



**Gujarat Narmada Valley
Fertilizers & Chemicals Limited**

CIN : L24110GJ1976PLC002903



(An ISO 14001 & ISO 45001 Company)

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

NO.SEC/BD/SE/AFR/2021-22
August 12, 2021

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

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.: Outcome of the Board Meeting: Furnishing of Unaudited Standalone and Consolidated Financial Results for the First Quarter ended 30th June, 2021.

Dear Sirs,

The Board of Directors of the Company in its Meeting held today i.e. on 12th August, 2021 approved the Unaudited Standalone and Consolidated Financial Results for the First Quarter ended on 30th June, 2021.

In compliance of Regulations 30 & 33 of SEBI (Listing Obligations & Disclosure Requirements), Regulations, 2015 ("Listing Regulations"), as amended, we send herewith the Unaudited Standalone and Consolidated Financial Results of the Company for the First Quarter ended 30th June, 2021, along with Limited Review Report on the said Results by the Statutory Auditors of the Company.

These results are also being made available on the Company's Website at www.gnfc.in.

We also enclose herewith a Press Release on Unaudited Standalone and Consolidated Financial Results of the Company for the First Quarter ended 30th June, 2021.

We request you to kindly take the same on record.

Thanking you,

Yours faithfully,

For GUJARAT NARMADA VALLEY FERTILIZERS & CHEMICALS LTD

CS A C SHAH
COMPANY SECRETARY & GM (LEGAL)

ENCL : A : A :



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| GUJARAT NARMADA VALLEY FERTILIZERS & CHEMICALS LIMITED | | | | | |
|---|---|-----------------|-----------------|---------------|-----------------|
| STATEMENT OF UNAUDITED STANDALONE FINANCIAL RESULTS | | | | | |
| FOR THE QUARTER ENDED ON JUNE 30, 2021 | | | | | |
| ₹ Crores | | | | | |
| Sr No | Particulars | Quarter Ended | | | Year Ended |
| | | 30-06-2021 | 31-03-2021 | 30-06-2020 | 31-03-2021 |
| | | (Unaudited) | (Audited)* | (Unaudited) | (Audited) |
| I | Revenue from operations | 1,394.32 | 1,733.03 | 700.23 | 5,128.69 |
| II | Other income (refer note 4) | 42.93 | 49.18 | 103.90 | 237.23 |
| III | Total income (I+II) | 1,437.25 | 1,782.21 | 804.13 | 5,365.92 |
| IV | Expenses | | | | |
| | (a) Cost of raw materials consumed | 616.19 | 738.97 | 307.88 | 2,224.83 |
| | (b) Purchase of stock-in-trade | 2.71 | 1.60 | 4.18 | 13.57 |
| | (c) Purchase of goods and services of IT division | 5.61 | 5.01 | 5.22 | 21.19 |
| | (d) Change in inventories of finished goods, work-in-progress and stock-in-trade | (95.56) | (14.23) | 75.10 | 68.53 |
| | (e) Power, fuel and other utilities | 192.36 | 236.77 | 118.11 | 767.78 |
| | (f) Employee benefits expenses | 128.28 | 123.96 | 104.42 | 451.47 |
| | (g) Finance costs | 0.76 | 1.30 | 11.68 | 19.95 |
| | (h) Depreciation and amortisation | 69.72 | 68.48 | 66.03 | 272.30 |
| | (i) Other expenses | 151.64 | 170.54 | 109.57 | 577.99 |
| | Total expenses (IV) | 1,071.71 | 1,332.40 | 802.19 | 4,417.61 |
| V | Profit before tax (III-IV) | 365.54 | 449.81 | 1.94 | 948.31 |
| VI | Tax expense / (credit): | | | | |
| | a) Current Tax | 121.27 | 146.18 | 1.55 | 277.96 |
| | b) Deferred Tax expense / (credit) | 4.40 | (5.28) | (1.11) | (18.77) |
| | c) Excess tax provision written back | - | - | - | (0.09) |
| | Total Tax expense / (credit) (VI) | 125.67 | 140.90 | 0.44 | 259.10 |
| VII | Net Profit for the period after tax (V-VI) | 239.87 | 308.91 | 1.50 | 689.21 |
| VIII | 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) | 0.09 | 12.04 | (2.54) | 11.01 |
| | (ii) Net gain / (loss) on FVTOCI equity investments (net of tax) | 82.50 | 14.07 | 73.49 | 138.66 |
| | Total Other Comprehensive Income | 82.59 | 26.11 | 70.95 | 149.67 |
| IX | Total Comprehensive Income for the period (VII + VIII) | 322.46 | 335.02 | 72.45 | 838.88 |
| X | Paid up equity share capital (Face Value of ₹ 10/- per Equity Share) | 155.42 | 155.42 | 155.42 | 155.42 |
| XI | Other equity excluding revaluation reserves | | | | 5,983.67 |
| XII | Earnings Per share (Face value of ₹ 10/- each) (not annualised) | | | | |
| | For continuing operations | | | | |
| | (a) Basic (₹) | 15.43 | 19.88 | 0.10 | 44.35 |
| | (b) Diluted (₹) | 15.43 | 19.88 | 0.10 | 44.35 |

* Refer note 6

See accompanying notes to the financial results

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SRBC
SRBC & CO LLP





GNFC

**Gujarat Narmada Valley
Fertilizers & Chemicals Limited**

CIN : L24110GJ1976PLC002903



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| GUJARAT NARMADA VALLEY FERTILIZERS & CHEMICALS LIMITED | | | | | |
|---|---|-----------------|-----------------|---------------|-----------------|
| STATEMENT OF AUDITED CONSOLIDATED FINANCIAL RESULTS | | | | | |
| FOR THE QUARTER ENDED ON JUNE 30, 2021 | | | | | |
| Sr No | Particulars | Quarter Ended | | | Year Ended |
| | | 30-06-2021 | 31-03-2021 | 30-06-2020 | 31-03-2021 |
| | | (Unaudited) | (Audited)* | (Unaudited) | (Audited) |
| I | Revenue from operations | 1,394.32 | 1,733.03 | 700.23 | 5,128.69 |
| II | Other income (refer note 4) | 42.93 | 49.18 | 103.90 | 237.23 |
| III | Total income (I+II) | 1,437.25 | 1,782.21 | 804.13 | 5,365.92 |
| IV | Expenses | | | | |
| | (a) Cost of raw materials consumed | 616.19 | 738.97 | 307.88 | 2,224.83 |
| | (b) Purchase of stock-in-trade | 2.71 | 1.60 | 4.18 | 13.57 |
| | (c) Purchase of goods and services of IT division | 5.61 | 5.01 | 5.22 | 21.19 |
| | (d) Change in inventories of finished goods, work-in-progress and stock-in-trade | (95.56) | (14.23) | 75.10 | 68.53 |
| | (e) Power, fuel and other utilities | 192.36 | 236.77 | 118.11 | 767.78 |
| | (f) Employee benefits expenses | 128.28 | 123.96 | 104.42 | 451.47 |
| | (g) Finance costs | 0.76 | 1.30 | 11.68 | 19.95 |
| | (h) Depreciation and amortisation | 69.72 | 68.48 | 66.03 | 272.30 |
| | (i) Other expenses | 151.64 | 170.54 | 109.57 | 577.99 |
| | Total expenses (IV) | 1,071.71 | 1,332.40 | 802.19 | 4,417.61 |
| V | Profit before tax (III-IV) | 365.54 | 449.81 | 1.94 | 948.31 |
| VI | Tax expense / (credit): | | | | |
| | a) Current Tax | 121.27 | 146.18 | 1.55 | 277.96 |
| | b) Deferred Tax expense / (credit) | 4.40 | (5.28) | (1.11) | (18.77) |
| | c) Excess tax provision written back | - | - | - | (0.09) |
| | Total Tax expense / (credit) (VI) | 125.67 | 140.90 | 0.44 | 259.10 |
| VII | Net Profit for the period after tax (V-VI) | 239.87 | 308.91 | 1.50 | 689.21 |
| VIII | Share of Profit of associates | 1.93 | 1.62 | 1.47 | 7.74 |
| IX | Net Profit for the period (VII+VIII) | 241.80 | 310.53 | 2.97 | 696.95 |
| X | 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) | 0.09 | 12.04 | (2.54) | 11.01 |
| | (ii) Net gain / (loss) on FVTOCI equity investments (net of tax) | 82.50 | 14.07 | 73.49 | 138.66 |
| | Total Other Comprehensive Income | 82.59 | 26.11 | 70.95 | 149.67 |
| XI | Total Comprehensive Income for the period (IX + X) | 324.39 | 336.64 | 73.92 | 846.62 |
| XII | Paid up equity share capital (Face Value of ₹ 10/- per Equity Share) | 155.42 | 155.42 | 155.42 | 155.42 |
| XIII | Other equity excluding revaluation reserves | | | | 6,068.20 |
| XIV | Earnings Per share (Face value of ₹ 10/- each) (not annualised) | | | | |
| | For continuing operations | | | | |
| | (a) Basic (₹) | 15.56 | 19.98 | 0.19 | 44.84 |
| | (b) Diluted (₹) | 15.56 | 19.98 | 0.19 | 44.84 |

* Refer note 6

See accompanying notes to the financial results

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| GUJARAT NARMADA VALLEY FERTILIZERS & CHEMICALS LIMITED | | | | | |
|---|--|-----------------|-----------------|-----------------|-----------------|
| SEGMENT-WISE STANDALONE REVENUE, RESULTS, ASSETS AND LIABILITIES | | | | | |
| FOR THE QUARTER ENDED ON JUNE 30, 2021 | | | | | |
| ₹ Crores | | | | | |
| Sr No | Particulars | Quarter Ended | | | Year Ended |
| | | 30-06-2021 | 31-03-2021 | 30-06-2020 | 31-03-2021 |
| | | (Unaudited) | (Audited)* | (Unaudited) | (Audited) |
| I | Segment Revenue : | | | | |
| | A. Fertilizers | 408.80 | 473.33 | 331.29 | 1,751.03 |
| | B. Chemicals | 964.30 | 1,238.63 | 354.11 | 3,304.55 |
| | C. Others | 21.22 | 21.07 | 14.83 | 73.11 |
| | Total | 1,394.32 | 1,733.03 | 700.23 | 5,128.69 |
| | Less: Inter Segment Revenue | - | - | - | - |
| | Sales / Income from Operations | 1,394.32 | 1,733.03 | 700.23 | 5,128.69 |
| II | Segment Results : | | | | |
| | { Profit / (Loss) before Tax & Finance Cost from each segment} | | | | |
| | A. Fertilizers | 3.56 | (26.29) | (14.75) | (24.02) |
| | B. Chemicals | 339.35 | 451.04 | (33.09) | 874.29 |
| | C. Others | 7.36 | 4.05 | 2.21 | 9.59 |
| | Total | 350.27 | 428.80 | (45.63) | 859.86 |
| | Less : (i) Finance Cost | 0.76 | 1.30 | 11.68 | 19.95 |
| | (ii) Other Unallocable expenditure | 8.31 | 3.34 | 13.69 | 36.41 |
| | (iii) Unallocable Income | (24.34) | (25.65) | (72.94) | (144.81) |
| | Total Profit Before Tax | 355.54 | 449.81 | 1.94 | 948.31 |
| III | Segment Assets & Segment Liabilities: | | | | |
| | Segment Assets: | | | | |
| | A. Fertilizers | 1,919.63 | 1,776.89 | 2,720.10 | 1,776.89 |
| | B. Chemicals | 2,826.79 | 2,698.70 | 2,590.23 | 2,698.70 |
| | C. Others | 161.80 | 183.81 | 188.41 | 183.81 |
| | D. Unallocated assets | 3,816.74 | 3,640.88 | 2,601.35 | 3,640.88 |
| | Total Assets | 8,724.96 | 8,300.28 | 8,100.09 | 8,300.28 |
| | Segment Liabilities: | | | | |
| | A. Fertilizers | 1,141.12 | 1,177.47 | 1,175.55 | 1,177.47 |
| | B. Chemicals | 508.17 | 425.55 | 395.32 | 425.55 |
| | C. Others | 112.85 | 136.80 | 124.17 | 136.80 |
| | D. Unallocated Liabilities | 656.69 | 576.79 | 1,110.10 | 576.79 |
| | Total Liabilities | 2,418.83 | 2,316.61 | 2,805.14 | 2,316.61 |

* Refer note 6

See accompanying notes to the financial results

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| GUJARAT NARMADA VALLEY FERTILIZERS & CHEMICALS LIMITED | | | | | |
|---|--|-----------------|-----------------|-----------------|-----------------|
| SEGMENT-WISE CONSOLIDATED REVENUE, RESULTS, ASSETS AND LIABILITIES | | | | | |
| FOR THE QUARTER ENDED ON JUNE 30, 2021 | | | | | |
| ₹ Crores | | | | | |
| Sr No | Particulars | Quarter Ended | | | Year Ended |
| | | 30-06-2021 | 31-03-2021 | 30-06-2020 | 31-03-2021 |
| | | (Unaudited) | (Audited)* | (Unaudited) | (Audited) |
| I | Segment Revenue : | | | | |
| | A. Fertilizers | 408.80 | 473.33 | 331.29 | 1,751.03 |
| | B. Chemicals | 964.30 | 1,238.63 | 354.11 | 3,304.55 |
| | C. Others | 21.22 | 21.07 | 14.83 | 73.11 |
| | Total | 1,394.32 | 1,733.03 | 700.23 | 5,128.69 |
| | Less: Inter Segment Revenue | - | - | - | - |
| | Sales / Income from Operations | 1,394.32 | 1,733.03 | 700.23 | 5,128.69 |
| II | Segment Results : | | | | |
| | { Profit / (Loss) before Tax & Finance Cost from each segment} | | | | |
| | A. Fertilizers | 3.56 | (26.29) | (14.75) | (24.02) |
| | B. Chemicals | 339.35 | 451.04 | (33.09) | 874.29 |
| | C. Others | 7.36 | 4.05 | 2.21 | 9.59 |
| | Total | 350.27 | 428.80 | (45.63) | 859.86 |
| | Less : (i) Finance Cost | 0.76 | 1.30 | 11.68 | 19.95 |
| | (ii) Other Unallocable Expenditure | 8.31 | 3.34 | 13.69 | 36.41 |
| | (iii) Unallocable Income | (24.34) | (25.65) | (72.94) | (144.81) |
| | Total Profit Before Tax | 365.54 | 449.81 | 1.94 | 948.31 |
| III | Segment Assets & Segment Liabilities: | | | | |
| | Segment Assets: | | | | |
| | A. Fertilizers | 1,919.63 | 1,776.89 | 2,720.10 | 1,776.89 |
| | B. Chemicals | 2,826.79 | 2,698.70 | 2,590.23 | 2,698.70 |
| | C. Others | 161.80 | 183.81 | 188.41 | 183.81 |
| | D. Unallocated assets | 3,903.20 | 3,725.41 | 2,679.61 | 3,725.41 |
| | Total Assets | 8,811.42 | 8,384.81 | 8,178.35 | 8,384.81 |
| | Segment Liabilities: | | | | |
| | A. Fertilizers | 1,141.12 | 1,177.47 | 1,175.55 | 1,177.47 |
| | B. Chemicals | 508.17 | 425.55 | 395.32 | 425.55 |
| | C. Others | 112.85 | 136.80 | 124.17 | 136.80 |
| | D. Unallocated Liabilities | 656.69 | 576.79 | 1,110.10 | 576.79 |
| | Total Liabilities | 2,418.83 | 2,316.61 | 2,805.14 | 2,316.61 |

* Refer note 6

See accompanying notes to the financial results

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Ph (02642) 247001, 247002
Website www.gnfc.in

Notes :

- 1 The above standalone and consolidated 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), including Companies (Indian Accounting Standards) Amendments Rules, 2021.
- 2 The above standalone and consolidated financial results have been reviewed by the Audit Committee at its meeting held on August 11, 2021 and approved by the Board of Directors at its meeting held on August 12, 2021. The statutory Auditors of the Company have carried out a 'limited Review' of these results.
- 3 During the year ended March 31, 2020, the Company had received Demand Notice of ₹16,359.21 crores from the Department of Telecommunications (DoT), Ministry of Communications, Government of India, Gujarat Telecom Circle, Ahmedabad, vide its letters dated February 17, 2020 and March 05, 2020, towards the license fee (including of interest and penalty computed till March 31, 2020) in respect of "Very Small Aperture Terminal" (V-SAT) License and "Category A - Internet Service Provider" (ISP) License for the financial years from FY 2005-06 to FY 2018-19. Earlier, the Company had also received an initial Demand Notice from DOT dated December 23, 2019 for amounting to ₹15,019.97 crores (including interest and penalty). The Company has made representations to the DoT against the said demand notices.

Company has evaluated the assessment made by DoT for raising the above demand notices based on the Adjusted Gross Revenue (AGR) judgement of Hon'ble Supreme Court of India on October 24, 2019. Based on legal assessment made, the Company has good grounds on merit to defend itself in this matter, hence no provision is considered necessary in the previous year and in these financial results. Hon'ble Supreme Court vide its Order dated June 11, 2020 directed DoT to reconsider the demand raised on Public Sector Undertakings ("PSUs"), which are not in business of mobile services to the general public. As at reporting date, the Company has not received any update from DoT regarding these demand notices.
- 4 Other income of the previous year ended March 31, 2021 includes ₹43.88 crores recognised towards gain on sale of various investments in Government securities, Debentures, mutual funds and state development loans transferred from Employees' Provident Fund Trust of the Company (GNFC-EPFT) which are measured at FVTPL.
- 5 The Consolidated Financial Results includes results of Subsidiary - "Gujarat Ncode Solutions Limited" which is under process of strike off in the records of Registrar of Companies and results of Associate company - "M/s Gujarat Green Revolution Company Limited" in accordance with Ind AS - 110 " Consolidated Financial Statements" and Ind AS -28 "Investments in Associates and Joint Ventures.
- 6 The figures of the preceding quarter ended March 31, 2021 were the balancing figures between audited figures in respect of the full financial year ended March 31, 2021 and the unaudited published year to date figures upto December 31, 2020 being the date of the end of the third quarter of the respective financial year which were subjected to limited review.

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**Gujarat Narmada Valley
Fertilizers & Chemicals Limited**

CIN : L24110GJ1976PLC002903



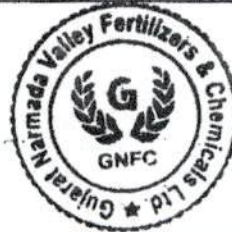
(An ISO 14001 & ISO 45001 Company)

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- 7 During the current quarter ended June 30, 2021, manufacturing facilities of the Company had undergone planned annual shutdown for the period of 24 days. Hence the figure for the current quarter is not comparable with the earlier periods to that extent.
- 8 The Indian Parliament has approved & the President has accorded the assent the Code on Social Security, 2020 ('Code') in September, 2020. The Code might impact the contributions by the Company towards Provident Fund, Gratuity and other employment and post-employment employee benefits. The Code has been published in the Gazette of India. However, the date on which the Code will come into effect has not been notified and the final rules have not yet been issued. The Company will assess the impact of the Code when it comes into effect and will record the impact, if any, in the period in which the Code becomes effective.



For and on behalf of the Board of Directors,

Pankaj Joshi

Shri Pankaj Joshi, IAS
Managing Director

Place : Gandhinagar
Date : August 12, 2021

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SRBC & CO LLP

Independent Auditor's Review Report on the Unaudited Quarterly Standalone Financial Results of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended**Review Report to
The Board of Directors
Gujarat Narmada Valley Fertilizers & Chemicals Limited**

1. We have reviewed the accompanying statement of Unaudited Standalone Financial Results of Gujarat Narmada Valley Fertilizers & Chemicals Limited (the "Company") for the quarter ended June 30, 2021 (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, as amended (the "Listing Regulations").
2. This Statement, which is the responsibility of the Company's Management and approved by the Company's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34, "Interim Financial Reporting" (Ind AS 34) prescribed under Section 133 of the Companies Act, 2013 as amended ("the Act"), read with relevant rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement 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 of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.
4. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in the aforesaid Indian Accounting Standards specified under Section 133 of the Act, read with relevant rules issued thereunder and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of the Listing Regulations, including the manner in which it is to be disclosed, or that it contains any material misstatement.
5. We draw attention to Note 3 to the standalone financial results regarding a matter relating to demand of Rs. 16,359.21 Crores on the Company by Department of Telecommunications (DoT) towards Very Small Aperture Terminal ('VSAT') and Internet Service Provider ('ISP') Licenses fee and interest thereof relating to earlier years. Based on the legal opinion taken by the Company its assessment of the demand, the Company is of the view that no provision is necessary in respect of this matter. Our conclusion is not modified in respect of this matter.

For SRBC & COLLP

Chartered Accountants

ICAI Firm registration number: 324982E/E300003

**RAVI
BANSAL**Digitally signed by RAVI BANSAL
DN: cn=RAVI BANSAL, c=IN,
o=Personal,
email=ravi.bansal@srbc.in
Date: 2021.08.12 15:49:41 +0530**per Ravi Bansal**

Partner

Membership No.: 049365

UDIN: 21049365AAAABX4006

Place: Mumbai

Date: August 12, 2021

Independent Auditor's Review Report on the Unaudited Quarterly Consolidated Financial Results of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended**Review Report to
The Board of Directors
Gujarat Narmada Valley fertilizers & Chemicals Limited**

1. We have reviewed the accompanying Statement of Unaudited Consolidated Financial Results of Gujarat Narmada Valley fertilizers & Chemicals Limited (the "Holding Company") and its subsidiary (the Holding Company and its subsidiary together referred to as "the Group") and its share of the net profit after tax and total comprehensive income of its associate for the quarter ended June 30, 2021 (the "Statement") attached herewith, being submitted by the Holding Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the "Listing Regulations").
2. This Statement, which is the responsibility of the Holding Company's Management and approved by the Holding Company's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34, "Interim Financial Reporting" (Ind AS 34) prescribed under Section 133 of the Companies Act, 2013 as amended, (the "Act") read with relevant rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement 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 of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

We also performed procedures in accordance with the Circular No. CIR/CFD/CMD1/44/2019 dated March 29, 2019 issued by the Securities and Exchange Board of India under Regulation 33(8) of the Listing Regulations, to the extent applicable.

4. The Statement includes the results of the following entities:
 - a. Gujarat Narmada Valley Fertilizers & Chemicals Limited
 - b. Gujarat Ncode Solutions Limited, a subsidiary company (under process of striking off by Ministry of Corporate Affairs)
 - c. Gujarat Green Revolution Company Limited, an associate company
5. Based on our review conducted and procedures performed as stated in paragraph 3 above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with recognition and measurement principles laid down in the aforesaid Indian Accounting Standards specified under Section 133 of the Act, read with relevant rules issued thereunder and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of the Listing Regulations, including the manner in which it is to be disclosed, or that it contains any material misstatement.
6. We draw attention to Note 3 to the consolidated financial results regarding a matter relating to demand of Rs. 16,359.21 Crores on the Company by Department of Telecommunications (DoT) towards Very Small Aperture Terminal ('VSAT') and Internet Service Provider ('ISP') Licenses fee and interest thereof relating to earlier years. Based on the legal opinion taken by the Company and its assessment of the demand, the Company is of the view that no provision is necessary in respect of this matter. Our conclusion is not modified in respect of this matter.

S R B C & COLL P

Chartered Accountants

7. The accompanying unaudited Consolidated Financial Results includes unaudited interim financial statement and other unaudited financial information in respect of its subsidiary whose interim financial results reflects total revenue of Rs Nil, total net profit after tax of Rs Nil and total comprehensive income of Rs Nil for the quarter ended June 30, 2021 as considered in the unaudited consolidated financial results. The unaudited consolidated financial results also include the Group's share of net profit after tax of Rs 1.93 Crore and total comprehensive income of Rs. 1.93 Crore for the quarter ended June 30, 2021, as considered in the unaudited consolidated financial results, in respect of the associate based on its interim financial information and financial results which have not been reviewed / audited by other auditor. These unaudited financial information and unaudited financial results have been approved and furnished to us by the management and our conclusion on the Statement, in so far as it relates to the affairs of the subsidiary and the associate, is based solely on such unaudited financial results and other unaudited financial information compiled/ furnished by the management. According to the information and explanations given to us by the Management, these interim financial information and financial results are not material to the Group. Our conclusion on the Statement is not modified in respect of the above matter.

For S R B C & COLL P

Chartered Accountants

ICAI Firm registration number: 324982E/E300003

**RAVI
BANSAL**

Digitally signed by RAVI BANSAL
DN: cn=RAVI BANSAL, o=IN,
o=Personal,
email=ravi.bansal@srbc.in
Date: 2021.08.12 15:48:52 +05'30'

per Ravi Bansal

Partner

Membership No.: 049365

UDIN: 21049365AAAABY5637

Place: Mumbai

Date: August 12, 2021

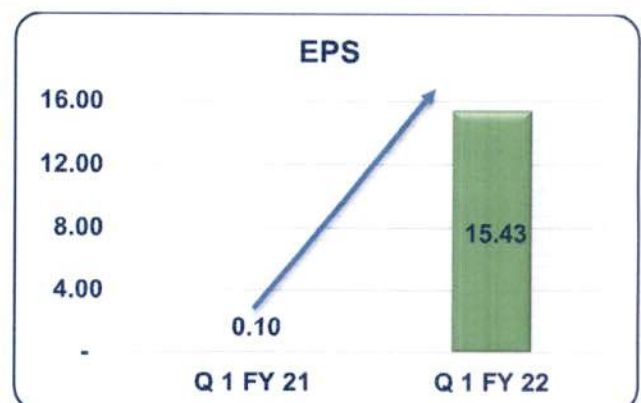
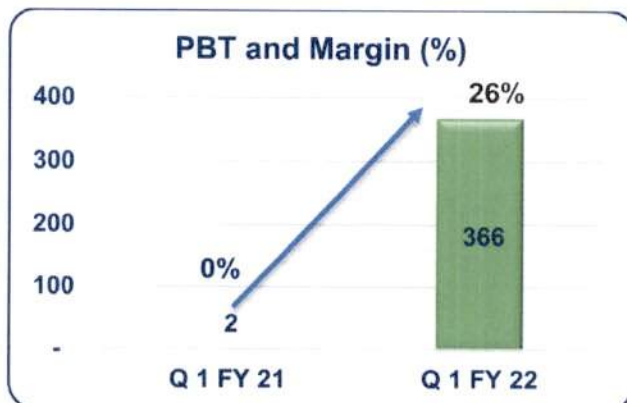
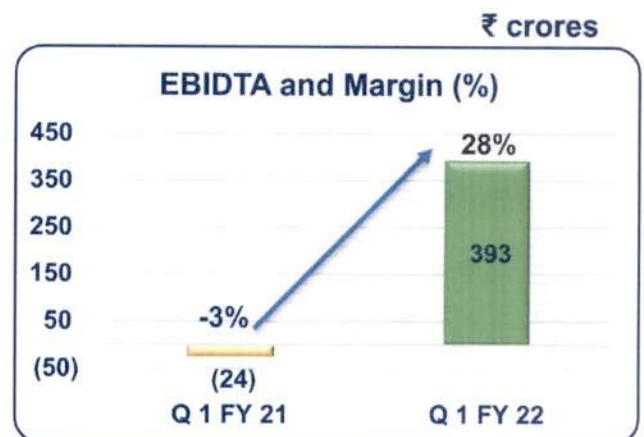
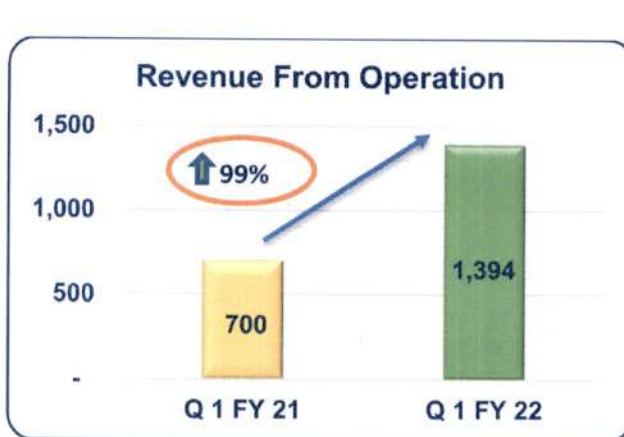
Q1 FY 22 Results Update

GNFC's Strong Performance continues in Q1 FY 22

Gandhinagar, August 12, 2021: Gujarat Narmada Valley Fertilizers & Chemicals Limited, a joint sector company promoted by Government of Gujarat and mainly operating into fertilizer and chemical business has announced its Q1 FY 22 results today.

Key Financial Highlights (Standalone)

- **Highest Ever** Q 1 PBT of ₹ 366 Crores
- **Highest Ever** Q 1 PAT of ₹ 240 Crores
- **Second Highest Ever** Q 1 revenue from operation of ₹ 1,394 Crores, 99% up Y-O-Y
- Company continues to be **debt free and cash rich**



Shri Pankaj Joshi, IAS, Managing Director of the company briefly explained the performance and other business updates as under:

(A) Operating and Financial Performance:

✦ Quarter (Q1 FY 22 Vs Q1 FY 21):

I am happy to announce that in spite of Second Wave of Pandemic, GNFC has registered improved volumes as well as realizations with support of thriving downstream sector on Y-O-Y basis. Operational revenue rose by 99% from ₹ 700 Crores to ₹ 1,394 Crores.

The healthy EBITDA along with debt free status reflected in much improved PBT and PAT for the quarter in spite of downtime resulting from planned annual shutdown during Q-1 FY 22.

The substantial increase in performance is driven by, both, improved sales volume and buoyant chemical products realizations with resultant impact on profitability.



While the Second Wave of Pandemic has been more fatal, GNFC operated with resilience. In spite of lockdowns, it could sustain operations and meet Indian demand of its products especially when import logistics were badly hampered due to Pandemic. The resultant impact of lockdowns on economic activities has varied severity however bulk chemicals business did well even among such times. During Q-1, FY 21 the chemical business was severely impacted on demand front.

✦ Quarter (Q1 FY 22 Vs Q4 FY 21):

In April-21, company undertook planned annual shutdown at its Bharuch Complex as a result the product availability has been limited with resultant impact on revenue from operations. The revenue from operations reduced from ₹ 1,733 Crores to ₹ 1,394 Crores predominantly due to volume reasons. Due to Pandemic, the demand for TDI was almost muted.

Apart from sales volume affected due to limited availability, input costs have increased due to significant buoyancy in the market. However, the negative impacts of lower sales volume and higher input costs are partially set off due to improved realizations in some of the industrial chemical products like Acetic Acid, Ethyl Acetate, Aniline to name a few thereby. This led to continuing profitable operations.

(B) Segment Performance Y-O-Y (Q1 FY22 V/s Q1 FY21):

During Q1 FY 22, while the volumes of fertilizer have been lower especially of mix fertilizer, the fertilizer segment revenue shows increase due to higher subsidy value whereas results improved due to increase

in Nutrient Based Subsidy (NBS) of mix fertilizer apart from some positive differences in the finalized concessional rates of urea.

The Chemical segment revenue has gone up from ₹ 354 Crores to ₹ 964 Crores i.e. by 172% mainly due to significant increase in sales realizations across the board apart from witnessing volume increase. As a consequence, the segment result has improved substantially from loss of ₹ (33) Crores to profit of ₹ 339 Crores.

(C) Others Business Updates:

- In respect of ongoing projects, more or less company is on course barring some delays mainly due to pandemic. The other approved capex plans are on course of its implementation.
- The change in NBS rate came as a breather especially in view of skyrocketing inputs prices of most fertilizer feed / inputs. While currently, the higher announced rates under NBS are valid till 31-10-21, there is hope that the same will get extended in view of continuing buoyancy on input cost front.
- On the income tax front, as of now the position taken is that of regular regime and company has the option of choosing a fixed rate (lower rate) regime. We are closely monitoring this year's progress and decide about the options at appropriate time.

(D) Outlook:

In spite of the Pandemic, the company has withered away the multiple headwinds in the nature of limited availability of manpower resources, high input prices and low product demands arising mainly due to lockdown conditions. The business activities continued with resilience supported by well-practiced business continuity plan and well placed disaster recovery management.

With lockdowns ending and economic activities picking up, the company foresees bright outlook for its products / services. Apart from continued buoyancy in chemicals which augurs well for the company, chemicals in general especially toluene di-isocyanate are expected to do well.

About GNFC:

GNFC is a joint sector company promoted by Government of Gujarat. Incorporated in 1976, the company, as of today, is a producer of bulk chemicals and fertilizers. Its product portfolio is a result of plant integration developed over a period of time. Most products are import substitutes and contributes to saving valuable foreign exchange. In few products like Acetic Acid, TDI it is the only producer in the country whereas in respect of product like Aniline, Formic Acid, it is among a very few producers in the country.

Disclaimer:

The statements in outlook describing the company's objectives, expectations or projections, may be forward looking and it is not unlikely that the actual outcome may differ materially from that expressed, influenced by wide variety of factors affecting the business environment and the company's operations. The company assumes no responsibility to publicly amend, modify or revise any forward looking statements, on the basis of any subsequent developments, information or events.
