



**Gujarat Narmada Valley
Fertilizers & Chemicals Limited**

CIN : L24110GJ1976PLC002903

An ISO 9001, ISO 14001, ISO 45001 & ISO 50001 Certified Company

P.O Narmadanagar - 392015, Dist. Bharuch, Gujarat, India
Ph. (02642) 247001, 247002 Website: www.gnfc.in

NO. SEC/BD/SE/
August 09, 2022

FAX : 02642 – 247084
E-Mail: acshah@gnfc.in

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

Dear Sir,

Pursuant to Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we wish to inform that Senior Management of the Company is scheduled to meet the Investors / Analysts on Wednesday , 10th August , 2022 at 3.30 PM IST through Conference Call. An Invite for the said Conference Call is enclosed.

The Invite is subject to changes due to any exigency on behalf of the Investors or the Company.

The Invite is also being uploaded on the Company's Website i.e. www.gnfc.in

We are attaching the Investor Presentation –Conference Call -Q1 FY 22-23.

We request you to kindly take note of the above.

Thanking you,

Yours faithfully,
For GUJARAT NARMADA VALLEY FERTILIZERS & CHEMICALS LTD

CS A C SHAH
COMPANY SECRETARY & GM (LEGAL)



**Gujarat Narmada Valley Fertilizers &
Chemicals Limited**

is

pleased to invite you for conference call to discuss

The Q1 FY22-23 Financial Performance

With

Mr. D. V. Parikh, Executive Director & Chief Financial Officer

Mr. Y. N. Patel, Head of Dept. (O&M)

Mr. A. C. Shah, General Manager & Company Secretary

and other senior members from the Management

On

Wednesday, 10th August, 2022 at 03:30 pm IST

Dial-In Numbers:

Primary Access: +91 22 6280 1328 / +91 22 7115 8255

R.S.V.P. :

Mr. Rajesh Pillai

Deputy Company Secretary

E-mail : rajeshpillai@gnfc.in

Gujarat Narmada Valley Fertilizers & Chemicals Ltd (GNFC)

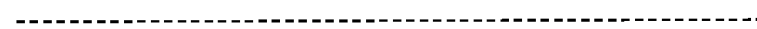
INVESTOR PRESENTATION – CONFERENCE CALL - Q1 FY 22-23



10th August, 2022

Cautionary Note - Forward Looking Statement

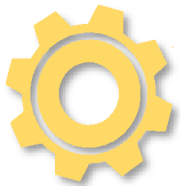
- Only matters in the public domain can be subject matter of discussion during conference call.
- As a matter of policy, we do not provide any forecast about the future business situation.
- We do not comment or give guidance on future results or business outlook.



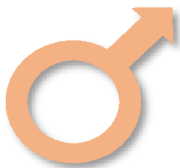
About GNFC



GNFC is a joint sector enterprise promoted by the Government of Gujarat and the Gujarat State Fertilizers & Chemicals Ltd.(GSFC). It was set up at Bharuch, Gujarat in 1976.



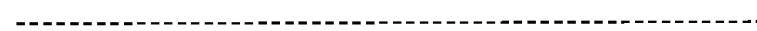
GNFC started its manufacturing and marketing operations by setting up in 1982, one of the world's largest single-stream ammonia-urea fertilizer complexes. Over the next few years, GNFC successfully commissioned different projects – in fields as diverse as chemicals, fertilizers.



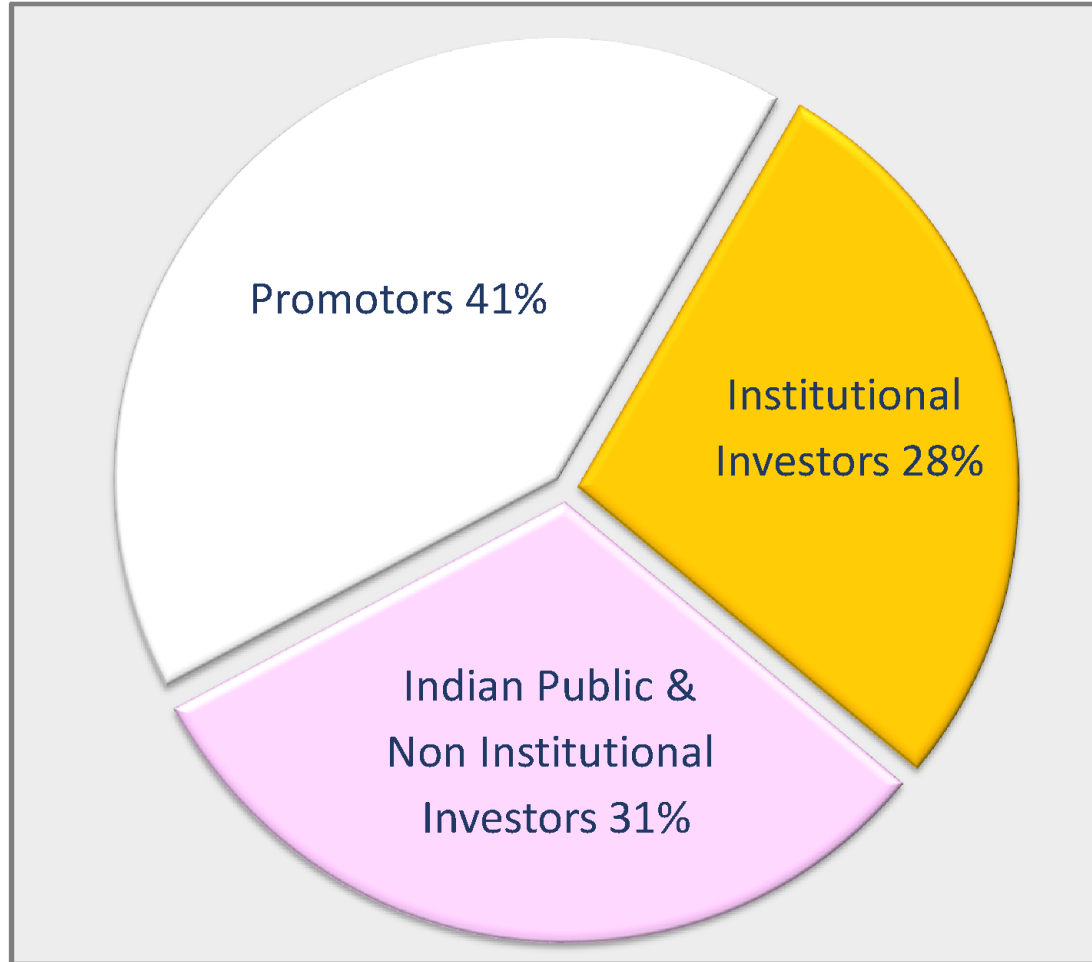
Since inception, GNFC has worked towards an extensive growth as a corporation. A growth which respects the environment and springs from the progressive vision of GNFC.



GNFC today has extended its profile much beyond fertilizers through a process of horizontal integration. Chemicals/Petrochemicals and Information Technology form ambitious and challenging additions to its corporate portfolio. GNFC has an enterprising, strategic view towards expansion and diversification.



Shareholding Pattern



	Particulars	30-06-22	31-03-22	Change %
A	Promoters	41%	41%	0%
B	Institutional Investors	28%	28%	0%
C	Indian Public & Non Institutional Investors	31%	31%	0%

- ✓ Share value of 15.54 Crores Shares @ ₹ 10 per share equals to ₹ 155.42 Crores.
- ✓ Institutional Investors includes Banks, Mutual Fund, Insurance companies, Foreign Portfolio Investors etc.

From The Desk of Managing Director



Operating and Financial Performance:

During Q-1 FY22-23, the economy witnessed inflationary pressures mainly emanating from steep rise in energy prices.

Oil, gas and coal are amongst the primary energy sources used in bulk chemicals as feed/fuel. These inputs witnessed phenomenal rise due to, both, availability and logistics issues mainly emanating from geopolitical situation primarily attributable to Russia-Ukraine war.

It has been over six months that the war is still raging and Russia offers no signs of cooling down. Russia and China together control substantive part of natural resources such as Oil, Gas and Coal, precious metals etc. and hence are in an obvious position to disrupt supply chains across continents. This hard reality is playing out with ripple inflationary effects on downstream products like chemicals, petro chemicals, catalyst which also went up sharply.

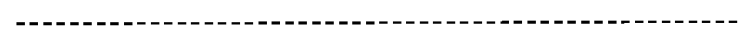
Under the highly volatile and uncertain economic environment, GNFC posts highest ever Q-1 operating revenue as well as profits. While all business segments have witnessed positive results, the key driver of profitability is chemical realisation buoyancy looked at from usual first quarter comparison over a period.

Portfolio of diversified chemical products and better integration of upstream and downstream products offers opportunity of better product planning and opportunity to adjust product offerings as per demand-supply conditions prevailing in the market. These factors apart, market monitoring for pricing adjustments continue to lend flexibility in production planning and pricing thereby providing opportunity for cost and realisations optimisation.

The Q-1 FY 22-23 Operating Revenue at ₹2,696 crores is historical highest which is 68% higher than previous highest ever first quarter revenue recorded in Q1 FY 18-19.

Similarly, the Q-1 FY 22-23 PBT at ₹761 crores is also the historical highest which is 108% higher than its previous highest ever Q-1 PBT recorded which was in Q1 FY 21-22 i.e. last year which was a year of GNFC's historical financial performance.

Although as compared to Q-4 FY 21-22 volumes and operating margins are slightly lower due to some operating disturbances mainly in urea production apart from market related issues in chemicals like Aniline and Formic Acid. In product like methanol due to skewed trends of natural gas vs. methanol, buying methanol offered better opportunity to save on costs as against in-house production. Notwithstanding such issues, the overall Q-1 financial performance is highest ever.



Financial Performance

(₹ Crores)

Particulars	FY 22-23	FY 21-22		Change
	Q1	Q4	Q1	Y-o-Y
Operating Revenue	2,696	2,772	1,394	93%
Total Revenue	2,772	2,832	1,437	93%
Operating EBITDA @	762	886	393	94%
EBITDA % @	28%	32%	28%	
PBT	761	871	366	108%
PAT #	569	643	240	137%

Performance: Q-1 FY 22-23 Operating Revenue at ₹2,696 crores is historical highest which is 68% higher than previous highest ever first quarter revenue recorded in Q1 FY 18-19.

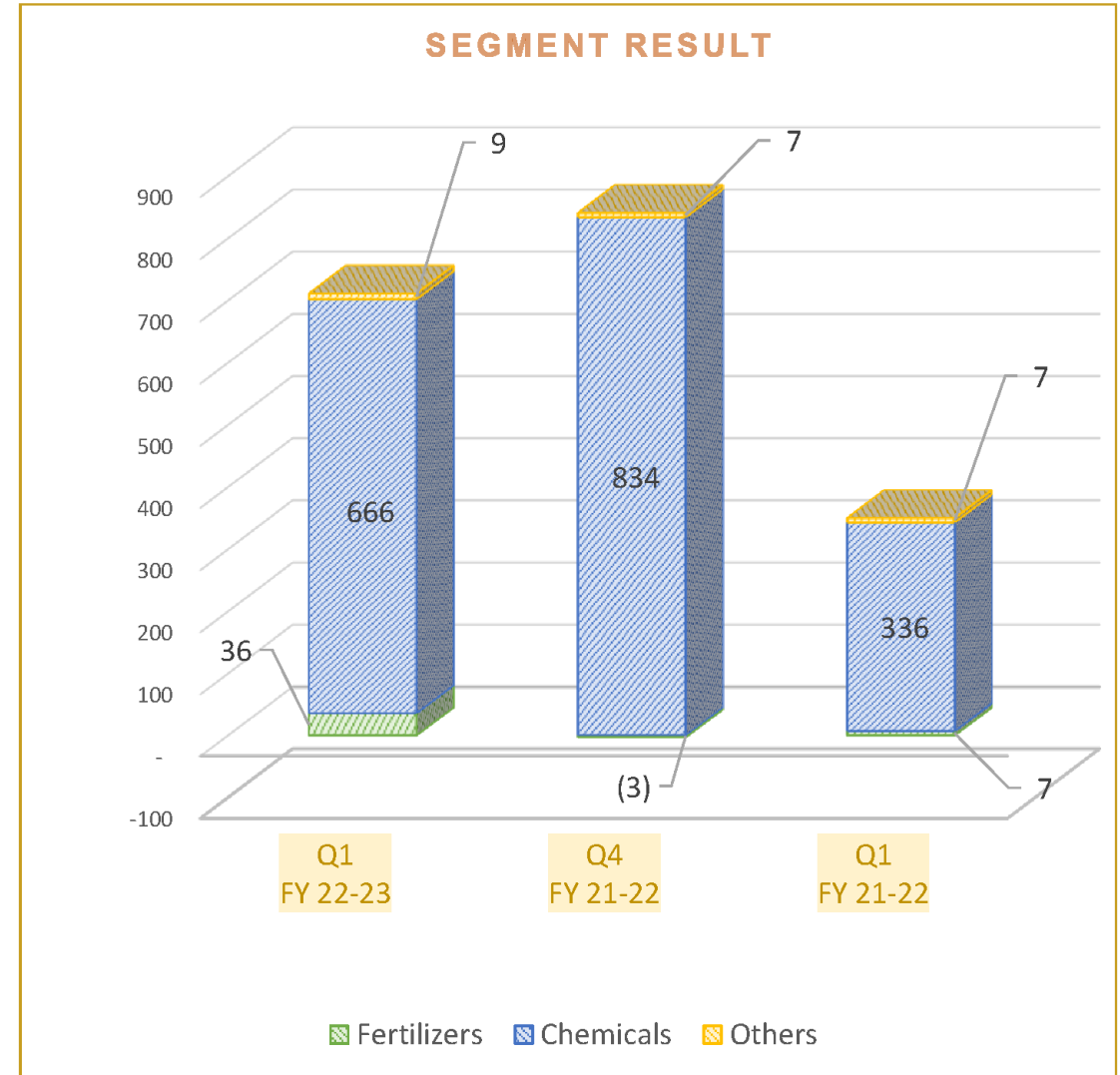
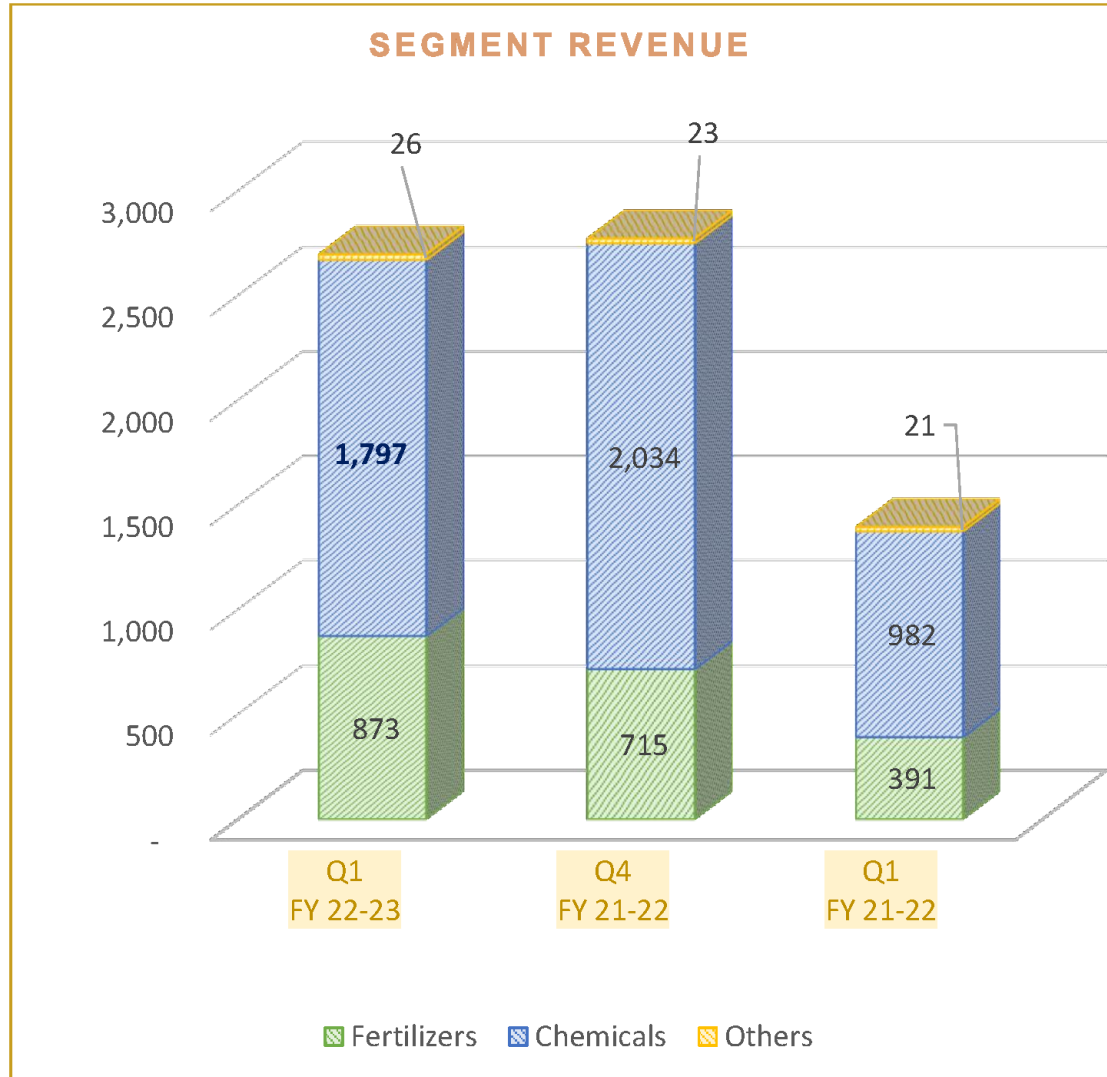
Similarly, the Q-1 FY 22-23 PBT at ₹761 crores is also the historical highest which is 108% higher than its previous highest ever Q-1 PBT recorded which was in Q1 FY 21-22 i.e. last year which was a year of GNFC's historical financial performance.

@ Excludes Other income. Other income = Total Revenue less Operating Revenue

PAT of Q1 FY 21-22 is as per old tax regime (i.e. @ 34.94%). Adjusted for tax option @ 25.17%, the Q1 FY 22-23 PAT is up 114% on Y-o-Y basis.

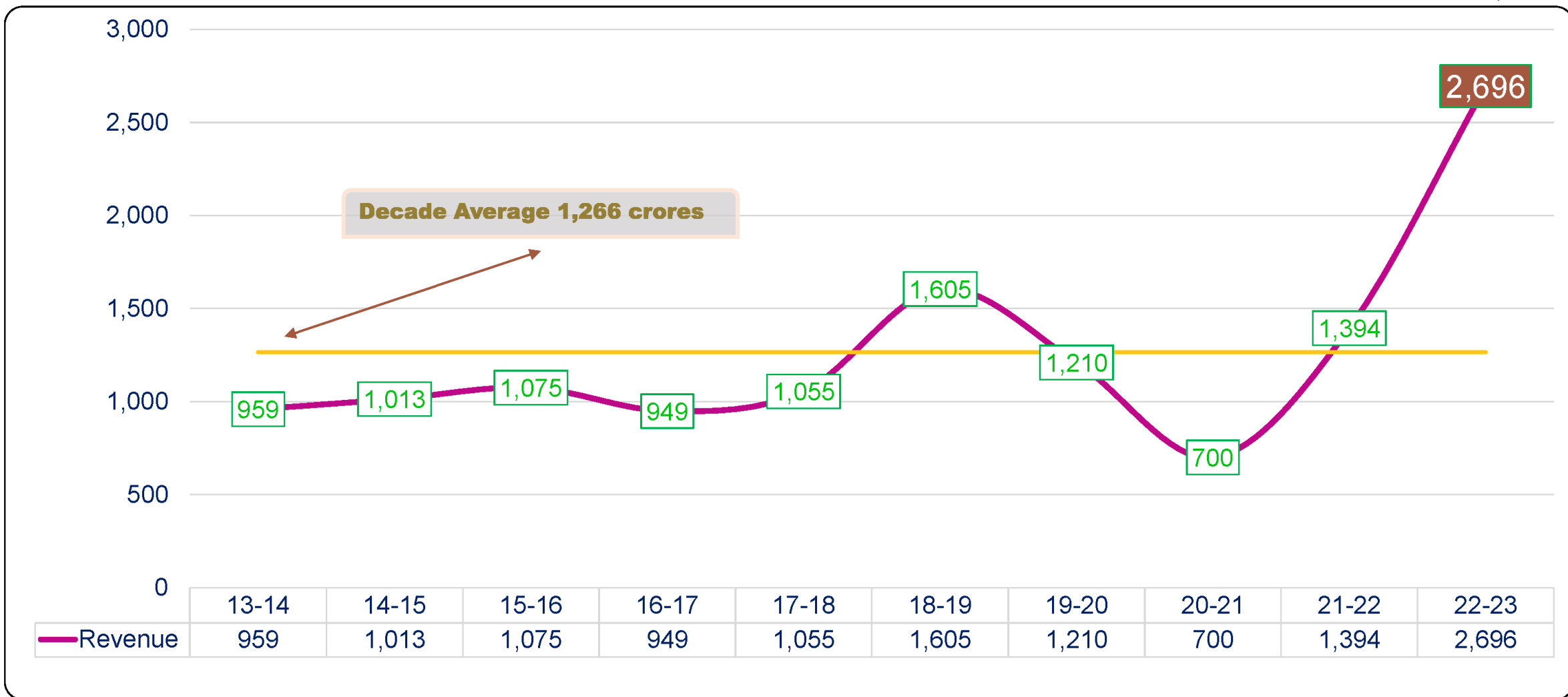
Segment Performance

(₹ Crores)



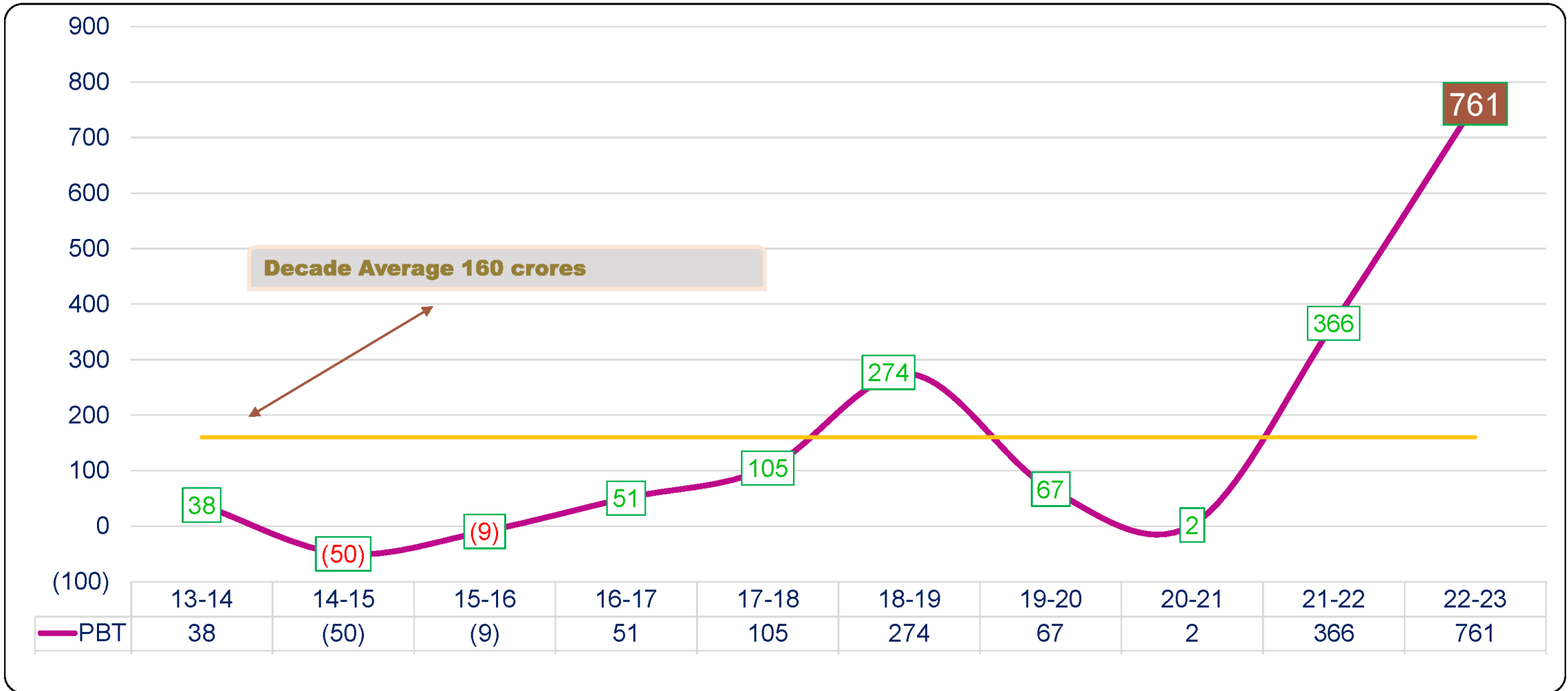
Q-1 Revenue Over Decade

(₹ Crores)



Q-1 PBT Over Decade

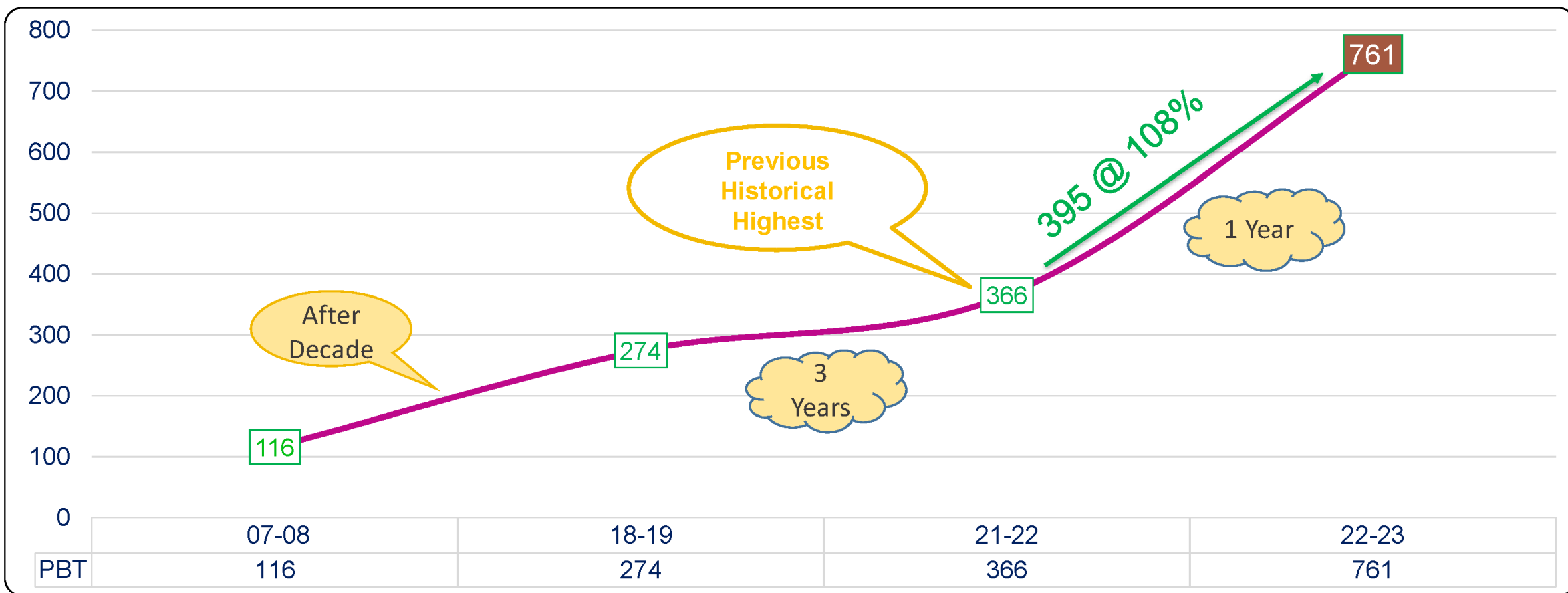
(₹ Crores)



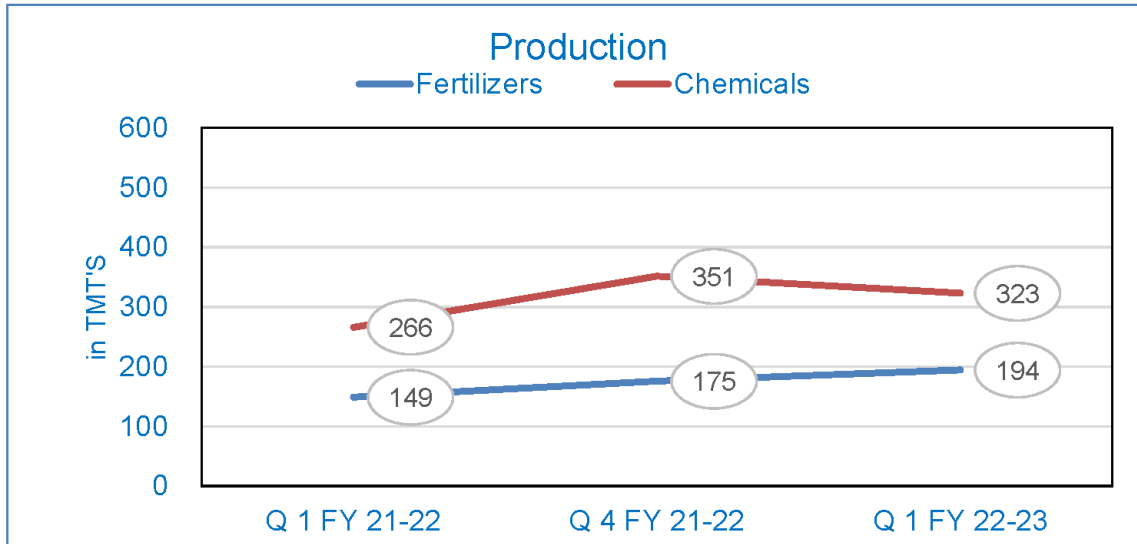
History of Highest Q-1 PBT



(₹ Crores)



Volume Performance

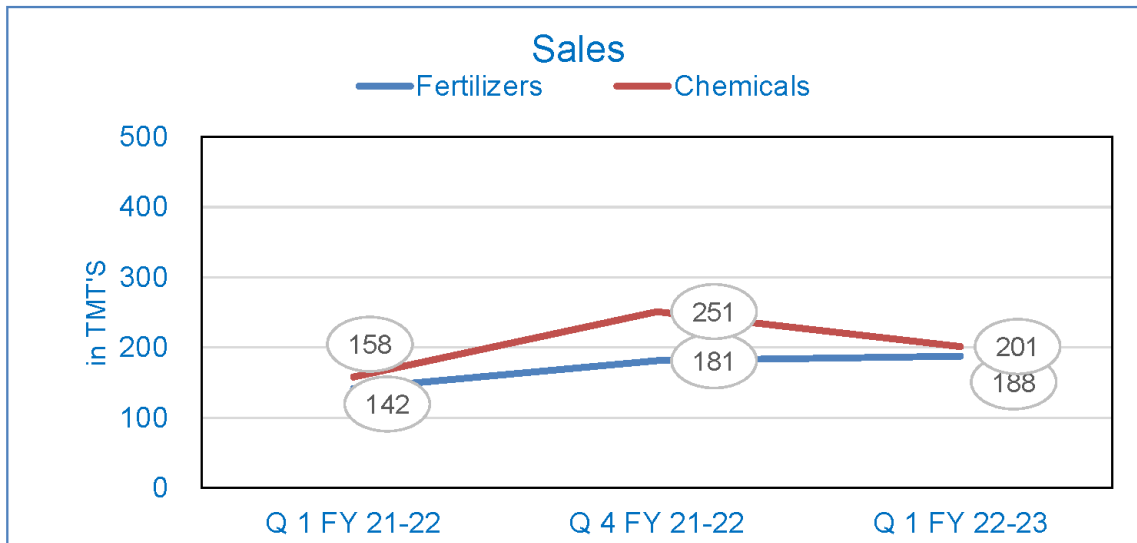


Q-o-Q Variance :

- Fertilizers : Production increased mainly due to higher production of ANP as in Q 4 FY 21-22 ANP was lower due to product mix priority partly compensated by lower production of Neem Urea.
- Chemicals : Production decreased in all IP products except TDI II and Formic Acid.

Y-o-Y Variance :

- Production of both Fertilizers and Chemicals are not comparable due to Annual plant maintenance shutdown taken during Q 1 FY 21-22.



Q-o-Q Variance :

- Fertilizers : Sales increased mainly due to higher sales of ANP partly compensated by lower sales of Neem Urea.
- Chemicals : Subdued chemical market affected volume especially of Aniline, Methanol and Formic Acid.

Y-o-Y Variance :

- Sales of both Fertilizers and Chemicals are not comparable due to Annual plant maintenance shutdown taken during Q 1 FY 21-22.

Capex Investment

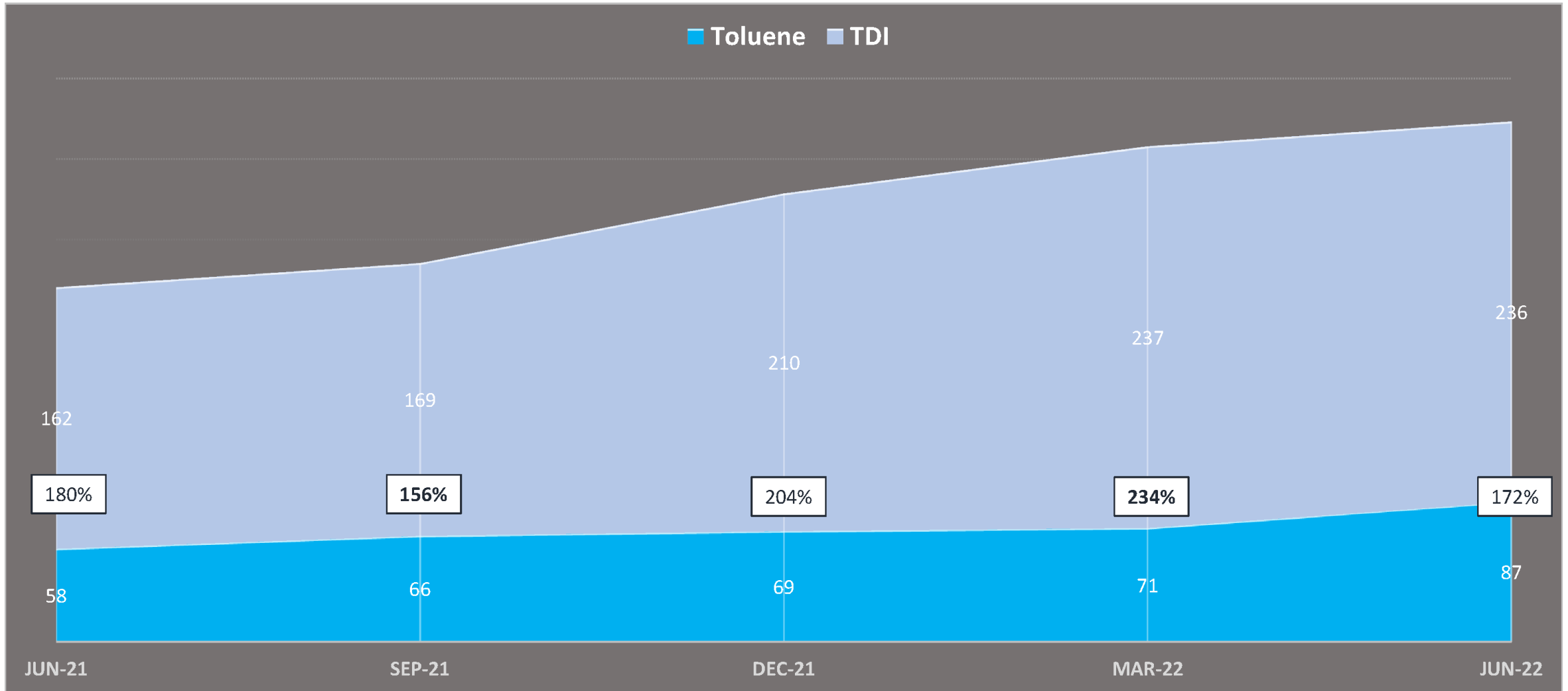
(₹ Crores)

	Projects	Capex	Annual Capacity (MT)*	Commenced/ Expected By
1	Formic Acid Revamp	53	6800	Completed on May, 2022
2	Concentrated Nitric Acid(CNA)-IV	109	50000	March, 2023
3	Solar Power	26	04 MW	February, 2023
4	Ammonia Expansion	218	50000	June, 2025
5	Weak Nitric Acid (WNA) - III	953	200000	December, 2025
6	AN Melt – II	182	163000	December, 2025
7	Polycarbonate	2,529	100000	Under exploration
8	Solar Power	275	50 MW	Under exploration
9	Green Hydrogen	100	1470	Under exploration
	Total Capex	4,445		

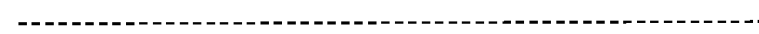
*Except Solar Power

Feedstock Spread

Price (₹ '000/MT)

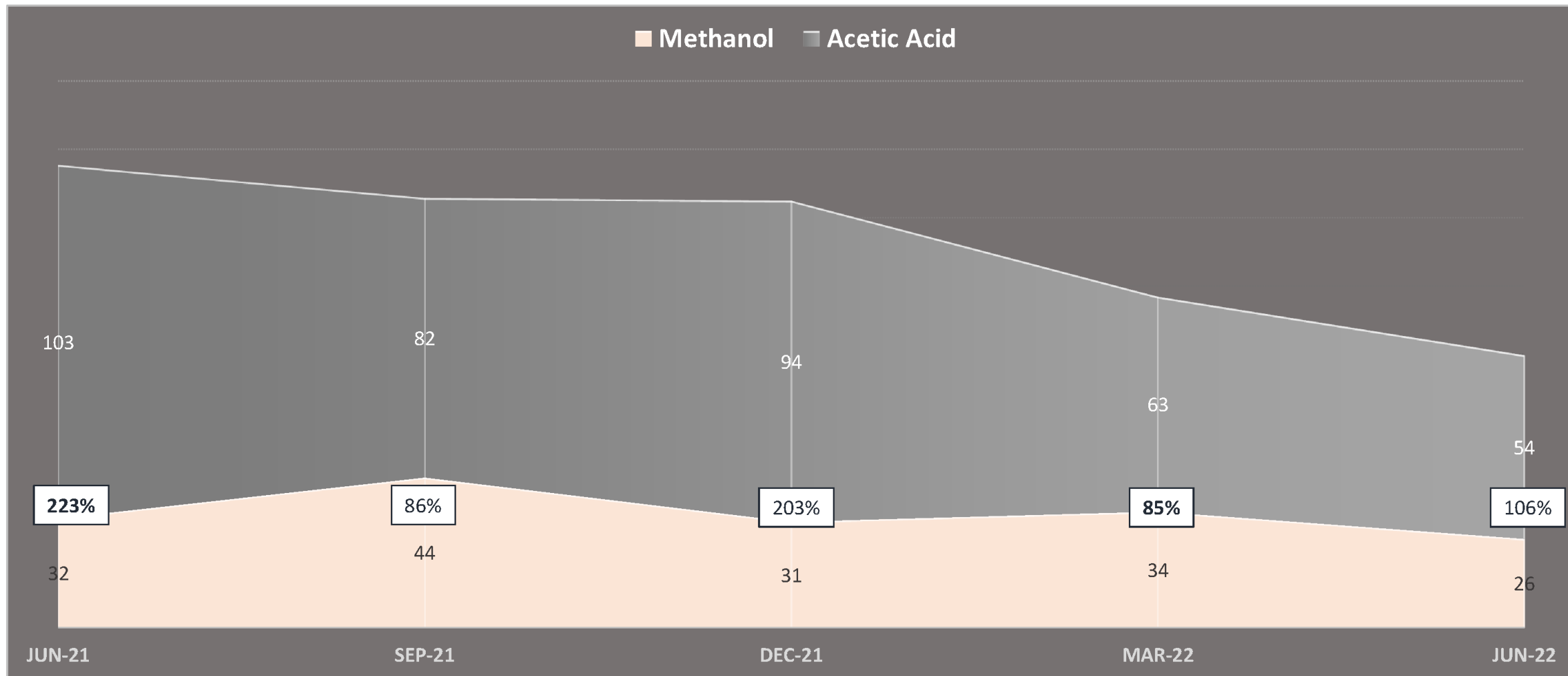


Source: Company



Feedstock Spread

Price (₹ '000/MT)

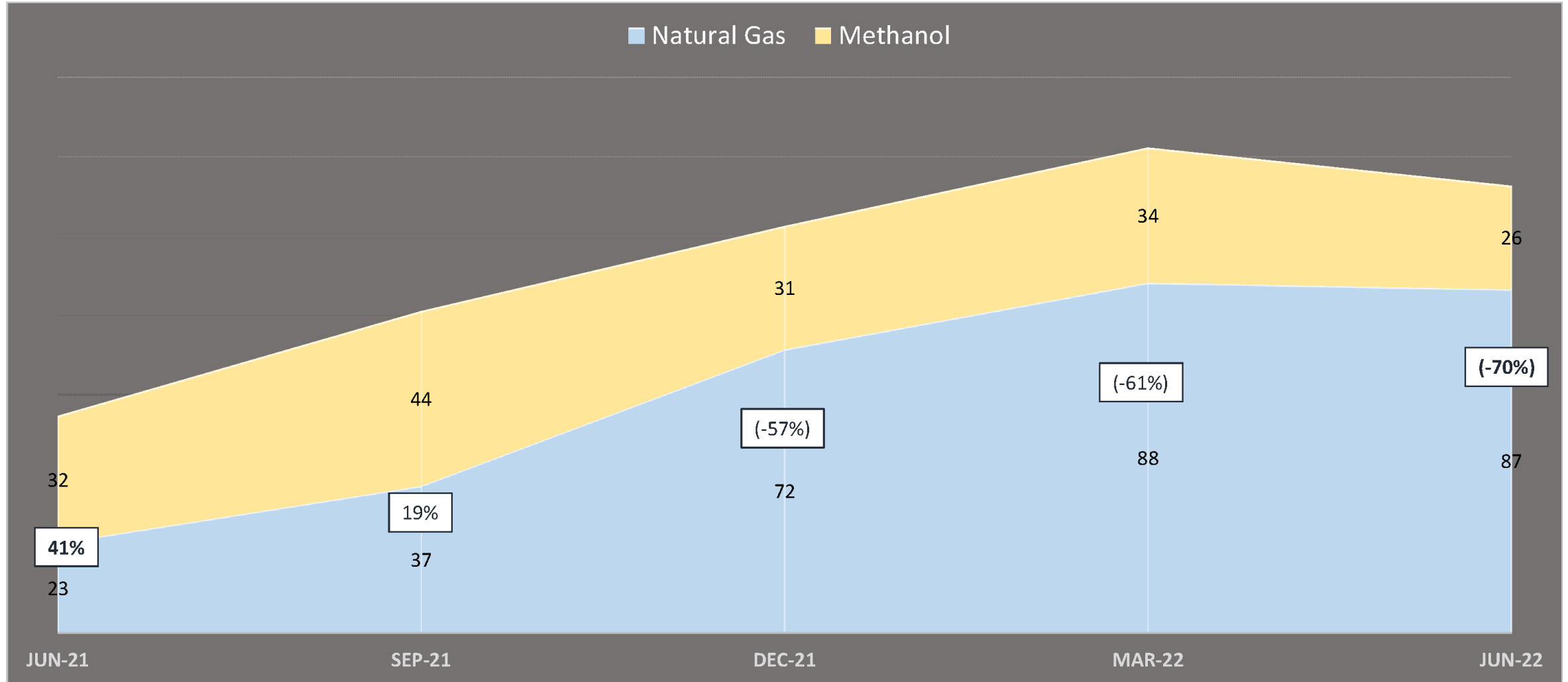


Source: Company & ICIS

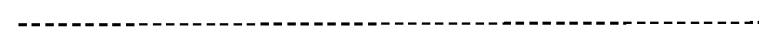


Feedstock Spread

Price (NG ₹ / SM3 Methanol ₹ / kg)

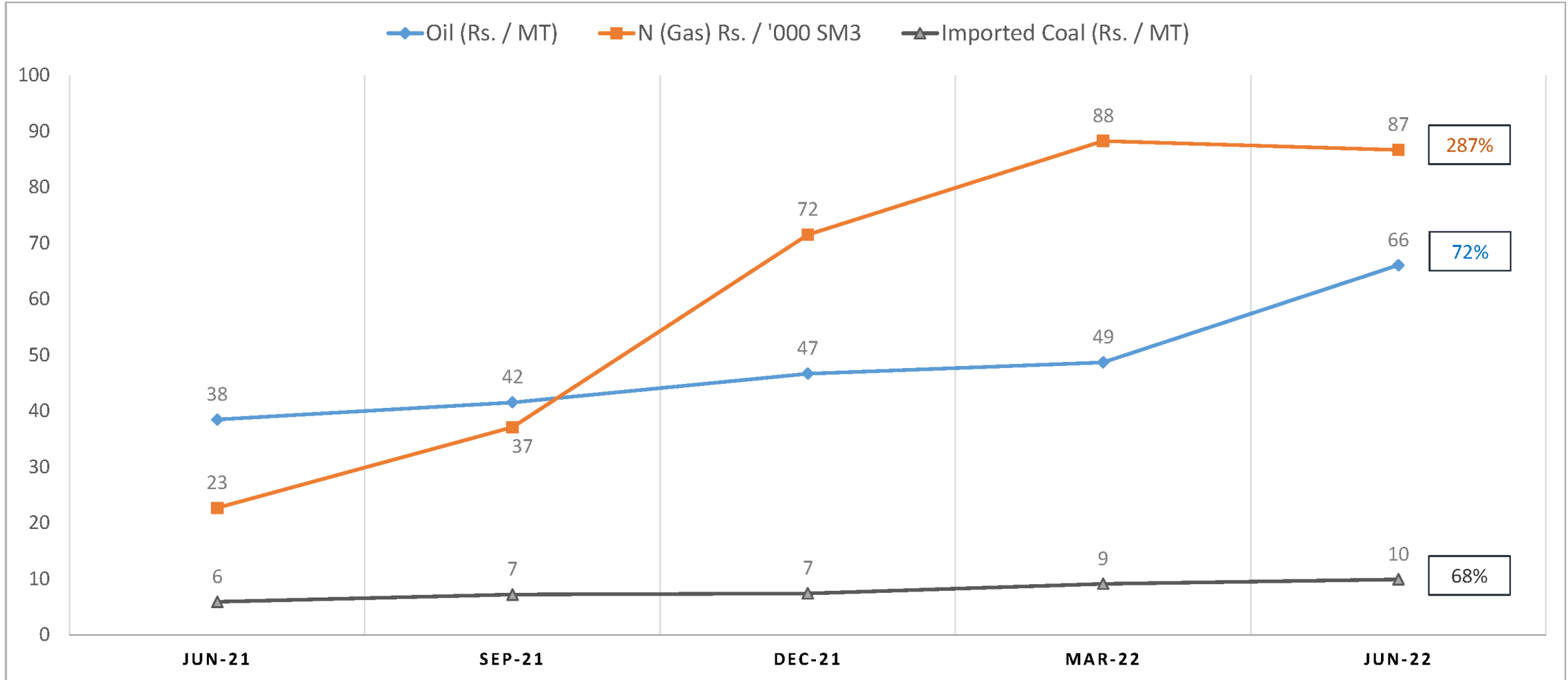


Source: Company & ICIS



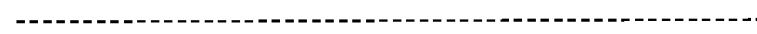
Key Inputs Cost Movement

(₹ '000)



% Represent Y-o-Y Changes

Source: Company



Ongoing Projects Status

Particulars	<u>Concentrated Nitric Acid (CNA)-IV Project</u>	<u>Formic Acid Revamp (FAR) Project</u>	<u>4 MW Solar Power Project</u>	<u>Ammonia Expansion</u>
Production capacity	50 KTPA	6.6 KTPA	04 MW (AC)	50 KTPA
Capex (₹ Crores)	109	53	26	218
Completion Status	March 2023	Commissioned in April 2022	February 2023	June 2025
Expected revenue p.a. (₹ Crores)	120	30	--	--
Advantage	Value added product	It will increase market share revenue and profit.	Power cost reduction and green energy initiative.	Reliability & capacity enhancement for downstream products. Energy saving worth ₹ 30 Cr/p.a.

Future Projects

Focusing on the core capabilities & existing strengths, the board has already accorded in-principle approval for expansion plans for these major chemicals

WNA

Capacity (MTPA)
200000

Capex ₹ 953/- Cr.

AN-II

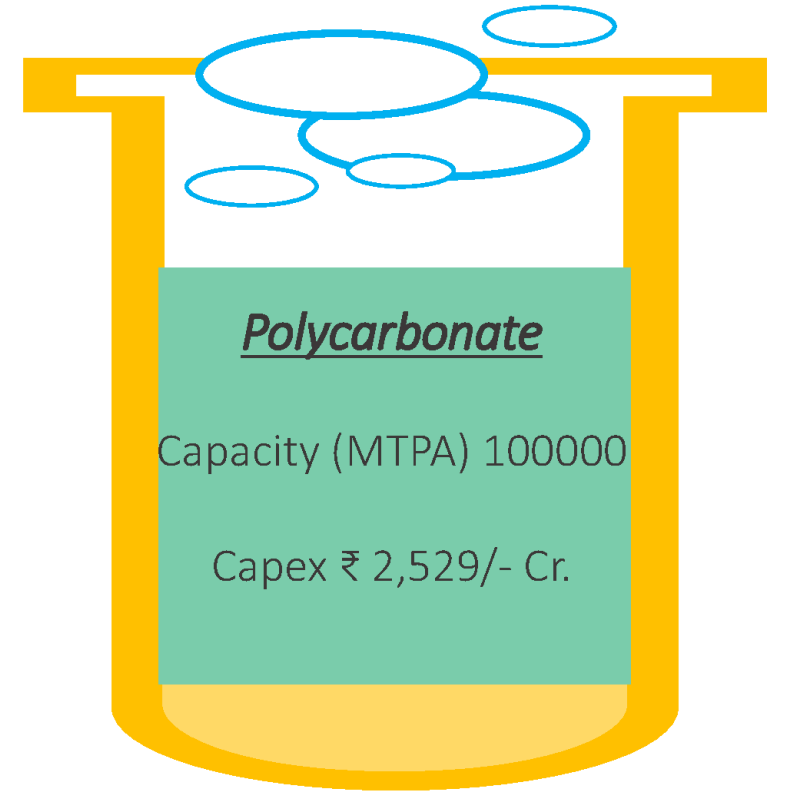
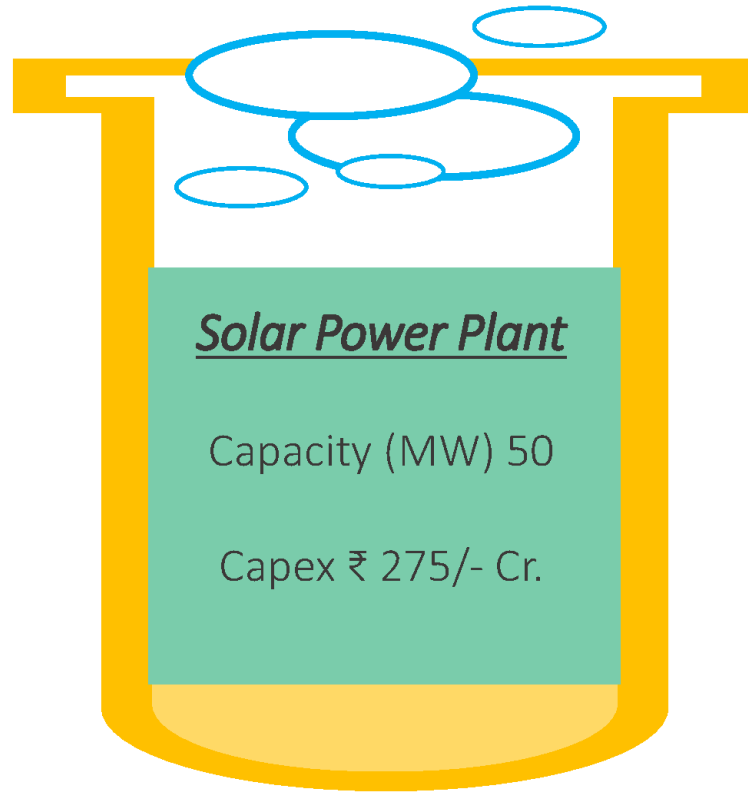
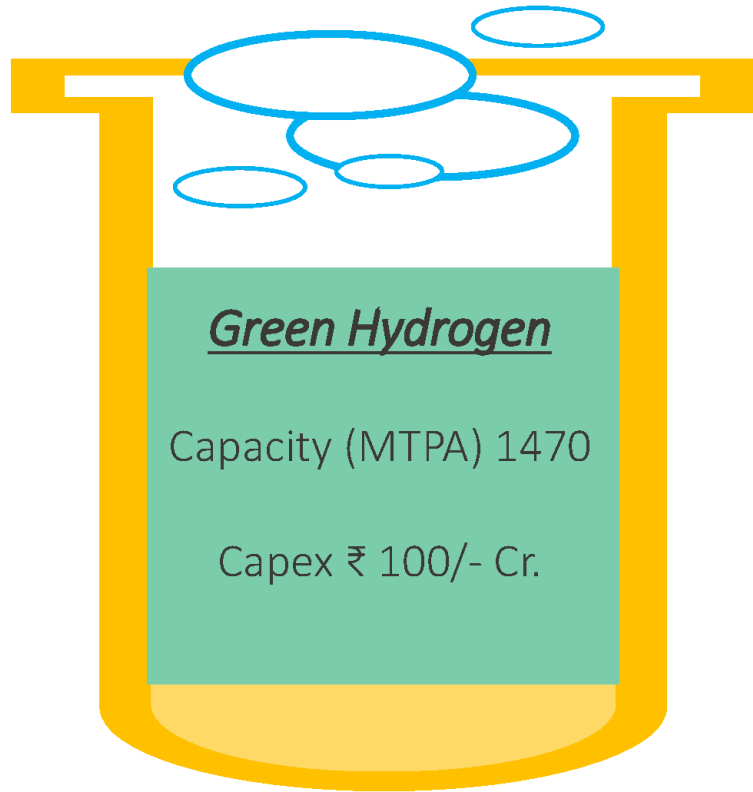
Capacity (MTPA)
163000

Capex ₹ 182/- Cr.

Advantages:

- ✓ WNA will be useful for downstream use in AN Melt and increase GNFC's market share, Turn over and Profit .
- ✓ AN – II will Increase Market share, Turn over and Profit.

Projects Under Consideration



Advantages:

Journey towards Green Industrial Production

New entry in market and growth capex.

**THANK
YOU!**

For any query please write to

investor relation cell at: investor@gnfc.in