

Gandhinagar, August 7, 2025

A meeting of the Board of Directors was held today to consider and approve the Financial Results for Q1 2025-26. The highlights were as under:

| Particulars | Rs. Crores | |
|--------------------|------------|----------|
| | FY 25-26 | FY 24-25 |
| | Q1 | Q1 |
| Operating Revenue | 2,172 | 2,144 |
| Other Income | 40 | 49 |
| Total Revenue | 2,212 | 2,193 |
| Operating EBIDTA @ | 201 | 117 |
| PBT | 186 | 118 |
| PAT | 140 | 93 |
| EPS (Rs./ Share) | 3.51 | 2.32 |

@ Excludes Other income.

In Q1 FY 25–26, revenue remained steady YoY while EBITDA margin improved from 8% to 11%. Fertilizer EBIT rose from Rs. 86 Cr. to Rs. 137 Cr. due to higher trading (notably NPK), strong APS/AS sales, and improved realisations in P&K fertilizers. Urea sales declined 73% due to exclusion of Rs. 149 Cr. project-linked trial sales and stabilisation issues. Raw material trends were mixed—NG and ammonia prices softened, while P₂O₅ and sulphur/SA acid saw sharp increases. Industrial Products segment turned profitable (Rs. 25 Cr. EBIT) on the back of stronger Ammonia and HX sales, despite lower spreads and core volumes.

Capex led Growth Plan:

The Company continues to advance its capex plans aligned with its strategic growth roadmap. Upcoming projects are detailed below.

| Ongoing Projects | Q2 25-26 | Q3 25-26 | Q4 25-26 | FY 26-27 | FY 27-28 |
|---|---------------------------|-------------|-------------|-------------|-------------|
| Sulphuric Acid (SA-V) Project | 198 KTPA | | | | |
| Phosphoric Acid (PA) and Sulphuric Acid (SA) Project at Sikka | 198 KTPA PA & 594 KTPA SA | | | | |

Following projects have been commissioned during Q1 2025-26:

1. 15 MW Solar Power Project at Charanka
2. Urea-II Revamping Project
3. Participation in GIPCL's 75 MW Solar Power Project

Outlook:

The southwest monsoon continues to progress at a healthy pace, supporting Kharif sowing activities and creating a favourable environment for Agri-input demand during Q2 FY 2025–26. However, Indian fertilizer industry is likely to face headwinds in forthcoming quarter on account of elevated prices of key raw material such as phosphoric acid and finished fertilizers like DAP, NPK etc., which will complicate imports and production of fertilizers. It is probable that the Maximum Retail Price (MRP) of NPK fertilizers would have to be revised upwards to accommodate the escalation in input costs. Policy interventions by DoF, will play a key role in shaping strategies going forward. The company intends to adopt a balanced production and import mix of DAP and non-DAP fertilizers to optimize cost efficiency and maximize overall sales realisation in the upcoming quarter.

The Caprolactam-Benzene spread is expected to remain under pressure in Q2 FY 2025–26 due to oversupply, prolonged economic slowdown in China, and continued influx of cheaper Chinese imports, which may depress prices across the entire Nylon value chain. Melamine demand is expected to remain stable in both domestic and export markets, while demand for other industrial products is also likely to sustain. However, pricing for key products may face headwinds from low-cost Chinese imports. Overall, the company anticipates stable demand and turnover in the Industrial Products segment during the quarter.

About GSFC:

GSFC is a joint sector company promoted by Government of Gujarat. Incorporated in 1962, the company is producer of bulk and non-bulk fertilizers and chemicals. Most products are import substitutes and contribute to saving valuable foreign exchange. It pioneered the manufacturing of DAP complex fertilizer in India, is the sole producer of Melamine HX Sulphate Crystal and amongst the major producers of Caprolactam and Nylon 6 in the country.

Disclaimer:

The statements in outlook describing the company's objectives, expectations or projections, may be forward looking and it is not unlikely that the actual outcome may differ materially from that expressed, influenced by wide variety of factors affecting the business environment and the company's operations. The company assumes no responsibility to publicly amend, modify or revise any forward-looking statements, on the basis of any subsequent developments, information or events.

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