



CHAMBAL FERTILISERS AND CHEMICALS LIMITED

Ref. No. CFCL/SE/2025-26/84

March 10, 2026

BSE Limited

Phiroze Jeejeebhoy Towers
25th Floor, Dalal Street
Mumbai – 400 001

National Stock Exchange of India Limited

Exchange Plaza, C-1, Block G
Bandra Kurla Complex
Bandra (East)
Mumbai – 400 051

Sub: Disclosure under Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (SEBI LODR)

Dear Sirs,

Pursuant to Regulation 30 of SEBI LODR, we have to furnish the following information -

Sr. No.	Particulars	Details
a.	Name of the authority;	Assessment Unit, Income Tax Department
b.	Nature and details of the action(s) taken, initiated or order(s) passed;	Order passed u/s 271(1)(c) of the Income Tax Act, 1961 ('Act'), levying aggregate penalty of Rs. 96,86,205/-.
c.	Date of receipt of direction or order, including any ad-interim or interim orders, or any other communication from the authority;	09/03/2026
d.	Details of the violation(s)/contravention(s) committed or alleged to be committed;	<p>Penalty imposed for alleged wrong claim of deduction in the income tax return for AY 2011-12 in respect of following matters:</p> <ol style="list-style-type: none">1. The Company incurred expenditure for construction of an anicut over the Parwan River to augment the water supply required for manufacturing operations. The deduction of this expenditure was claimed as revenue expenditure, which was disallowed by the Assessing Officer (AO) in the regular assessment. In the appellate proceedings, it was held that the expenditure was capital expenditure in nature, and the Company is eligible for depreciation from the year of capitalization.2. The Government of India settled part of the dues on account of fertilizer subsidy by issuing Fertilizer Bonds. During the year, the fair market value of these bonds fell below their book value. Applying the principle of prudence, the Company recognized diminution in value of these bonds in the books of account. During the assessment proceedings, the AO disallowed the claim. In appellate proceedings, it was held that the deduction is allowed in the year when the bonds are sold and not in the year when the diminution is recognized. Subsequently, in the year of sale of the bonds, the above loss was allowed.



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e.	Impact on financial, operation or other activities of the listed entity, quantifiable in monetary terms to the extent possible.	There is no impact on financial, operation or other activities of the Company, save and except to the extent of amount of penalty levied as mentioned above. The Company has a good case to contest the above-mentioned order on merits, and therefore, will challenge the same at appropriate appellate forum.
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Kindly take the same on your record.

Thanking you,

Yours sincerely,

For **Chambal Fertilisers and Chemicals Limited**

(Tridib Barat)

Vice President - Legal & Company Secretary