



**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-2/  
November 01, 2018

FAX : 02642 – 247084  
E-Mail : [tjlakhmapurkar@gnfc.in](mailto:tjlakhmapurkar@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 : Furnishing of Unaudited Financial Results for Second Quarter /  
Half Year ended 30th September, 2018

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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 Second Quarter / Half Year ended 30th September, 2018, as approved by the Board in its meeting held today i.e. on 1st November, 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 & GM (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 September 30, 2018 and year to date from April 01, 2018 to September 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. 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 applicable Indian Accounting Standards ('Ind AS') 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.
5. We draw attention to Notes 4 and 5 to the financial results regarding management's evaluation, about significant uncertainties relating to collection of certain dues from the government, recognised as subsidies receivable in the previous years. Due to such uncertainties, the management has written off unrealized subsidies receivable amounting to Rs 127.38 crore during the quarter ended June 30, 2018 and has not recognized subsidy income of Rs 16.44 crore (including Rs 8.15 crore for the current quarter) for the current period, April 1, 2018 to September 30, 2018. Our conclusion is not modified in respect of this matter.

**For SRBC & CO LLP**

Chartered Accountants

ICAI Firm registration number: 324982E/E300003



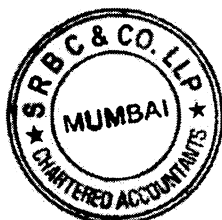
per Ravi Bansal

Partner

Membership No.: 49365

Place: Mumbai

Date: November 01, 2018





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<b>GUJARAT NARMADA VALLEY FERTILIZERS &amp; CHEMICALS LIMITED</b>							
<b>STATEMENT OF UNAUDITED STANDALONE FINANCIAL RESULTS</b>							
<b>FOR THE QUARTER AND HALF YEAR ENDED SEPTEMBER 30, 2018</b>							
(Rs. In Crores)							
Sr No	Particulars	Quarter Ended			Year to date		Year Ended
		30-09-2018	30-06-2018	30-09-2017	30-09-2018	30-09-2017	31-03-2018
		(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
1	<b>Income</b>						
	Revenue from operations (Refer Note 5 & 6)	1,641.16	1,604.76	1,506.75	3,245.92	2,561.33	5,916.59
	Other Income	41.07	32.94	23.53	74.01	56.92	141.52
	<b>Total Income</b>	<b>1,682.23</b>	<b>1,637.70</b>	<b>1,530.28</b>	<b>3,319.93</b>	<b>2,618.25</b>	<b>6,058.11</b>
2	<b>Expenses</b>						
	(a) Cost of raw materials consumed	773.24	681.85	558.14	1,455.09	974.07	2,383.19
	(b) Purchase of stock-in-trade	7.29	3.62	1.90	10.91	39.35	45.02
	(c) Purchase of goods and services of IT division	16.57	6.31	25.29	22.88	56.77	101.63
	(d) Change in inventories of finished goods, work-in-progress and stock-in-trade	(33.58)	(59.47)	95.28	(93.05)	(20.32)	2.89
	(e) Power, fuel and other utilities	248.80	235.06	220.06	483.86	412.29	887.99
	(f) Employee benefits expenses	109.38	126.59	100.93	235.97	193.76	394.96
	(g) Excise Duty	-	-	-	-	79.28	79.28
	(h) Finance costs	1.30	3.65	29.53	4.95	63.04	99.71
	(i) Depreciation and amortisation expenses	65.57	66.71	68.08	132.28	135.33	270.47
	(j) Other expenses (Refer Note 4)	147.75	299.06	185.79	446.81	334.87	631.00
	<b>Total expenses</b>	<b>1,336.32</b>	<b>1,363.38</b>	<b>1,285.00</b>	<b>2,699.70</b>	<b>2,268.44</b>	<b>4,896.14</b>
3	<b>Profit before exceptional items and tax</b>	<b>345.91</b>	<b>274.32</b>	<b>245.28</b>	<b>620.23</b>	<b>349.81</b>	<b>1,161.97</b>
4	<b>Exceptional Items</b>	-	-	-	-	-	-
5	<b>Profit before tax</b>	<b>345.91</b>	<b>274.32</b>	<b>245.28</b>	<b>620.23</b>	<b>349.81</b>	<b>1,161.97</b>
6	<b>Tax expense (Refer Note 7 &amp; 8):</b>						
	a) Current Tax	86.72	106.64	93.31	193.36	129.38	383.70
	b) Deferred Tax	(2.12)	(17.84)	(14.14)	(19.96)	(12.23)	(11.25)
	c) Excess tax provision written back	(35.02)	-	-	(35.02)	-	-
	<b>Total Tax expense</b>	<b>49.58</b>	<b>88.80</b>	<b>79.17</b>	<b>138.38</b>	<b>117.15</b>	<b>372.45</b>
7	<b>Net Profit for the period</b>	<b>296.33</b>	<b>185.52</b>	<b>166.11</b>	<b>481.85</b>	<b>232.66</b>	<b>789.52</b>
8	<b>Other Comprehensive Income:</b>						
	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)	3.87	(21.36)	(7.89)	(17.49)	(14.09)	(26.72)
	(II) Net gain / (loss) on FVTOCI equity investments (net of tax)	(25.19)	(46.85)	59.04	(72.04)	56.50	(12.88)
	<b>Total Other Comprehensive Income / (Expense) :</b>	<b>(21.32)</b>	<b>(68.21)</b>	<b>51.15</b>	<b>(89.53)</b>	<b>42.41</b>	<b>(39.60)</b>
9	<b>Total Comprehensive Income for the period</b>	<b>275.01</b>	<b>117.31</b>	<b>217.26</b>	<b>392.32</b>	<b>275.07</b>	<b>749.92</b>
10	<b>Paid up equity share capital (Face Value of Rs 10/- per Equity Share)</b>	<b>155.42</b>	<b>155.42</b>	<b>155.42</b>	<b>155.42</b>	<b>155.42</b>	<b>155.42</b>
11	<b>Reserves excluding revaluation reserves</b>						<b>4,302.56</b>
12	<b>Earnings Per share (of Rs. 10/- each) (not annualised)</b>						
	<b>For continuing operations</b>						
	(a) Basic (Rs.)	19.06	11.94	10.69	31.00	14.97	50.80
	(b) Diluted (Rs.)	19.06	11.94	10.69	31.00	14.97	50.80



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<b>GUJARAT NARMADA VALLEY FERTILIZERS &amp; CHEMICALS LIMITED</b>			
<b>STANDALONE STATEMENT OF ASSETS AND LIABILITIES</b>			
<i>(Rs in Crores)</i>			
Particulars	As at		As At
	30-09-2018 (Unaudited)		31-03-2018 (Audited)
<b>A ASSETS</b>			
<b>1 Non-current assets</b>			
(a) Property, plant and equipment	3,975.10		4,114.73
(b) Capital work-in-progress	64.50		13.67
(c) Investment property	18.77		18.98
(d) Intangible assets	26.02		27.41
(e) Non-current financial assets			
(I) Investments	655.67		726.00
(II) Loans	173.14		75.76
(III) Other financial assets	11.44		10.05
(f) Income tax assets (net)	30.04		40.53
(g) Other non-current assets	37.82		37.45
	<b>4,992.50</b>		<b>5,064.58</b>
<b>2 Current assets</b>			
(a) Inventories	911.84		680.64
(b) Current financial assets			
(I) Trade receivables	1,089.90		1,120.08
(II) Cash and cash equivalents	272.44		6.14
(III) Other Bank balance	9.97		10.01
(IV) Loans	14.36		15.41
(V) Others financial assets	7.61		33.12
(c) Other current assets	227.21		243.32
	<b>2,533.33</b>		<b>2,108.72</b>
<b>TOTAL - ASSETS</b>	<b>7,525.83</b>		<b>7,173.30</b>
<b>B EQUITY AND LIABILITIES</b>			
<b>EQUITY</b>			
(a) Equity share capital	155.42		155.42
(b) Other equity	4,554.36		4,302.56
	<b>4,709.78</b>		<b>4,457.98</b>
<b>LIABILITIES</b>			
<b>1 Non-current liabilities</b>			
(a) Non-current financial liabilities			
Borrowings	-		-
(b) Long-term provisions	214.73		173.44
(c) Deferred tax liabilities (net)	492.96		478.67
(d) Government grants (Deferred Income)	850.14		880.47
	<b>1,557.83</b>		<b>1,532.58</b>
<b>2 Current Liabilities</b>			
(a) Current financial liabilities			
(I) Borrowings	11.77		229.56
(II) Trade payables			
(A) Total outstanding dues of micro enterprises and small enterprises	15.30		12.24
(B) Total outstanding dues of creditors other than micro enterprises and small enterprises	583.14		419.23
(III) Other financial liabilities	334.25		167.84
(b) Other current liabilities	126.54		133.19
(c) Short-term provisions	86.80		55.12
(d) Government grants (Deferred Income)	65.65		65.65
(e) Current tax liabilities (net)	34.77		99.91
	<b>1,258.22</b>		<b>1,182.74</b>
<b>TOTAL - EQUITY AND LIABILITIES</b>	<b>7,525.83</b>		<b>7,173.30</b>



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<b>GUJARAT NARMADA VALLEY FERTILIZERS &amp; CHEMICALS LIMITED</b>							
<b>SEGMENTWISE REVENUE, RESULTS, ASSETS AND LIABILITIES FOR THE QUARTER AND HALF YEAR ENDED</b>							
<b>SEPTEMBER 30,2018</b>							
<b>(Rs. In Crores)</b>							
Sr. No.	Particulars	Quarter Ended			Year to date		Year Ended
		30-09-2018 (Unaudited)	30-06-2018 (Unaudited)	30-09-2017 (Unaudited)	30-09-2018 (Unaudited)	30-09-2017 (Unaudited)	31-03-2018 (Audited)
1	<b>Segment Revenue :</b>						
	A. Fertilizers	564.94	419.07	494.08	984.01	798.22	1,743.62
	B. Chemicals	1,037.12	1,159.09	963.00	2,196.21	1,675.07	3,987.29
	C. Others	39.10	26.60	49.67	65.70	88.04	185.68
	<b>Total</b>	<b>1,641.16</b>	<b>1,604.76</b>	<b>1,506.75</b>	<b>3,245.92</b>	<b>2,561.33</b>	<b>5,916.59</b>
	Less: Inter Segment Revenue	-	-	-	-	-	-
	<b>Sales / Income from Operations</b>	<b>1,641.16</b>	<b>1,604.76</b>	<b>1,506.75</b>	<b>3,245.92</b>	<b>2,561.33</b>	<b>5,916.59</b>
2	<b>Segment Results :</b> {Profit/ (Loss) before Tax & Finance Cost from each segment}						
	A. Fertilizers (Refer Note 4 & 5 )	15.26	(146.36)	20.84	(131.10)	(6.54)	(40.46)
	B. Chemicals	308.07	426.70	287.53	734.77	443.84	1,335.33
	C. Others	6.93	2.53	6.20	9.46	18.21	32.89
	<b>Total</b>	<b>330.26</b>	<b>282.87</b>	<b>314.57</b>	<b>613.13</b>	<b>455.51</b>	<b>1,327.76</b>
	Less : (i) Finance Cost	1.30	3.65	29.53	4.95	63.04	99.71
	(ii) Other Unallocable Expenditure	(3.64)	17.69	54.41	14.05	64.76	94.35
	(iii) Unallocable Income	(13.31)	(12.79)	(14.65)	(26.10)	(22.10)	(28.27)
	<b>Total Profit Before Tax</b>	<b>345.91</b>	<b>274.32</b>	<b>245.28</b>	<b>620.23</b>	<b>349.81</b>	<b>1,161.97</b>
3	<b>Segment Assets &amp; Segment Liabilities:</b>						
	<b>Segment Assets:</b>						
	A. Fertilizers	2,498.33	2,614.01	2,770.16	2,498.33	2,770.16	2,481.23
	B. Chemicals	2,852.67	2,797.25	2,828.10	2,852.67	2,828.10	2,823.20
	C. Others	247.99	239.60	221.01	247.99	221.01	240.79
	D. Unallocated assets	1,926.84	1,641.87	1,744.81	1,926.84	1,744.81	1,628.08
	<b>Total Assets</b>	<b>7,525.83</b>	<b>7,292.73</b>	<b>7,564.08</b>	<b>7,525.83</b>	<b>7,564.08</b>	<b>7,173.30</b>
	<b>Segment Liabilities:</b>						
	A. Fertilizers	1,339.45	1,336.37	1,160.51	1,339.45	1,160.51	1,180.95
	B. Chemicals	419.26	381.44	300.70	419.26	300.70	287.34
	C. Others	137.32	156.72	106.85	137.32	106.85	150.42
	D. Unallocated Liabilities	920.02	842.91	2,012.89	920.02	2,012.89	1,096.61
	<b>Total Liabilities</b>	<b>2,816.05</b>	<b>2,717.44</b>	<b>3,580.95</b>	<b>2,816.05</b>	<b>3,580.95</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 November 01, 2018.
- The Statutory Auditors of the Company have carried out a 'limited review' of the above financial results.
- 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, during the quarter ended June 30, 2018, the Company had written off the unrealized subsidy income of Rs. 127.38 crores already recognised in the books for the earlier years and has adjusted the receivables in the books. The management based on the evaluation believes that there is uncertainty to realise the said subsidy claims from the government in terms of the above notifications as substantial time has elapsed since the subsidy became initially due to the Company and currently, authorities having not acknowledged the Company's claim..
- The Company has decided not to recognise additional fixed cost subsidy income for the period April 1, 2018 to September 30, 2018 amounting to Rs. 16.44 crores (including Rs 8.15 crores for the quarter) in terms of the notifications 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 due to uncertainty to realise the said subsidy claims from the Ministry of Chemicals and Fertilizers (Department of Fertilizers).
- 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:

Particulars	Quarter Ended			Year to date		Year Ended
	30-09-2018	30-06-2018	30-09-2017	30-09-2018	30-09-2017	31-03-2018
Revenue From Operations (Gross)	1,641.16	1,604.76	1,506.75	3,245.92	2,561.33	5,916.59
Less: Excise Duty	-	-	-	-	84.36	84.36
Revenue From Operations (Net)	1,641.16	1,604.76	1,506.75	3,245.92	2,476.97	5,832.23

- The Company makes tax provision as per the Income Tax Act, 1961. During the current period, April 1, 2018 to September 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. 44.53 crores, cash outflow for tax expenses for the period, April 1, 2018 to September 30, 2018 would be lower to that extent.
- Excess tax provision written back of Rs. 35.02 crores represents adjustment of current tax provision of earlier years as per the books compared to its assessed tax liabilities.
- 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.
- The Board of Directors of the Company in their meeting held on April 23, 2018 recommended a final dividend of Rs 7.50 per fully paid up equity shares of Rs 10 each, aggregating to Rs 116.56 crores for the year ended March 31, 2018 and dividend distribution tax thereon, which was approved by the shareholders at the Annual General Meeting held on September 29, 2018.
- 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,

Place : Gandhinagar  
Date : November 01, 2018

M S Dagur  
Managing Director