



**Gujarat Narmada Valley  
Fertilizers & Chemicals Limited**

CIN : L24110GJ1976PLC002903



(An ISO 14001 & OHSAS 18001 Company)

P. O. Narmadanagar - 392 015, Dist. Bharuch, Gujarat. India  
Ph (02642) 247001, 247002  
Website www.gnfc.in

NO. SEC/BD/SE/Q-1/  
August 09, 2018

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Dy General Manager  
BSE Ltd.  
Corporate Relationship Dept  
1st Floor, New Trading Ring,  
Rotunda Bldg  
PJ Towers, Dalal Street, Fort  
Mumbai-400 001

The Manager  
Listing Department  
National Stock Exchange of India Ltd.  
Exchange Plaza,  
C-1, Block - "G",  
Bandra-Kurla Complex, Bandra (E)  
Mumbai – 400 051

Co. Code: BSE - "500670"

Co. Code: NSE- "GNFC EQ"

Sub : Furnishing of Unaudited Financial Results for the First Quarter  
ended 30<sup>th</sup> June, 2018

Dear Sir,

In pursuance to Regulations 30 & 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we send herewith the Unaudited Financial Results of the company for the First Quarter ended 30th June, 2018, as approved by the Board in its meeting held today i.e. on 9th August, 2018, along with Limited Review Report on the said Results by the Statutory Auditors of the company.

We request you to kindly take note of the above.

Thanking you,

Yours faithfully,  
For GUJARAT NARMADA VALLEY FERTILIZERS & CHEMICALS LTD

  
T.J. LAKHMAPURKAR  
COMPANY SECRETARY &  
GENERAL MANAGER (LEGAL)

ENCL : A : A :

**Review Report to**

**The Board of Directors**

**Gujarat Narmada Valley Fertilizers & Chemicals Limited**

1. We have reviewed the accompanying statement of unaudited standalone Ind AS financial results of Gujarat Narmada Valley Fertilizers & Chemicals Limited (the 'Company') for the quarter ended June 30, 2018 and year to date from April 1, 2018 to June 30, 2018 (the "Statement") attached herewith, being submitted by the Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('the Regulation'), read with SEBI Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016 ('the Circular').
2. The preparation of the Statement in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34, (Ind AS 34) "Interim Financial Reporting" prescribed under Section 133 of the Companies Act, 2013 read with Rule 3 of Companies (Indian Accounting Standards) Rules, 2015, as amended, read with the Circular is the responsibility of the Company's management and has been approved by the Board of Directors of the Company. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review in accordance with the Standard on Review Engagements (SRE) 2410, 'Review of Interim Financial Information Performed by the Independent Auditor of the Entity' issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review is limited primarily to inquiries of Company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.
4. We draw attention to Note 6 to the financial results regarding management's evaluation, about significant uncertainties relating to collection of dues from the government, recognized as subsidies receivable in the previous years. Due to such uncertainties, the management has written off unrealized subsidies receivable amounting Rs 127.38 crore in the current quarter, and has not recognized subsidy income of Rs 8.29 crore for the current quarter. Our opinion is not modified in this matter.



# SRBC & CO LLP

Chartered Accountants

5. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying Statement of unaudited financial results prepared in accordance with recognition and measurement principles laid down in the applicable Indian Accounting Standards specified under Section 133 of the Companies Act, 2013, read with relevant rules issued thereunder and other recognized accounting practices and policies has not disclosed the information required to be disclosed in terms of the Regulation, read with the Circular, including the manner in which it is to be disclosed, or that it contains any material misstatement.

**For SRBC & CO LLP**

Chartered Accountants

**ICAI Firm registration number:** 324982E/E300003



**per Ravi Bansal**

Partner

Membership No.: 49365

Place: Ahmedabad

Date: August 9, 2018





<b>GUJARAT NARMADA VALLEY FERTILIZERS &amp; CHEMICALS LIMITED</b>					
<b>STATEMENT OF UNAUDITED STANDALONE FINANCIAL RESULTS</b>					
<b>FOR THE QUARTER ENDED JUNE 30, 2018</b>					
<b>(Rs. In Crores)</b>					
Sr No	Particulars	Quarter Ended			Year Ended
		30-06-2018	31-03-2018	30-06-2017	31-03-2018
		(Unaudited)	(Audited) (Refer Note 4)	(Unaudited)	(Audited)
1	Income				
	Revenue from operations (Refer Note 6 & 7)	1,604.76	1,764.37	1,054.58	5,916.59
	Other income	32.94	51.06	33.39	141.52
	<b>Total income</b>	<b>1,637.70</b>	<b>1,815.43</b>	<b>1,087.97</b>	<b>6,058.11</b>
2	Expenses				
	(a) Cost of raw materials consumed	681.85	765.73	415.93	2,383.19
	(b) Purchase of stock-in-trade	3.62	1.52	37.45	45.02
	(c) Purchase of goods and services of IT division	6.31	30.44	31.48	101.63
	(d) Change in inventories of finished goods, work-in-progress and stock-in-trade	(59.47)	17.17	(115.60)	2.89
	(e) Power, fuel and other utilities	235.06	244.15	192.23	887.99
	(f) Employee benefits expenses	126.59	105.48	92.83	394.96
	(g) Excise Duty	-	-	79.28	79.28
	(h) Finance costs	3.65	14.05	33.51	99.71
	(i) Depreciation and amortisation expenses	66.71	66.84	67.25	270.47
	(j) Other expenses (Refer Note 6)	299.06	128.80	149.08	631.00
	<b>Total expenses</b>	<b>1,363.38</b>	<b>1,374.18</b>	<b>983.44</b>	<b>4,896.14</b>
3	Profit before exceptional items and tax	274.32	441.25	104.53	1,161.97
4	Exceptional Items	-	-	-	-
5	Profit before tax	274.32	441.25	104.53	1,161.97
6	Tax expense (Refer Note 5):				
	a) Current Tax	106.64	116.94	36.07	383.70
	b) Deferred Tax	(17.84)	(4.67)	1.91	(11.25)
	<b>Total Tax expense</b>	<b>88.80</b>	<b>112.27</b>	<b>37.98</b>	<b>372.45</b>
7	Net Profit for the period	185.52	328.98	66.55	789.52
8	Other Comprehensive Income: Income / (Expense) that will not to be reclassified to profit or loss in subsequent periods :				
	(i) Re-measurement gain / (loss) on defined benefit plans (net of tax)	(21.36)	(6.85)	(6.20)	(26.72)
	(ii) Net gain / (loss) on FVTOCI equity investments (net of tax)	(46.85)	(114.19)	(2.54)	(12.88)
	<b>Total Other Comprehensive Income / (Expense) :</b>	<b>(68.21)</b>	<b>(121.04)</b>	<b>(8.74)</b>	<b>(39.60)</b>
9	Total Comprehensive Income for the period	117.31	207.94	57.81	749.92
10	Paid up equity share capital (Face Value of Rs10/- per Equity Share)	155.42	155.42	155.42	155.42
11	Reserves excluding revaluation reserves				4,302.56
12	Earnings Per share (of Rs. 10/- each) (not annualised)				
	For continuing operations				
	(a) Basic (Rs.)	11.94	21.17	4.28	50.80
	(b) Diluted (Rs.)	11.94	21.17	4.28	50.80



<b>GUJARAT NARMADA VALLEY FERTILIZERS &amp; CHEMICALS LIMITED</b>					
<b>SEGMENTWISE REVENUE, RESULTS, ASSETS AND LIABILITIES</b>					
<b>FOR THE QUARTER ENDED JUNE 30.2018</b>					
<b>(Rs. In Crores)</b>					
Sr. No.	Particulars	Quarter Ended			Year Ended
		30-06-2018 (Unaudited)	31-03-2018 (Audited) (Refer Note 4)	30-06-2017 (Unaudited)	31-03-2018 (Audited)
1	<b>Segment Revenue :</b>				
	A. Fertilizers	419.07	481.48	304.14	1,743.62
	B. Chemicals	1,159.09	1,226.29	712.07	3,987.29
	C. Others	26.60	56.60	38.37	185.68
	<b>Total</b>	<b>1,604.76</b>	<b>1,764.37</b>	<b>1,054.58</b>	<b>5,916.59</b>
	Less: Inter Segment Revenue	0.00	0.00	0.00	0.00
	<b>Sales / Income from Operations</b>	<b>1,604.76</b>	<b>1,764.37</b>	<b>1,054.58</b>	<b>5,916.59</b>
2	<b>Segment Results :</b> {Profit/ (Loss) before Tax & Finance Cost from each segment}				
	A. Fertilizers	(146.36)	(36.08)	(27.38)	(40.46)
	B. Chemicals	426.70	501.01	156.31	1,335.33
	C. Others	2.53	9.39	12.01	32.89
	<b>Total</b>	<b>282.87</b>	<b>474.32</b>	<b>140.94</b>	<b>1,327.76</b>
	Less : (i) Finance Cost	3.65	14.05	33.51	99.71
	(ii) Other Unallocable Expenditure	17.69	27.03	10.35	94.35
	(iii) Unallocable Income	(12.79)	(8.01)	(7.45)	(28.27)
	<b>Total Profit Before Tax</b>	<b>274.32</b>	<b>441.25</b>	<b>104.53</b>	<b>1,161.97</b>
3	<b>Segment Assets &amp; Segment Liabilities:</b>				
	<b>Segment Assets:</b>				
	A. Fertilizers	2,614.01	2,481.23	2,845.54	2,481.23
	B. Chemicals	2,797.25	2,823.20	2,864.48	2,823.20
	C. Others	239.60	240.79	221.69	240.79
	D. Unallocated assets	1,641.87	1,628.08	1,620.07	1,628.08
	<b>Total Assets</b>	<b>7,292.73</b>	<b>7,173.30</b>	<b>7,551.78</b>	<b>7,173.30</b>
	<b>Segment Liabilities:</b>				
	A. Fertilizers	1,336.37	1,180.95	1,240.99	1,180.95
	B. Chemicals	381.44	287.34	241.00	287.34
	C. Others	156.72	150.42	93.19	150.42
	D. Unallocated Liabilities	842.91	1,096.61	2,117.20	1,096.61
	<b>Total Liabilities</b>	<b>2,717.44</b>	<b>2,715.32</b>	<b>3,692.38</b>	<b>2,715.32</b>



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**Notes :**

- The unaudited financial results of the Company have been prepared in accordance with the Indian Accounting Standards ("Ind AS") as prescribed under section 133 of the Companies Act, 2013 read with the Companies (Indian Accounting Standards) Rules, 2015, (as amended).
- The above financial results have been reviewed by the Audit Committee and approved by the Board of Directors at their respective meetings held on August 09, 2018.
- The Statutory Auditors of the Company have carried out a 'limited review' of the above financial results.
- The figures of the preceding quarter ended March 31, 2018 are the balancing figures between audited figures in respect of the full financial year ended March 31, 2018 and the unaudited published year to date figures upto December 31, 2017 being the date of the end of the third quarter of the previous financial year which were subjected to limited review.
- The Company makes tax provision as per the Income Tax Act, 1961. During the current quarter ended June 30, 2018, tax provision is made as per normal provisions of Income Tax Act. During the previous years, tax provision was made as per Minimum Alternate Tax (MAT) as per the provisions of section 115JB of the Income Tax Act. On account of utilization of MAT credit of Rs. 40.25 crore, cash outflow for tax expenses for the current quarter ended June 30, 2018 would be lower to that extent.
- In terms of subsidy notification no. 12012/1/2015-FPP dated May 25, 2015 read with subsidy notification no. 12012/3/2010-FPP dated April 2, 2014 of Department of Fertilizers, Ministry of Chemicals & Fertilizers, Government of India, the Company, based on the eligibility criteria in the notification, had recognised the subsidy income of Rs. 127.38 crores relating to compensation for additional fixed cost during the financial period April 1, 2014 to March 31, 2018. The aforesaid claim for the said subsidy was neither acknowledged nor paid by the Department of Fertilizer till date. Accordingly, for the quarter ended June 30, 2018, the Company has decided not to recognise additional fixed costs subsidy income of Rs. 8.29 crores in terms of the said notifications and has also decided to write-off the unrealized subsidy income of Rs 127.38 crores already recognised in the books for the earlier years. The management based on the evaluation believes that there is uncertainty to realise the said subsidy claims from the government in terms of the notifications and as substantial time has elapsed since the subsidy became initially due to the Company, it has adjusted the receivables in the book.
- According to the requirements of Schedule III of the Companies Act 2013, sales for the period up to June 30, 2017, and earlier periods presented in these financial results are inclusive of excise duty. Consequent to applicability of Goods and Service Tax (GST) w.e.f. July 1, 2017, sales are shown net of GST in accordance with requirements of Ind AS-115 'Revenue from contracts with customers'. The Sales net of Excise Duty/GST for all periods is as given below:

(Rs in Crore)

Particulars	Quarter Ended		Year Ended	
	30-06-2018	31-03-2018	30-06-2017	31-03-2018
Revenue From Operations (Gross)	1,604.76	1,764.37	1,054.58	5,916.59
Less: Excise Duty	-	-	84.36	84.36
Revenue From Operations (Net)	1,604.76	1,764.37	970.22	5,832.23

- Ind AS 115 Revenue from Contracts with Customers, mandatory for reporting periods beginning on or after April 1, 2018, replaces existing revenue recognition requirements. Under the modified retrospective approach there were no significant adjustments required to the retained earnings at April 1, 2018. Also, the application of Ind AS 115 did not have any significant impact on recognition and measurement of revenue and related items in the financial results.
- Previous periods' figures have been regrouped wherever necessary to confirm to the figures of the current periods.

For and on behalf of the Board of Directors,

**M S Dagur**  
Managing Director

Place : Gandhinagar  
Date : August 09, 2018