GNFC

Gujarat Narmada Valley
Fertilizers & Chemicals Limited
CIN : L24110GJ1976PLC002903

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

(An ISO 14001 & OHSAS 18001 Company)

NO. SEC/BD/SE/Q-2/
January 23, 2017

FAX : 02642 – 247084
E-Mail : 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

Co. Code: BSE - "500670"

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: NSE- "GNFC EQ"

Sub : Furnishing of Unaudited Financial Results for the Third Quarter / Nine Months ended 31st December, 2016

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 Third Quarter / Nine Months ended 31st December, 2016, as approved by the Board in its meeting held today i.e. on 23rd January, 2017, 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 :

S R B C & CO LLP
Chartered Accountants

2nd Floor, Shivalik Ishaan
Near CN Vidhyalaya, Ambawadi
Ahmedabad-380 015, India
Tel : +91 79 6608 3800
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Limited Review Report

Review Report to
The Board of Directors
Gujarat Narmada Valley Fertilizers & Chemicals Limited

1. We have reviewed the accompanying statement of unaudited financial results of Gujarat Narmada Valley Fertilizers & Chemicals Limited (the "Company") for the quarter ended December 31, 2016 and year to date from April 1, 2016 to December 31, 2016 (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, read with SEBI Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016. This Statement is the responsibility of the Company's management and has been approved by the Board of Directors. Our responsibility is to issue a report on the Statement based on our review.

2. 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.

3. 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 recognition and measurement principles laid down in the applicable Indian Accounting Standards ("Ind AS") prescribed under Section 133 of the Companies Act, 2013, read with relevant rules issued thereunder and other recognised accounting practices and policies has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, read with SEBI 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.

4. The comparative financial information of the Company for the corresponding quarter and the nine month period ended December 31, 2015 included in these accompanying statement of quarterly financial results of the Company, are based on the previously issued financial results prepared in accordance with the Companies (Accounting Standards) Rules, 2006 reviewed by the predecessor auditor whose report for the corresponding quarter and the nine month period ended December 31, 2015 dated January 27, 2016 expressed an unmodified opinion on those financial results, as adjusted for the differences in the accounting principles adopted by the Company on transition to the Ind AS, which have been reviewed by us.

For S R B C & CO LLP
ICAI Firm registration number: 324982E/E300003
Chartered Accountants

per Arpit K. Patel
Partner
Membership No.:34032

Place: Ahmedabad
Date: January 23, 2017

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GUJARAT NARMADA VALLEY FERTILIZERS & CHEMICALS LIMITED

STATEMENT OF STANDALONE UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND NINE MONTHS ENDED DECEMBER 31, 2016

(Rs. in Crores)

Sr No	Particulars	3 Months ended 31-12-2016 (Unaudited)	Preceding 3 Months ended 30-09-2016 (Unaudited)	Corresponding 3 Months ended 31-12-2015 in the previous year (Unaudited)	Year To date Figures for the Current Period ended 31-12-2016 (Unaudited)	Year To date Figures for the Previous Period ended 31-12-2015 (Unaudited)
1	Income from Operations					
	(a) Gross Sales/ Income from Operations (Including Excise Duty)	1,217.59	1,456.41	1,176.93	3,619.44	3,459.19
	(b) Other Operating Income	3.32	5.37	2.35	11.81	9.47
	Total Income from Operations	1,220.91	1,461.78	1,179.28	3,631.25	3,468.66
2	Expenses					
	(a) Cost of raw materials consumed	483.93	512.24	502.87	1,412.66	1,634.47
	(b) Purchase of stock-in-trade	115.39	46.89	93.49	267.38	178.98
	(c) Change in inventories of finished goods, work-in-progress and stock-in-trade	(69.75)	121.35	(23.25)	(123.55)	(109.99)
	(d) Power, fuel and other utilities	150.82	162.42	165.99	463.78	495.33
	(e) Employee benefits expenses	91.61	95.38	90.88	274.68	256.76
	(f) Depreciation and amortisation expenses	63.38	63.99	62.58	188.94	186.68
	(g) Other expenses	245.76	251.24	195.77	711.62	613.96
	Total expenses	1,081.14	1,253.51	1,088.33	3,195.51	3,256.19
3	Profit from operations before other income, finance costs and exceptional items (1-2)	139.77	208.27	90.95	435.74	212.47
4	Other Income	29.16	78.72	75.40	128.12	169.31
5	Profit from ordinary activities before finance costs and exceptional items (3+4)	168.93	286.99	166.35	563.86	381.78
6	Finance costs	45.71	59.34	70.25	162.37	224.93
7	Profit from ordinary activities after finance costs but before exceptional items (5-6)	123.22	227.65	96.10	401.49	156.85
8	Exceptional Items	-	-	-	-	-
9	Profit from ordinary activities before tax (7-8)	123.22	227.65	96.10	401.49	156.85
10	Tax expense (Refer Note 5)	56.45	62.17	41.56	118.62	56.93
11	Net Profit from ordinary activities after tax (9-10)	66.77	165.48	54.54	282.87	99.92
12	Extraordinary Item (Net of tax expense Rs. Nil)	-	-	-	-	-
13	Net Profit for the period (11-12)	66.77	165.48	54.54	282.87	99.92
14	Other Comprehensive Income (Net of tax)	1.59	10.63	19.24	30.85	9.71
15	Total Comprehensive Income after tax for the period (13+14)	68.36	176.11	73.78	313.72	109.63
16	Paid up equity share capital (Face Value of Rs10/- per Equity Share)	155.42	155.42	155.42	155.42	155.42
17	Earnings Per share (of Rs. 10/- each) (not annualised)					
(i)	For continuing operations					
	(a) Basic (Rs.)	4.29	10.65	3.51	18.20	6.43
	(b) Diluted (Rs.)	4.29	10.65	3.51	18.20	6.43
(ii)	For continuing and discountinued operations					
	(a) Basic (Rs.)	4.29	10.65	3.51	18.20	6.43
	(b) Diluted (Rs.)	4.29	10.65	3.51	18.20	6.43

See accompanying notes to the Financial Results

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GUJARAT NARMADA VALLEY FERTILIZERS & CHEMICALS LIMITED

SEGMENTWISE REVENUE, RESULTS, ASSETS AND LIABILITIES

(Rs. in Crores)

Sr. No.	Particulars	3 Months ended 31-12-2016	Previous 3 Months ended 30-09-2016	Corresponding 3 Months ended 31-12-2015 in the previous year	Year to date figures for current period ended 31-12-2016	Year to date figures for previous period ended 31-12-2015
		(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
1	Segment Revenue :					
	A. Fertilizers	524.97	630.78	472.02	1,364.90	1,407.05
	B. Chemicals	667.31	774.41	682.21	2,159.37	1,984.60
	C. Others	28.63	56.59	25.05	106.98	77.01
	Total	1,220.91	1,461.78	1,179.28	3,631.25	3,468.66
	Less: Inter Segment Revenue	-	-	-	-	-
	Sales / Income from Operations	1,220.91	1,461.78	1,179.28	3,631.25	3,468.66
2	Segment Results : {Profit before Tax & Finance Cost from each segment}					
	A. Fertilizers	33.24	43.78	29.95	34.94	51.55
	B. Chemicals	123.72	192.54	101.32	463.04	224.60
	C. Others	7.75	16.64	8.04	30.72	23.12
	Total	164.71	252.96	139.31	528.70	299.27
	Less : (i) Finance Cost	45.71	59.34	70.25	162.37	224.93
	(ii) Other Unallocable Expenditure	5.90	4.15	4.69	18.98	16.31
	(iii) Unallocable Income	(10.12)	(38.18)	(31.73)	(54.14)	(98.82)
	Total Profit Before Tax	123.22	227.65	96.10	401.49	156.85
3	Segment Assets & Segment Liabilities:					
	Segment Assets:					
	A. Fertilizers	3,085.92	2,924.08	3,589.18	3,085.92	3,589.18
	B. Chemicals	2,563.14	2,624.79	2,649.54	2,563.14	2,649.54
	C. Others	147.64	100.19	48.90	147.64	48.90
	D. Unallocated assets	1,710.54	1,898.93	1,868.87	1,710.54	1,868.87
	Total Assets	7,507.24	7,547.99	8,156.49	7,507.24	8,156.49
	Segment Liabilities:					
	A. Fertilizers	1,129.26	1,106.91	1,184.83	1,129.26	1,184.83
	B. Chemicals	256.22	220.33	231.13	256.22	231.13
	C. Others	32.17	58.23	24.25	32.17	24.25
	D. Unallocated Liabilities	2,577.47	2,718.75	3,548.29	2,577.47	3,548.29
	Total Liabilities	3,995.12	4,104.22	4,988.50	3,995.12	4,988.50

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Notes :

1 The Company has adopted Indian Accounting Standards ("Ind AS") notified by the Ministry of Corporate Affairs with effect from April 01, 2016 and accordingly these financial results have been prepared in accordance with the recognition and measurement principles laid down in the Ind AS 34 'Interim Financial Reporting' prescribed under Section 133 of the Companies Act, 2013 read with the relevant rules issued thereunder and the other accounting principles generally accepted in India. Financial results for the periods presented have been prepared in accordance with the recognition and measurement principles of Ind AS 34.

2 The Statutory Auditors of the Company have carried out a 'limited review' of the above financial results.

3 Reconciliation of Profit between Ind AS and Indian GAAP for the quarter and nine months ended December 31, 2015:

(Rs in Crores)

	Particulars	Notes	Quarter ended 31-12-2015	Nine months ended 31-12-2015
Net Profit for the period as per Indian GAAP			85.63	127.27
Adjustments:				
1	Reclassification of re-measurement loss on defined benefit plans to Other Comprehensive Income	A	3.00	8.98
2	Recognition of certain Government grants as deferred income	B	11.37	27.06
3	Net gain / (loss) on measuring derivative financial instruments at fair value through profit or loss	C	(1.35)	(1.37)
4	Impact of measuring financial assets at amortised cost	D	(1.66)	(2.44)
5	Other Ind AS adjustments		(0.89)	(2.65)
6	Deferred tax adjustments (Net)	E	(41.56)	(56.93)
Net Profit before OCI for the period as per Ind AS			54.54	99.92
7	Other comprehensive income (net of tax)		19.24	9.71
Total Comprehensive Income for the period as per Ind AS			73.78	109.63

Notes:

A **Re-measurement loss of defined benefit plan :** The re-measurement loss arising primarily due to change in actuarial assumptions has been recognised in Other comprehensive income under Ind AS as compared to Statement of profit and loss under previous GAAP.

B **Recognition of certain Government grants as deferred income :** The certain Government grants were netted off with the cost of property, plant and equipment under the previous GAAP. The same are recognised as deferred income under Ind AS.

C **Net gain / (loss) on measuring derivative financial instruments at fair value through profit or loss :** Under previous GAAP, the net mark to market losses on derivative financials instruments as at reporting date, were recognised in profit and loss, and the net gain, if any, were ignored. Under Ind AS, such derivative financial instruments are to be recognised at fair value and the gain / (loss) is recognised in the Statement of profit and loss.

D **Measurement of financial assets :** Financial assets including certain investments have been measured at amortised cost using effective interest rate / fair value through profit or loss / fair value through other comprehensive income and impact of the same are recognised in Statement of profit and loss or Other comprehensive income, as the case may be.

E **Deferred tax :** The impact of transition adjustments together with Ind AS mandate of using balance sheet approach (against profit and loss approach under previous GAAP) for computation of deferred tax has resulted in adjustment to Reserves, with consequential impact in the subsequent periods to the Statement of profit and loss or Other comprehensive income, as the case may be.

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4 During the quarter, the TDI-II plant was under shut down on account of gas leakage and subsequent corrective actions to ensure safety and security of the plant. Due to this, the results for the quarter / period ended December 31, 2016 is not comparable with that of previous quarter / period. Preliminary claims for material damage and Loss of profit have been lodged with the Insurance Company which are not recorded in the books of account.

5 The Company makes tax provision as per Minimum Alternate Tax (MAT) as per the provisions of Section 115JB of the Income Tax Act, 1961. Break up of Tax expense of Rs 118.62 Crores for nine months period ended December 31, 2016 is as under:

(Rs in Crores)

a)	Minimum Alternate Tax (MAT) charge	79.61
b)	MAT credit entitlement (including unutilised MAT credit entitlement of Rs. 31.04 crores pertaining to earlier years)	(89.01)
c)	Deferred tax charge	128.02
	Net tax expense	118.62

6 The figures appearing in the Financial Results are rounded off to the nearest Crores, which were hitherto rounded off to the nearest Lacs.

7 Previous period's figures have been regrouped wherever necessary.

8 The above results have been reviewed by the Audit Committee and approved by the Board of Directors in their meetings held on January 23, 2017.

For and on behalf of the Board of Directors,

Dr. Rajiv Kumar Gupta, IAS
Managing Director

Place : Gandhinagar
Date : January 23, 2017

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