in Q1 FY23.
- Revenue from operations: Revenue from Urea business has posted a growth from Rs. 431 crores for FY23 Q1 to Rs. 531 crores in Q1 FY24 due to increase in volume of 64%.
- As regards non-urea business, we registered revenue of Rs. 427 crores in Q1 FY24 as against 590 crores in Q1 FY23. The reduction is due to commodity price decrease of 6% despite increase in volume of 34%.
- Now we look at the financial position, net-worth has appreciated by Rs. 146 crores between June '22 and June'23. The net-worth stands at Rs. 852 crores end of June 2023.
- As regards long term debt there is an increase of Rs. 45 crores in June'23 over June 2022, this is primarily on account of the loan availed for the ammonia energy project which was commissioned in H1 of FY'23.
- Coming to short term debt, it is Rs. 1003 crores in June'23 as against 1212 crores in June 2022. The reduction is due to improved liquidity coupled with decrease in the commodity prices.
- The short term surplus was Rs. 364 crores at end of Q1FY24 as against 347 crores at the end of Q1FY23. This demonstrates that the liquidity in the market in terms of the collection from the market as well from the subsidies disbursement is systematic and the trend is continuing.
- There are two types of receivables in our industry, one is market debtors which we receive from the dealers and the other is subsidies which is due from the government of India. As regards the dealer outstanding it is Rs. 114 crores at the end of Q1FY24 as against Rs. 92 crores at the end of FY23Q1.
- As regards subsidy receivables, Rs. 591 crores is our standing at the end of Q1FY24 as against Rs. 871 crores at the end of Q1FY23 due to timely disbursement of subsidies.
- Let us glance at some annual past performance, the revenue from operations was Rs. 3074 crores in FY2019 has increased to Rs. 3642 in FY23.

- As regards EBITDA you can see from levels of Rs. 200 crores for FY19 we have been able to maintain the EBITDA during difficult times in the last 3 to 4 years and we were able to improve it to Rs. 340 crores in FY23.
- While PBT has improved from the levels of 50 crores to 176 crores in FY23 due to two significant events of receipt of natural gas in FY21 and successful commissioning of ammonia energy improvement project in FY23.
- In respect of PAT similarly we are able to improve from Rs. 33 crores in FY19 to Rs. 135 crores in FY23.
- The cash profit has improved from Rs. 72 crores in FY19 to Rs. 194 crores in FY23. Earnings per share has improved from Rs. 3 per share in FY19 to Rs. 11 per share in FY23. Coming to receivables, the total receivables has come down from the levels of Rs. 1564 crores in FY19 to the levels of 757 crores which is almost 50% reduction. This is reflective of the higher subsidies we were able to receive and reduction in the overall receivables leading to reduction in the finance cost.
- We shall look at the details of production and sales of urea. We were able to consistently produce to the levels of 3.8 lakh tons per annum which is our reassessed capacity. However, last financial year FY23 there is a reduction in production due to shut down for implementation of energy improvement project. The trend in the sales of P&K Fertilizers based on availability and viability in this vertical.
- 0 This is overview of our marketing territories, locations of the plants, products manufactured, the capacities, marketing territories and the brand. The plant is situated at Mangalore West Coast, opposite Mangalore Port and our present capacity of urea is 3.8 lakh tonnes which is our reassessed capacity whereas the capacity of DAP & Complex is 2.8 lakh tonnes per annum. We have taken lot of initiatives to improve which was briefed by the CEO in his opening remarks. We are also trading in MOP, DAP and 10:26 based on market opportunities and business viability. We are operating in states of Karnataka, Kerala, Tamil Nadu, Andhra Pradesh, Telengana and Maharashtra. We sell about 77pc of our sales in Karnataka, 1pc in Kerala, 11pc in Tamil Nadu, 7pc in Andhra, 1pc in Telengana and 3pc in Maharashtra. We sell our products and our brand Mangala. Thank you for your time.
- 0 **Mr. Navin Agarwal – Head IE, SKP Securities:**
- 0 Thank you Murlu. Friends, we now open the floor for Q&A session. So in case anyone has a question, request you to kindly raise your hand. We will unmute you and take your question. The 1<sup>st</sup> question is from Darshita Shah. Darshita? You have a question?
- 0 **Ms. Darshita Shah - Participant:**
- 0 voice breaking.
- 0 **Mr. Navin Agarwal – Head IE, SKP Securities:**
- 0 Your voice is cracking. Maybe network fluctuation.
- 0 **Ms. Darshita Shah - Participant:**
- 0 Is it better now?
- 0 **Mr. Navin Agarwal – Head IE, SKP Securities:**
- 0 Yes it is. Please go ahead.
- 0 **Ms. Darshita Shah - Participant:**

- 0 Ya, thank you. Sir, could you help us with the EBITDA per tonne for urea, DAP and NPK per quarter and base quarter?
- 0 **Mr. T.M Murlidharan – Joint President, Finance, Mangalore Chemicals & Fertilizers Ltd.:**  
0 I will take this question sir. The EBITDA for the quarter for urea is about Rs.6500 per tonne and DAP is a loss of rs.1500 per tonne and due to this, as explained by my CEO that we decided to focus our production capacity to N20. And for N20, the EBITDA for this quarter was rs.7000 per tonne.
- 0 **Ms. Darshita Shah - Participant:**  
0 Ok, it was around Rs.7000 per tonne. Right?
- 0 **Mr. T.M Murlidharan – Joint President, Finance, Mangalore Chemicals & Fertilizers Ltd.:**  
0 Yes.
- 0 **Ms. Darshita Shah - Participant:**  
0 And same for the base quarter?
- 0 **Mr. T.M Murlidharan – Joint President, Finance, Mangalore Chemicals & Fertilizers Ltd.:**  
0 What do you mean by base quarter?
- 0 **Ms. Darshita Shah - Participant:**  
0 1<sup>st</sup> quarter FY23.
- 0 **Mr. T.M Murlidharan – Joint President, Finance, Mangalore Chemicals & Fertilizers Ltd.:**  
0 Ya, base quarter,. Base quarter for urea we earned about Rs. .5000 and DAP is say Rs.1500. in fact this year we made loss and last year we made profit and in N tonne we made Rs.7000.
- 0 **Ms. Darshita Shah - Participant:**  
0 Ok, so the 7000rs. EBITDA per tonne that we made for NPK, that is after adjusting for 29 core?
- 0 **Mr. T.M Murlidharan – Joint President, Finance, Mangalore Chemicals & Fertilizers Ltd.:**  
0 Yes.
- 0 **Ms. Darshita Shah - Participant:**  
0 Ok. My 2<sup>nd</sup> question is regarding the channel inventory. How much channel inventory especially in Karnataka region given that the imports have increased, significantly increased in the market and if you could help us understand how it would impact in the volume of in the 2<sup>nd</sup> quarter?
- 0 **Mr. Nitin Kantik – Chief Executive Officer, Mangalore Chemicals & Fertilizers Ltd.:**  
0 2<sup>nd</sup>, if I can come in Murlidharan.
- 0 **Mr. T.M Murlidharan – Joint President, Finance, Mangalore Chemicals & Fertilizers Ltd.:**  
0 No problem sir, thank you sir.
- 0 **Mr. Nitin Kantik – Chief Executive Officer, Mangalore Chemicals & Fertilizers Ltd.:**  
0 Ya, Darshita, thank you for your question. I am very happy to inform you that we have been able to convert our entire production and whatever imports we did during Q1 into primary sales not taken anything in our godowns. We had 100% Rail Head sales and as far as the POS stocks are concerned, as you are aware, the monsoon was very scarce here in our territory especially in Karnataka. It was 55%

less rainfall as of June end. Despite that, we had handsome POS sales and the POS stocks as of 30<sup>th</sup> June was around 73000 tonnes of urea, 4400 tonnes of manufactured DAP, imported DAP about 3500 tonnes and 20-20 around 46000 tonnes. So that is what - total amount around 1,27,000 metric tonnes POS stocks. POS means what is available with our dealers, retailers so that is quite a good stock position, I would say, considering that the sowing had still not started and the sowing season was to start.

0 **Ms. Darshita Shah - Participant:**

0 Right! So that's what I was actually adhering to that, given that the inventory with the dealers was already high and the monsoon was impacted in the 1<sup>st</sup> quarter. In the 2<sup>nd</sup> quarter, we have had decent monsoons activity. So further in 2<sup>nd</sup> quarter, can that impact the volume update is what I am trying to understand, given that the dealers are already sitting with so much inventory. Not only for MCFL but overall, from other players as well.

0 **Mr. Nitin Kantak – Chief Executive Officer, Mangalore Chemicals & Fertilizers Ltd.:**

0 Actually yes. what you say is correct. It is a challenge because of the delay in the sowing season, huge stocks of all companies are lying with the retailers as well as with the dealers and it is a challenge to convert the POS stocks but things have started improving from the month of July, especially in the 2<sup>nd</sup> half of July, when the rains have picked up and the sowing season has actually started, I would say. So as far as MCFL is concerned, we still have about 1,70,000 MT stocks but that is also because as Mr. Muralidharan mentioned earlier, we have imported about 1,10,000 tonnes of various materials, mostly DAP around 66000 tonnes and about 33,000 tonnes of MOP plus 10:26:26, so the total, inspite of so much of volumes that we have imported, still we have been able to convert large POS stocks in the month of July and we are now with 1,70,000 MT stock with the retailers. As far as the company warehouses are concerned, we have nil stock even as of end of July in our warehouses. We have got some material, about 20,000 tonnes DAP at the port which we will supply during this month.

0 **Ms. Darshita Shah - Participant:**

0 Ok. Thank you so much for the detailed answer. My 3<sup>rd</sup> question is regarding the market share increase. As you mentioned in the opening remarks, we have seen the market share increase of N20 from 11pc to 25pc for Y on Y. How did that happen if you could throw some light? I mean the volume increase was just 6pc but the market share increase was significant. So if you could help us understand this?

0 **Mr. Nitin Kantak – Chief Executive Officer, Mangalore Chemicals & Fertilizers Ltd.:**

0 Ya, thank you Darshita. Since last year, our focus product has been 20-20, i.e. N20 because the contributions of DAP had gone down, in fact we were making losses also on the DAP production. So our focus has increased upto N20. In fact, last year, we produce 1,99,000 tonnes of N20 and we have been promoting our N20 product in the market and the farmers have taken it very well. There is a good brand value for our product and we are able to convert it into sales and that's the reason we are able to get market share from our competitors.

0 **Ms. Darshita Shah - Participant:**

0 Ok. Do we also provide more discount as compared to our competitors in order to gain this market share?

0 **Mr. Nitin Kantak – Chief Executive Officer, Mangalore Chemicals & Fertilizers Ltd.:**

0 No.

0 **Ms. Darshita Shah - Participant:**

0 The MRP would be the same but the dealer will discount...

0 **Mr. Nitin Kantak – Chief Executive Officer, Mangalore Chemicals & Fertilizers Ltd.:**

- 0 In fact our discounts are reasonable and almost at par with our competitors. It is not that we are giving more discount and getting more market share. It is not so. Whatever discounts we are giving in the market, it is comparable to our competitors but inspite of that, we are able to push our sales and get a higher market share.
- 0 **Ms. Darshita Shah - Participant:**
- 0 Ok, thank you. Just one basic question I had about sulphuric acid. From what I understand, we do not manufacture phosphoric acid for our DAP or NPK production and we plan on increasing our sulphuric acid capacity. Would you help us understand what is this sulphuric acid used for, given that there is no production of phosphoric acid at our plant?
- 0 **Mr. Nitin Kantik – Chief Executive Officer, Mangalore Chemicals & Fertilizers Ltd.:**
- 0 Actually I will just inform you, for this 20:20 production, normally the sulphuric acid consumption is very high. In fact the ratio of tonner per tonne is about 0.44 sulphuric acid to N20 production. So since we have increased our volumes of N20, our requirement of sulphuric acid has substantially gone up. Currently we are having a 100 tonnes per day sulphuric acid plant and that is giving about only 33000 tonnes per annum whereas our requirement is close to 1,20,000 tonnes considering high production levels, which we are operating now and also that 20:20 is our major product in our product mix. We have just about 25pc or so capacity. So we thought that it is prudent to go for a new sulphuric acid capacity and that will be about 300 tonnes per day as I mentioned to you. So we will be in fact for the year producing around 1,46,000 tonnes of sulphuric acid out of which 1,20,000 will be used for our various product mix and about 25000 or 26000 will be sold and we have got a good selling market also in our surrounding areas and that will be just about 2000 tonnes per month. So this is our strategy and the sulphuric acid project is going to give us very handsome benefit by integrating with our ammonia urea plant, where the waste team of almost about 14.5 tonnes per hour will be utilized in our ammonia plant and that will further improve our urea energy by about 0.25 giga calories per tonne.
- 0 **Ms. Darshita Shah - Participant:**
- 0 Ok. The 0.25 benefit will flow through in FY25 if I am not wrong, FY26.
- 0 **Mr. Nitin Kantik – Chief Executive Officer, Mangalore Chemicals & Fertilizers Ltd.:**
- 0 This project will be in fact be completed in May 25, that's what. In fact, we are kick starting this project in October after financial closure. We expect financial closure to happen in the next 2 months and from 1<sup>st</sup> October, we are going to launch this project and we expect it to be completed by May 25. During that time, we normally have our ammonia urea shutdown when we can hook up this project, integration with the ammonia plant can happen that time.
- 0 **Ms. Darshita Shah - Participant:**
- 0 Ok, got it. Just one last question from my end – we have seen phosphoric acid pricing coming down from 930 odd dollars to 850 odd dollars now. NBS still continues to be high. MRP also continues to be high. Do we expect any kind of MRP reduction happening anytime in the 2<sup>nd</sup> half of the year? Considering that the raw material prices are coming down. Do we see the government might ask for it and we might be reducing the MRP going forward sometime in the 2<sup>nd</sup> half of the year?
- 0 **Mr. Nitin Kantik – Chief Executive Officer, Mangalore Chemicals & Fertilizers Ltd.:**
- 0 Ya Darshita, very good question. In my mind, what we feel is, DAP prices, DAP market price is Rs1350 per bag has been there for over a year now and this has been well accepted by the farmers. So whatever changes which happen in the input prices, that will reduce the subsidy to that extent i.e., the government will reduce the subsidy and I would not expect any change in the market price of DAP going forward.



- 0 **Ms. Darshita Shah - Participant:**  
0 Ok, so we expect DAP prices to continue to remain at 1350 rs. per tonne.
- 0 **Mr. Nitin Katak – Chief Executive Officer, Mangalore Chemicals & Fertilizers Ltd.:**  
0 Yes.
- 0 **Ms. Darshita Shah - Participant:**  
0 And whatever changes that might be there would be in the subsidy?
- 0 **Mr. Nitin Katak – Chief Executive Officer, Mangalore Chemicals & Fertilizers Ltd.:**  
0 Yes.
- 0 **Ms. Darshita Shah - Participant:**  
0 Perfect!
- 0 **Mr. Nitin Katak – Chief Executive Officer, Mangalore Chemicals & Fertilizers Ltd.:**  
0 Murlu, please come in...
- 0 **Mr. T.M Murlidharan – Joint President, Finance, Mangalore Chemicals & Fertilizers Ltd.:**  
0 Darshita, I want to add on to this. See, when DAP levels, the MRP per bag should have been 1800 rs. per bag, that allows you but government fixes the price at 1200 and increase the margin to 2000 or 2350 per bag. So in that levels, always DAP is the most nutrient fertilizer in the country. So the pricing was very very.....what you call, discounted price. Now the other products were costlier. When DAP was at 1200 rs. per bag, ours was 1350 per bag. So now only the correction is happening, now the other prices after the reduction in the prices of the phosphoric acid and ammonia, you could see the other NPK products are priced less than 1350 per bag. So the acceptance of the....what you call the DAP at this price is very high for farmers and that's the reason the government may not decrease the price further and they will try to mop up their cost of subsidies which was explained by Mr. Katak. The rationale behind this is bag of 1350 be accepted and the prices of the other N20 and 10:26 and other variants could be priced at less than 1350, which is the current price of MRP of DAP.
- 0 **Ms. Darshita Shah - Participant:**  
0 So NPK going forward will be priced at lower than DAP.
- 0 **Mr. T.M Murlidharan – Joint President, Finance, Mangalore Chemicals & Fertilizers Ltd.:**  
0 It is already lower, it is already lower.
- 0 **Mr. Nitin Katak – Chief Executive Officer, Mangalore Chemicals & Fertilizers Ltd.:**  
0 It is already lower.
- 0 **Ms. Darshita Shah - Participant:**  
0 Right, right. Perfect, ok. Thank you so much for your answering all my questions. Thank you.
- 0 **Mr. Nitin Katak – Chief Executive Officer, Mangalore Chemicals & Fertilizers Ltd.:**  
0 Thank you Darshita.
- 0 **Mr. Navin Agarwal – Head IE, SKP Securities:**  
0 Thank you Darshita. I hope all your queries have been answered. Friends, anyone with a question is requested to please raise your hand and we will take it up. Darshita has spoken for most of the

participants. Most of the queries are answered. Anyone with a question, please let us know. Sir, you have been a veteran in this industry for almost 4 decades. Anything else that you want to add while some questions line up?

0 **Mr. Nitin Kantak – Chief Executive Officer, Mangalore Chemicals & Fertilizers Ltd.:**

0 Ya, actually we are doing very fine and of course fertilizer industry is also poised for growth. It is expected to have good crops this year also so we expect fertilizer demand to go up. In fact the ministry has been asking us to ramp up our productions and imports. So I think it is very positive for the fertilizer industry.

0 **Mr. Navin Agarwal – Head IE, SKP Securities:**

0 Friends, anyone with a question? Any query, then please raise your hand. We will take it up. Presently nothing coming up, so what I am doing is, I will share my email id on the chat. So in case there are any follow-up questions or queries that participants have but not coming to mind right now, please feel free to write to me and we will take it up. We will take it to the management and revert on it. Sir, any closing remarks for this earnings webinar?

0 **Mr. Nitin Kantak – Chief Executive Officer, Mangalore Chemicals & Fertilizers Ltd.:**

0 Ya. Thank you, ladies and gentlemen. I would like to express my sincere gratitude to each and every one of you for your participation and of course, we are little disappointed that only one person asked the questions. So never the less, your engagement actually demonstrates trust in our company and the value you place in our growth story. I am pleased to have the opportunity to shed light on the overall business scenario and the sector performance and our exceptional financial results for the quarter. We are firmly committed to executing our strategic roadmap which is underlined with innovation, operational excellence and sustainable practices. As we move forward, we will remain focused on delivering superior results, enhancing customer satisfaction and creating value for our stakeholders. Your continued support and confidence in our endeavours, are critical to our success and we look forward to partnering with you on this exciting journey. Thank you once again for your time and participation. Have a wonderful evening. Thank you.

0 **Mr. Navin Agarwal – Head IE, SKP Securities:**

0 On behalf of all of us at SKP, thank you very much Mr. Kantak and Mr. Muralidharan for not only sharing and going through the results of the company but sharing your view on the sector as well. We look forward to hosting you again for the next quarterly results. Thank you and have a wonderful day.

0 **Mr. Nitin Kantak – Chief Executive Officer, Mangalore Chemicals & Fertilizers Ltd.:**

0 Thank you Navin.

0 **Mr. T.M Murlidharan – Joint President, Finance, Mangalore Chemicals & Fertilizers Ltd.:**

0 Thank you Navin.

0 **Mr. Navin Agarwal – Head IE, SKP Securities:**

0 Thank you Murli, bye. Thank you sir.

**End of Transcript**