



“UPL Limited Q1 FY 2018  
Earnings Conference Call”

July 31, 2017



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**Moderator:** Ladies and gentlemen, good day and welcome to UPL Q1 FY2018 Earnings Conference Call, hosted by IDFC Securities Limited. As a reminder, all participant lines will be in the listen-only mode. And there will be an opportunity for you to ask questions after the presentation concludes. In case you need assistance during the conference call, please signal an operator by pressing “\*” then “0” on your touchtone phone. Please note that this conference is being recorded. I now hand the conference over to Mr. Vijayaraghavan from IDFC Securities Limited. Thank you, and over to you, sir.

**Vijayraghavan:** Thank you, Aman. Very good afternoon to everyone and thank you for joining us today. I would like to welcome the senior management team of UPL Limited and thank them for giving us this opportunity to host this call. Representing UPL Management Team, today we have with us, Mr. Rajendra Darak – Group CFO, Mr. Ajit Premnath, COO and Global Business Head of Crop Protection and Mr. Carlos, who is the Global Head of Strategy, Innovation and New Product Development of UPL and Mr. Anand Vora, Global CFO, Mr. Nitin Kolhatkar, VP – Finance and Mr. Ashish Narkar, Senior GM – Finance and who handles the Investor Relation with UPL. So we will start with initial remarks from the management team, starting with Mr. Anand Vora and then we will follow with the Q&A. I now hand over the call to Mr. Anand Vora for his initial remarks.

**Anand Vora:** Good afternoon everyone and welcome to the Q1 financial year 2018 earnings call. We will take you through the key financial numbers for the first quarter.

The gross revenues for the quarter ending June have grown by 6% from Rs.3644 Crores to Rs.3851 Crores. The gross margin is at 41.3% as compared to 40.8% last year for the same quarter, an improvement of 50-basis points. In absolute value gross margins have grown by 7%.

EBITDA at 19.5% has improved by 30-basis points over that of the last year same quarter. In absolute terms EBITDA grew by 7% from Rs.699 Crores last year to Rs.750 Crores this year.

Net profit has grown by 31%. Last year first quarter the net profit was Rs.361 Crores and this year it is Rs.473 Crores. In terms of percentage, net profit for Q1 financial year 2018 is at 12.3%.

I will take you through the revenue mix by geography. India has shown a growth of 4% from Rs.1194 Crores to Rs.1246 Crores. Latin America has grown by 6% from what was 697 Crores to Rs.737 Crores. Europe region has grown by 4% from Rs.561 Crores to Rs.585 Crores. Rest of World has grown by 9% from Rs.553 Crores to Rs.602 Crores. North America has shown a growth of 7% from Rs.639 Crores to Rs.681 Crores.

If we analyze the sales growth and its components in the first quarter, the overall sales growth as I mentioned earlier was 6% representing a volume growth of 10%, the exchange impact was negative 3% and the price variance was negative 1%.

Going onto working capital performance for quarter ended June 2017 versus quarter ended June 2016; inventories have gone up from 110 days to 119 days, an increase of 9 days, largely represented by an increase in inventory in India by about 4 days and in Brazil by about another 4 days.



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Receivables have increased from 105 days to 122 days, an increase of 17 days, again largely represented by India by about 6 days increase and Brazil by about 4 days and rest is from the other geographies.

Payables were up. Payables were at 128 days last year and this year this quarter they are at about 141 days, an increase by about 13 days. The net working capital, which was 87 days as of June 2016, has gone up to 100 days as of June 2017, an increase of 13 days.

In terms of debt level as at end of June 2017, the gross debt has gone down to 5956 Crores - as of March 2017 gross debt was at 6361 Crores. The cash level was at 2633 Crores as compared to March 2017 when it was at 2880 Crores. The net debt is at 3323 Crores as compared to March 2017 it was at 3481 Crores. For the quarter the debt from 1st April to June 30, has gone down by 158 Crores. I will now request Mr. Ajit Premnath to provide business updates by region for the quarter ended June 2017.

**Ajit Premnath:**

Good afternoon everyone. I will take this opportunity to take you through the regions starting with India. I think there is a big difference, a sea change between June and July in India after the rains in the last three weeks, which really picked up in July after a relatively dry June and that has really now improved Indian situation overall, across India looks extremely good except a few states like Karnataka and Tamil Nadu.

In terms of acreages, I think the biggest change has been the cotton area which has gone up by 20%, which roughly translates into about 15 lakh hectares and this is positive for UPL which has a high play on this crop with the insecticide portfolio.

We have had a very good placement of our leading herbicide on soybean where the volumes till June went up by 88%. This only reflects the acceptance for this product in the market place and in July the consumption also has moved very well.

As I mentioned rains have been extremely good, all major reservoirs are full and this also should give us a good Rabi over the next season. In India we have launched three new products including one in the biological segment, the plant health product and four more launches are planned in Q2.

In June there was some impact of GST, for sure, distributors were shy of picking up stocks, they were not sure how the inventory would be managed, but I think we are recovering very quickly because since the business is seasonal nobody wants to miss the bus and therefore they are picking up quite well now in July.

Overall, in our seed business, our field crop business has done well in line with the budgets although there were some challenges in the vegetable seed business due to lower prices and prices were very low till June but things have changed now in July. We know that some of the products are really selling at very high prices.

Coming to Latin America, we launched Glufosinate Loyalty Program in Mexico, which has been pretty successful. We hope to grab a large market share in the first full year of launch, last year we



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were late by the time we got the registration. We have also launched new fungicides in the region. Our leadership change in the Andean region has also proved well. The region is now poised for growth with a clear strategy on distribution etc., so that is a positive impact.

Mexico had, till June, again a very dry situation, which affected corn and this led to 25% of replanting, but eventually they also got rains and the area is back to normal and this has an impact for our herbicide portfolio on corn in Mexico. So after a little bit of a scary June things are okay.

Overall, I think globally speaking, commodity prices have not picked up at least till June they were at a very low level. There is some pickup in July, based on the projections of the US production, but in the first quarter of course the prices were very low, affecting cash flow and advance purchases mainly in Brazil.

As far as the Europe is concerned, first quarter is a consumption period and the major highlight has been from UPL point of view a good sugar beet season with increased acreages and high level of consumption. This is in the last ten years may be for the first time that the market is ending with zero inventories of herbicides, which also means probably a very good season next year.

Southern Europe has been pretty dry and this has affected our fungicide business to some extent and the dry weather still continues so that is a bit of area of concern we have in Europe

Is In Rest of World, which essentially Asia, rice crop is doing well. Rice is a commodity, price is good. The rains are fine, the business is normal.

As far as Turkey is concerned, they were impacted by high inventories and of course the southern Europe dry season affects also Turkey to a large extent.

Coming to North America, in America, North America also the cotton area has increased by 20%, which has positive impact as we have a decent portfolio of insecticides for cotton. Soybean herbicides continue to grow led by **Glufosinate** and the Xtend technology introduced by Monsanto has run into some problems, especially in the southern states where there have been drift issues and damage to neighboring crops.

Three states have already banned use of dicamba and this is an opportunity for other products to take its place and continue to grow. As far as our seed business is concerned, we saw growth in Sorghum seed sales in the US. We also expect that due to wet conditions in Southern US, in fact pressure is expected to be high, which favours our insecticide portfolio. Overall the area under corn and wheat has come down versus last year. So this in nutshell is the global view of what is going on in various regions and various crops. Thanks.

**Anand Vora:**

Thanks Ajit and we would now be happy along with my colleagues to take questions at this stage.

**Moderator:**

Thank you very much. Ladies and gentlemen we will now begin the question and answer session. The first question is from the line of Sonali Salgaonkar from Bank of Baroda Capital Markets. Please go ahead.



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**Sonali Salgaonkar:** Good evening Sir. Thank you for the opportunity. Sir my first question is after such a steady quarter at this point in time would you like to give any guidance in terms of where do you think the topline and the EBITDA margins would be over the near-term?

**Anand Vora:** We maintain our guidance, which we have given at the Capital Markets Day, which is in terms of revenues we have guided for 12% to 15% growth and in terms of EBITDA margins we have guided for 50 to 75 basis points improvement - so we are retaining the guidance.

**Sonali Salgaonkar:** Sir my second question is you have a cash pile of almost Rupees 26.3 billion as of June 30, 2017 any thoughts on how do you plan to utilize this going ahead?

**Anand Vora:** We had raised bonds from the US markets and the purpose of raising these bonds was towards meeting the working capital needs besides meeting some of the other corporate needs and as you know in our industry there has been a fair amount of consolidation going on and there would be divestiture of certain assets by some of these companies which are under restructuring of consolidation, so we just wanted to ensure that we have a fair amount of funds available in case if there is a good opportunity which emerges because of this consolidation and we can capitalize on it.

**Sonali Salgaonkar:** Sir would it be fair to assume that maybe a part of this would also go towards deleveraging?

**Anand Vora:** Yes sure. That we cannot use it we will certainly use it to deleverage we have that in short-term borrowings, which we will use to pay off.

**Sonali Salgaonkar:** Sure. Sir and two, book keeping question, what would be the steady state tax rate we can expect on a consolidated level?

**Anand Vora:** We have guided for about 20% to 22%.

**Sonali Salgaonkar:** Sir and capex any guidance on capex?

**Anand Vora:** We had indicated about 1000 to 1050 Crores.

**Sonali Salgaonkar:** And we are maintaining that.

**Anand Vora:** Yes.

**Sonali Salgaonkar:** Thank you so much. That is it from my side.

**Moderator:** Thank you. We have the next question from the line of Sheetal Agarwal from K.R. Choksey. Please go ahead.

**Sheetal Agarwal:** Just wanted to understand from you if you could give some colour on the kind of impact the companies have of, say the reduction in terms of subsidy as suggested by Brazil and EU takes place; how do you see that impacting farmer spends going forward if at all it is implemented?



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**Ajit Premnath:** It is too early to say now, but I think Europe for example is giving much higher subsidies so I do not know what basis they are really asking this, but we do not see a huge impact of subsidies getting withdrawn, the productivities are high and people have to use inputs and I think we are not in that era where consumption was happening based on subsidies and we do not think that is going to have a real impact but it is too early to say anyway it is just a proposal.

**Sheetal Agarwal:** That is right Sir and just wanted to understand your volume growth has come off a bit this quarter so what do you think how do you say this metric will pan out going forward?

**Ajit Premnath:** Going forward I think let us say the Indian market, which is a big business for us is looking good. So unless something extraordinary happens we hope to have a good season, Kharif season and we expect therefore we should be having the volume growth for most of our key products in this market. We are also seeing a good continued consumption in US. As I mentioned we have some benefit of the situation on herbicides usage, the new technology from Monsanto is facing some challenges even if it is temporary and the markets in Latin America which normally are consuming in this part of the year are also doing okay so we see that the consumption or our volume growth should be maintained.

**Sheetal Agarwal:** Sir just last question from my side you mentioned that June saw some impact at the dealer level on the GST implementation, so have we come back to the pre-GST levels and do you think now going forward there would be any impact of this whole implementation of this?

**Ajit Premnath:** Yes our basic business is very seasonal so one just keep on sitting back and wondering what to do one will miss this business. Nobody wants to really do that and therefore people are very quickly to adapt to the change and I think we are already seeing that the normalization is happening very quickly.

**Sheetal Agarwal:** Thanks a lot.

**Moderator:** Thank you. We have the next question from the line of Abhijit Akella from IIFL. Please go ahead.

**Abhijit Akella:** First, just on the revenue growth in Latin America this quarter so it is 6% in rupee terms and if I am correct then I think there was also a 5% tailwind from the currency this quarter on a year-over-year basis. So essentially it seems like the volume growth is somewhere in the single digits probably for Latin America and so just wanted to check you have talked about these pressures from poor commodity prices and high inventory and we have also heard Buyer Crop Science Germany issuing the warning about a 300 million Euro inventory write-down related to the Brazil business, how are you seeing the market environment in Brazil particularly and how do you see the outlook for that market going forward?

**Carlos:** Coming back to Brazil, the market in Brazil has delayed a lot this year because of commodity prices and now Soybean price came back to \$10 per bushel. It was about \$9.1 - \$9.2 per bushel and came back to \$10 per bushel and the market is coming back to normal hence this last three months was a little bit quiet. The question of Bayer or some other companies it is a problem not of the year but it is a problem of the strategy of last years and let us say Bayer and some other



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companies have put so much stock and inventory in the market and this inventory was cumulative and created this kind of problem. So if some of the companies have work to reduce inventory like DuPont, which had huge inventory of insecticide and they have to work to reduce this inventory. Brazil has been not so wet from December to March and consumption of fungicide was less than the year before and this has been impacted in some way too. But in our case, we are running better than the market again this year, the market has been a little bit depressed up to now but we are track it basically to the market.

- Abhijit Akella:** What would your estimate be of growth for the Brazil market overall this year, Carlos?
- Carlos:** We do not look at Brazil as a country, we open as a vision as Latin America. As Anand has really explained about the LATAM what we do in Latin America how our growth has been 6%.
- Anand Vora:** 6% for the quarter and we are maintaining that and as a company we will deliver that 12% to 15% growth and we continue to remain, as Carlos mentioned, with the delay, but now with the soybean prices and corn prices picking up, we are retaining our guidance.
- Carlos:** We in Brazil, are keeping focus on our innovation and product portfolio expansion. We are launching many products this year. We have already launched Sperto what is an insecticide for mainly soybean, coffee and cotton. We have launched Glufosinate and some other products to be launched in the year, the main focus is really keeping the innovation in our product portfolio.
- Abhijit Akella:** Sorry I just missed the name of the first product you mentioned you had launched.
- Carlos:** It is Sperto.
- Abhijit Akella:** And one last question from me and I will get back in the queue. It has been recently reported in the press that there are some large M&A opportunities in the offing in the crop protection industry globally and that UPL might be interested in making a large bid for one of these. So I just wanted to get your sense of if there is anything you can say about it and what would you look for in any such opportunity and how large would you be comfortable with in terms of ticket size of the acquisition?
- Rajendra Darak:** First of all I think we cannot make any comments on news, which keeps on coming up. Number two, we keep on looking at ideas, opportunities under different sizes and different tickets and different types. That is a constant evolution and I think our stated guidance is it has to be significantly accretive to our shareholders. Any transaction we do, that is the simple criteria we follow and that is what we will follow in this. As and when we have any update we will share that with you.
- Abhijit Akella:** You have a target leverage ratio in your mind beyond which you will not sort of pursue any M&A opportunity?
- Rajendra Darak:** I think we have stated this and I think we should repeat that to you; our target is to maintain our investment grade rating as going forward feature also if we do something.



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- Abhijit Akella:** Thank you so much and wish you all the best.
- Moderator:** Thank you. We have the next question from the line of Alok Deshpande from HSBC. Please go ahead.
- Alok Deshpande:** I had a question first on the currency impact on the sales - so 3% negative currency impact just wanted some color on which were the one or two regions where this impact came from?
- Anand Vora:** There was some impact in Europe, so also in Latin America and even dollars there was an impact. So pretty much I would say most of all these three put together, most of the regions we had an impact of currency.
- Alok Deshpande:** So it was not one major impact of a region or so?
- Anand Vora:** No major region, correct.
- Alok Deshpande:** Anand second question was on India now, what has exactly happened in terms of the GST impact. Now is it fair to assume that July would have sort of made up for the offtake which is supposed to happen in June or the sales that were lost in that period were sort of lost?
- Ajit Premnath:** It is not lost, June in most markets in India is a placement market it is not a consumption month really. So when you are in a placement period, then we do not really loose consumption, so therefore it gets picked up very quickly.
- Alok Deshpande:** So July and August would have sort of, not August, but July would have made up would have seen very high growth say July versus last July.
- Ajit Premnath:** Yes on the second quarter will make it up for sure. July anyways is doing well because of good rains, I think it will be better than last year in terms of coverage across the country so there is a natural upside on that.
- Alok Deshpande:** Just one last question on again on the global commodity side especially in Latin America and US now it is almost 4th or 5th year where we have seen low commodity prices; now are we seeing some signs on the ground in terms of farmers where there can be a general reversal in this trend or it is just more up and down, as we are not seeing some real signs that there can be a reversal in terms of farmer sentiment?
- Ajit Premnath:** Yes you know so commodity prices is a function of inventory and so two or three very good seasons creates this kind of inventory where the consumption lags and therefore the prices fall but what has happened now is there is an expectation that the US crop may not be as good as last year; both in case of wheat in case of soybean, because of either lack of rain or excess rain and that is what is making the commodity prices now go up. So as you heard from Carlos, from June, and in June soybean was 9, 9.1 now it is 10.2, 10.3, 10.4. Similarly wheat prices are going up, so you can never predict but it seems to now at least it is on an upward trend.



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- Anand Vora:** What we hear and typically at least from some of the commodity guys is that the worst is over and they seem to be quite optimistic; except corn I think they think it will stagnate at same levels, it may not recover fully to the levels from where it fell. But otherwise most commodity prices I think the worst is over we are getting a small, a gradual increase in price.
- Ajit Premnath:** And in any case besides the soybean and corn; rice, cotton and fruits and vegetables these prices are anyway going up.
- Alok Deshpande:** No I guess my question was, looking at these prices going up in the last month or so, a month and a half, are we see seeing the farmers react to that in a positive way in terms of probably going more aggressively in terms of the purchase of crop protection products?
- Anand Vora:** I think the sentiments are good and I think the purchase will follow, but what is important is the sentiments and that has definitely improved..
- Carlos:** No it is very positive and when you see the movement in Brazil for the soybeans the energy is coming back. The farmers are positive and in the words of Anand it is perfect and even sugarcane, the price of gasoline and naphtha is going up and it is going up even because of tax now. The sugarcane markets recovered.
- Alok Deshpande:** Thank you so much.
- Moderator:** Thank you. We have the next question from the line of Chirag Dagli from HDFC Mutual Fund. Please go ahead.
- Chirag Dagli:** Thank you for the opportunity. Sir how big are the Glufosinate combinations in the overall Glufosinate pie for us?
- Ajit Premnath:** You are speaking of the market today or you are talking about UPL?
- Chirag Dagli:** Both would be good.
- Ajit Premnath:** As far as market is concerned, there is really no Glufosinate mixture existing today, but what farmers are doing is they are mixing several herbicides and spraying. So with Glufosinate they mix various kinds of other products and create an own tank mix and spray. We are of course developing a lot of mixtures besides of course the straight products which will continue to be a big one and those are in the pipeline and those are actually adjusting various segments various needs, gaps of the farmers essentially providing them convenience.
- Chirag Dagli:** So at the moment we have that growth is yet to be visible in the numbers?
- Ajit Premnath:** Yes.
- Chirag Dagli:** Sir you made a comment on Monsanto's Dicamba facing issues so is this specific to soybean or is it specific to the US?



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- Ajit Premnath:** So they have launched the technology in the US and that is where they are facing the problem, especially in the South Midwest where you have multiple crops growing side-by-side. So you have soybean, corn, cotton and various other crops growing in close proximity and that is where the problem is happening due to the volatile nature of the products, it is actually moving to the other fields and creating some problems of phytotoxicity.
- Chirag Dagli:** And you made in one of your comments you said this could be temporary.
- Ajit Premnath:** In a sense it is a new technology, people are learning, people are adopting. See if the farmer does not clean his tank very well before using the next product he can create a contamination himself. So there is a lot of learning curve to go through whenever new technology comes up. There are some inherent challenges with the product itself because it is volatile, very volatile, but let us say going forward I am sure people will learn how to use it.
- Chirag Dagli:** How many seasons would it have been in the market Sir?
- Ajit Premnath:** They just introduced it.
- Chirag Dagli:** Yes okay and Sir in one of your comments you mentioned for India soybean herbicide volume is up 88% did I understand this correctly and what product is it?
- Rajendra Darak:** Chirag we do not give that name out but you can find out actually in the market what is it.
- Chirag Dagli:** But this comment is correct right?
- Rajendra Darak:** We would not make a comment which is not correct.
- Chirag Dagli:** Sir just a suggestion sir if you can indicate the seeds business separately for each of the quarters going forward whenever you are comfortable, I think that will make a lot of sense because eventually I think this piece will need to be looked at differently, so that would be helpful.
- Rajendra Darak:** We take your suggestion. We will look at it.
- Chirag Dagli:** Thank you and all the best.
- Moderator:** Thank you. We have the next question from the line of Dhavan Shah from K.R. Choksey. Please go ahead.
- Dhavan Shah:** Just two questions; one is regarding the Advanta seed business; so if you can classify the revenue for this quarter against Q1 FY2017 that would be great?
- Rajendra Darak:** We do not disclose that separately now that separately.
- Dhavan Shah:** Second question is about the finance cost so this quarter it is around 80 Crores and in notes it is mentioned that some gains have been recorded so now 50 Crores for this quarter and there was



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around 17 Crores in Q4 and then 5 Crores in Q1 FY2017 so adjusting to that I think finance cost for this quarter should be around 130 Crores suppose the gain is not there.

**Anand Vora:** It is about 114 Crores total. There are other costs also which are there so if you will remove just the exchange difference then it is 114 Crores for this year as compared to 119 Crores for the same quarter last year.

**Dhavan Shah:** Thank you so much.

**Moderator:** Thank you. We have the next question from the line of Pratik Tholiya from Emkay Global. Please go ahead.

**Pratik Tholiya:** Just wanted to know if you could just throw some light on the three new products that you have launched in terms of what is the name and what is the market potential for those products, which crops will those be catering to and whether they are in the 9(3) segment or any generic segment?

**Ajit Premnath:** As I mentioned there is one, which is in the biological and nutritional range and the others are fungicides.

**Pratik Tholiya:** So any specific crops they will be catering to?

**Ajit Premnath:** They are on multiple crops actually. They have a large crops possibility and label.

**Pratik Tholiya:** Sir these are 9(3) products or generics?

**Ajit Premnath:** These are innovative formulations of the actives that we already have in our portfolio. One of them is that kind of a product, the other one is new and biological is of course in a different category all together.

**Pratik Tholiya:** Sir the four products that you are expecting to launch in Q2, if you could just elaborate a little on them whether they are fungicide, herbicides?

**Ajit Premnath:** They will be fungicides as well as herbicides.

**Pratik Tholiya:** These are also innovative?

**Ajit Premnath:** Some of them are new and we will also have at least one more product in the biological/nutrition range also.

**Pratik Tholiya:** Out of the four.

**Ajit Premnath:** Yes.

**Pratik Tholiya:** Thank you so much.



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- Moderator:** Thank you. We have the next question from the line of Girish Achhipalia from Morgan Stanley. Please go ahead.
- Girish Achhipalia:** Anand Sir, just a couple of questions on net debt to EBITDA and on working capital; any numbers for the year end that you would be sharing your guidance on please?
- Anand Vora:** Both these ratios are something, which are being monitored for our investment grade rating. Of course we are way below the limits, which have been prescribed by the rating agencies. We would expect, in case of Net Debt to EBITDA, we are looking at anywhere between 1x and 1.25x it will be in that range. And in case of Net Debt to Equity we would be below 0.5x.
- Girish Achhipalia:** On working capital Sir, I assume a lot of this buildup is because of India so what would be your year-end target?
- Anand Vora:** We maintain between 90 and 110 days. We are quite optimistic and that things should normalize in India, unless we have some more things, we have gone through enough demonetization, GST; so nothing new should crop up hopefully But I think the season is good, we are very optimistic and with the commodity prices also taking a bit of a upswing we hope this should also result in better consumption in Latin America and some of the other geographies.
- Girish Achhipalia:** That was actually my next question, you had a negative price variance of 1% and with this effect also coming through and with the price increases happening, would it be fair to say that about 2% to 4% kind of price increase from here on second quarter onwards is possible on a quarterly basis Y-o-Y?
- Anand Vora:** I think so it should be in that range. It is difficult to comment, because different geographies, different things but yes it is difficult to make a statement that whether it will be positive. But we are seeing some raw material prices have gone up so we will pass that increase to the customer and also in some states because of the GST the prices are going up so there are a combination of effects but it is very difficult to say the end of the year where this variance would be.
- Girish Achhipalia:** The final question was to Carlos, whomsoever wants to take it; at the end of Q4 we did mention that soybean rust we had seen lower infestation of that issue on the Asian rust disease, so how are we seeing the market positioning now, is there more confidence coming in the busy part of the year for you or would you expect and maintain the same kind of commentary that you had in Q4?
- Carlos:** We are quite positive with the market. It is hard to predict the weather. It is very hard to say it will be hot or wet, more wet, depends on the winds, sometimes the winds come from the south, or the west or north. It is difficult to predict that, but what we know is that the products that we have works very well and we are very positive with the product that we are implementing and we are looking to launch a new product a year or two in that segment.
- Girish Achhipalia:** Anand Sir just final question of the 1000, 1050 Crores of capex how much would you be spending in Brazil in terms of both tangible and intangibles this year?



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- Anand Vora:** I do not have breakup off the cuff, maybe I can provide you that number separately.
- Girish Achhipalia:** Thank you.
- Moderator:** Thank you. We have the next question from the line of Alok Deshpande from HSBC. Please go ahead.
- Alok Deshpande:** Just one small thing may be I missed out. Have you given the net debt numbers for Q1?
- Anand Vora:** Yes the net debt numbers are at 3323 Crores a drop of 158 Crores vis-à-vis our net debt position as of March 31.
- Alok Deshpande:** What would be the gross numbers?
- Anand Vora:** Gross numbers stands at 5956 Crores, which the corresponding number as of March 31 was 6361 Crores.
- Alok Deshpande:** So gross is now 5956 and net is 3323.
- Anand Vora:** That is right.
- Alok Deshpande:** Thanks a lot.
- Moderator:** Thank you. Ladies and gentlemen as there are no further questions. I now hand the conference over to Mr. Vijayaraghavan for closing comments. Thank you and over to you Sir!
- Vijayaraghavan:** Thanks so much. Mr. Anand, would you like to make any closing comments?
- Anand Vora:** Yes. I would just like to from the management team here from all of us we would like to thank all the participants for joining us on this call. Thank you very much.
- Vijayaraghavan:** Thanks a lot to Mr. Anand and team.
- Moderator:** Thank you very much. Ladies and gentlemen, on behalf of IDFC Securities Limited that concludes this conference. Thank you for joining us. You may now disconnect your lines.