



**CHAMBAL FERTILISERS AND CHEMICALS LIMITED**

Ref. No.: CFCL/SE/2025-26/80

February 18, 2026

**BSE Limited**

Phiroze Jeejeebhoy Towers  
25<sup>th</sup> Floor, Dalal Street  
Mumbai - 400 001

**National Stock Exchange of India Limited**

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

Dear Sir,

In continuation to our letter dated February 05, 2026 and pursuant to Regulation 30 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, we are enclosing herewith the transcript of Analysts / Investors conference call held on February 11, 2026, on the financial results of the Company for the quarter and nine months ended December 31, 2025. The said transcript is also available on the Company's website at - <https://investor.chambalfertilisers.com/EarningCallTranscripts.html>

You are requested to notify your constituents accordingly.

Thanking you,

Yours faithfully,

For **Chambal Fertilisers and Chemicals Limited**

**(Tridib Barat)**

Vice President - Legal & Company Secretary

**Encl.: a/a**

**Chambal Fertilisers and Chemicals Limited**  
**Q3 and 9M FY '26 Earnings Conference Call**  
**February 11, 2026**

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**Moderator:** Ladies and gentlemen, good day, and welcome to the Q3 and 9M FY '26 Earnings Conference Call of Chambal Fertilisers and Chemicals Limited.

As a reminder, all participant lines will remain in the listen-only mode, and there will be an opportunity for you to ask questions after the presentation concludes. Should you need assistance during the conference call, please signal the operator by pressing “\*”, then “0” on your touchtone telephone. Please note that this conference is being recorded.

I will now hand the conference over to Ms. Purvangi Jain from Valorem Advisors for opening remarks. Thank you, and over to you.

**Purvangi Jain:** Thank you. Good afternoon, everyone, and a warm welcome to you all. My name is Purvangi Jain from Valorem Advisors. We represent the Investor Relations of Chambal Fertilisers and Chemicals Limited. On behalf of the company, I would like to thank you all for participating in the company's earnings call for the 3rd Quarter and 9 months ended of the Financial Year 2026.

Before we begin, let me mention a short cautionary statement. Some of the statements made in today's earnings call may be forward-looking in nature. Such forward-looking statements are subject to risks and uncertainties, which could cause actual results to differ from those anticipated. Such statements are based on management's belief as well as assumptions made by, and information currently available to the management. Audiences are cautioned not to place any undue reliance on these forward-looking statements in making any investment decisions. The purpose of today's earnings call is purely to apprise about the company's fundamental business and financial quarter under review.

Let me now introduce you to the management of Chambal Fertilisers, participating with us in today's Earnings Call, and hand it over to them for their opening remarks. We have with us Mr. Abhay Baijal, Managing Director, Mr. Narinder Goyal, Business Head - Manufacturing Operations, Mr. Anuj Jain, Chief Financial Officer, Mr. Ashish Srivastava, Vice President - Sales & Marketing, and Mr. Tridib Barat, Vice President- Legal and Company Secretary.

Without any delay, I request Mr. Abhay Baijal to start with his opening remarks. Thank you, and over to you, sir.

**Abhay Baijal:** Thank you, Purvangi. Good afternoon, everyone, and thank you for joining us in this conference call to discuss our financial performance during the 3rd Quarter and 9 months ended Fiscal 2026.

Chambal Fertilisers continue to play a critical role in supporting India's agricultural ecosystem as India's largest private sector urea producer contributing close to 10% of domestic supply, not only that, we are almost 3% of the crop protection chemicals and specialty nutrients business in the country. In NPK, our share is almost 5%, DAP is also 5%, MOP is about 6%. Therefore, we are an important contributor to country's agricultural outputs.

The Union Budget has allocated about INR 1.71 lakh crores to the Department of Fertilizers this year, providing long-term visibility and stability to the sector.

From an agronomic standpoint, conditions during the last quarter of the Rabi season were broadly favorable. India received 11% higher than normal rainfall during October to December 2025, with strong October rains offsetting deficits later in the season. Key northern states such as Rajasthan, Uttar Pradesh, Haryana, Punjab, witnessed favorable conditions supporting early sowing.

As a result, Rabi sowing increased by 2.8% year-on-year to 652.3 lakh hectares as of January '26. Wheat acreage reached a record level alongside healthy growth in pulses and oilseeds. Northern states such as Rajasthan, Uttar Pradesh, Haryana, and Punjab saw higher sowing of wheat and mustard, supported by favorable rainfall conditions during October.

For Chambal, this translated into a stable outlook, with urea continuing to anchor volumes and cash flows and DAP and NPK providing diversification and growth, positioning us well to benefit from both steady base demand and gradual shift towards balanced fertilization.

With this backdrop, let me now move to our operational performance for the quarter under review. During the quarter and nine months period, our crop protection chemicals and specialty nutrients business, alongside biologicals, continued to demonstrate strong momentum, with sustained growth in both revenue and margins.

On a nine-month basis, the contribution from the segment grew by 30% year-on-year, reflecting improving scale, product mix, and execution. In the third quarter, we introduced five new products across biopesticides, bio-fungicides and insecticides, further strengthening our differentiated portfolio.

Looking ahead, our pipeline remains healthy, with 12 new CPC products and one new speciality nutrient product lined up for launch in FY '27, supporting our growth ambitions.

On biologicals portfolio, I am happy to report that we continue to perform strongly, with volumes increasing by 31% and revenues growing by almost 58% year-on-year over the nine-month period. Encouragingly, Uttam Pranaam, our bio-nano-phosphorus product launched last year, is witnessing strong market acceptance and better product outcomes, with volumes and revenue up almost 250% year-on-year.

We are doing well in this area and actively working on expanding our biological offerings, particularly in the fungicides and nematicides, which are planned for launch over the course of the next financial year. I am also happy to report that in terms of biologicals, we are almost 6% of the market as of today.

Chambal Fertilisers and TERI, The Energy and Resources Institute, entered into an agreement for research for advanced and sustainable agricultural solutions. This is significant in the backdrop of food security challenges due to an increasing population.

TERI, as you may know, is a pioneer institution in the area, and will be doing research under the Center of Excellence to develop products where IP rights are jointly owned by CFCL and TERI, and Chambal will have exclusive commercial rights globally on the product. A dedicated lab is operational now, and the products are expected to launch from FY 27-28 onwards. Based on product efficacy, we will also explore the export market for these products.

In the seed segment, we have launched research variety of Seeds Wheat, and early results have been encouraging, giving us confidence as we continue to build capabilities in this segment.

In the bulk fertilisers category, P&K fertilizers delivered good performance, supported by timely and prudent procurement strategy and effective placement during this season. Further, we have sourced adequate volumes of P&K fertilizer, ensuring preparedness for the Kharif season. The demand for phosphatic fertilizers continues to grow, and we continue exploring and evaluating capacity in India or abroad.

On the marketing and farmer engagement front, we continue to strengthen our digital outreach. Our Chambal Uttam Krishak Mitra app crossed about 100,000 downloads, and we have launched a quarterly digital marketing newsletter.

Our social media campaigns around National Farmer Day and World Soil Day further enhanced Farmer Connect, and our YouTube channel received YouTube Creator Award and the Silver Play Button, reflecting growing engagement.

Lastly, with respect to our Technical Ammonium Nitrate project, the progress is ongoing, with EPC work largely completed at 92% as of 3rd Quarter, and construction activities are in full swing. The date of completion is scheduled for April 30, 2026. As at the end of 3rd Quarter, we have incurred a project expenditure of INR 1,184 crores out of the total estimated cost of INR 1,645 crores. TAN is a very important focus area for CFCL, and vertical and horizontal expansions are being actively explored.

Our joint venture in IMACID is performing well. The increase in P2O5 production capacity from 5 lakh metric tons to 7 lakh metric tons is expected to be implemented by December 2026.

Further, the sulfuric acid capacity is also being increased, which is expected to be implemented in a year ahead in Financial Year' 27. This will optimize its operations and increase the profitability further.

Overall, our operational performance during the quarter reflects steady progress across core and value-added segments, continued portfolio expansion and disciplined execution, positioning us well for the coming periods.

Finally, let me walk you through some of the detailed financial performance for the period under review.

On standalone basis, for the 3rd Quarter of Financial Year' 26, revenue from operations grew 20%, to touch INR 5,898 crores.

EBITDA for the quarter was INR 821 crores, up 6%, despite taking a hit of INR 31 crores on account of labor codes, with EBITDA margins at 13.92%.

Profit after tax was INR 565 crores, up 12% year-on-year, with PAT margins of 9.57%.

For the nine months ended Financial Year 2026, standalone revenue from operations increased 27% year-on-year to INR 18,009 crores.

EBITDA rose 4% year-on-year to INR 2,424 crores, with EBITDA margins at 13.46%.

Profit after tax for the period grew 16% year-on-year to INR 1,804 crores, with PAT margins at 10.02%. I will again remind you that this is after taking a hit on account of labor codes of the extent of INR 30 crores this quarter.

On receivables and subsidy flows, during the quarter, we received subsidy of INR 3,880 crores, compared to INR 3,349 crores in the corresponding quarter last year. For the nine-month period, subsidy receipts stood at approximately INR 10,228 crores, broadly in line with INR 10,353 crores received in the same period last year. As of 31st December' 25, total receivables stood at around INR 2,346 crores, comprising market debtors of INR 367 crores and subsidy receivables of INR 1,979 crores.

In terms of segmental performance for the quarter, our urea segment delivered stable performance. Urea revenues in the quarter stood at INR 3,708 crores, which remained broadly stable year-on-year. EBIT margins remained broadly stable at around 17.28%. Urea sales volumes were largely flat at 9.83 lakh metric tons in the quarter, compared to 9.88 lakh metric tons in the same quarter last year.

In the complex fertilizer segment, revenues increased significantly to approximately INR 1,850 crores in the quarter, reflecting year-on-year increase of 81%. Sales volume also rose to 2.94 lakh metric tons, compared to 2.13 lakh metric tons last year, reflecting strong seasonal demand, and EBIT margins improved modestly to around 1.4%, supported by better operating leverage.

The CPC, Speciality Nutrients and Seed segment continued to deliver robust year-on-year growth. Revenues increased 33% year-on-year to about INR 340 crores in the quarter, representing strong growth driven by portfolio expansion and improved penetration. EBIT margins remained healthy at around 22.8%.

On a year-to-date basis, the Urea segment delivered stable performance with revenues around INR 10,134 crores on nine months FY '26, while EBIT margins remained steady at around 16.3%. Urea sales volumes were largely flat at 27.3 lakh metric tons, respectively.

The complex fertilizer segment recorded strong growth, with revenues increasing sharply to approximately INR 6,702 crores in nine months FY' 26, a year-on-year increase of 180%. Sales

volume increased to 11.7 lakh metric tons, led by strong growth in DAP, TSP and NPK. EBIT margins moderated to around 4.4% from 6.87%.

The CPC Speciality Nutrients and Seed segment continued its healthy momentum, with revenues growing to about INR 1,172 crores from INR 887 crores, and EBIT margins improved slightly to 23.69%.

Overall, the year-to-year performance reflects stable execution in urea, strong growth in complex fertilizers, and continued momentum in value-added businesses, reinforcing the strength and diversification of our operating portfolio.

With this, I would like to hand it back to the moderator and open for question-and-answer session. Thank you.

**Moderator:** Thank you. Ladies and gentlemen, we will now begin the question-and-answer session. We take the first question from the line of Prashant Biyani from Elara Securities. Please go ahead.

**Prashant Biyani:** Sir, when are we going to start the trial run for the TAN plant?

**Abhay Bajjal:** We are just at the cusp. In fact, we had started the steam blowing and other pre-commissioning activities. So, that part is for the WNA plant and for the ANS and Melt, we should be doing that shortly thereafter.

**Prashant Biyani:** But the end product should be out by, say, March onwards?

**Abhay Bajjal:** April.

**Prashant Biyani:** And sir, what would be your expectation from the upcoming NBS policy?

**Abhay Bajjal:** NBS policy, we believe, will be more or less a continuation from the past, wherein I do not expect the government to go opening up the DAP segment, but as you know, the other parts of the NPKs are open in terms of pricings. I would believe that will be more or less the same, what they will continue to go forward.

Already they have a mechanism, and with that mechanism, DAP, has worked so far, although there are now increasing difficulties in terms of working capital management on account of blockage of GST and all that. But I think the government is seized of the problem, and they will come with a resolution more or less a continuation.

**Prashant Biyani:** Sir, for our urea plant, there was some unscheduled stoppage in Q2 as well, if I recollect it.

**Abhay Bajjal:** Q2, yes. Q3, we had a minor stripper leak for three days, that's all in Gadepan-I plant, but otherwise, it has been a steady quarter in terms of production.

**Prashant Biyani:** And there will be further maintenance shutdown in Q4 as well?

**Abhay Bajjal:** Yes, there will be a maintenance shutdown for Gadepan-II plant, effective 20th February, which will take about 30-35 days.

**Prashant Biyani:** Sir, traded business, EBITDA per ton was around INR 900, I believe, this time, while it has improved year-on-year, but on an absolute basis, it seems to be low. Is it that or higher on per bag basis, and the overhead cost has taken it down to INR 900 or it is at that level only on a per bag basis as well?

**Moderator:** Prashant, if you could please repeat your question for the management.

**Prashant Biyani:** Sir, traded business, EBITDA per ton seems to be at around INR 900 per ton, which is higher year-on-year, but on absolute basis, it seems to be lower. So, my question was, on a per bag basis, it is higher and the overhead cost is dragging it down, or it is at INR 900 on a per bag basis as well?

**Abhay Bajjal:** See, the way it is to be seen is that we had significantly higher sale of DAP. And DAP is a fixed margin business, despite the higher cost that we see. Procurement was done at much higher prices in this quarter, although the government gives you a fixed percentage or fixed number, 1,026 or some such number, because it is 4% of the MRP. So, that drags the margin down.

**Prashant Biyani:** But sir, we had decent mix of NPK and MOP as well.

**Abhay Bajjal:** That's okay, but the very large quantity or large price increase in DAP, it went as high as \$850 or something like that. So, if you do the math, INR 1,000 on something like INR 60,000 is a very small amount.

**Prashant Biyani:** And any communication from the department regarding profit calculation or cost calculation for G3 post expiry of benefits post policy period?

**Abhay Bajjal:** No, as far as we understand, we have raked up this issue with the government. We have met the requisite personnel, but they said that we have to start the exercise. They are busy with other things, on other matters so far. One of them, of course, is the futuristic expansion of capacity in the country, and they are caught up with some other things. So, we have not been able to start on this so far. We have touched base with them at least twice in the last quarter.

**Prashant Biyani:** And lastly, sir, any update on investment plans after TAN? You have briefly touched upon, but

**Abhay Bajjal:** I said that TAN remains a focus area for CFCL, and vertical and horizontal expansion are being actively pursued. I think that is a very sufficient indication of what we want to.

**Prashant Biyani:** That's it from my side.

**Moderator:** We take the next question from the line of Viraj Kacharia from SiMPL. Please go ahead.

**Viraj Kacharia:** A couple of questions. First, any update you can give for G3? I think it kind of, the policy benefits expire by the end of this year, so.

**Abhay Bajjal:** I think I just explained that we do not really have a handle on this. Although there are precedents, we do not know what the government is actually going to do or what thought process they are going to follow. I have touched base generally with the people who matter in

this, and they have said that they have not yet started the exercise. Once we have a start on the exercise, maybe I can give you some explanation on this.

**Viraj Kacharia:** But in terms of precedents, can you give some perspective, what are those and how does it positively or negatively affect us?

**Abhay Bajjal:** Precedence is what they have been doing for the past for others and what they have done for our other plants. So briefly, it considers the net fixed assets and the return on net worth and so on, so forth. So, it is a calculation based on that.

Given that Chambal-III, that is Gadepan-III, has finished its tenure, in what way they will treat these numbers is something open to question. We are not hazarding a guess as to what they will do. The numbers could vary from our estimate, both positively and negatively. So, we have to see, because normally they take a 15-year span for depreciation and so on, so forth, but currently this plant is only 8 years into its life.

So, what exactly will be the parameters they will choose for NIP-2012 units going forward? Because this will be a template not only for us, but for all other plants that will follow through. That is, Matix is there, HURL three plants are there, and so on. So, they have to be very well thought out, because what they will do with us will go forth for others also.

**Viraj Kacharia:** And sir, in terms of TAN project, any perspective which you see, how should we see the scale-up happening in FY '27? Should we see a 70%-80% or even a higher kind of a utilization?

**Abhay Bajjal:** We do hope that we have the ability in terms of running the plant. We have trained up our people. I don't think production is going to be an issue. We have to see how well the market absorbs the product is something in the future. And that is the key, because at the end point, we have to see, and we are fairly confident we have our people in place, a marketing team in place. And I think we have, I think, today, the most modern technology available for this kind of product. So, at the moment, I don't see any showstoppers as far as reaching a very healthy capacity utilization, 75%-80% plus. I don't see any problem.

**Viraj Kacharia:** And sir, I think last, just two questions. First, in the opening remarks, you talked about us signing an MoU or a licensing deal with the IMACID. Can you just explain what does it pertain to, in the sense, is it purely for domestic market or it is more an opportunity?

**Abhay Bajjal:** I think you are talking about TERI. TERI is a very, well-known institute in terms of sustainable agricultural solutions and biologicals. We had, as you know, entered into an understanding from them to do research on specified product lines. Now, we have also commissioned a laboratory to do the specific job there. That is one.

Secondly, as we have indicated, there is a pipeline of products which are going to come from now up to 2028. They are, in fact, if I am not wrong, and Ashish will correct me there, there are about eight or nine products in various varieties, which are including bionematicides and fungicides and so on, on which we have complete IP control too.

And as they form and we feel confident, we can go beyond our borders to sell that kind of a thing. And we are having interesting inquiries from some one or two companies who are looking at our performance of our product, and they might, after their set of field trials of getting convinced on the product capability, could take it abroad as well.

**Viraj Kacharia:** But any other tie-up? So, I think we were exploring in-licensing opportunities with other MNCs for the CPC portfolio, and same for manufacturing, we were evaluating.

**Abhay Bajjal:** That is continuing. We are introducing products that we said are new products, are coming from those so-called formal and informal arrangements with the multinationals that we are talking to. And we have progressed some way. First of all, we have a company called Nutrien Worldwide, which is going to give us some carbon-related products, which will come in next year.

And then, there are products coming from Nichino, which we already have. We are also talking to Syngenta, Corteva, all those people. So, as they get confident about our reach capability to market the GenX or 1.5X products, we definitely get into that. And there are both arrangements in terms of the volumes of sales that we have to achieve, the geography in which we have to do that, etc., etc.

So, those are arrangements that we have with many of companies who are now taking our company seriously in terms of reach, in terms of our marketing capability, in terms of the trust we enjoy with our brands.

**Viraj Kacharia:** Last question, any...

**Moderator:** Viraj sir, I would request you to please join back the queue for follow-up questions. We take the next question from the line of Sandeep Mukherjee from SKP Securities Limited. Please go ahead.

**Sandeep Mukherjee:** I have certain bookkeeping questions, like, what was the gas cost for the quarter?

**Abhay Bajjal:** I will ask Mr. Anuj Jain to give the answer to that.

**Anuj Jain:** Quarter was \$14.6 on NCV basis, per MMBtu.

**Sandeep Mukherjee:** And sir, if you can please give the plant-wise production volume for G-I, G-II, G-III.

**Anuj Jain:** So Gadepan-I, for the quarter, we had about 2.84 lakh tons produced. Gadepan-II, it was 2.69 lakh tons, and Gadepan-III, it was 3.51 lakh tons, so total 9.04 lakh tons.

**Sandeep Mukherjee:** And sir, actual Gcal for G-I, G-II for Q3 and nine months, what would be the numbers?

**Anuj Jain:** Mr. Bajjal?

**Abhay Bajjal:** I couldn't get your question. Could you repeat, please?

**Sandeep Mukherjee:** Sir, the actual Gcal energy efficiency for G-I and G-II for Q3 and nine months, what would be the numbers?

**Abhay Baijal:** I can only give you a range. They were quite a bit, I would say, 5% to 6%, 4% to 5% lower than the norms for G-I and G-II. And let's say, about 2% to 3% lower for Gadepan-III.

**Moderator:** We take the next question from the line of Dhruv Muchhal from HDFC AMC. Please go ahead.

**Dhruv Muchhal:** Sir, just a question on the NPK and the DAP business. So, we are seeing that the input prices have increased both phos acid, sulfuric acid significantly, which will probably lead to an increase in the NPK pricing, if you have to probably pass it on, and the DAP pricing remains steady because of whatever government policy. So, does it start to have an impact in terms of the offtake of NPK?

Because, for the last 9 months, 12 months, we are seeing a good offtake in NPKs, probably also because of the shortage in DAP. But does the economics don't work very favorably for the farmers if they have to take that price hike? I mean, just trying to understand how does this dynamic work.

**Abhay Baijal:** Naturally, there is a substitution effect if prices are beyond a certain range. Farmers will tolerate a certain price gap, beyond which they will not. Now, that is also incumbent upon the availability of the substitute. Last year, the substitute was not available. To some extent, that is why the NPKs worked well for the industry.

The second part is we are not prognosticating what is going to happen to the DAP availability this year, but you rightly said there are pointers which are worrying. One is the price, sulfur is very high and not seen to be coming down very soon.

The second part is that it has a knock-on effect on the price of phosphoric acid, and that also is not conducive to the production of a high P percentage fertilizer like DAP. So, naturally, the cost of production of DAP is going high.

From rock, yes, if people have got the rock route, definitely they have still some margin left, although it is getting squeezed. But it will all depend on what the price fixation for DAP or phosphoric acid happens in this quarter, but from my understanding, it has not yet happened, although discussions are going on. That is one part.

The other part is that ammonia itself also has a little elevated levels at this point of time. What I am trying to say ultimately is that it will depend on the price dynamics and what the government, of course, has got the policy for advantage, disadvantage as far as DAP is concerned. For the importers, where, as I told you, that the increasing involvement of working capital is an issue.

And secondly, as far as the producers are concerned, they have a slightly different formula. I think, if I am not wrong, this past six months prices, and then, their subsidy is derived from the actual import of the material for the last 6 months. How it will work for them is something that you should ask either Paradeep or Coromandel, or somebody who is actually producing that.

The situation looked to be okay sometime back in January, when prices were at 650 levels, 670 levels, but of late, they have climbed up rather sharply. My understanding is that they are reaching levels of 720, 730 already. And where it will end up and what it will do to the availability once again is something, although the starting point this time is more favorable in terms of better stock position.

It is a little complex interplay I will not be able to predict, but I think, still, there will be a demand for NPK in a certain percentage, and Chambal is well poised to take advantage.

**Dhruv Muchhal:** Sir, just to extend on this, so basically there are two things. First is the pricing of DAP, sorry, the availability of DAP and the relative price gap between DAP and NPK. So, keeping the availability aside, because I am not sure how it will play out, but just on the pricing gap, is there space to take price hikes in NPKs for the cost increase, or the tipping point is reached where the affordability versus the DAP becomes increasingly more challenging?

**Abhay Bajjal:** I think that it has been a question of positioning and who has taken what position in terms of pricing in the market. So, that is an important issue, because as you rightly said, there is a tipping point whereby after which the consumption will drop to some extent. So, that will be pressure all around.

But on the same, let's look at it this way, that the availability itself of these will be domestically quite constrained because the economics don't work out at all for NPKs. DAP, still there is some protection. In NPK, there is no option except for a grade like possibly 20-20-0-13, where also, because of sulfur prices, margins are under pressure.

**Dhruv Muchhal:** And sir, the second question was on the TAN, you mentioned about horizontal and vertical possibilities. So, any, if you can provide some more comments here, what are these possibilities could be?

**Abhay Bajjal:** I think I have thrown a very broad and encompassing hint on this.

**Dhruv Muchhal:** It is a very broad and encompassing hint. If you can give more?

**Abhay Bajjal:** Horizontally means that you produce more of the same stuff, and vertically means that you go forward in the value chain.

**Dhruv Muchhal:** And sir, is there a point where you decide that you go ahead with this? Or how does that happen?

**Abhay Bajjal:** I mean, there are two points to it. One is that we decide with it when we go to the Board and say, "Okay, here is a specific proposal." Okay? That this plant will be put at this place with this cost, and with this return, and this product kind of mix. And that is when we will announce. In the meantime, there are all kinds of things going on in the background.

**Moderator:** We take the next question from the line of Prashant Biyani from Elara Securities. Please go ahead.

**Prashant Biyani:** Sir, ideally, for DAP, how much availability would the government want to ensure every year, be it from domestic production or imports?

**Abhay Baijal:** As much as possible. DAP has now become as important a product as urea, in terms of the requirement from the farmers. Ideally, in my opinion, what I have seen in the past, and Ashish can clear me out on that, is that we have seen levels of about 2 - 2.3/2.4 million tons in April which was considered safe, but if you see what I mentioned in the first paragraph, that there has been extensive sowing of wheat and so on. Of course, some part of it has already been used as basal dose, which is where most of the DAP goes. But there are sometimes top-up dressing, and so on, what they call. I will like Ashish to explain that further.

So, my feeling is that the consumption in the balance period from January to March is also not going to be a small number. What it will do to the availability on 1st of April is something to guess, at the moment, but I will ask Ashish to give some color on this.

**Ashish Srivastava:** So, Prashant, if you look at the DAP availability as of now vis-à-vis end of January last year, so the inventories end of January last year was around 1.3 million tons, and the end of January, it is around 2.5 million tons. And if you look at the import contracts and the production for February, March, we should open up with an inventory of 2.8 million tons on 1st April, which is a very safe inventory to start the season with. So, I think no panic as of now as far as DAP is concerned. I hope I have answered your question.

**Prashant Biyani:** No, sir, my question was, irrespective of any month, in any calendar year, what is the bare minimum amount of DAP would India want, be it from domestic source or imports?

**Ashish Srivastava:** So, if you look at the capacities, India produces a minimum of 300,000 tons and a maximum of 360,000 tons in a month. So, that is the range.

**Abhay Baijal:** No, I think, Ashish, what he is asking is, what is the minimum comfortable inventory which the government would want? Now, I think you should come from there, Prashant, that there is a Kharif, Rabi split in this. Total amount is about 105-106 lakh metric tons.

Although, if you see the numbers last year and sometime, that is more due to availability. There was no availability. That is why the amount fell, although the latent demand, in my opinion, is close to 106 lakh metric tons to 107 lakh metric tons.

Now, given that, most of that, I do not know the exact split between Kharif and Rabi. You divide by the number of months and take a center point, and that would be the kind of inventory that the government would like to have.

So, assuming, let's say, I am just doing a very, very crude math on this, most of the consumption takes place in Rabi, somewhere around 55%-60%, I think, goes into Rabi. So, we are talking about 6 million tons in the 2.5 months or 3 months of Rabi, which is active. So, we are talking about 2 million tons a month will get flushed out of the system. If that is the case, the government should have by Rabi at least 3-3.5 million tons in its pocket. That is the way to look at it.

**Prashant Biyani:** Thank you for that. And sir, how much is the net cash and liquid investment right now?

**Abhay Baijal:** I will ask Anuj to answer this question.

**Anuj Jain:** About INR 800 crores. About INR 800 crore as of today.

**Prashant Biyani:** And Mr. Baijal, it has been a while since you are talking about overseas investment. Nothing concrete you have shared as of now.

**Abhay Baijal:** I can only report that we are in active discussions, and we continue to have active discussions. But as I said last time, sometimes you break off and then engage. So, this is a time when I am talking to you, we have had a significant re-engagement, and, where it will lead to, we will have to wait for some time. But I think there has been a re-engagement and a positive re-engagement.

**Moderator:** We take the next question from the line of Viraj Kacharia from SIMPL. Please go ahead.

**Viraj Kacharia:** Any color we can get how we are looking at ramping up in your site?

**Abhay Baijal:** I think your voice is breaking. I could not really hear.

**Viraj Kacharia:** So, I was just trying to understand, how we are looking at scaling in the seed business, any tie up with the MNCs?

**Abhay Baijal:** No, we are doing a two-pronged approach. First of all, this year, we just introduced and tested the market. And we went into mustard, we went into pearl millet, we went into wheat, and so on. Small quantities to just test out what really happens in this market, what are the operating realities of this market.

So, we have got a good fix. We are going to scale this up. While we look for opportunities and because of our entry into this, we have started receiving inquiries of a significant nature on people who want to tie up or offer a stake. So, we will look at those, and once we have something to tell you, we shall.

**Viraj Kacharia:** But in those stakes also, we will be looking at a majority ownership kind of a structure?

**Abhay Baijal:** We don't know what will work, depending on the valuations and so on. We don't know what will work, but we have started receiving inquiries. That much I can say.

**Viraj Kacharia:** And second question was on the CPC. We were also evaluating into the own manufacturing setup. So, any decision we have come to in terms of?

**Abhay Baijal:** No, we really have not thought in terms of proactive going out and snagging some asset or something like that. But what we are talking to one or two people is that they develop some generic combinations for us. And although this is very embryonic, we have had just a discussion on this. There are people who are willing to develop our white label generic combinations, which we will then see if it is, once it is, and then also manufacture it for us, if it is possible.

So, at the moment, asset acquisition on this side is not really on the table, but this way, where we get, again, a TERI kind of model, where we get stuff done for us and then also get manufactured, is what we are actually exploring.

**Moderator:** We take the next question from the line of Karan Gupta from CAVI Capital. Please go ahead.

**Karan Gupta:** One question on the demand-supply dynamics in the TAN market. There were some recent reports about CIL also wanting to set up its own manufacturing facility. So, could you just talk a little bit more about your thinking about the market?

**Abhay Bajjal:** No, this is a good, it is an expanding market. Let me tell you, we are anyways growing in the market, I think around 5% to 6% CAGR, and that you can recheck from Deepak as well. And the market will shortly become long, in the sense that there will be some capacities added by us, by even Gopalpur at Deepak and so on, in the next one or two years.

But overall, if you see the trajectory of what is going to happen in India, infrastructure, data centers, copper, cement, requirement of power through coal, and so on, I am pretty confident that the trajectory is going to go higher.

Secondly, the other trigger that we think is going to happen is the private sector involvement in mining, especially metals and so on. This is going to open up big way in the next 3-4 years. That is a real opportunity because there will be requirement for specific stuff there, which is why we talked about some kind of vertical integration into this. Then, that, in any case, doing vertical integration insulates us to some extent.

The second part is that we have heard about CIL and BHEL. Coal technology definitely gives lot of advantages in terms of ammonia manufacture, but it is a difficult technology to master, and it is very emission intensive. We have a lot of respect for Coal India and BHEL, but by their own admission, they are talking about 4 years from now.

So, we are looking at a space where the market is already going to go long, and that point of time, I think we will have enough space for everybody around, I think, to tackle this issue. We are quite confident.

**Karan Gupta:** Another question is regarding capital allocation. So, apart from the expected TAN expansion and any inorganic opportunity, is there any consideration of increasing cash returns to shareholders?

**Abhay Bajjal:** I think if our plans work out, we don't have anything to offer in the next one or two years. Beyond that, we will see.

**Karan Gupta:** And, lastly, on the pending dues, subsidy dues, when do you expect to receive those from the government?

**Abhay Bajjal:** My understanding, it is a cycle, goes back and forth. We have a total of...

**Moderator:** Karan, if you could please repeat the question for the management.

**Karan Gupta:** I think they were in the process of telling us about any...

**Abhay Bajjal:** See, if I am not wrong, as of end of December, we had something like INR 1,6 - 1,7 hundred crores or a little bit tad more, INR 50 - 100 crores here or there. That is my memory. Anuj can feed me on that. That was outstanding as receivable from the books, of which about INR 700 crores is what has been billed, and the balance is unbilled because there is a certain process of flushing it out through POS and all that.

So, that will keep on coming and going. So, we know that the government has taken some extra for the sector by way of some supplementary grants and all that. So, I think we are comfortable there. I don't think there is much of an issue, but I can ask Anuj to give you the exact numbers.

**Anuj Jain:** About INR 1,980 crores, and as Mr. Bajjal rightly said that about INR 600 crores is the bill value. Balance is because of some POS clearance or some advantage, disadvantage and freight, etc. And in January and February, till date, we have received about INR 1,000 crores.

**Karan Gupta:** So, that was very helpful.

**Moderator:** We take the next question from the line of Aakash Maji from IIFL Capital. Please go ahead.

**Aakash Maji:** Can you please share the urea sales volume for Gadepan-I, II, and III facility?

**Abhay Bajjal:** I will ask Anuj to answer that.

**Anuj Jain:** So, we have sold in the quarter, Gadepan-I, 2.87 lakh ton, Gadepan-II, 2.79 lakh ton, and Gadepan-III, 4.18 lakh ton. So, total, 9.83 lakh ton.

**Aakash Maji:** And what would be the estimated volume loss from this unplanned shutdown in 3Q? Would that be minimal, or is there any figure for that?

**Abhay Bajjal:** No, that is not much. We are talking hardly 3,000-4,000. We have enough stock to make up for that loss of 10,000.

**Aakash Maji:** The last question would be, given the unplanned shutdown in 2Q, now in 3Q, and now the planned shutdown in 4Q as well, what would be the urea volume growth that you are expecting for FY '26? Is there any figure for that?

**Abhay Bajjal:** I think urea volumes normally, Mr. Aakash, remain static because we run as it is beyond 100% capacity for all three plants. We are fully and more exploiting the capacity. And these plants have a certain number beyond which you cannot exploit capacities unless you run for a larger number of days in a year.

So, as you know, we are already in a two-year cycle before we do turnaround for all the three plants. Our effort, technically, is to go to three-year cycle in this. As and when we do that, some unexploited capacity will come out in all three plants.

**Aakash Maji:** Thank you for answering my questions.

**Moderator:** Thank you. As there are no further questions from the participant, I now hand the conference over to the management for their closing comments.

**Abhay Baijal:** Thank you. I would like to thank all of you for the call today, and I hope that we were able to address all your queries. If you have any further questions, you can reach out to IR partners at Valorem Advisors. Thank you once again for participating in the call.

**Moderator:** Thank you. On behalf of Chambal Fertilisers and Chemicals Limited, that concludes this conference call. Thank you for joining us, and you may now disconnect your lines.