



**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

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NO.SEC/BD/SE/PR/2022-23
May 18, 2023

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Dy General Manager
Corporate Relationship Dept
BSE Ltd., 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

Company Code: "500670"

Company Code: "GNFC EQ"

Sub.: Press Release on Audited Standalone and Consolidated Financial Results for the Fourth Quarter and Year ended on 31st March, 2023 of FY 2022-23

Dear Sir,

Pursuant to Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended, please find enclosed a copy of the Press Release on Audited Standalone and Consolidated Financial Results for the Fourth Quarter and Year ended on 31st March, 2023 of FY 2022-23.

The above information shall be made available on the website of the Company www.gnfc.in.

We request you to kindly take note of the above.

Thanking you,

Yours faithfully,
For GUJARAT NARMADA VALLEY FERTILIZERS & CHEMICALS LTD

ASHWINKUMA
R CHIMANLAL
SHAH

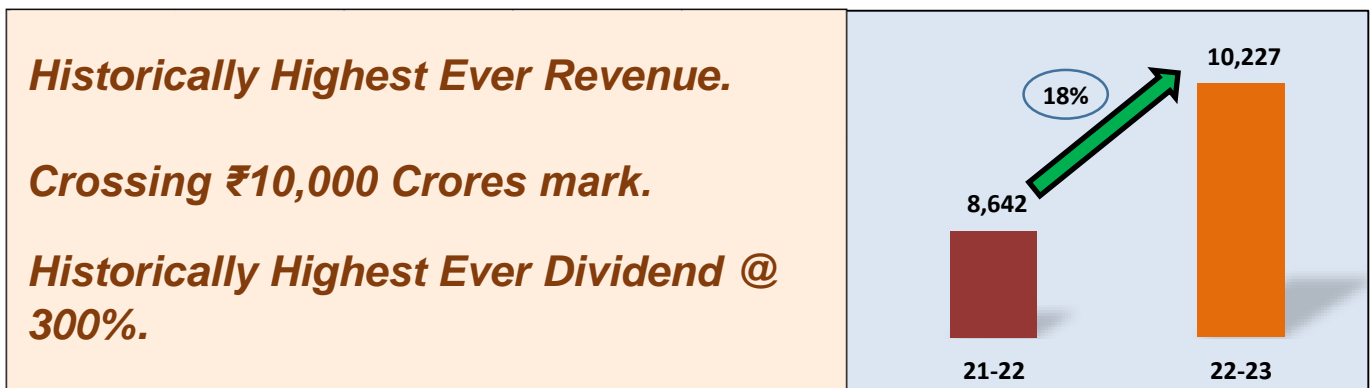
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ASHWINKUMAR
CHIMANLAL SHAH
Date: 2023.05.18
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CS A C SHAH
COMPANY SECRETARY & GM (LEGAL)

ENCL:A:A:

Results for the Quarter and year ended 31st March, 2023

Gandhinagar, 18th May, 2023: A meeting of the Board of Directors chaired by Shri Vipul Mitra, IAS was held today to consider and approve the Audited Financial Results for Q 4 / 12 M FY 22-23.



Highlights:

❖ Financials:

₹ Crores

	FY 22-23		FY 22-23
	Q4	Q3	
Operating Revenue	2,271	2,673	10,227
Total Revenue	2,394	2,750	10,588
Operating EBITDA @	369	438	1,879
EBITDA %	16%	16%	18%
PBT	417	438	1,932
PAT	334	324	1,464

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

- ❖ Capex of ~₹2,200 crores on cards.
- ❖ Further foray into import substitutes like Polycarbonate and Cracker based product slates which will help improve the upstream capabilities are at advanced stage of consideration.
- ❖ As part of green initiatives, green hydrogen based investments are already approved by Board in principle.

Mr. Pankaj Joshi, IAS, Managing Director, GNFC stated:

I am happy to inform that FY 22-23 is a landmark year where revenue from operations has crossed ₹10,000 crores mark.

With this, the company reported highest ever revenue of ₹10,227 Crores; 18% more than previous highest reported revenue in last financial year which was a year of historic performance.

The higher revenue has come from, both, fertilizers and chemicals.

During FY 22-23, GNFC has crossed over a billion US\$ worth of import substitution saving precious foreign exchange to the country and becoming active contributor to 'Make in India' initiative of Government of India.

In addition, the contribution to National Exchequer in the form of direct and indirect taxes has crossed ₹1,000 crores.

On operating front, new production and sales records have been established in case of Ammonium Nitrate Melt, Ethyl Acetate and Urea.

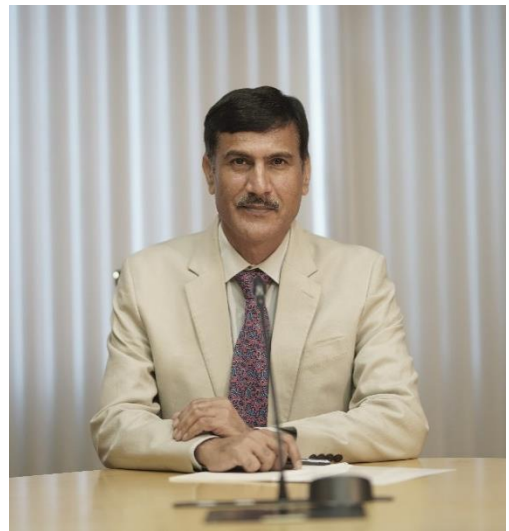
During the year, new formic acid revamp project has been commissioned with 20 MTPD additional capacity.

TDI-II at Dahej witnessed reliable operations during Q-4 which led to significant lowering of operating costs.

The escalated tensions due to wartime resulted into very elevated price levels of all energy inputs during the year. Apart from this, the Bharuch complex underwent annual shutdown from last week of March-23, which had some volume related impacts in Q-4 apart from wage revision accruals on Y-o-Y basis. In spite of these factors, the top line has improved to historical highest, whereas on absolute basis, the full year profit before tax is the second highest ever at ₹1,932 Crores in its history.

On the back of strong financials, the Board of Directors at its meeting held on 18th May 2023 Chaired by **Shri Vipul Mittra, IAS** has recommended dividend of 300% which is the highest ever dividend.

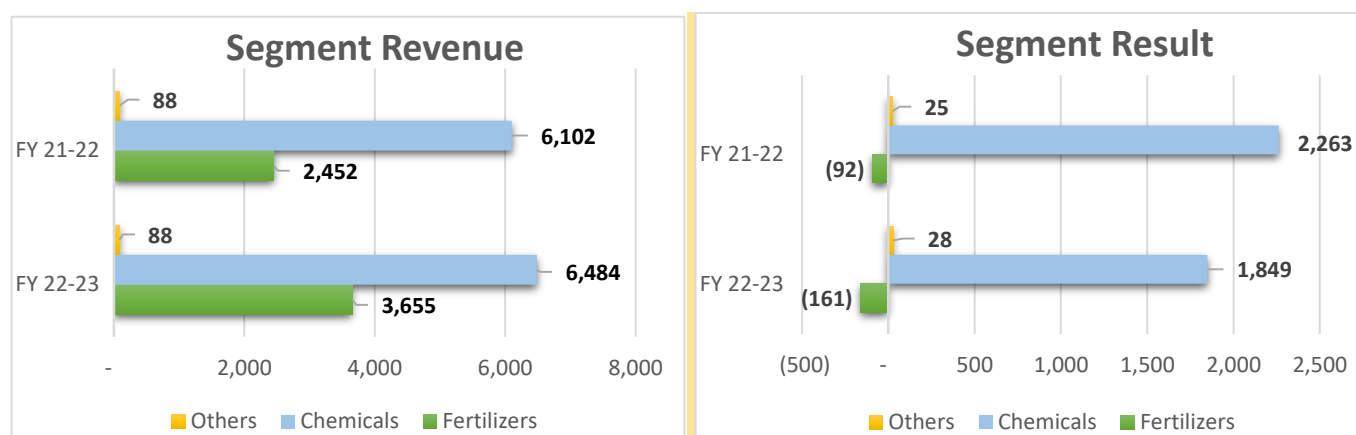
At the year end, anti-dumping duty continues to be in vogue in case of Aniline and TDI which will continue to lend good competitive support for profitable growth.



Segment Performance:

₹ Crores

	FY 22-23		FY 21-22	FY 22-23	FY 21-22
	Q4	Q3	Q4		
Fertilizers	692	987	715	3,655	2,452
Chemicals	1,559	1,666	2,034	6,484	6,102
Others	20	20	23	88	88
Segment Revenue	2,271	2,673	2,772	10,227	8,642
Fertilizers	(138)	15	(30)	(161)	(92)
Chemicals	467	383	860	1,849	2,263
Others	13	3	8	28	25
Segment Results	342	401	838	1,716	2,196
Un-allocable	75	37	33	216	102
PBT	417	438	871	1,932	2,298



- During FY 22-23, on fertilizer front especially in Q-4 there has been a retrospective energy norm reset by Department of Fertilizer (DoF) in case of urea apart from expected lower NBS rates which have impacted the fertilizer segment.
- For Q 4 Vs Q 3, the performance is higher in Chemical Segment mainly due to lower input cost and lower fixed cost partially compensated by, both, lower volume as well as sales realization.
- On 12M basis, the performance is lower in Chemical segment mainly due to increase in input cost and fixed cost partially compensated by better realisations and profitable mix.
- Other segment mainly represents (n)Code and neem.

Other Comprehensive Income (OCI):

During the Q-4 as well as on FY basis, there are changes in valuation of investments apart from provisioning of defined employee benefits which are the main component of OCI. The main reduction is due to reduction in value of, both, quoted and unquoted investments as well as provision of gratuity in respect of long term settlement related accruals.

Key Balance Sheet Items:**₹ Crores**

Particulars	31-03-2023	31-03-2022
Net Fixed Assets	3,381	3,578
CWIP	187	138
Investments	3,106	1,222
Cash & Bank balance/deposits	2,031	1,104
Inter-Corporate Deposits	800	2,400
Net Working Capital	488	584
Total Assets	9,993	9,026
Borrowings	-	-
Deferred tax liability (net)	344	422
Government grants	643	705
OCI	742	874
Net worth	8,264	7,025
Total Liabilities	9,993	9,026

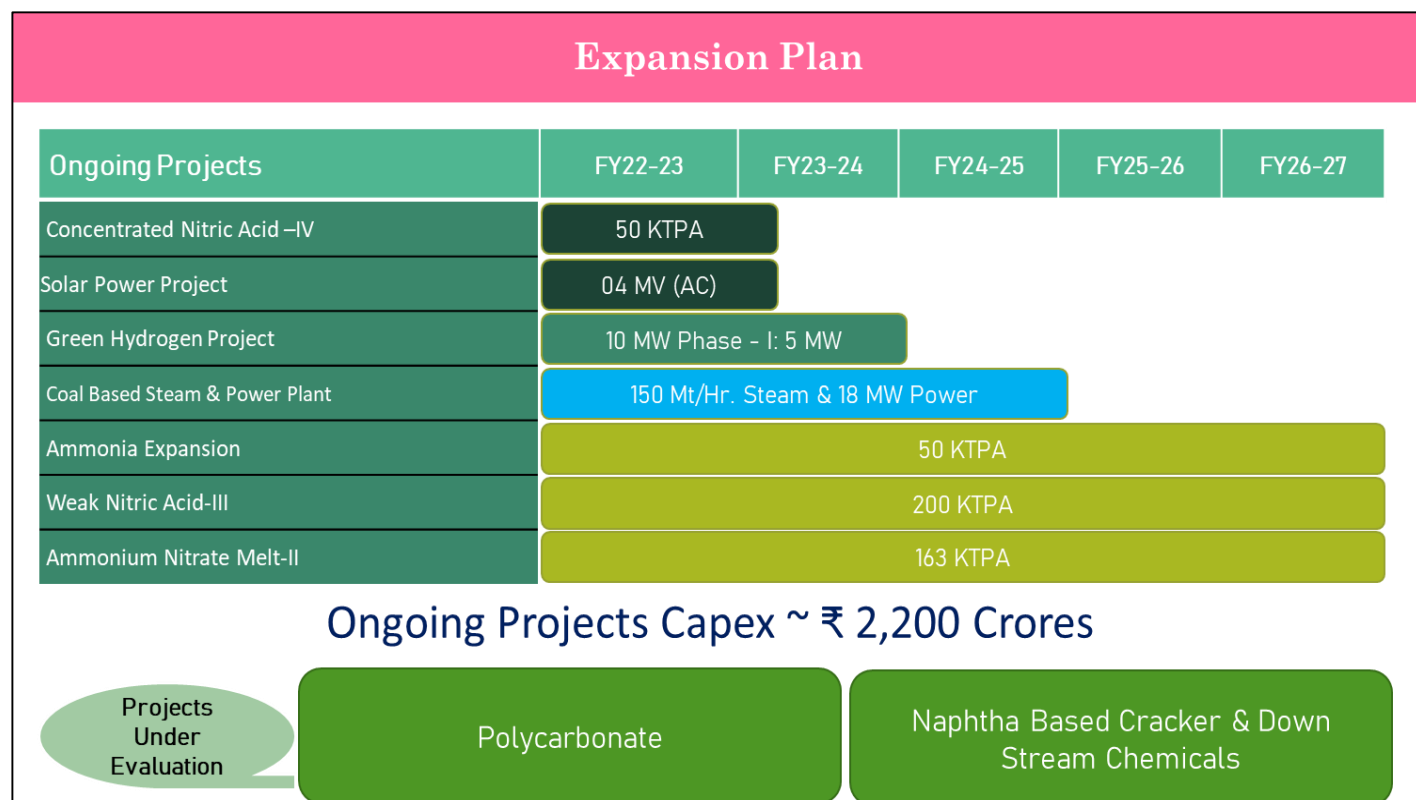
Company continues to be debt free and has resources to fund its already planned capex. Cash reserves in excess of ₹2,000 crores will lend good support for capex led growth.

Cash Flow:**₹ Crores**

Particulars	FY 22-23	FY 21-22
Opening	73	135
Inflow From Operating Activities (Net)	1,373	1,967
(Outflow) From Investment Activities	(1,229)	(1,899)
(Outflow) From Financing Activities	(161)	(130)
Closing	56	73

Profitable operations supported by subsidy release support from Gol has helped improve the cash cycle.

Status of Capital Expenditure:



Outlook:

Of late, the steep curves of cost are tapering off as is evident from international energy prices as well as that of imports. This should augur well for the company.

With annual shutdown already over at Bharuch complex coupled with stable Dahej operations, the outlook is stable.

At Bharuch complex, concentrated nitric acid [CNA-IV] plant with a capacity of 50 KT is expected to start commercial production during current year which should help serve customers and contribute towards financial performance.

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 up in 1982 with one of the world's largest single-stream ammonia-urea fertilizer complex and gradually expanded in chemicals.

Today, chemicals form significant segment of revenue and key contributor of segment results.

Disclaimer: Except for the historical information contained herein, statements herein and the subsequent discussions may constitute "forward-looking statements". These forward-looking statements involve a number of risks, uncertainties and other factors that could cause actual results to differ materially from those suggested by the forward-looking statements. These risks and uncertainties include, but are not limited to our ability to successfully implement our strategy, our growth and expansion plans, our ability to obtain regulatory approvals, technological changes, fluctuation in earnings, foreign exchange rates, our ability to manage international operations and exports, our exposure to market risks as well as other risks.