Q 1 FY 26-27 Results Update

Gandhinagar, August 12, 2026

A meeting of the Board of Directors was held today to consider and approve the Financial Results for Q1 2026-27. The highlights were as under:

- Ever highest Q1 sales of Rs. 3581 Cr. and ever highest Q1 Fertilizer sales of Rs. 2947 Cr. were achieved in Q1 FY 26-27, reflecting YoY growth of 65% and 82%, respectively.
- Industrial Products segment sales (Rs. 635 Cr.) and EBIT (Rs. 116 Cr.) were the second highest for any Q1 to date.
- Profit After Tax grew by 15% YoY to Rs. 161 Cr.

Fertilizers delivered a strong operating performance in Q1 26-27, with sales increasing by 82% from Rs. 1619 Cr. to Rs. 2947 Cr., while sales volumes grew by 17% from 4.51 LMT to 5.26 LMT on a YoY basis. The growth was driven by higher Manufactured and Traded DAP sales volumes, supported by the Government's DAP Special Package to compensate for international price variations.Amid global geopolitical developments, key raw material prices witnessed significant increase during the quarter, with Sulphur prices rising by 231%, Ammonia by 144%, Natural Gas by 38%, and P_2O_5 by 30% on a YoY basis. Consequently, the Fertilizers segment reported an EBIT margin of 4.09%, compared to 8.49% in Q1 YoY.

Industrial Products recorded a strong performance in Q1 26-27, with sales increasing by 15% from Rs. 553 Cr. to Rs. 635 Cr., while EBIT rose sharply from Rs. 25 Cr. to Rs. 116 Cr. on a YoY basis. The improved performance was supported mainly by higher sales of Caprolactam and substantial rise in Capro-Benzene spread from $ 540 per MT to $ 816 per MT.

Resilient Operations & Agile Response:

Against a backdrop of heightened geopolitical uncertainty and evolving global supply dynamics, the Company sustained uninterrupted operations and ensured supply continuity during the quarter. Agility in product mix, supported by timely pricing actions and responsive production planning, enabled the Company to navigate sharp movements in key raw material prices and protect margins across business segments.

Capex led Growth Plan:

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

<table>
<tr><th>Ongoing Projects</th><th>Q2
26-27</th><th>Q3
26-27</th><th>Q4
26-27</th><th>FY
27-28</th><th>FY
28-29</th></tr>
<tr><td>C - Train Modification for APS Production at Sikka Unit</td><td>1200 MTPD APS</td><td colspan="4"></td></tr>
<tr><td>Phosphoric Acid (PA) and Sulphuric Acid (SA) Project at Sikka</td><td colspan="5">198 KTPA PA & 594 KTPA SA</td></tr>
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Outlook:

Following a subdued start to the monsoon in June 2026, the revival of rainfall during July has improved the outlook for the agri-input sector ahead of the Rabi season. However, evolving global geopolitical developments, including the Russia-Ukraine conflict and tensions in the Middle East, continue to create uncertainty around the availability and pricing of key raw materials and finished fertilizers, impacting global supply chains and logistics costs. Elevated prices of inputs such as Sulphur and Phosphoric Acid are also expected to influence industry product mix, with demand likely to remain skewed towards DAP. Against this backdrop, GSFC remains focused on optimizing its product mix and sales strategy, enhancing operational efficiencies, and maintaining prudent inventory positioning to ensure timely product availability while safeguarding margins and creating long-term value for stakeholders.

The Caprolactam-Benzene spread is expected to remain stable to soft in the near term, amid continued volatility in crude oil prices and geopolitical uncertainties in the Middle East. This could impact feedstock economics and exert some pressure on margins across the Caprolactam–Nylon value chain. On the demand front, Melamine is expected to witness an improvement in both domestic and export markets. Export demand for HX Crystal is expected to remain consistent, while domestic demand is likely to remain stable. Demand across other Industrial Products is also expected to remain steady, providing stability to the overall segment outlook.

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.