



# GUJARAT STATE FERTILIZERS & CHEMICALS LIMITED

Fertilizernagar - 391 750. Vadodara, Gujarat, INDIA.

CIN : L99999GJ1962PLC001121

**NO.SEC/REG-33/2018**

**12<sup>th</sup> February, 2018**

The Corporate Relationship Department BSE Limited 1st Floor, New Trading Ring Rotunda Bldg., P.J.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 (East), MUMBAI - 400 051
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SCRIP CODE : **500690**

SYMBOL : **GSFC**

Dear Sirs,

**Sub :- Submission of Unaudited Financial Results for the 3<sup>rd</sup> Quarter ended on 31<sup>st</sup> December, 2017**

As required in terms of the Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015, please find enclosed herewith:

- 1 Standalone Unaudited Financial Results for the 3<sup>rd</sup> Quarter ended on 31<sup>st</sup> December, 2017 ;
- 2 Independent Auditor's Review Report on Review of Interim Financial Results submitted by the Statutory Auditors, M/s T R Chaddha & Co LLP, Chartered Accountants, Ahmedabad.

Please find the same in order and kindly take them on your records.

Thanking you,

Yours faithfully,

**For Gujarat State Fertilizers & Chemicals Limited**

**CS V.V.Vachhrajani**  
**Company Secretary &**  
**Vice President (Legal & GST)**  
E-mail : vishvesh@gsfcltd.com

Encl :- As above

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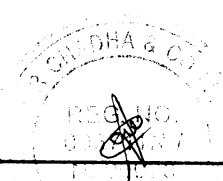
**ISO 9001, ISO 14001, OHSAS 18001 & ISO 50001 Certified Company**



**INDEPENDENT AUDITORS' REVIEW REPORT ON REVIEW OF INTERIM FINANCIAL RESULTS**

**TO THE BOARD OF DIRECTORS OF  
GUJARAT STATE FERTILIZER & CHEMICALS LIMITED**

1. We have reviewed the accompanying statement of Standalone Unaudited Financial Results of **Gujarat State Fertilizers & Chemical Limited** ("the Company") for the Quarter and Nine months period ending December 31, 2017 ("the Statement"). The statement has been prepared by the company pursuant to requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as modified by Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016.
2. This statement which is the responsibility of the Company's management and approved by the Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in the Indian Accounting Standard 34 "Interim Financial Reporting", prescribed under section 133 of the Companies Act, 2013 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 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. Based on our review conducted as stated above, nothing has come to our attention that causes us to believe that the accompanying statement, prepared in accordance with the aforesaid Indian Accounting Standards and other recognised practice and policies generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as modified by Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016 including the manner in which it is to be disclosed, or that it contains any material misstatement.



T R Chadha & Co., a partnership firm converted into T R Chadha & Co LLP  
(A limited liability partnership with LLP Identification No. AAF-3926) with effect from 28th December, 2015

**Ahmedabad Branch** : 301, 3<sup>rd</sup> Floor, Indraprasth Corporate, Opp. Shell Petrol Pump, Anandnagar Road, Prana Nagar, Ahmedabad-380 015. Tele. : 079-66171697, 079-4800 4897 Email : ahmedabad@trchadha.com

**Regd Office** : Suite No-11A, 2nd Floor, Gobind Mansion, H Block, Connaught Circus, New Delhi - 110 001. Tele. : 011 41513059 / 41513169

**Head Office** : B-30, Connaught Place, Kuthiala Building, New Delhi-110 001. Email : delhi@trchadha.com

**Branches at** : ♦ MUMBAI ♦ HYDERABAD ♦ PUNE ♦ CHENNAI ♦ BENGALURU ♦ GURGAON ♦ TIRUPATI



5. (a) The Standalone financial results of the company for the quarter and nine months period ended December 31, 2016 were reviewed by another firm of Chartered Accountants who issued their unmodified conclusion on these standalone financial results vide their reports dated January 23, 2017.
- (b) The Financial Statements of the Company for the year ended March, 2017 was audited by another firm of Chartered Accountants, who issued an unmodified opinion vide their report dated May 29, 2017.
6. We draw attention to Note 1 to the statement which describes the company's past subsidy claims matter and the eligibility of claims for the period from March 18, 2013 to March 5, 2017 amounting to ₹ 662.95 Crores pending for examination by Department of Fertilizer (DOF). DOF is in process of validating the same and eligibility \ claim will be finalized in consultation with the Department of Expenditure. The company is reasonably certain that its subsidy claims for the aforesaid period, which are in line with the claims recently agreed for period from April 1, 2010 to March 17, 2013 will be agreed by the Department of Fertilizers.

Our conclusion is not qualified in respect of the above matter.

For, T R Chadha & Co LLP  
Chartered Accountants  
Firm Regn. No: 006711N / N500028

*Arvind Modi*

Arvind Modi

Partner

M. No.: 112929

Place: Gandhinagar  
Date: 12/02/2018

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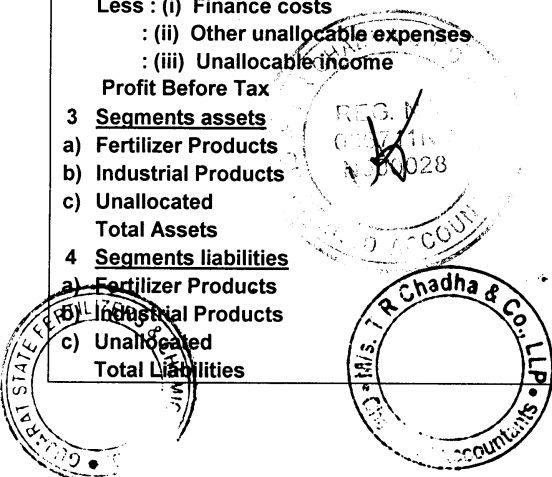
**GUJARAT STATE FERTILIZERS & CHEMICALS LTD.**  
**P.O. FERTILIZERNAGAR, DIST. VADODARA - 391750**

**Statement of Standalone Unaudited Financial Results for the quarter and nine months ended 31st December, 2017**

		(₹ in Lakhs)					
Sr No	Particulars	3 months ended	Preceding 3 months ended	Corresponding 3 months ended in previous year	Year to date figures for current period ended	Year to date figures for previous year ended	Previous Year ended
		31/12/2017	30/09/2017	31/12/2016	31/12/2017	31/12/2016	31/03/2017
		Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
1	<b>Income</b>						
	a) Revenue from operations	1,53,745	1,54,029	1,15,031	4,25,401	3,87,023	5,47,688
	b) Other Income	827	4,325	1,334	6,430	4,317	5,665
	<b>Total Income</b>	<b>1,54,572</b>	<b>1,58,354</b>	<b>1,16,365</b>	<b>4,31,831</b>	<b>3,91,340</b>	<b>5,53,353</b>
2	<b>Expenses</b>						
	a) Cost of materials consumed	87,193	71,012	51,555	2,33,571	2,11,961	2,72,483
	b) Purchase of stock-in-trade	11,147	16,672	3,015	48,415	43,765	48,004
	c) Changes in inventories of finished goods, work-in-progress and stock in trade	(5,259)	15,473	6,471	(21,594)	(41,739)	(5,943)
	d) Power and Fuel	14,744	11,556	11,503	36,393	32,681	44,289
	e) Excise duty	-	-	4,761	3,870	14,754	21,235
	f) Employee benefits expense	12,972	13,117	13,321	39,410	38,309	51,022
	g) Finance Costs	1,648	898	1,447	3,845	4,726	6,493
	h) Depreciation and amortisation expense	3,033	2,966	2,716	8,914	7,916	10,343
	i) Other expenses	16,797	16,502	16,552	51,370	50,121	67,939
	<b>Total expenses</b>	<b>1,42,275</b>	<b>1,48,196</b>	<b>1,11,341</b>	<b>4,04,194</b>	<b>3,62,494</b>	<b>5,15,865</b>
3	<b>Profit before tax (1-2)</b>	<b>12,297</b>	<b>10,158</b>	<b>5,024</b>	<b>27,637</b>	<b>28,846</b>	<b>37,488</b>
4	<b>Tax expense/(benefit)</b>						
	a) Current tax (net of MAT credit entitlement)	1,914	2,243	(1,088)	4,905	5,570	3,305
	b) Deferred tax	413	(8)	(5)	787	28	1,384
	c) Excess tax provision write back	(9,987)	-	-	(9,987)	-	(9,151)
5	<b>Net Profit after tax (3-4)</b>	<b>19,957</b>	<b>7,923</b>	<b>6,117</b>	<b>31,932</b>	<b>23,248</b>	<b>41,950</b>
6	<b>Other Comprehensive Income (after taxes)</b>						
	a) Items that will not be reclassified to profit or loss	67,995	24,686	8,422	88,733	31,684	69,095
	b) Income tax effect on above	(1,647)	(2)	(1)	(1,649)	2,691	6,429
	c) Items that will be reclassified to profit or loss	-	-	-	-	-	-
	d) Income tax effect on above	-	-	-	-	-	-
7	<b>Total Comprehensive Income (5+6)</b>	<b>86,305</b>	<b>32,607</b>	<b>14,538</b>	<b>1,19,016</b>	<b>57,623</b>	<b>1,17,474</b>
8	<b>Paid-up equity share capital (Face value of ₹ 2/- per Equity share)</b>	<b>7,970</b>	<b>7,970</b>	<b>7,970</b>	<b>7,970</b>	<b>7,970</b>	<b>7,970</b>
9	<b>Earnings per share (of ₹ 2/-each) (for the period - not annualised):</b>						
	a) Basic (in ₹)	5.01	1.99	1.54	8.01	5.83	10.53
	b) Diluted (in ₹)	5.01	1.99	1.54	8.01	5.83	10.53

**Segment wise Revenue, Results, Assets and Liabilities**

1	<b>Segment Revenue</b>						
	a) Fertilizer Products	1,06,927	1,16,913	71,720	2,99,615	2,56,813	3,68,642
	b) Industrial Products	46,818	37,116	43,311	1,25,786	1,30,210	1,79,046
	<b>Total</b>	<b>1,53,745</b>	<b>1,54,029</b>	<b>1,15,031</b>	<b>4,25,401</b>	<b>3,87,023</b>	<b>5,47,688</b>
	Less : Inter Segment Revenue	-	-	-	-	-	-
	<b>Revenue From Operations</b>	<b>1,53,745</b>	<b>1,54,029</b>	<b>1,15,031</b>	<b>4,25,401</b>	<b>3,87,023</b>	<b>5,47,688</b>
2	<b>Segment Result: (Profit (+) / Loss (-) before Tax and Finance cost)</b>						
	a) Fertilizer Products	7,451	5,500	4,654	17,583	25,072	28,569
	b) Industrial Products	7,213	2,754	1,800	12,306	8,399	14,717
	<b>Total</b>	<b>14,664</b>	<b>8,254</b>	<b>6,454</b>	<b>29,889</b>	<b>33,471</b>	<b>43,286</b>
	Less : (i) Finance costs	1,648	898	1,447	3,845	4,726	6,493
	: (ii) Other unallocable expenses	1,064	1,316	1,094	3,869	3,328	3,633
	: (iii) Unallocable income	(345)	(4,118)	(1,111)	(5,462)	(3,429)	(4,328)
	<b>Profit Before Tax</b>	<b>12,297</b>	<b>10,158</b>	<b>5,024</b>	<b>27,637</b>	<b>28,846</b>	<b>37,488</b>
3	<b>Segments assets</b>						
	a) Fertilizer Products	4,68,035	4,61,369	4,32,561	4,68,035	4,32,561	4,33,222
	b) Industrial Products	2,14,864	2,05,309	1,54,057	2,14,864	1,54,057	1,57,475
	c) Unallocated	3,77,717	3,09,949	2,63,338	3,77,717	2,63,338	3,12,154
	<b>Total Assets</b>	<b>10,60,616</b>	<b>9,76,627</b>	<b>8,49,956</b>	<b>10,60,616</b>	<b>8,49,956</b>	<b>9,02,851</b>
4	<b>Segments liabilities</b>						
	a) Fertilizer Products	99,699	1,43,452	69,839	99,699	69,839	1,05,495
	b) Industrial Products	74,403	54,227	34,237	74,403	34,237	43,050
	c) Unallocated	1,20,534	99,272	1,47,924	1,20,534	1,47,924	96,790
	<b>Total Liabilities</b>	<b>2,94,636</b>	<b>2,96,951</b>	<b>2,52,000</b>	<b>2,94,636</b>	<b>2,52,000</b>	<b>2,45,335</b>



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Notes :

- 1 As agreed by Department of Fertilizers vide its Office Memorandum dated 16th March, 2017, it has started releasing outstanding subsidy from 01/04/2010 to 17/03/2013 and as required, the Company has submitted cost data for the period 18/03/2013 to 05/03/2017 to Department of Fertilizers "DoF" to examine the eligibility of GSFC for the payment of subsidy. The same is under process at DoF. The outstanding receivable on account of Ammonium Sulphate subsidy claims related to the period 01/04/2010 to 17/03/2013 is Rs. 63.67 Crores and for 18/03/2013 to 05/03/2017 is Rs. 662.95 Crores as on 31st December 2017.
- 2 Current Tax relating to prior years includes provision written back in respect of AY 2006-07 to AY 2009-10. Provisions were made by the Company in A.Y. 2006-07 to A.Y. 2009-10 without taking into consideration the deduction allowable in respect of its power plant for captive requirements towards tax liability under section 80-IA of the Income Tax Act, 1961. The said claim is being allowed in appeal order during the period and accordingly Rs.99.87 Crores has been written back in its tax provision and Interest liability of Rs. 7.32 Crores has been accounted as Finance Cost during current quarter in view of claims allowed in tax appeal orders.
- 3 The Government of India introduced the Goods and Service Tax (GST) with effect from 1 July 2017. Accordingly, in compliance with Indian Accounting Standard (Ind AS) 18-'Revenue', Revenue from operations for the quarter ended 31st December 2017 is presented net of GST. Revenue from operations of earlier periods included Excise duty which now is subsumed in GST. Revenue from operations for the nine months ended 31st December 2017 includes Excise duty upto 30th June 2017.
- 4 Limited Review of the unaudited financial results for the quarter ended on 31st December, 2017 has been carried out by the Statutory Auditors.
- 5 The above financial results have been reviewed by the Finance-Cum-Audit Committee and approved by the Board of Directors at their meetings held on 3rd and 12th February, 2018 respectively.

12th February, 2018  
Gandhinagar



By order of the Board of Directors

A M TIWARI  
Managing Director

