

# **TRANSCRIPT**

## **Q1FY26 Result Webinar**

**of**



**on Tuesday, July 29, 2025**

**Mr. Nitin Kantak, Whole Time Director**

**Mr. T M Muralidharan, Chief Financial Officer**



**Navin B. Agrawal | Head, Institutional Equities**

**+91 98200 27446 | [navin.agrawal@skpsecurities.com](mailto:navin.agrawal@skpsecurities.com)**

**Mr. Navin Agrawal – Head Institutional Equities, SKP Securities:**

Good morning, ladies and gentlemen, I am pleased to welcome you on behalf of Mangalore Chemicals and Fertilizers Limited and SKP Securities to MCFL's Q1 FY26 Result Webinar. We have with us Mr. Nitin Kantak, Whole-time Director along with Mr. T.M. Muralidharan, Chief Financial Officer. This webinar has been recorded for compliance reasons.

During the discussion there may be certain forward-looking statements that should be viewed in conjunction with the risks that the company faces. We will have the opening remarks from the management along with the presentation followed by a Q&A session.

Thank you and over to you, Mr. Kantak.

**Mr. Nitin Kantak – Whole-Time Director, Mangalore Chemicals & Fertilizers Limited:**

Thanks, Navin.

Good morning, everyone, and a warm welcome to our Q1 FY26 investor call. I am delighted to kick off this new fiscal year by sharing some truly encouraging results demonstrating MCFL's sustained growth and strategic agility. This quarter's performance underscores our resolute commitment to operational excellence and our resilience in a dynamic market.

Let's set the stage with a look at the agricultural landscape and the broader business environment before diving into our Q1 FY26 achievements. The agricultural outlook is exceptionally bright. We have witnessed a remarkably early arrival of the southwest monsoon beginning in the third week of May, a full two weeks ahead of schedule. This early start combined with an overall excess rainfall across India has led to higher reservoir levels nationwide. Critically, kharif crop sowing has been a significant 6% increase setting the stage for what we anticipate will be a bumper harvest and a strong year for food production. These favourable conditions provide a robust foundation for our agricultural activity and consequently for our business.

On the commodity front, we observed a clear upward trend in international prices over the last few months. DAP price has climbed up to \$815 per ton from \$650 per metric ton. Phosphoric acid to \$1258 per metric ton from \$1153 per metric ton. Urea to \$495 per metric ton from \$400 per metric ton and MOP to \$349 per metric ton from \$283 per metric ton. While these price movements reflect a buoyant global market, they also highlight the importance of our proactive sourcing and operational strategies.

Industry-wide, the fertilizer sales trends this quarter indicate increase in urea, NP, NPK, and MOP sales and reduction in DAP sales. Urea sales were up 12% to 70 lakh metric ton. DAP sales were down 25% to 15.5 lakh metric ton. NP, NPK sales were up substantially to 29 lakh metric ton, an increase of nearly 34%. Also, the MOP sales shot up 48% to 4.6 lakh metric ton. As was seen in the last more than a year, this quarter also, decline in DAP sales is more than offset by surge in NP, NPK, and MOP sales.

## Q1FY26 Result Webinar Transcript

Operationally, our performance continues to be very good this quarter. Our plants have delivered consistent and strong production volumes with 1.22 lakh metric ton of urea and 0.67 lakh metric ton of N20. Our sales figures are equally impressive, reaching 1.98 lakh metric ton.

Financially, our strong operational and sales performance has translated into excellent results for the first quarter of FY26. We have recorded a top line of Rs. 862 crores, a notable increase from Rs. 814 crores in Q1 FY25. Our EBITDA is Rs. 115 crores, up from Rs.109 crores in Q1 FY25 and our profit before tax is Rs. 83 crores compared to Rs. 68 crores in Q1 FY25. These figures clearly reflect our effective management and robust business model.

I am also pleased to provide an update on the significant strategic initiative, our merger with Paradeep Phosphates Limited. The process is making excellent progress at the NCLT and is now in its concluding phase. Both companies have successfully obtained approvals from their shareholders, secured and unsecured creditors, as stipulated by NCLT. We have since filed a second motion with the NCLT for final approval, which was done at the end of June. And the NCLT has given the dates of 12th August for PPL and 20th August for MCFL for the final hearing. And before that, we have to get some more approvals. Some of those are already in place and a few more approvals are left and we are confident that is going to happen before the NCLT final hearing. So, I think this merger is poised to be a transformative step, creating substantial synergies and further solidifying our market standing.

As we look ahead, we are strategically positioned to capitalize on the highly favourable agricultural and market conditions. Our ongoing focus remains on enhancing operational excellence, expanding our market presence and driving sustainable growth. Thank you for your continued confidence and partnership with MCFL. I am confident that we will continue to reach new milestones and create enduring value.

I will now hand over to our CFO, Mr. Muralidharan, who will walk you through the specifics of our financial performance. We eagerly anticipate a productive and insightful discussion with all of you.

Thank you.

Murali, you can take over.

**Mr. T. M. Muralidharan – CFO, Mangalore Chemicals & Fertilizers Limited:**

Thank you, Sir.

Is my screen visible, sir?

**Mr. Navin Agrawal – Head Institutional Equities, SKP Securities:**

Yes, Murali.

**Mr. T. M. Muralidharan – CFO, Mangalore Chemicals & Fertilizers Limited:**

Good morning once again.

## Q1FY26 Result Webinar Transcript

In this presentation, we shall cover the highlights of the performance for Q1 FY26 and the past annual performance.

The overview of Q1 FY26, ammonia/urea plants operated continuously throughout the quarter. Our urea production was 1,22,499 tons for the quarter.

Now, we shall move to some of the highlights of the performance of Q1 FY26 with the corresponding period of FY25.

Let us start with the sales volume.

We have posted 1.98 lakh metric tons sales in Q1 FY26 compared to 1.9 lakh tons in Q1 FY25, an increase of 4%.

Revenue from operations for the quarter is Rs. 862 crores compared to Rs. 814 crores in the corresponding quarter of last year, an increase of 6%. This is primarily due to increase in volume.

EBITDA for the quarter is Rs. 118 crores compared to Rs. 112 crores of last financial year, an increase of 6%.

And PBT for Q1 is Rs. 83 crores compared to Rs. 68 crores last financial year, an increase of 22%.

PAT for the quarter is Rs. 62 crores compared to Rs. 44 crores of the last financial year, an increase of 41%. Primarily, this PAT increase is on account of the new tax rates we have started providing this current quarter compared to the last financial quarter.

EPS for Q1 FY26 is Rs. 5.2 per share compared to Rs. 3.7 in Q1 FY25, an increase of 41%.

Now we shall present the details of production, sales and revenue.

The production and sale of urea is 1.22 lakh metric tons and 1.19 lakh metric tons respectively in Q1 FY26 compared to production and sale of urea of 1.22 lakh metric tons and 1.16 lakh metric tons in Q1 FY25. As far as FY25 is concerned, we have achieved production and sales of urea of 4.43 lakh tons each.

With respect to complex fertilizers, we have sold 0.79 lakh metric tons in the current quarter compared to 0.74 lakh metric tons in Q1 FY25. In FY25 full year, we have sold complex fertilizers of 3.42 lakh metric tons, which contains manufactured volume of 3.07 lakh metric tons and trading of 0.35 lakh metric tons.

Regarding revenue from operations in value terms, urea business has posted a revenue of Rs. 494 crores in Q1 FY26 compared to Rs. 510 crores in Q1 FY25 and Rs. 1,926 crores in FY25. Non-urea business posted a revenue of Rs. 368 crores in Q1 FY26 as against Rs. 304 crores in Q1 FY25 and Rs. 1,406 crores in FY25.

We shall now look at the financial position. Net worth has grown by Rs. 142 crores between June 2024 and June 2025. The net worth now stands at Rs. 1,126 crores at the end of the quarter.

## Q1FY26 Result Webinar Transcript

In long-term debt, there is a net decrease of Rs. 94 crores by June 2025 over June 2024 after factoring agreed repayments. The short-term debt, which is primarily working capital, after adjusting the short-term surplus, stands at Rs. 179 crores in June 2025 over Rs. 486 in June 2024.

Now we shall look at the position of receivables. As many of you are aware, we carry two types of receivables, one from the dealer outstanding, other one is from the subsidies from the Government of India.

The dealer receivable is Rs. 165 crores in June 2025 as against Rs. 197 crores in June 2024.

The subsidy receivable is Rs. 292 crores in June 2025 as against Rs. 466 crores in June 2024.

During this month, July 2025, we received Rs. 195 crores against the outstanding.

We shall look at some past annual performance, more for academic interest so that we are able to get an overview of the journey of this company last five years.

The revenue from operations was Rs. 2,144 crores in FY21, which has grown to Rs. 3,332 crores in FY25, registering a CAGR of 12%.

In respect of EBITDA, from the levels of Rs. 233 crores in FY21, we are able to improve it to Rs. 417 crores in FY24 and to Rs. 359 crores in FY25, again posting an impressive CAGR of 11%.

PBT has improved from Rs. 106 crores in FY21 to Rs. 206 crores in FY25 after receipt of natural gas in FY21 and successful commissioning of ammonia energy improvement project in FY23 by registering a CAGR of 18%.

Similarly, you could see that PAT has improved from Rs. 57 crores in FY21 to Rs. 144 crores in FY25, and once again registering an impressive 21% CAGR.

Cash profit has improved from Rs. 117 crores in FY21 to Rs. 220 crores, okay, it's almost double, and registering a CAGR of 17%.

Earnings per share has also obviously improved from Rs. 6 per share in FY21 to Rs. 12 per share in FY25, once again registering a CAGR of 21%.

The total receivables was Rs. 509 crores in FY21, which went up to Rs. 750 crores in FY23, and it is now at Rs. 561 crores in FY25, almost a similar level of Rs. 509 crores we saw in FY21.

Now, some details of production and sales. We have been producing on an average of 3.99 lakh tons as against our reassessed capacity of 3.8 lakh tons in the last five years. The trend in sale of P&K fertilizers is primarily based on availability and viability in this vertical.

A small glance for the people who are first-time participants in this particular webinar. This is an overview

## Q1FY26 Result Webinar Transcript

of MCF operations as regards the location of the plant, products manufactured, the capacities, marketing territories, and the brand. The plant is situated at Mangalore on the west coast, as you could see on this map, opposite Mangalore port, and our present reassessed capacity of urea is 3.8 lakh tons, and the capacity of DAP and other complex is 2.8 lakh tons per annum. We are also trading in MOP, DAP, and 10-26-26 based on market opportunities and business viability. We operate in the states of Karnataka, Kerala, Tamil Nadu, Andhra Pradesh, Telangana, and Maharashtra. We sell about 77% of our sales in Karnataka, 10% in Tamil Nadu, Maharashtra 7%, Andhra 4%, 1% in Telangana, and also 1% in Kerala.

As all of you know that we sell under the brand Mangala.

Thank you for your time. Thank you, sir.

**Mr. Navin Agrawal – Head Institutional Equities, SKP Securities:**

Thank you, Mr. Kantak. Thank you, Mr. Muralidharan.

Friends, we'll now open the floor for the Q&A session. Anyone who wishes to ask a question, may please raise their hand. We'll take the question from Prashant Viyani.

Prashant, please go ahead. Prashant, please unmute yourself and go ahead. Prashant, you need to unmute yourself, please.

In the meanwhile, we'll take the question from Sandeep Mukherjee. Sandeep, please go ahead. Friends, just give me a minute. I guess there's some issue out here. Just give me a minute, please.

**Mr. Sandeep Mukherjee – Analyst:**

Am I audible now?

**Mr. Nitin Kantak – Whole-Time Director, Mangalore Chemicals & Fertilizers Limited:**

Yes, you are.

**Mr. Sandeep Mukherjee – Analyst:**

Sir, thanks for the opportunity and congratulations on excellent set of numbers. Sir, my first question is like what could be the inventory position of DAP and NPK at the country level?

**Mr. Nitin Kantak – Whole-Time Director, Mangalore Chemicals & Fertilizers Limited:**

DAP inventory is very less. I don't know the exact figures. We can come back to you offline. But the last few years because of the market conditions and DAP not being available in the international market, India has cut down on DAP imports and most of the other grades have replaced DAP. But right now, I understand

## Q1FY26 Result Webinar Transcript

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stocks are very low as compared to earlier years.

And the second question was what, which other stocks you wanted?

**Mr. Sandeep Mukherjee – Analyst:**

No, the inventory position of DAP and NPK.

**Mr. Nitin Katak – Whole-Time Director, Mangalore Chemicals & Fertilizers Limited:**

NPK stocks are quite sufficient. The exact figure, I won't have them right now. But NPKs are there, quite good stocks are there.

**Mr. Sandeep Mukherjee – Analyst:**

So, sir, any new NPK grades we are planning to manufacture? What will be the product mix like manufactured with this to achieve optimal margin?

**Mr. Nitin Katak – Whole-Time Director, Mangalore Chemicals & Fertilizers Limited:**

Right now, our plant doesn't have the capability to produce NPK. We produce NP 20-20. We don't have a potash handling system. And that's why we do NP 20-20 mainly...Hello?

**Mr. Sandeep Mukherjee – Analyst:**

Am I audible, sir?

**Mr. Nitin Katak – Whole-Time Director, Mangalore Chemicals & Fertilizers Limited:**

Yeah. So, as I was saying, we don't produce NPK because we don't have any NPK handling facility, But going forward, we are already looking at putting up a NPK plant. And the initial work for that is almost completed. We have already floated inquiries for a new NPK plant and shortly, may be another one or two months, we are going to go to the board with a proposal.

**Mr. Sandeep Mukherjee – Analyst:**

Sir, since the NBS subsidy for SSP has been increased substantially, so how do we see it as a threat to NPK and a replacement to that DAP?

**Mr. Nitin Katak – Whole-Time Director, Mangalore Chemicals & Fertilizers Limited:**

## Q1FY26 Result Webinar Transcript

So, you are talking about SSP? See, the SSP capacity in the country is very, very low as compared to DAP/NPK. Because most of DAP/NPK plant are of high capacity and for SSP although a large number of plants are there, almost 100-odd SSP plants are there, the capacity of those plants is very, very low as compared to the DAP/NPK.

So, yes, one thing is that for DAP replacement, SSP sales have also gone up. Like this quarter, SSP sales are up almost 25% from 9.76 lakh tons to 12.19 lakh tons. But if you see the NP/NPK, NPK sales have gone up from 21.9 lakh tons to 29.3 lakh tons, an increase of 34%. So, SSP is not a substitute for NPKs. It is actually substituting DAP along with NPK's.

**Mr. Sandeep Mukherjee – Analyst:**

All right, sir. Sir, my next question is, how much incremental benefits should we build for FY26 post-urea ammonia integrations?

**Mr. Nitin Kantak – Whole-Time Director, Mangalore Chemicals & Fertilizers Limited:**

Can you please come again? I didn't understand your question.

**Mr. Sandeep Mukherjee – Analyst:**

Sir, our sulfuric acid plant is coming, will be operational in H2FY26. So, how much incremental benefits should flow this year, sir?

**Mr. Nitin Kantak – Whole-Time Director, Mangalore Chemicals & Fertilizers Limited:**

Okay, okay. So, I got it. See, the sulfuric acid plant, there is slight delay in the project, but we are not much concerned about it because the steam which is going to be generated in the sulfuric acid plant will be utilized in our ammonia-urea plant after hook up in a shutdown.

And right now, our plan is to have ammonia-urea plant shutdown in November/December. That is because policy change is happening like whatever the current Urea energy norm is there, that five years after the gas availability, that is getting over on November of 23rd. So, we have postponed our shutdown to November-December. And that's the reason whatever some delay is there in sulfuric acid is not affecting. But as you know, almost 15 tons per hour of steam from the sulfuric acid plant, we are going to utilize in our ammonia-urea plant. And by that, the urea specific energy will go down by about 0.25 giga calorie per ton.

**Mr. Sandeep Mukherjee – Analyst:**

Okay, sir, right, sir. Sir, next question is like, what was the gas price last quarter and currently, what is it?

## Q1FY26 Result Webinar Transcript

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**Mr. Nitin Kantak – Whole-Time Director, Mangalore Chemicals & Fertilizers Limited:**

Murali, you can take it up. I think about \$13 now.

**Mr. T.M. Muralidharan – CFO, Mangalore Chemicals & Fertilizers Limited:**

Dollar terms, if you convert, normally the prices are given, Sandeep, is only in terms of rupees per GCal, okay. But we convert into for easy comprehension in dollar terms per MMBTU.

Currently, it is about \$13.5, okay. This June/July, it has been hovering around this stage. It was in the range of \$14 only last, almost one year. So, it is about half a dollar correction is happening as of now.

**Mr. Sandeep Mukherjee – Analyst:**

Okay. And can you please share the urea and NPK EBITDA per ton for Q1 FY26?

**Mr. T.M. Muralidharan – CFO, Mangalore Chemicals & Fertilizers Limited:**

Okay. See, EBITDA for urea is about Rs. 6,000 rupees in Q1 current financial year, okay. Compared to, and then the N20, we are able to get about Rs. 3,200, okay.

**Mr. Sandeep Mukherjee – Analyst:**

Okay, sir. Thank you, sir. I will join the queue.

**Mr. Nitin Kantak – Whole-Time Director, Mangalore Chemicals & Fertilizers Limited:**

Thank you.

**Mr. Navin Agrawal – Head Institutional Equities, SKP Securities:**

Thank you, Sandeep.

We will take the next question from Prashant Biyani. Prashant, please go ahead. Please unmute yourself and go ahead.

**Mr. Prashant Biyani – Analyst:**

Yeah, am I audible now?

## Q1FY26 Result Webinar Transcript

**Mr. Nitin Kantak – Whole-Time Director, Mangalore Chemicals & Fertilizers Limited:**

Yes, please go ahead.

**Mr. Prashant Biyani – Analyst:**

Sir, good morning to both of you.

Sir, the government has asked for no shutdown of urea plant this financial year. So, sir, in that backdrop, how is it possible for us to shut down the plant by November?

**Mr. Nitin Kantak – Whole-Time Director, Mangalore Chemicals & Fertilizers Limited:**

Yeah, just let me update on this. They have sent a letter to the Urea manufacturers not to take any urea shutdown. Actually, the situation is the urea production so far this year has been much lower than your total production of previous year. And the reason is there are some plants which have actually gone down due to some maintenance issues. And they are concerned about the urea availability to the farmers, that it should not create an issue. So, that's the reason they had, as a general thing, they had sent letters to all the manufacturers.

As of now, we are already far ahead of the production committed to Dept. of fertilizers. And what we have told them is we have to take a shutdown in November, because one critical vessel in the urea plant, almost 22 to 23-year-old vessel, replacement is due, which we have to do. We cannot avoid that. And they are okay with that. You know, if it is a genuine shutdown, that should not be a problem. But in spite of that, we will be able to make the total production whatever committed to DOF during the year.

**Mr. Prashant Biyani – Analyst:**

Sure. And sir, post the new norms for urea, how much will be our EBITDA per ton after the expiry of period of benefits?

**Mr. Nitin Kantak – Whole-Time Director, Mangalore Chemicals & Fertilizers Limited:**

Murali, you can take it up.

**Mr. T.M. Muralidharan – CFO, Mangalore Chemicals & Fertilizers Limited:**

Prashant, still we are waiting for the new norms to be notified with the revision underway for the whole industry, okay. So, we will be able to give you a hang of it only after we get details of the particular notification.

So, at this point we are able to give, the government is working on a proposal to increase, to notify new

## Q1FY26 Result Webinar Transcript

norms for energy, as well as, I would call, a revision in fixed cost, which is in various stages of what is called evaluation at the Department of Expenditure under the Ministry of Finance, as well as with the Department of Fertilizers. So, at this point, we are unable to give you a hang-up. The moment we get you, we get clarity on that, we will be able to quantify and give you this.

**Mr. Prashant Biyani – Analyst:**

Sure. Mr. Kantak, what is driving the phosphatic fertilizer prices globally? I understand India has less number of stock and China has also stopped exports. But except these two reasons, do you see any other reason which is driving phosphatic fertilizer prices?

**Mr. Nitin Kantak – Whole-Time Director, Mangalore Chemicals & Fertilizers Limited:**

Look, right now, major issue is because of the global scenario, mainly India-China relations over the last few years. China has consciously stopped exports to India while they are exporting to other countries, mainly Europe, so, they have stopped. Even to our neighboring countries, China is exporting. So, this is a very difficult situation. But nevertheless, the government has already been in touch with other countries and has already tied up, like what I understand, almost 3 million tons of DAP per year has been tied up with Saudi, Maaden, that is over the next 5 years we are already tied up. Similarly, with Morocco about 2.5 lakh tons that is only for this year as of now. But I think we are working for long term supply with Morocco. And that 2.5 million tons will be both combination of DAP and TSP. So, right now there is no problem. And as I told you earlier, although DAP overall sales have gone down because of the availability in the country, the farmer is not behaving what he was behaving maybe 3 years-4 years-5 years back. If there was a DAP shortage especially in the north of India it could be a major political issue. But today farmer is convinced that he can replace DAP with other NP/NPK and he is able to get the yields also. Like you have seen in the last one or two years our food production has substantially gone up. This year is also going to be a record food production that's what we expect with excellent kharif season and very high reservoir levels so the rabi season is also expected to be very good.

**Mr. Prashant Biyani – Analyst:**

Sir, my question was why are prices rising globally, not with regard to food situation.

**Mr. Nitin Kantak – Whole-Time Director, Mangalore Chemicals & Fertilizers Limited:**

That is market dynamics, supply and demand. Demand will always go up and the supplies are definitely going to be less.

**Mr. Prashant Biyani – Analyst:**

Okay, sir. And to one of the participants you were alluding to the NPK capacity expansion, I missed the quantum of expansion, if you can share that. And after merger if any other plans do we have for expansion at MCFL sites.

## Q1FY26 Result Webinar Transcript

**Mr. Nitin Kantak – Whole-Time Director, Mangalore Chemicals & Fertilizers Limited:**

Yeah, as of now the capacity what we are looking at, it is 600,000 metric tons. And we are also looking at putting up a phosphoric acid plant but right now we don't have the proper land available for this. We are working out with some other parties to get some land adjacent to our plant for the phosphoric acid plant. But there is absolutely no concrete forward direction which has happened on this front. So, right now we have planned for phosphoric acid plant but right now it is not concrete.

**Mr. Prashant Biyani – Analyst:**

Sir, NPK plant will require how much of investment?

**Mr. Nitin Kantak – Whole-Time Director, Mangalore Chemicals & Fertilizers Limited:**

That I will not be able to tell you as of now because it is still work under progress. But it will be quite huge. I cannot tell you right now, I don't have the figures with me.

**Mr. T.M. Muralidharan – CFO, Mangalore Chemicals & Fertilizers Limited:**

That's under work in progress, Prashant.

**Mr. Prashant Biyani – Analyst:**

And ideally it should take how many years to come in?

**Mr. Nitin Kantak - Whole-Time Director, Mangalore Chemicals & Fertilizers Limited:**

That will take about 2 years. Once you kickstart the project, within 2 years you should be able to complete.

**Mr. Prashant Biyani – Analyst:**

And, Sir, if we intend to set up a Phos acid plant, it should be of what capacity?

**Mr. Nitin Kantak - Whole-Time Director, Mangalore Chemicals & Fertilizers Limited:**

As I told you, our first thing is land acquisition and then only we will look at whatever capacity we can have. As of now, we have not decided on any of those things.

**Mr. T.M. Muralidharan – CFO, Mangalore Chemicals & Fertilizers Limited:**

Prashant, it is basically to supplement Mr. Kantak. Basically, it depends on so many parameters - the size of the land, the proximity, logistics challenges, everything. As Mr. Kantak was explaining to you, only after you get a firm commitment to acquisition of land then only we will be able to tell you. So, at this point of time it is very difficult for us to give any clarity on that.

**Mr. Prashant Biyani – Analyst:**

Sure. Okay, Sir. Thank you so much for answering the questions.

**Mr. Nitin Kantak – Whole-Time Director, Mangalore Chemicals & Fertilizers Limited:**

## Q1FY26 Result Webinar Transcript

Thank you.

**Mr. Navin Agrawal – Head Institutional Equities, SKP Securities:**

Thank you, Prashant. Friends, anyone with a question, request you to raise your hand, please. While the other questions line up, I think there is a follow-up question from Sandeep Mukherjee. Sandeep, please unmute yourself and go ahead.

**Mr. Sandeep Mukherjee – Analyst:**

So, thanks for the follow-up opportunity. So, Sir, like the country is importing incremental DAP from Saudi, so what will be its premium with respect to Chinese DAP, Sir?

**Mr. Nitin Katak – Whole-Time Director, Mangalore Chemicals & Fertilizers Limited:**

There is nothing called premium. The international prices for India remain the same whether it is from China or it is from Morocco or from Saudi Arabia.

**Mr. Sandeep Mukherjee – Analyst:**

Sir, like the logistics delta, I am...

**Mr. Nitin Katak – Whole-Time Director, Mangalore Chemicals & Fertilizers Limited:**

Yeah, so it is a CFR cost. So, the freight is already included in that. We are bound by the international CFR price.

**Mr. Sandeep Mukherjee – Analyst:**

Okay, okay. And, Sir, any CapEx plan...

**Mr. T.M. Muralidharan – CFO, Mangalore Chemicals & Fertilizers Limited:**

Sandeep.

**Mr. Sandeep Mukherjee – Analyst:**

Yeah.

**Mr. T.M. Muralidharan – CFO, Mangalore Chemicals & Fertilizers Limited:**

Sandeep, in this DAP business, I want to give the follow-up information to what my CEO explained to you, to both Prashant also. See, the Chinese dependency has been going down more than last 5 years. It is not the first time they run the ban. Even during '2020 also this happened. Over a period of time, now currently the whatever volume over the last 5 years, only 20% we are dependent on China. So, there is no big impact. The Government of India is able to get an alternative source, what Mr. Katak explained to you, getting Saudi, okay. And normally that is the first information I want to supplement.

The second information is the premium as you asked. Actually, people look at what I am paying, what India is paying generally to the global players irrespective of location. That becomes the pricing. So, there is no

## Q1FY26 Result Webinar Transcript

such big difference. Always the prices are plus/minus few dollars only, so there is no such thing like a premium you pay for sourcing from different geography compared to China. I want to give this clarity.

**Mr. Sandeep Mukherjee – Analyst:**

Okay. All right, Sir. All right, Sir. Okay, Sir. Thank you. Thank you very much.

**Mr. Nitin Kantak – Whole-Time Director, Mangalore Chemicals & Fertilizers Limited:**

Thank you.

**Mr. Navin Agrawal – Head Institutional Equities, SKP Securities:**

Thank you, Sandeep. We will take the next question from Shaurya Punyani. Shaurya, please unmute yourself and go ahead.

**Mr. Shaurya Punyani – Analyst:**

Hi, am I audible?

**Mr. Nitin Kantak – Whole-Time Director, Mangalore Chemicals & Fertilizers Limited:**

Yes.

**Mr. Navin Agrawal – Head Institutional Equities, SKP Securities:**

Yes, loud and clear. Please go ahead.

**Mr. Shaurya Punyani – Analyst:**

Sir, first question is at what utilization we are operating currently, capacity-wise?

**Mr. Nitin Kantak – Whole-Time Director, Mangalore Chemicals & Fertilizers Limited:**

Capacity-wise, Urea, we are already at much higher loads and we are capable of producing about 4,40,000 as we have produced in the previous 2 years. So, this year's production will be around 4,40,000-4,50,000 metric tons.

And as far as Phosphatic is concerned, in fact, over the last 2-3 years we have been able to increase the capacity from levels of 2,70,000 tons to about 3,20,000-3,25,000 tons. This year also we are going to produce about 3,25,000 tons.

**Mr. Shaurya Punyani – Analyst:**

3,25,000 for Phosphatic?

**Mr. Nitin Kantak – Whole-Time Director, Mangalore Chemicals & Fertilizers Limited:**

Yes.

**Mr. T. M. Muralidharan – CFO, Mangalore Chemicals & Fertilizers Limited:**

## Q1FY26 Result Webinar Transcript

Yes.

**Mr. Shaurya Punyani – Analyst:**

Okay. So, Sir, can we have a 10% growth year-on-year in terms of...?

**Mr. Nitin Katak – Whole-Time Director, Mangalore Chemicals & Fertilizers Limited:**

See, there are always limitations in further increasing the capacity. This capacity was only 2,70,000. With some improvements, we have been able to go up to 3,20,000-3,25,000. But it is possible if acid is available throughout the year and there are no other constraints, the plant is capable of going up to 3,50,000 tons.

**Mr. Shaurya Punyani – Analyst:**

Okay. Sir, so year-on-year blended wise margins, do we have an internal target? What kind of margins are we expecting this year? Like 10% will we be able to maintain?

**Mr. T.M. Muralidharan – CFO, Mangalore Chemicals & Fertilizers Limited:**

See, these targets purely depend on the market prices. So, it is very difficult to work on a target margins in this industry. Globally, as Mr. Katak was responding to some of the questions, this industry is very difficult to predict a target margin or growth year-on-year. It is purely on interplay of demand, supply conditions and pricing, how much government is also willing to support the subsidies, how much you are able to realize the prices and margins. There is a cap on what we can also make margins in terms of complex.

As you are aware, there is a guideline issued in '2024, 18 January, where there is a cap on 8% margins on imports and 10% margin on the manufacturing of the complex fertilizers. So, very difficult to give that. Again, the 10%-8% is based on the cost of sales. So, again, the cost of sales is coming down for some prices then the margin automatically will come down. So, it is very difficult to give you clarity or the direction on this.

**Mr. Shaurya Punyani – Analyst:**

Okay, Sir. No worries. Thank you. Thank you for answering.

**Mr. Navin Agrawal – Head Institutional Equities, SKP Securities:**

Thank you, Shaurya. Friends, anyone with a question, please raise your hand and we will take it up. We will take the next question from Abhijit Mitra. Abhijit, please unmute yourself and go ahead.

**Mr. Abhijit Mitra – Analyst:**

Yeah, thanks for taking my question. I have a couple of questions. First, on your operating expenses, the percentage of sales have come down very sharply from say 31% last year, 34% last quarter to around 25%-26% this quarter. So what has led to this drop in your manufacturing/operating expenses ex labor?

**Mr. T.M. Muralidharan – CFO, Mangalore Chemicals & Fertilizers Limited:**

Abhijit, this industry is a very peculiar industry. Tracking any cost as a percentage of sales is going to be difficult to get directions because sometimes the topline seems to be registering a growth without a growth

## Q1FY26 Result Webinar Transcript

in volumes. All of us get thinking that volumes are growing, they don't grow at all. Sometimes there will be a degrowth in the sales topline despite a growth in sales volume because of this. So, we normally track in the value terms the operation cost.

**Mr. Abhijit Mitra – Analyst:**

So, essentially what you're saying is volumes have not picked up, realizations picked up. That's what sort of taken the topline up and not the expenses equivalently.

**Mr. T.M. Muralidharan – CFO, Mangalore Chemicals & Fertilizers Limited:**

Exactly. Expenses are under control and has been tracked and controlled. We control and manage this business on absolute control of the cost - fixed cost, operational cost. The other one, the margins are basically, variable cost margins, depending on the factor of the prices. So, we increase the price, subsidy also gets increased. Sometimes subsidy gets decreased when the commodity prices are softened or getting cooling. So, this is a factor that is very difficult to predict, even quarter-on-quarter and also maybe year as a whole maybe we can give a better picture than quarter-on-quarter also as well.

**Mr. Nitin Kantak – Whole-Time Director, Mangalore Chemicals & Fertilizers Limited:**

Just to add one more point, just a second. One more point I want to add is the subsidy for the 6 months is declared based on previous 6 months prices. And during this time, if the prices have gone up as compared to what was there in the previous 6 months, you are going to get less subsidy. But because of the higher commodity prices, your margins will go down. And the other way around also. So, there is a time lag between the subsidy what is declared and the international prices.

**Mr. Abhijit Mitra – Analyst:**

Understood. And the second question is you mentioned that in Urea you are making 6,000, in N20 you are making 3,200. But if I combine your blended EBITDA, as in your sales EBITDA divided by sales, that's almost 7,100. So, the delta is what? Delta is essentially trading?

**Mr. Nitin Kantak – Whole-Time Director, Mangalore Chemicals & Fertilizers Limited:**

About 5,500 it will be. EBITDA will be about 5,500 per ton.

**Mr. Abhijit Mitra – Analyst:**

Yeah, but if I look, you have reported EBITDA of 111 crores. And your sales of Urea and complex fertilizer put together is around 0.2 million ton.

**Mr. T.M. Muralidharan – CFO, Mangalore Chemicals & Fertilizers Limited:**

See, the current quarter if you see, it is 1,90,000 we have sold. So, it comes about the blended 5,500 and not 9,000.

**Mr. Abhijit Mitra – Analyst:**

5,600, got it.

## Q1FY26 Result Webinar Transcript

**Mr. T. M. Muralidharan – CFO, Mangalore Chemicals & Fertilizers Limited:**

5,500, that's what Mr. Kantak was explaining to you.

**Mr. Abhijit Mitra – Analyst:**

And in the next few quarters, you feel you can maintain this absolute level of EBITDA or you feel there is or there are inventory gains which you need to sort of call out or anything that you sort of see adding or getting subtracted from this number in the next few quarters?

**Mr. Nitin Kantak – Whole-Time Director, Mangalore Chemicals & Fertilizers Limited:**

Yeah, Q2 it will be maintained. Urea at least will be maintained. But the gas prices are going down, so the EBITDA is going to go down on Urea. And second thing is the commodity prices of the phosphoric acid is going up, the margins on phosphates also will slightly come down.

But after November, as I told you, we will be controlled by the new energy norm, so at that time the effect will be much more on Urea. It will be slightly compensated with what energy benefit you are going to get from sulphuric acid.

**Mr. Abhijit Mitra – Analyst:**

Got it, got it. Got it, great. Thanks for clarifying. Wish you all the best.

**Mr. Nitin Kantak – Whole-Time Director, Mangalore Chemicals & Fertilizers Limited:**

Thank you.

**Mr. T. M. Muralidharan – CFO, Mangalore Chemicals & Fertilizers Limited:**

Thank you.

**Mr. Navin Agrawal – Head Institutional Equities, SKP Securities:**

Thank you, Abhijit. We'll take the next question from Badri Bajaj. Badri, please unmute yourself and go ahead. Badri, you'll need to unmute yourself. Please go ahead.

I guess he's facing some issue. We'll take another question in the meanwhile. Reju Dalvi. Reju, please go ahead.

**Mr. Reju Dalvi - Analyst:**

Yeah. Hi, Sir. Thanks for taking my question. So, just for clarification purpose, for the Urea EBITDA per ton you said 6,500 for this quarter. Is that right?

**Mr. T. M. Muralidharan – CFO, Mangalore Chemicals & Fertilizers Limited:**

6,000 I told. 6,000 per quarter.

**Mr. Reju Dalvi - Analyst:**

## Q1FY26 Result Webinar Transcript

Sorry, 6,000?

**Mr. T. M. Muralidharan – CFO, Mangalore Chemicals & Fertilizers Limited:**

6,000 per quarter.

**Mr. Reju Dalvi - Analyst:**

Okay, 6,000 only.

**Mr. T. M. Muralidharan – CFO, Mangalore Chemicals & Fertilizers Limited:**

Yeah.

**Mr. Reju Dalvi - Analyst:**

And then as per the correction, I think for the non-Urea side like if we can assume the trading EBITDA per ton, so that could be 2,000 odd maybe something?

**Mr. T. M. Muralidharan – CFO, Mangalore Chemicals & Fertilizers Limited:**

3,200.

**Mr. Reju Dalvi - Analyst:**

The trading volume?

**Mr. T. M. Muralidharan – CFO, Mangalore Chemicals & Fertilizers Limited:**

3,200. For the NPK, we got EBITDA of 3,200 per ton.

**Mr. Reju Dalvi - Analyst:**

NPK - 3,200.

**Mr. T. M. Muralidharan – CFO, Mangalore Chemicals & Fertilizers Limited:**

Yeah, that's N20. Only 1 product we are manufacturing, that is N20. We got 3,200.

**Mr. Reju Dalvi - Analyst:**

Okay. But if I look at the math, right, so if I assume 6,000 Urea EBITDA per ton then your total Urea EBITDA will come...

**Mr. T.M. Muralidharan – CFO, Mangalore Chemicals & Fertilizers Limited:**

See, Reju, there are other products also we do. So, it is not only 1, there are small other distilled products also we manufacture, okay. So, if there is an ABC, there's ammonia bicarbonate, there is a construction chemicals also. There we realize very lower margins. So, it can't be one-to-one this number. It is not only pure fertilizers we manufacture.

**Mr. Reju Dalvi - Analyst:**

## Q1FY26 Result Webinar Transcript

Understood. So, if you could let us know about the last year that non-Urea portion EBITDA per ton, last year same quarter?

**Mr. T.M. Muralidharan – CFO, Mangalore Chemicals & Fertilizers Limited:**

Last year we realized much more less actually, understand. See, as Mr. Kantak was explaining to you, Reju, there is a process of realizing this cost, recover the cost. As Mr. Kantak just now explained to the earlier questions by the earlier participant, there is a timing difference of release the cost. So, Government of India when they notify the subsidy rates by annual basis, that is from April to September, October to now March, they take the last 6 months prices. Say, for example, they won't notify for month of April to September, they take the prices of the earlier year somewhere from August to February and then they get this process. So, by the time they notify, the prices actually what we are going to get, the subsidy we're getting will be much different on the prices which we really operate.

Similarly, from October to March, then they take prices somewhere from March to August because they need a month for the process, their internal processes. So, they take the prices from say, for example, March to August then they work around that and notify the prices. Then for October to March, it is notified.

So, by the time what happens like the real prices what is going to happen in October to March will not be the same price. So, this teeming and lading process always keeps happening. That's the reason very difficult to track quarter on quarter. We cannot even draw any inferences out of that.

I hope I'm able to reach out to your observations.

**Mr. Reju Dalvi - Analyst:**

Yes, Sir. I just wanted to understand that compared to last year our EBITDA per ton has improved for the non-Urea, especially for N20. So, how much that was maybe driven by the inventory gain? So, that I wanted to understand.

**Mr. T.M. Muralidharan – CFO, Mangalore Chemicals & Fertilizers Limited:**

It is not inventory gain per se, we can say. It is the, what I consider, it is the timing difference in terms of prices actually more than the inventory. See, we don't have to carry inventory. As I told you, the subsidies are based on particular prices and that is being paid to us. Subsequently, when the prices at which we buy, the prices are different than what was considered for subsidy calculation. It is not on account of inventory because none of us carry the inventory per se.

**Mr. Reju Dalvi - Analyst:**

Understood. No, Sir, basically if I look at the RM prices, so RM prices for the month of March or maybe Feb was much lower and our maximum sales happened in the Q1 as a placement time for the Kharif season. So, we must have carried some inventory to sell in the Q1 that we have manufactured in the Q4 with a low-cost inventory. So, that part I wanted to understand.

**Mr. T.M. Muralidharan – CFO, Mangalore Chemicals & Fertilizers Limited:**

See, kindly understand that in Urea there is absolutely...not only Urea both the products what we

## Q1FY26 Result Webinar Transcript

manufacture, we don't carry inventory at all. Whatever we produce, almost is sold. Maybe we carry small 10,000 tons of inventory, both products together.

**Mr. Reju Dalvi - Analyst:**

Understood. Yeah, yeah, yeah. Got your point, Sir. Got your point. Yeah, yeah. Thank you. Thanks for clarifying all this.

**Mr. T.M. Muralidharan – CFO, Mangalore Chemicals & Fertilizers Limited:**

Thank you.

**Mr. Navin Agrawal – Head Institutional Equities, SKP Securities:**

Thanks a lot. We'll take the next question from Rupam Jaiswal. Rupam, please go ahead. Rupam, you need to unmute yourself and go ahead. Rupam, please unmute yourself and ask your question.

Friends, anyone with a question request you to raise your hand. Give me a second, please. Rupam, you'll have to unmute yourself from your end and go ahead.

Friends, anyone else with a question, please raise your hand and we'll take it up. We'll take a question from Badri Bajaj. Badri, please go ahead.

**Mr. Badri Bajaj - Analyst:**

Hello?

**Mr. Navin Agrawal – Head Institutional Equities, SKP Securities:**

Yes, Badri. Please go ahead.

**Mr. Badri Bajaj - Analyst:**

Yeah. Are you able to hear me, Sir? Yes, yes. Very good. Nice.

**Mr. Nitin Katak – Whole-Time Director, Mangalore Chemicals & Fertilizers Limited:**

Yes-yes.

**Mr. Navin Agrawal – Head Institutional Equities, SKP Securities:**

Yes, we are.

**Mr. Badri Bajaj - Analyst:**

Very good. Nice. Thank you, sir. Good morning. Excellent results. Nitin Sir, Muralidharan Sir. Your detailed outlook, detailed outlook at national level and international level about DAP and NPK scenario. It is a burning topic not only in Telangana but also in many of the States and you are struggling, diversifying and lot of actions you have taken. I have seen earlier speakers and you are responding. It is excellent, I appreciate and thank for that.

## Q1FY26 Result Webinar Transcript

**Mr. Nitin Kantak – Whole-Time Director, Mangalore Chemicals & Fertilizers Limited:**

Thank you.

**Mr. Badri Bajaj - Analyst:**

Sir, in this process also you have highlighted the Paradeep Phosphates merger with us pending at NCLT. Thankful for the update. Sir, lot of CapEx you are underway and you are planning also, as Mr. Muralidharan has explained. So, I'll be much happy because I am in Mangalore in around October, can you permit me for a personal visit of the plant? It is my humble request.

**Mr. Nitin Kantak – Whole-Time Director, Mangalore Chemicals & Fertilizers Limited:**

We can consider it. You can contact us, we will take care of that.

**Mr. Badri Bajaj - Analyst:**

Very good, Sir. Nice of you because it is my company and I am proud of that. For the past 20 years I am holding as a senior citizen. I wish it will grow much more. Good day, Sir. Thank you very much.

**Mr. Nitin Kantak – Whole-Time Director, Mangalore Chemicals & Fertilizers Limited:**

Thank you. Thank you.

**Mr. T.M. Muralidharan – CFO, Mangalore Chemicals & Fertilizers Limited:**

Thank you, Sir. Thank you for that. Thank you, Sir.

**Mr. Navin Agrawal – Head Institutional Equities, SKP Securities:**

Thank you, Mr. Bajaj. We'll take the next question from Shashi Ranjan. Shashi, please go ahead.

Let's take a follow-up question from Abhijit Mitra. Abhijit, please go ahead.

**Mr. Abhijit Mitra – Analyst:**

Yeah, thanks for taking a follow-up from me. Just to sort of harp on a previous point. So, for example, if we can calculate the realizations for Urea and other products for the quarter, we are seeing a very sharp increase. So, say around 13% sequentially for Urea and say 6% sequentially for other products. So, in terms of the subsidy that you have accounted for, which period subsidy have you accounted for? If you can sort of help me understand. Have you taken the subsidy amount by looking at the prices of Q1 FY25, Q2 FY25 on an average or generally how do you sort of account for the subsidies as you report these numbers?

**Mr. T.M. Muralidharan – CFO, Mangalore Chemicals & Fertilizers Limited:**

Can I respond to him, Sir?

**Mr. Nitin Kantak – Whole-Time Director, Mangalore Chemicals & Fertilizers Limited:**

Yeah, please go ahead.

**Mr. T.M. Muralidharan – CFO, Mangalore Chemicals & Fertilizers Limited:**

Yeah. So, Abhijit, kindly I want to make you understand that the accounting for the subsidies are different for Urea or for N20 is different, okay. Because subsidy for N20 is declared, there the realization of the timing of these differences happens, as we explained in the earlier discussions. Whereas for Urea, we account based on the current prices of gas prices. Because we get notified the prices on a provisional basis which normally the trend is based on the contracts what we have in place. So, accounting of the Urea subsidy is based on current cost whereas N20 there is a timing difference. That's the reason you can't blend these two and get an answer.

So, there are 2 different animals by itself.

**Mr. Abhijit Mitra – Analyst:**

So, essentially, you know, I can see that there has been an appreciation in Urea price over the last, you know, last 2 quarters actually, you know, it went down and then again just started moving up. So, are you sort of booking a lower than actual subsidy in this and hence you're looking at a lower EBITDA or...?

**Mr. T.M. Muralidharan – CFO, Mangalore Chemicals & Fertilizers Limited:**

No, no. I think your understanding maybe... Maybe I can take you at later point of time also to give a clarity on this. The prices of the gas, as we explained earlier, prices have been coming down. From \$14, \$14.5, the gas price has come down to \$13.5. So, almost \$1 correction or maybe close to less than \$1 correction. So, that we have an impact on the subsidy we book. So, the subsidy what you accounted for the current quarter FY26 is lower than what we have accounted for the first corresponding quarter last financial year. So, that is the difference.

So, that is what it's not easy to track this industry per se because a lot of variable dynamics go behind this. In Urea, as you know, MRP is fixed by the government and subsidy is full pass through. So, based on the current cost. Whereas N20 subsidy is fixed per se and then there's a time difference of the cost. When we blend these two, we can't get an answer straight forward.

If you still want clarity, you can always contact us later point of time and we will be able to give the clarity to you.

**Mr. Abhijit Mitra – Analyst:**

Sure, sure. Sir, that would be helpful. Thanks. Thanks for this.

**Mr. T.M. Muralidharan – CFO, Mangalore Chemicals & Fertilizers Limited:**

Thank you Abhijit.

**Mr. Nitin Kantak – Whole-Time Director, Mangalore Chemicals & Fertilizers Limited:**

Thank you.

**Mr. Navin Agrawal – Head Institutional Equities, SKP Securities:**

## Q1FY26 Result Webinar Transcript

Thank you, Abhijit. Mr. Kantak, one of the participants has posted a question, may I take that?

**Mr. Nitin Kantak – Whole-Time Director, Mangalore Chemicals & Fertilizers Limited:**

Yeah-yeah, please do.

**Mr. Navin Agrawal – Head Institutional Equities, SKP Securities:**

Rupam Jaiswal has requested if you could repeat the new energy norms coming in effect from November.

**Mr. Nitin Kantak – Whole-Time Director, Mangalore Chemicals & Fertilizers Limited:**

Yeah. So, after our gas conversion, when the gas was available in November 2020, there was a Urea policy where the investments what you have done for gas conversion, government has allowed to be recovered within the 5 years. And, accordingly, the 5-year period is getting over in November this year, that is November 23<sup>rd</sup> to be precise.

So, after that the norm is going to change. And right now, as Murali mentioned, that these are still not notified by the Department of Fertilizers but there are talks going on that the energy levels what each company is going to have. They are deciding on something but it is still not notified. But it will come. Actually, it is going to be applicable from April for all the other companies. For us, it will be after November 23<sup>rd</sup>. But the norm is definitely coming down.

But, as I said, because of the sulphuric acid plant, our Urea energy is going to go down by 0.25 giga calorie per ton. So, to that extent it will get compensated.

**Mr. T.M. Muralidharan – CFO, Mangalore Chemicals & Fertilizers Limited:**

And also to supplement Mr. Kantak, there is going to be an upward revision of fixed cost, there is going to be a revision of capacities. So, overall, we are still awaiting these fine prints. Moment we are notified, we will be able to give much better clarity on this, impact of this, going forward after November 2025. What could be the position, we can able to tell.

At this point in time it is fluid and we have no clue on the numbers and government is working around. This is not only for MCFL, it is for a pan industry they are supposed to notify the new norms effective from 1<sup>st</sup> April, 2025.

**Mr. Navin Agrawal – Head Institutional Equities, SKP Securities:**

Thank you, Mr. Kantak. Thank you, Mr. Muralidharan. Rupam, I hope your concern has been addressed.

There's another question from Shashi Ranjan. Any plans of expanding in northern India?

**Mr. Nitin Kantak – Whole-Time Director, Mangalore Chemicals & Fertilizers Limited:**

No, right now we don't have any plans of expansion in northern India because we don't have any manufacturing facility in northern India. Only our group company, not exactly our group company but with the same promoters, Chambal fertilizers and Chemicals is there. So, they are going ahead with the ammonium nitrate plant and they may go with a DAP plant also in future.

## Q1FY26 Result Webinar Transcript

**Mr. Navin Agrawal – Head Institutional Equities, SKP Securities:**

Thank you, Mr. Kantak. We will take the last question for the morning from Reju Dalvi. Reju, please unmute yourself and go ahead.

**Mr. Reju Dalvi - Analyst:**

Hi, Sir. Sir, you said that with the sulphuric acid plant that are you know that you are expanding, so with that plant how much energy will you be able to generate with that new sulfuric acid plant?

**Mr. Nitin Kantak – Whole-Time Director, Mangalore Chemicals & Fertilizers Limited:**

What we said we'll generate?

**Mr. Reju Dalvi - Analyst:**

How much energy will we be able to generate from the new sulfuric acid plant?

**Mr. Nitin Kantak – Whole-Time Director, Mangalore Chemicals & Fertilizers Limited:**

Yeah. So, this plant is going to give a waste steam of about 15-16 tons per hour and that will be utilized in the ammonia plant and by that our Urea energy, specific energy, will go down by about 0.25 giga calorie per ton.

**Mr. Reju Dalvi - Analyst:**

Okay. So, sir, just wanted to understand, like in terms of megawatts, so how many units will we be able to generate on a per day basis?

**Mr. Nitin Kantak – Whole-Time Director, Mangalore Chemicals & Fertilizers Limited:**

Normally, Urea energy is expressed in giga calorie per ton only. So, even the gas price is based on MMBTU which of course is converted to giga calorie. So, we don't work in terms of megawatt.

**Mr. Reju Dalvi - Analyst:**

Okay. Understood, Sir. Thanks. Thanks for clarification.

**Mr. Navin Agrawal – Head Institutional Equities, SKP Securities:**

Thank you very much.

Friends, that was the last question for the morning. I now handover the webinar back to Mr. Kantak and Mr. Muralidharan for their closing remarks.

**Mr. Nitin Kantak – Whole-Time Director, Mangalore Chemicals & Fertilizers Limited:**

Thank you, Navin.

To conclude, I want to extend my sincere appreciation to our investors, stakeholders and the dedicated MCFL team. The outstanding results of Q1FY26 powerfully demonstrate our strong execution capabilities

## Q1FY26 Result Webinar Transcript

and strategic foresight. The early and abundant monsoon coupled with robust agricultural outlook signifies immense potential for the sector and we are fully prepared to seize the opportunities. Our impressive production figures, strong sales performance and solid financial results highlight our strong commitment to creating value for all our stakeholders.

Furthermore, our merger with Paradeep Phosphates Limited is progressing well demonstrating our commitment to long-term growth and becoming a market leader.

We remain resolutely focused on driving sustainable growth, upholding operational excellence and consistently delivering value to our stakeholders.

Thank you once again for your staunch support and confidence in MCFL. We look forward to continuing this journey of success together in the coming quarters. Thank you.

**Mr. Navin Agrawal – Head Institutional Equities, SKP Securities:**

On behalf of SKP Securities, thank you very much, Mr. Katak and Mr. Muralidharan, for your time to interact with the investors.

**Mr. Nitin Katak – Whole-Time Director, Mangalore Chemicals & Fertilizers Limited:**

Thank you.

**Mr. Navin Agrawal – Head Institutional Equities, SKP Securities:**

We look forward to hosting you once again. Thank you, ladies and gentlemen, and have a wonderful day.

**Mr. Nitin Katak – Whole-Time Director, Mangalore Chemicals & Fertilizers Limited:**

Thank you.

**Mr. T.M. Muralidharan – CFO, Mangalore Chemicals & Fertilizers Limited:**

Thank you.

***END OF TRANSCRIPT***