



**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](http://www.gnfc.in)

NO. SEC/BD/SE/  
July 10, 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: Submission of Presentation made to Analysts/Investors Meet – FY  
2018

Dear Sir,

In furtherance to our letter dated 30th June 2018, please find enclosed herewith a copy of the Presentation made to Analysts/Investors Meet held on Monday, July 9, 2018 at Mumbai.

A copy of the same is also uploaded on the Company's website [www.gnfc.in](http://www.gnfc.in)

This presentation is being submitted in compliance with Regulation 30(6) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

We request you to kindly take note of the above.

Thanking you,

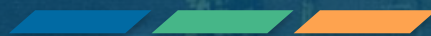
Yours faithfully,  
For GUJARAT NARMADA VALLEY FERTILIZERS & CHEMICALS LTD

  
T.J. LAKHMAPURKAR  
COMPANY SECRETARY & GM (LEGAL)





# Investors' Meet Presentation 9 July 2018





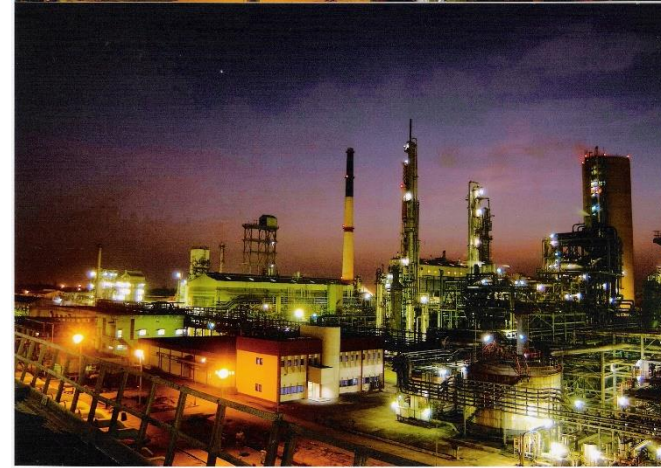
# About GNFC

**Gujarat Narmada Valley Fertilizers & Chemicals Limited (GNFC) est. 1976, is a Government of Gujarat promoted company, listed on BSE & NSE**

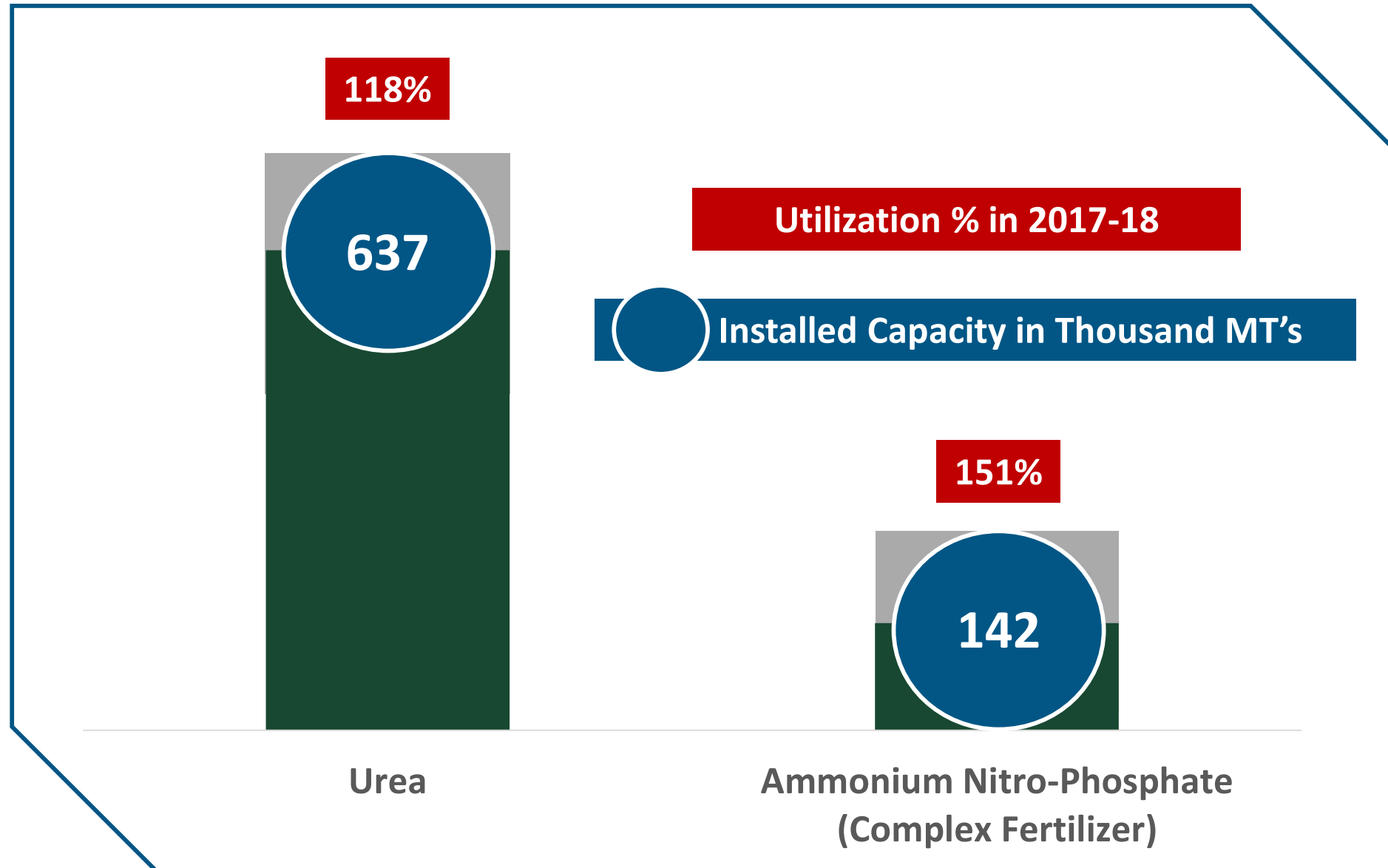
**Headquarters- Bharuch, Gujarat**

**Business Segments – Chemicals & Fertilizers**

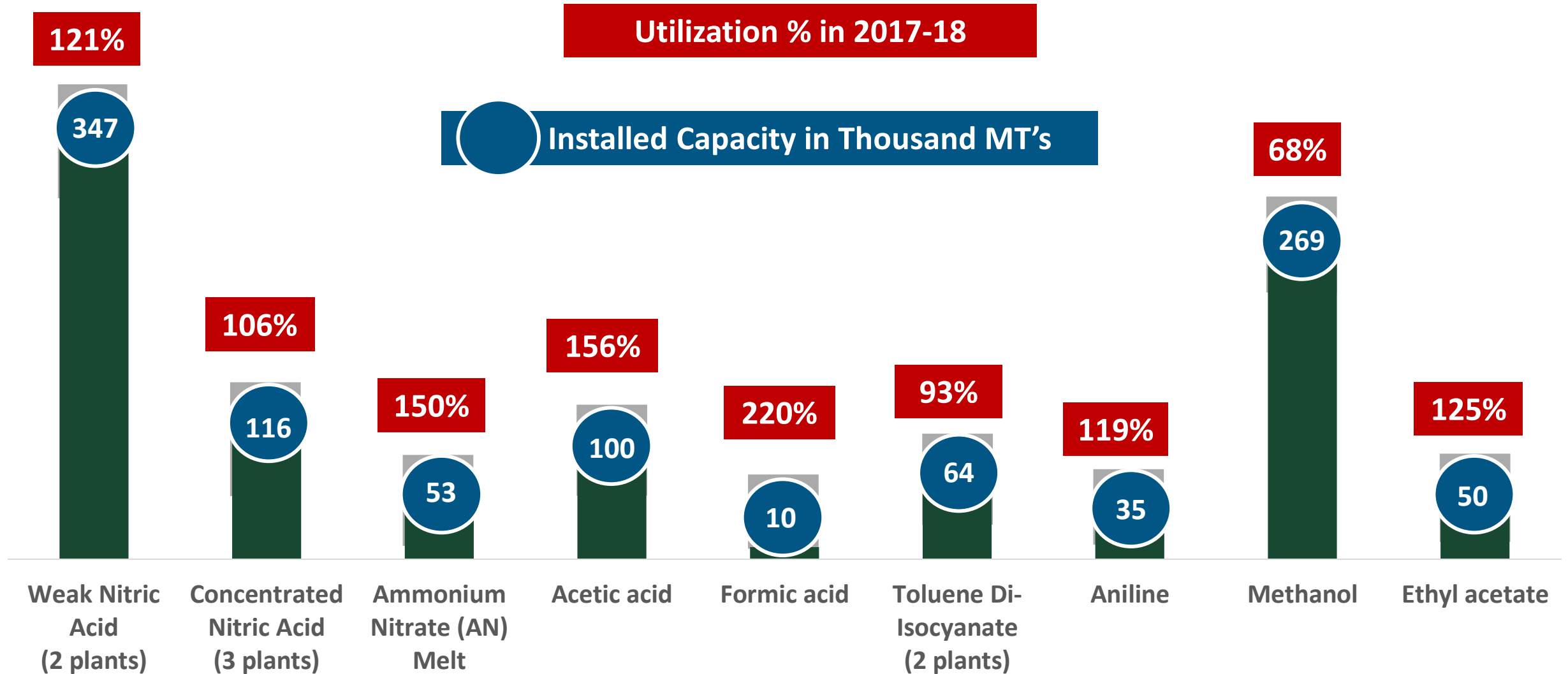
**Revenue Contribution- 70% Chemicals and around 30% fertilizers**



## Business Segments - Fertilizers



# Business Segments - Chemicals



# Strengths

**Multi-product basket which helps to increase turnover & sustain profitability even in adverse conditions**



**Robust manufacturing technologies;** absorbed and adopted from technology experts worldwide



**Record capacity utilization** in all plants, through indigenously innovative maintenance measures



**Consistent profit** from first year of operation



**PAN India distribution network** with reliable dealers



**Strong technical** team with deep experience and innovative culture



# Uniqueness



**Never lost a single man-day**  
on account of labour  
discord



**Only manufacturer** of Toluene  
Di-isocyanate (TDI) in **South East  
Asia & Indian Sub Continent**



**Largest producer of Formic  
Acid in India.** One of the top  
producers of **Aniline, AN Melt,  
WNA & CNA**



**Absorbed** state-of-the art  
**complex technologies** from  
leading technology providers  
across the globe.



**Largest producer of Neem oil**  
in the world. Only company to  
develop **niche segment** of  
**Neem-based FMCG products**



**India's only manufacturer** of  
**Glacial Acetic acid** through the  
cutting-edge Methanol  
Carbonylation route





# Uniqueness

We have successful track record of forging technology partnerships with international players combined with strong operations capability

## Technology Providers

**BASF****BASF**  
Germany

For Ammonium Nitro phosphate

**PLINKE****Plinke**  
Germany

For Concentrated-Nitric Acid

**Haldor Topsoe**  
Denmark

For Ammonia

**BP Chemicals**  
UK

For Acetic Acid

**Saipem**  
Italy

For Urea

**UHDE**  
Germany

For Weak Nitric Acid

**kemira****Kemira OY**  
Finland

For Formic Acid

**Chematur AB**  
Sweden

For Toluene Di-isocynate



# GNFC in Everyday Life

Lets talk about Chemicals.....



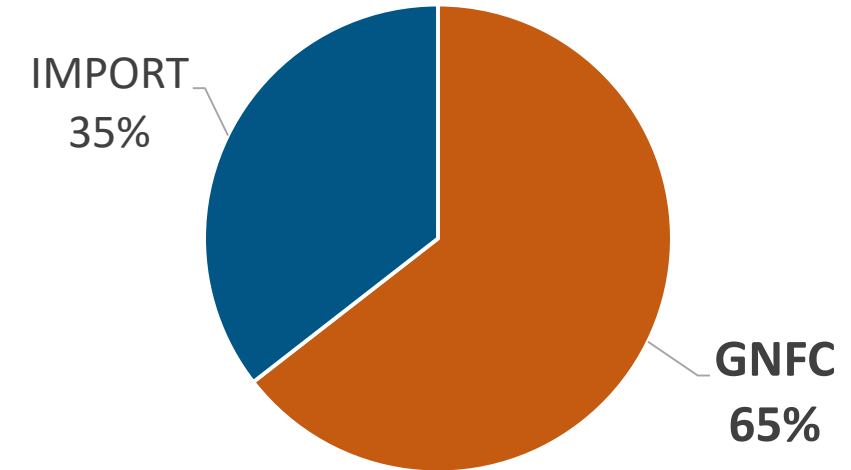
There is some GNFC in your everyday life.....

# Toluene Di-Isocyanate

## Major Brands Using TDI from GNFC



## Market Share of TDI in India



## TECHNOLOGY PROVIDER



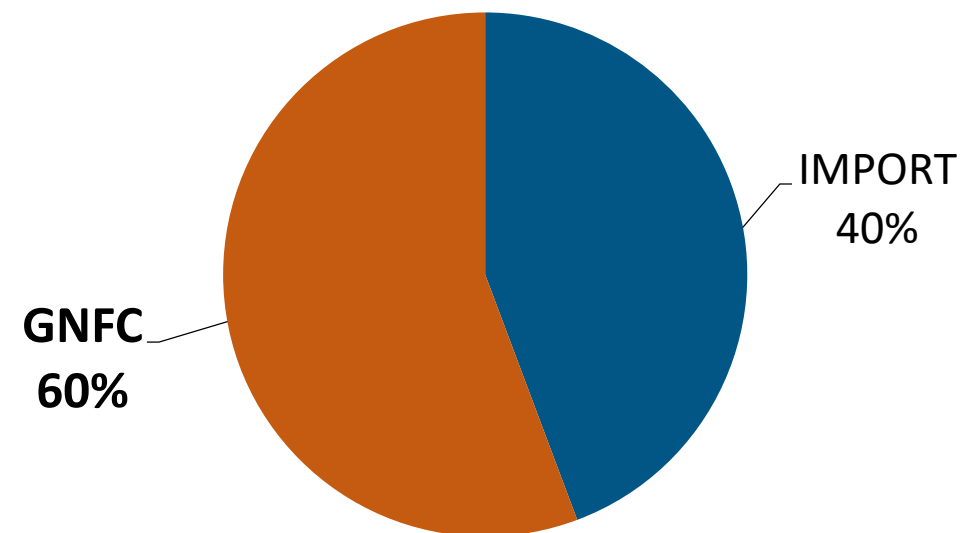


# Aniline

## Major Brands Using Aniline from GNFC



## Market Share of Aniline in India



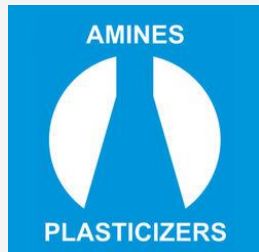
## TECHNOLOGY PROVIDER



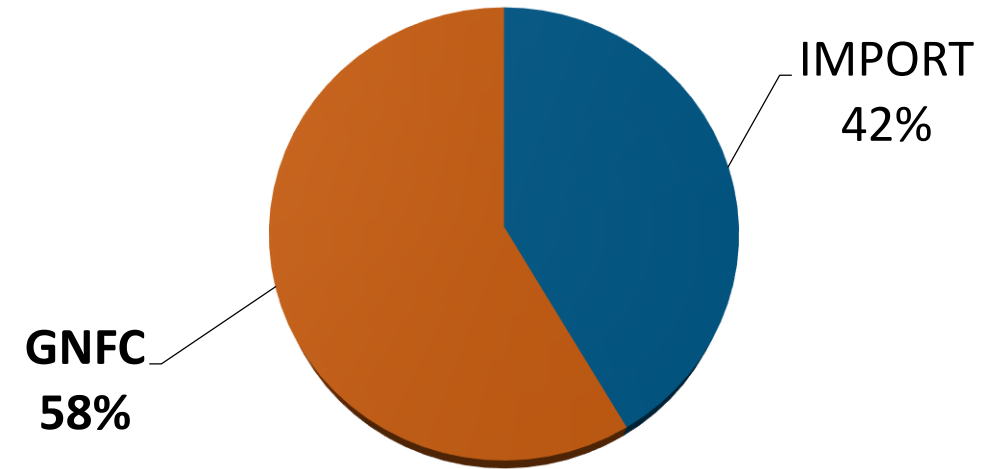


# Formic Acid

## Major Brands Using Formic Acid from GNFC



## Market Share of Formic Acid in India



## TECHNOLOGY PROVIDER

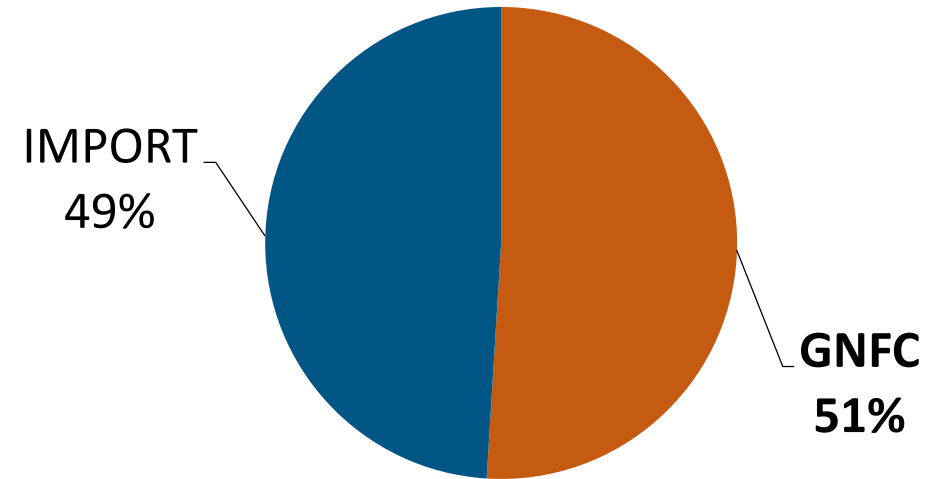
**kemira**

# Technical Grade Urea

## Major Brands Using TGU from GNFC



## Market Share of TGU in India



## TECHNOLOGY PROVIDER

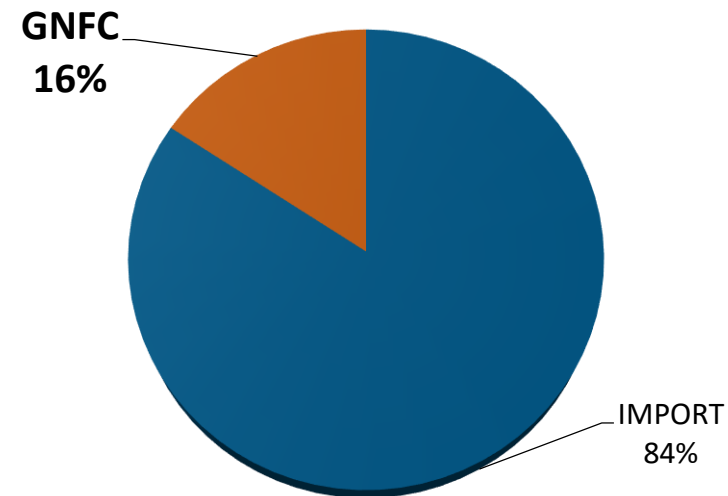


# Acetic Acid

## Major Brands Using Acetic Acid from GNFC



## Market Share of Acetic Acid in India



## TECHNOLOGY PROVIDER



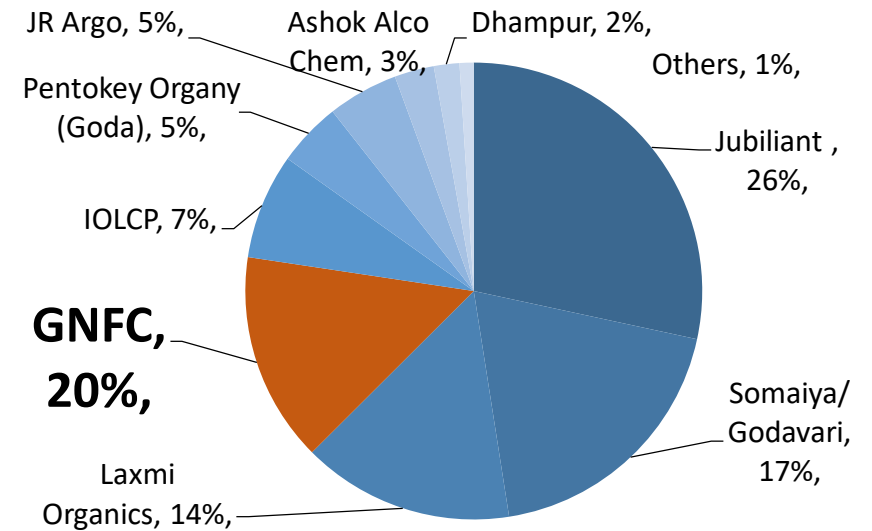


# Ethyl Acetate

## Major Brands Using Ethyl Acetate from GNFC



## Market Share of Ethyl Acetate in India



## TECHNOLOGY PROVIDER



# Forex Savings



Import Substitute  
Products

GNFC is involved in the manufacturing of key chemicals which are otherwise largely imported by India. Thus, GNFC has been contributing significantly to Honorable PM's vision of Make in India

In 2017,18:

Sales of Industrial Products = 11.12 lakh MTs

Sales of Fertilizers = 9.58 lakh MTS

Resultant Forex Savings = \$1 Billion



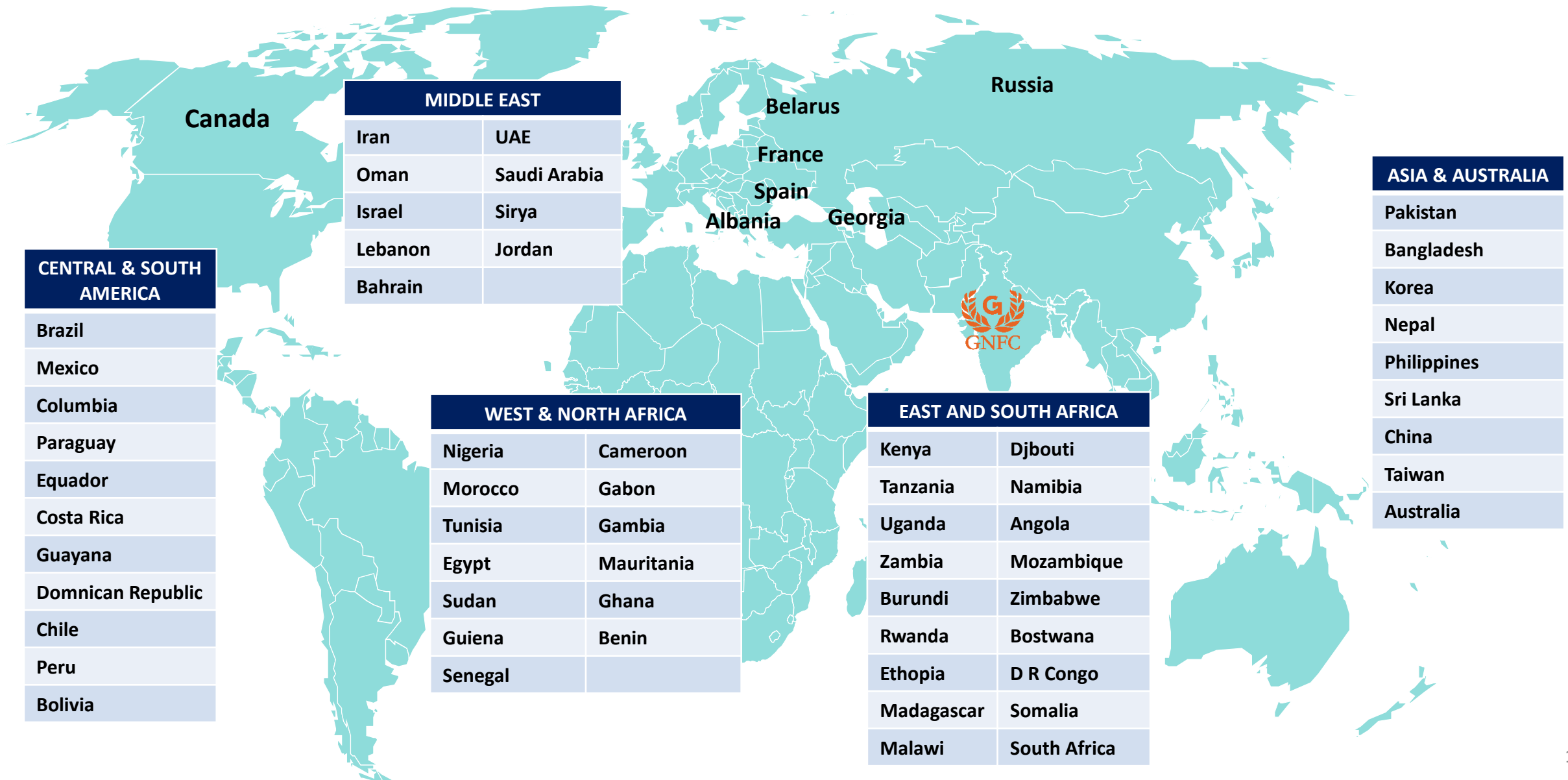
Foreign exchange  
savings

Capacity expansion in Di-calcium Phosphate, Acetic Acid, Concentrated Nitric Acid and Formic Acid will further add to forex savings



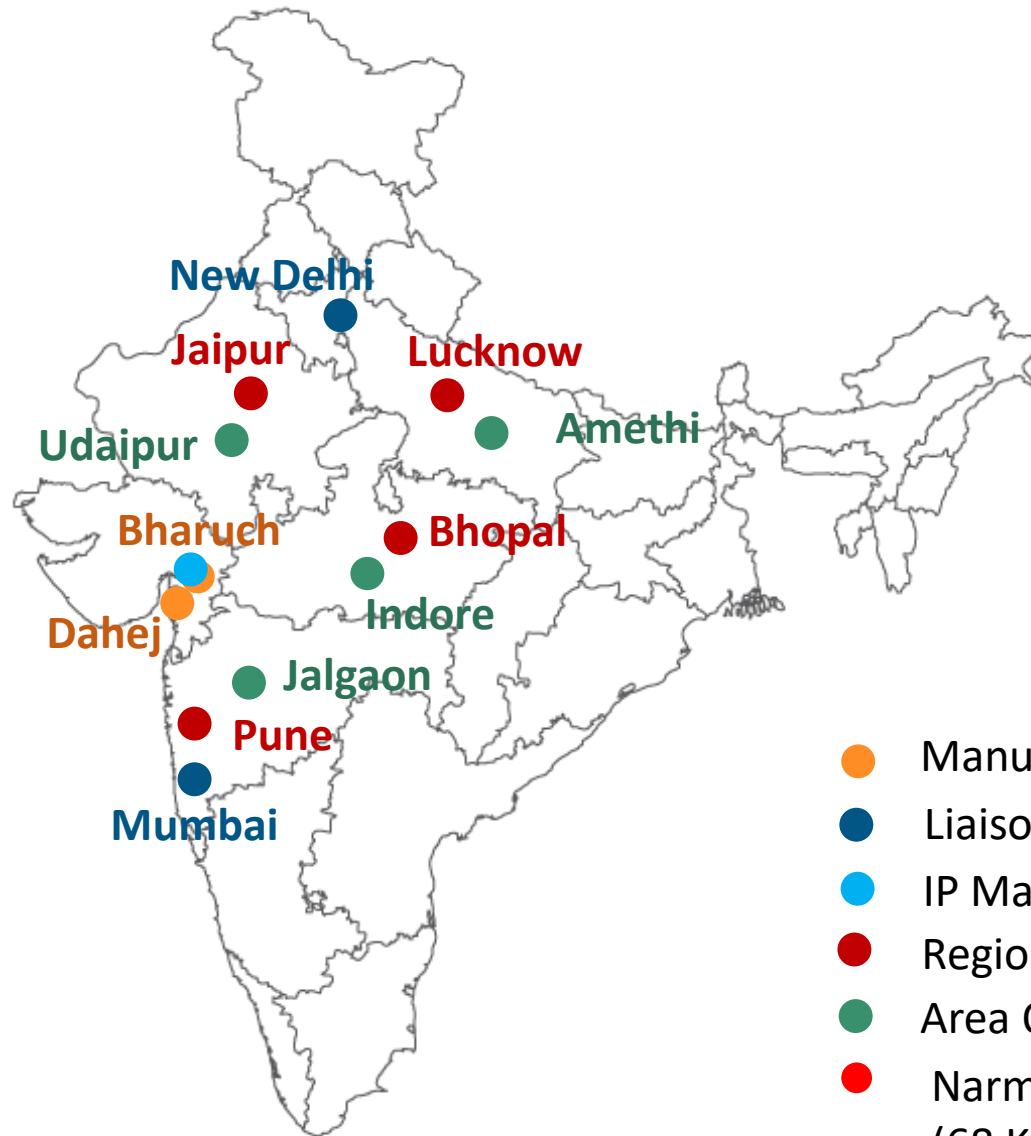
Capacity  
Building

# Export to 67 Countries Worldwide

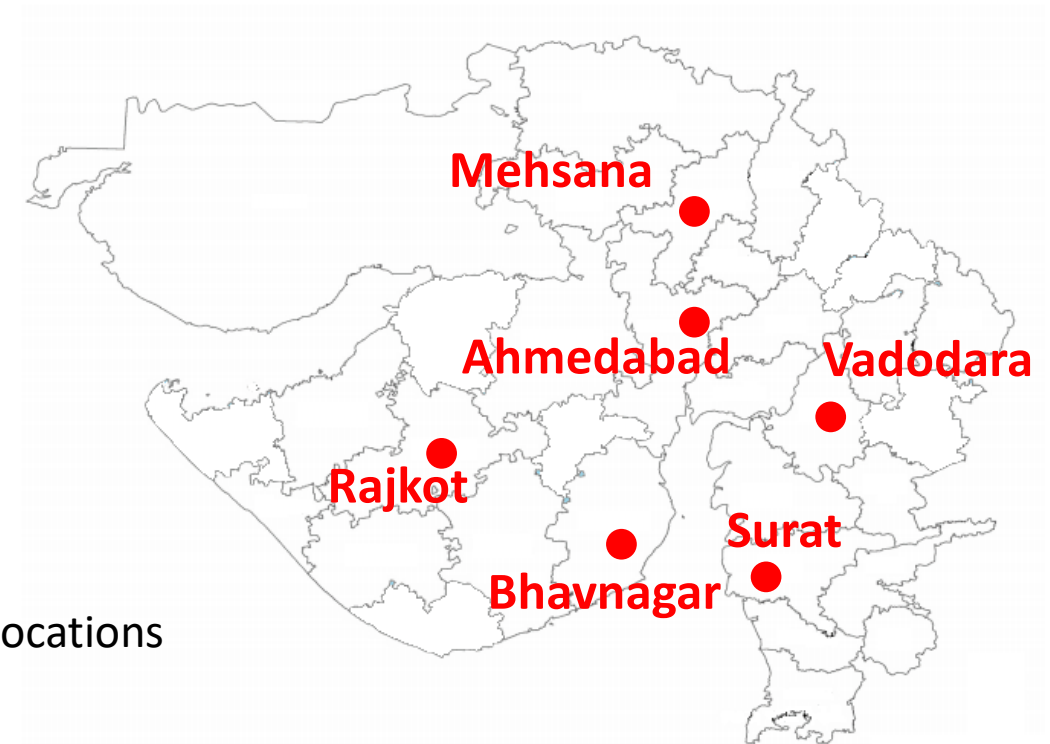




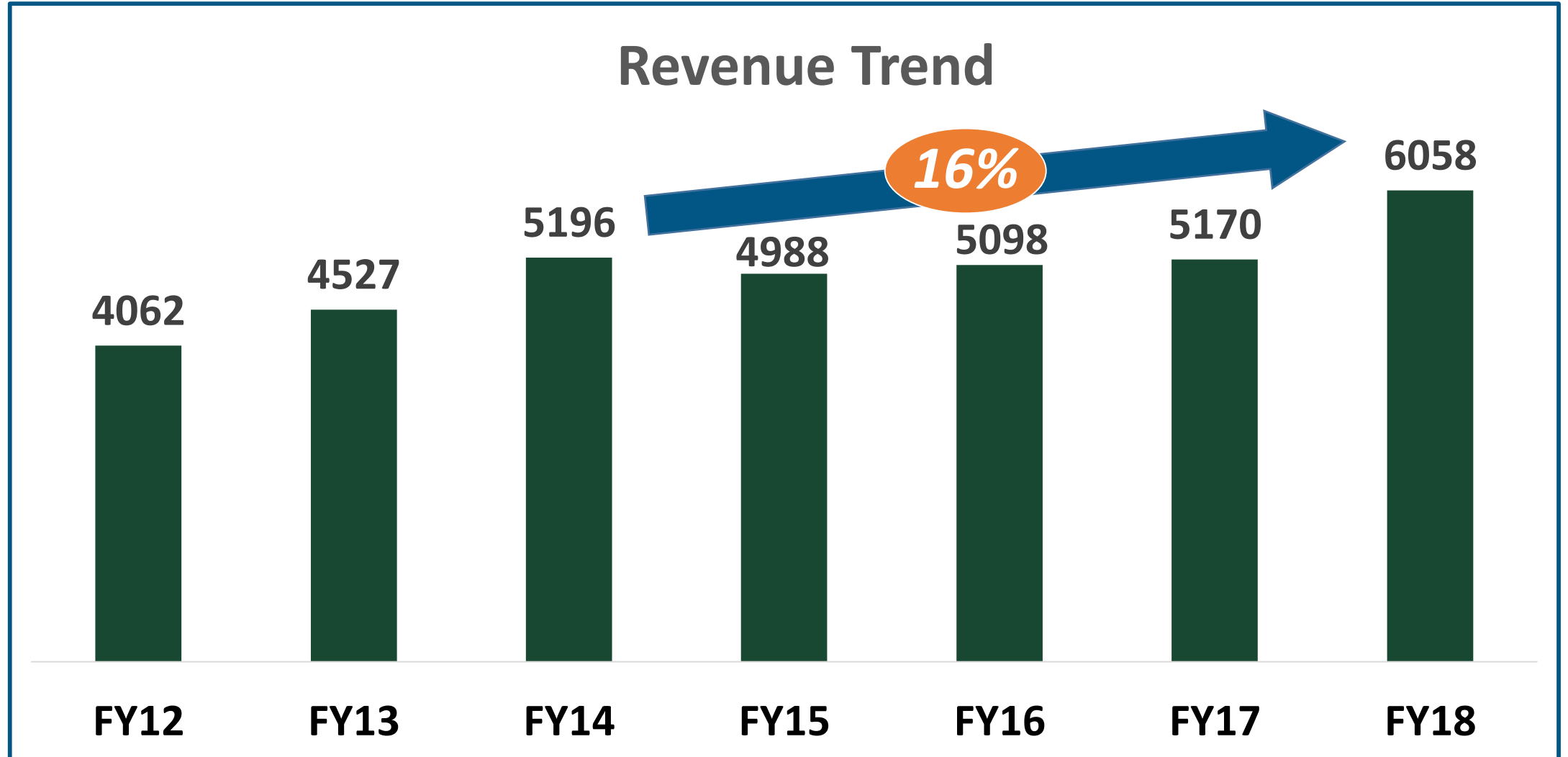
# Marketing & Distribution Network



- Manufacturing Locations
- Liaison Offices
- IP Marketing Offices
- Regional Offices
- Area Offices
- Narmada Khedut Sahay Kendras (68 Kendras)

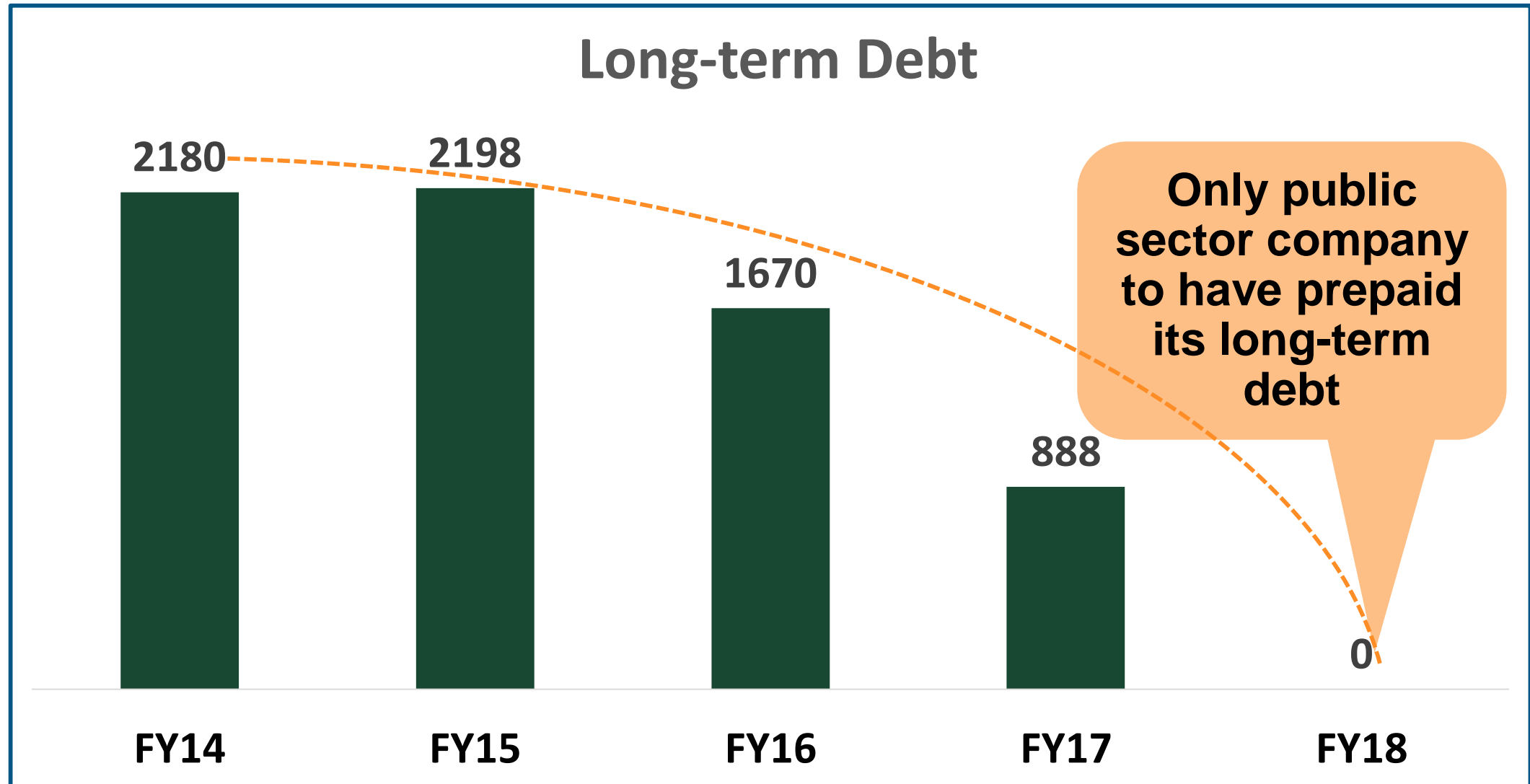


## Key Financials





## Key Financials



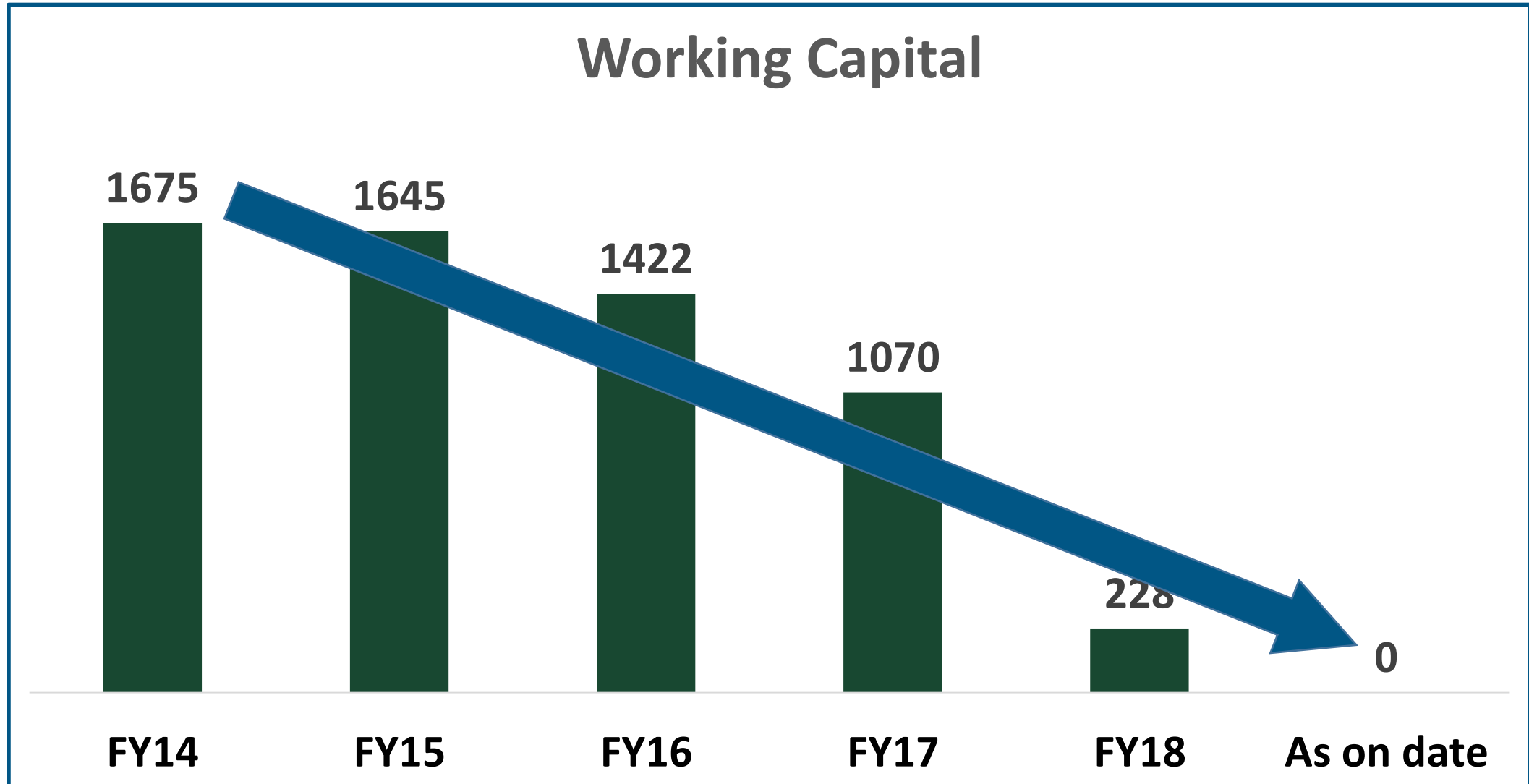
Figures in ₹ Crore





## Key Financials

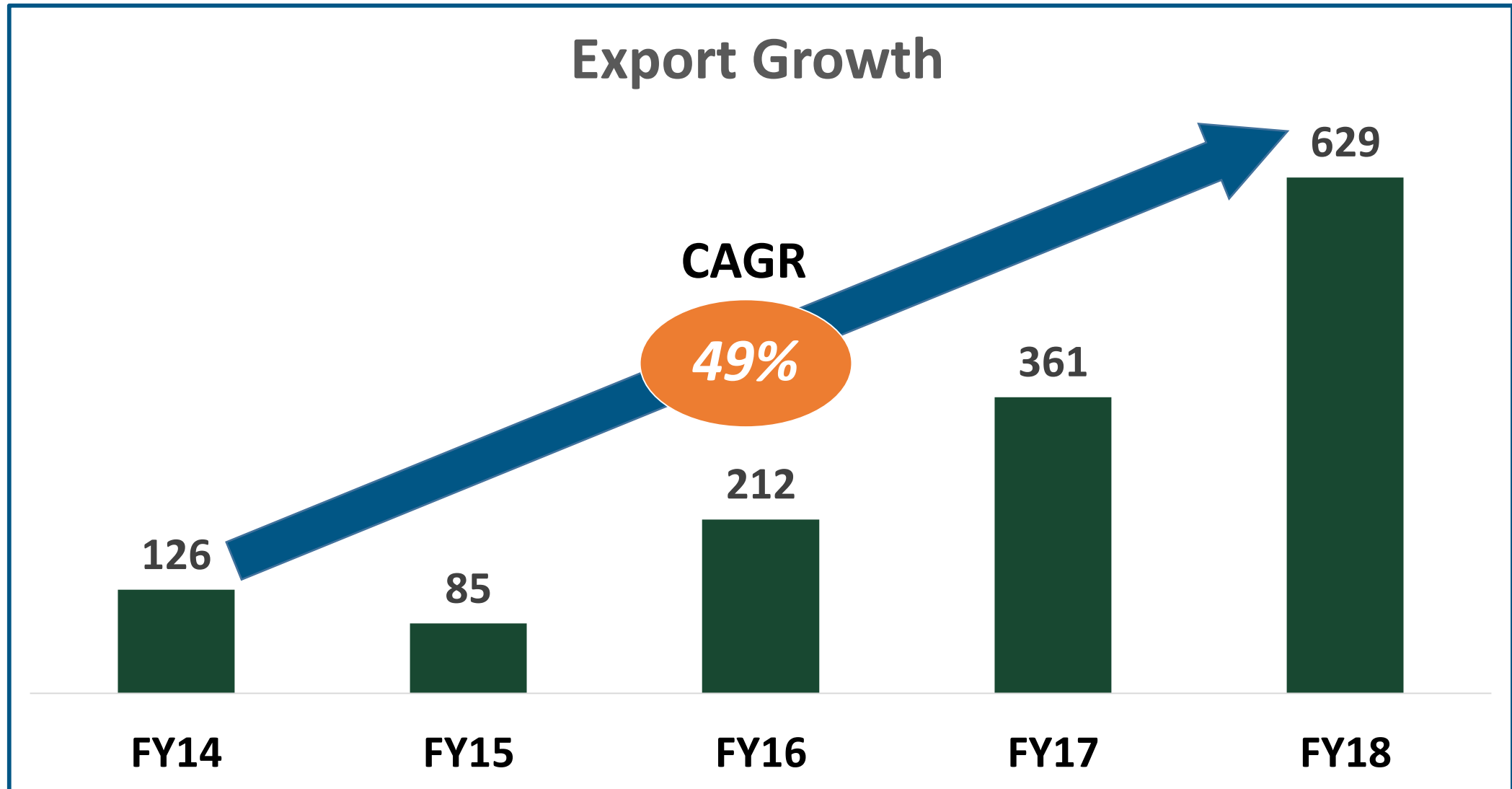
### Working Capital



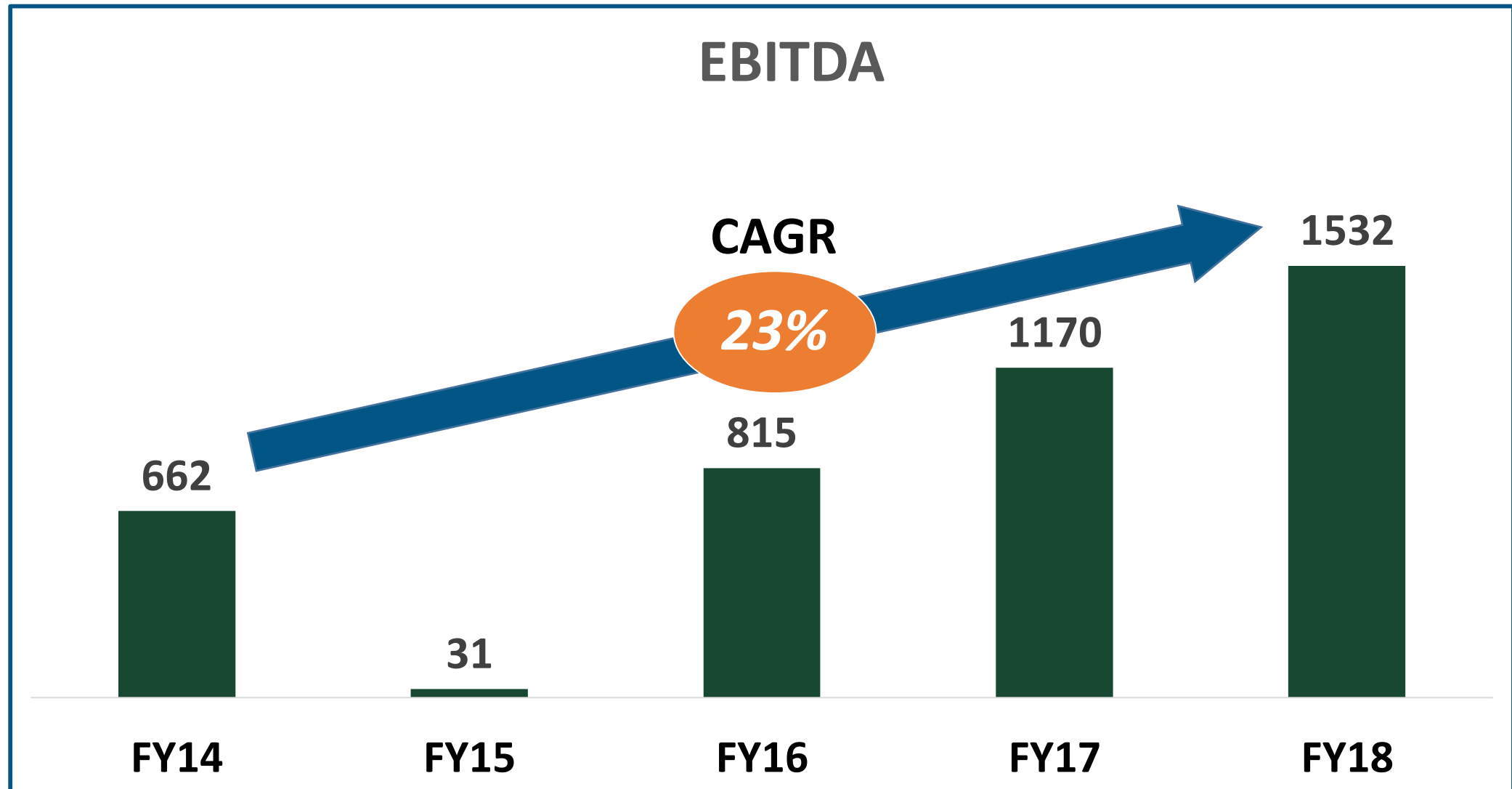
Figures in ₹ Crore



## Key Financials

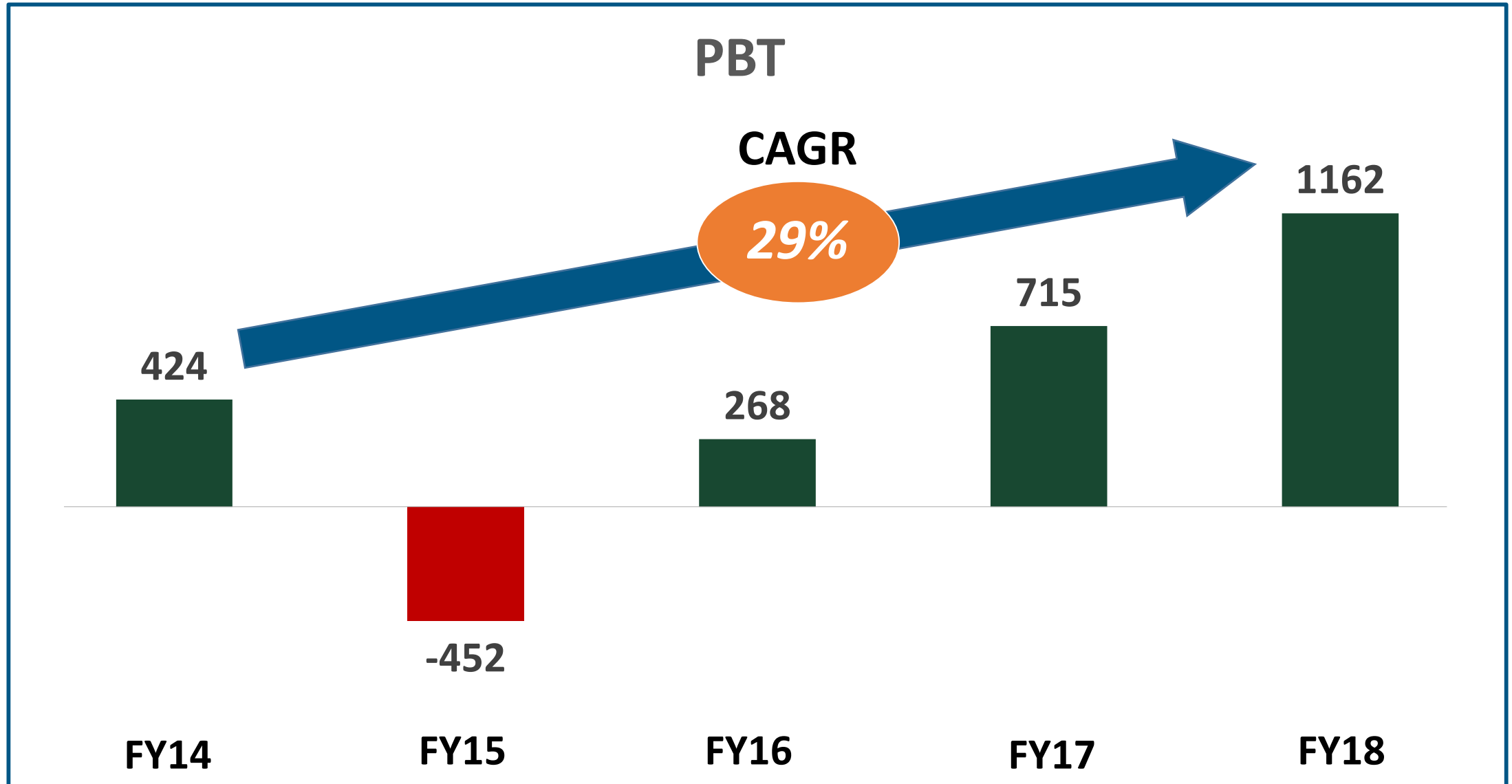


## Key Financials



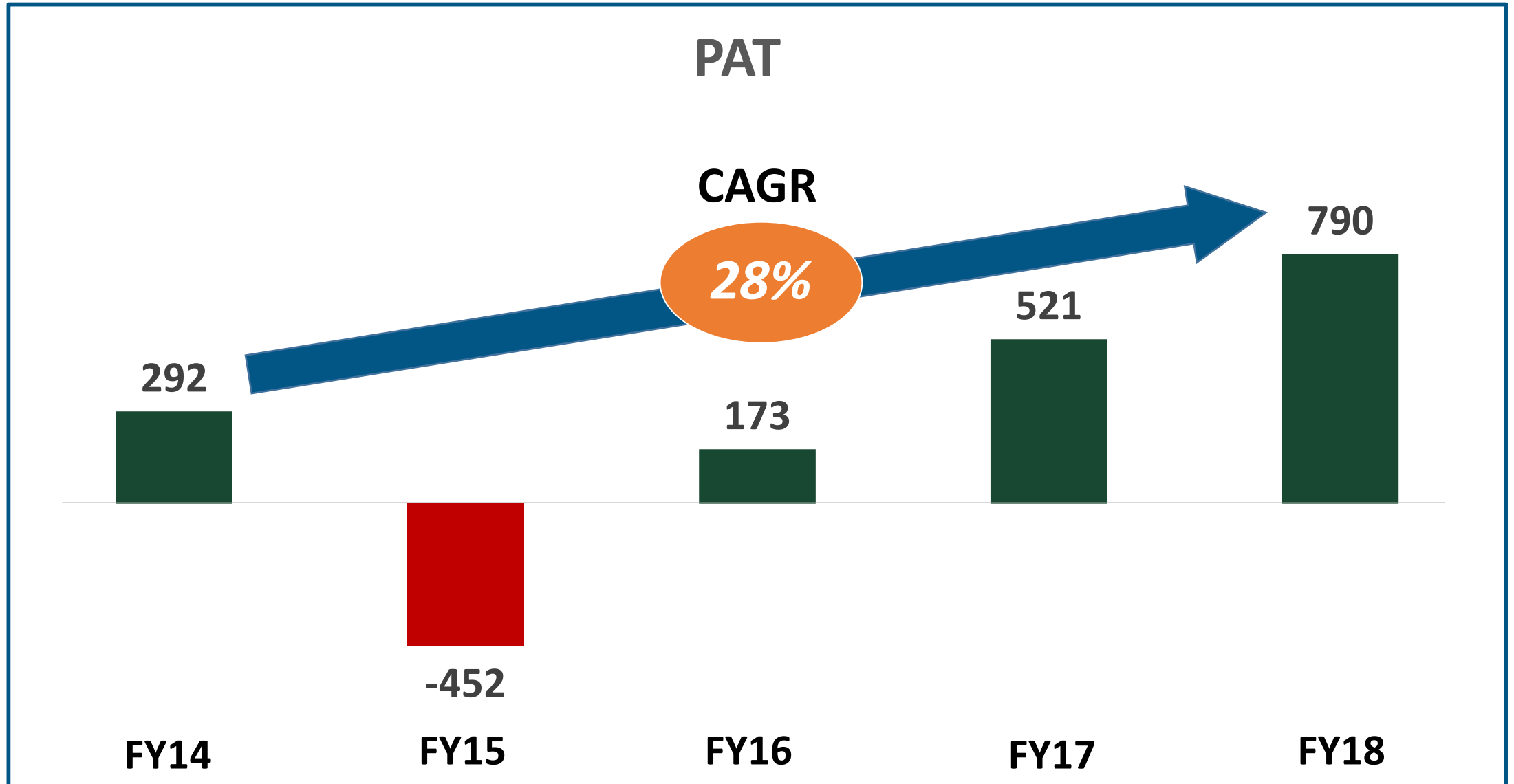
Figures in ₹ Crore

## Key Financials



Figures in ₹ Crore

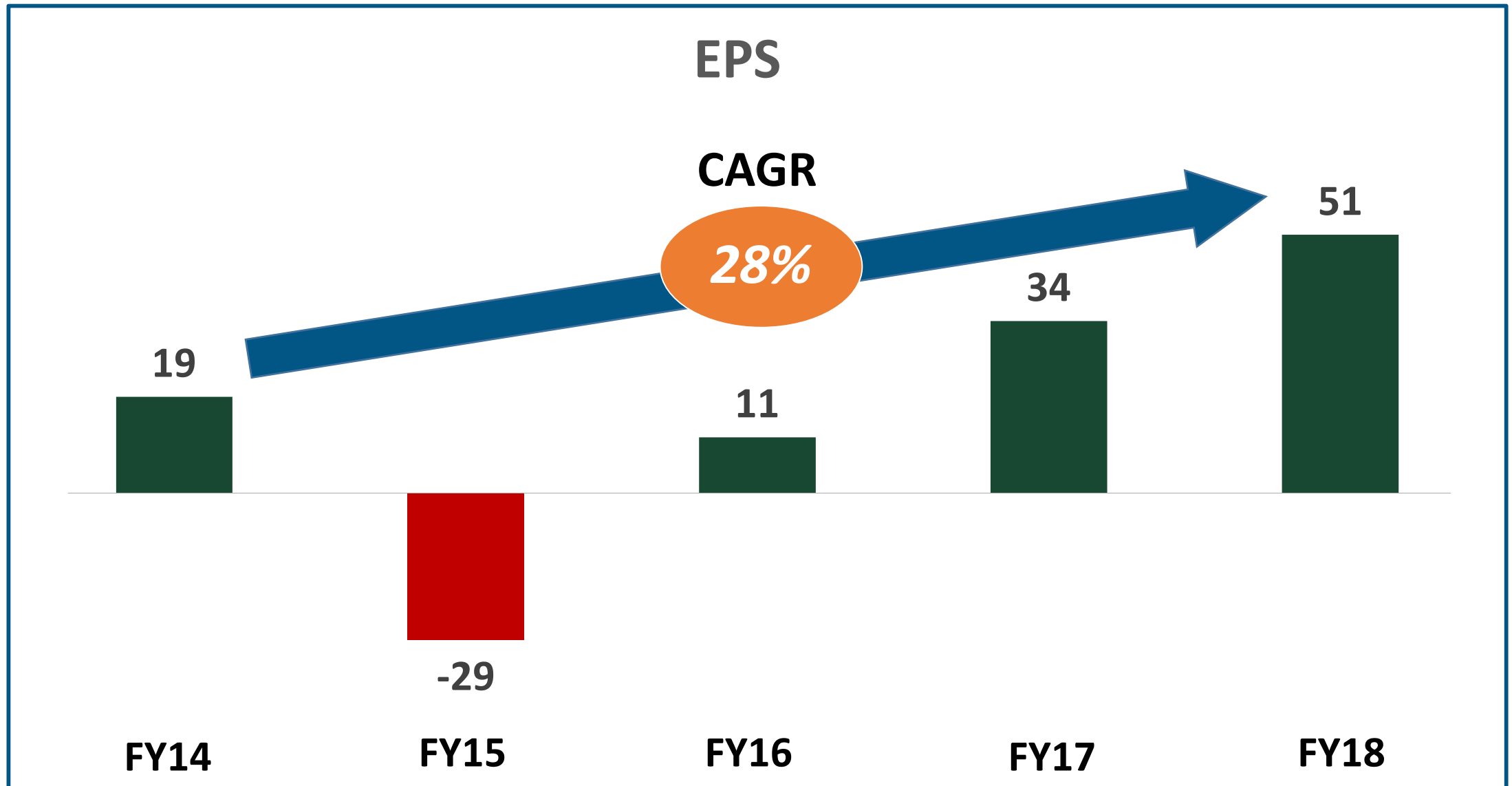
## Key Financials



Figures in ₹ Crore

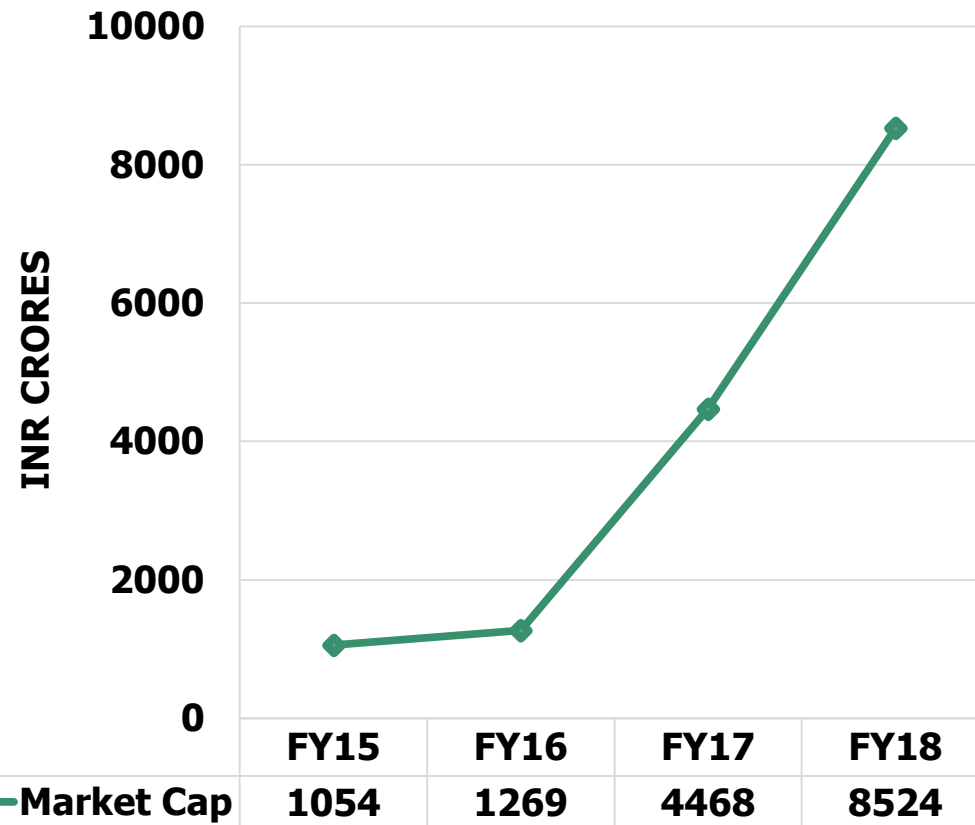


## Key Financials

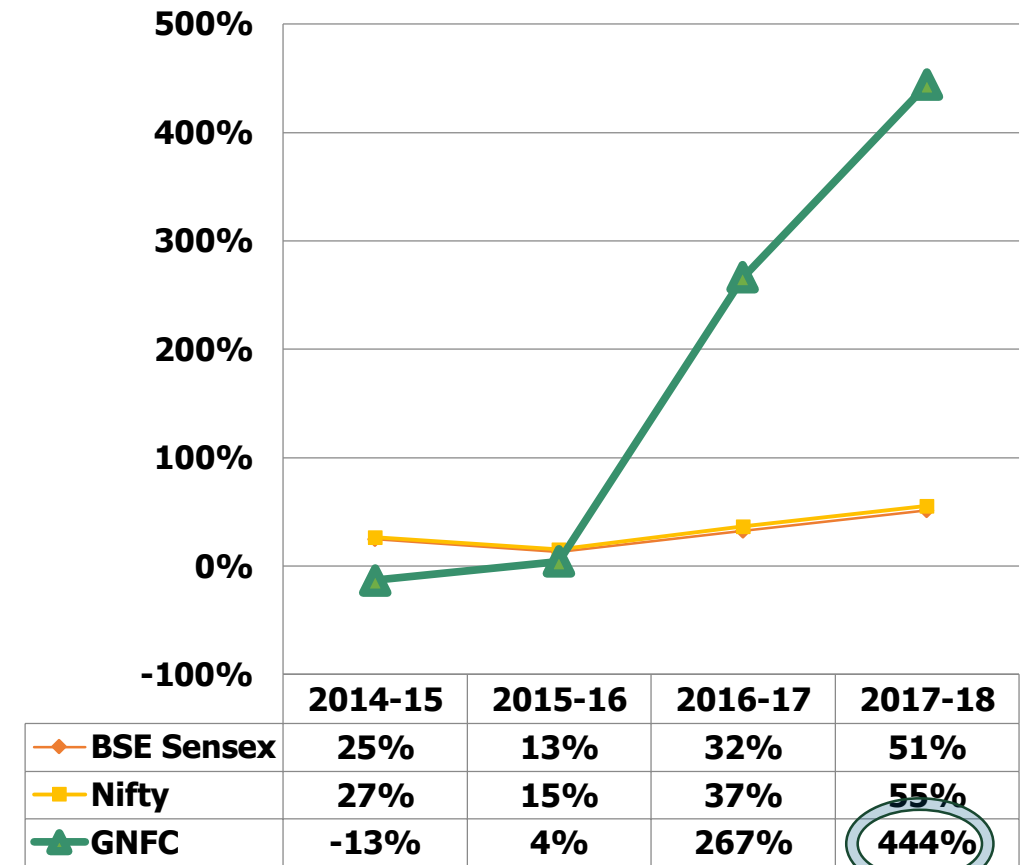


# Market Performance

## Market Capitalization



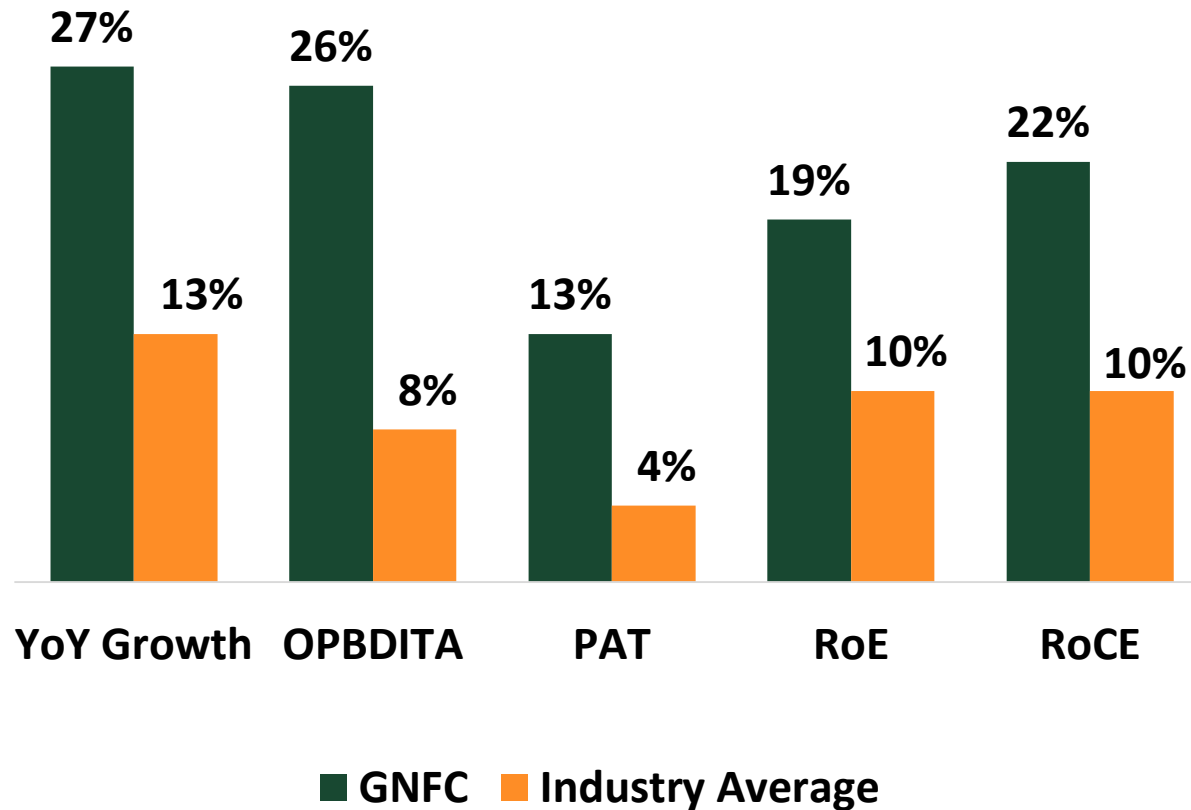
## Growth comparison: Sensex , Nifty & GNFC



\*Growth calculated keeping 2013-14 as the base year

## Peer Comparison

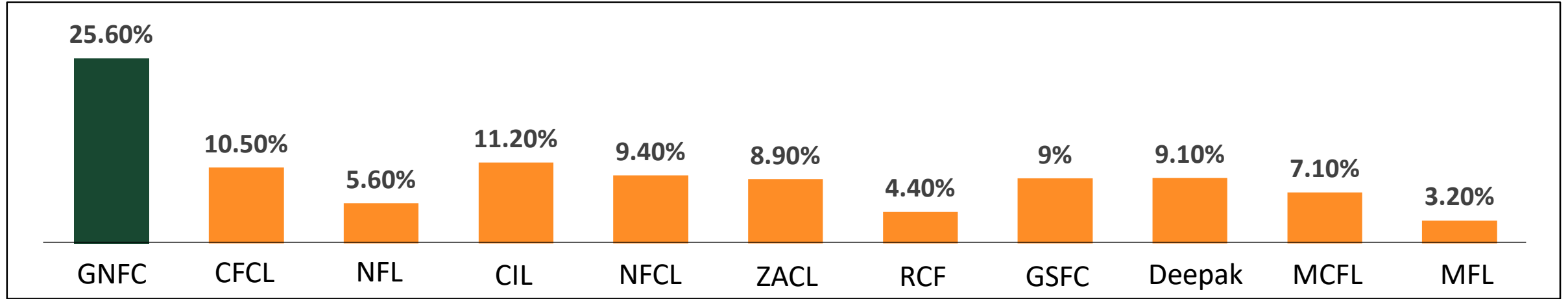
COMPARISON OF KEY METRICS FY-18  
GNFC Vs Industry Avg.



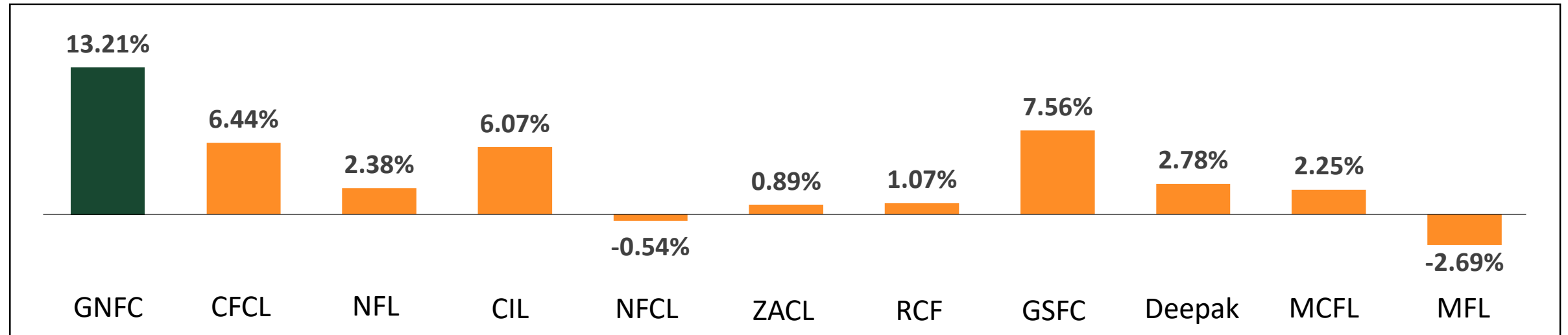
Major peers compared	
Company Name	Initials
Chambal Fertilisers& Chemicals Limited	CFCL
Coromandel International Limited	CIL
Deepak Fertilisers& Petrochemicals Corporation Limited	Deepak
Gujarat State Fertilisers Corporation	GSFC
Madras Fertilisers Limited	MFL
Mangalore Chemicals &Fertilisers Limited	MCFL
National Fertilisers Limited	NFL
Nagarjuna Fertilisers & Chemical Limited	NFCL
ZuariAgro Chemicals Limited	ZACL
Rashtriya Chemicals &Fertilisers Limited	RCF

# Peer Comparison

## OPBITDA/OI

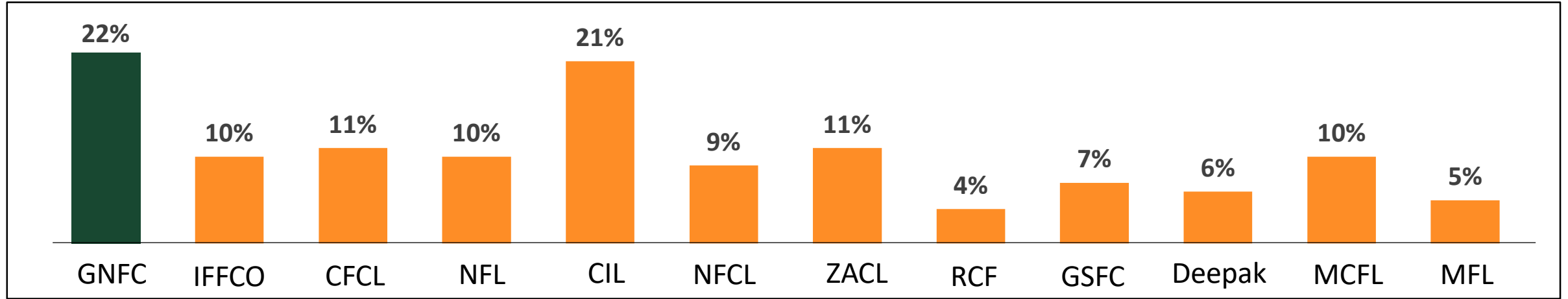


## PAT/OI

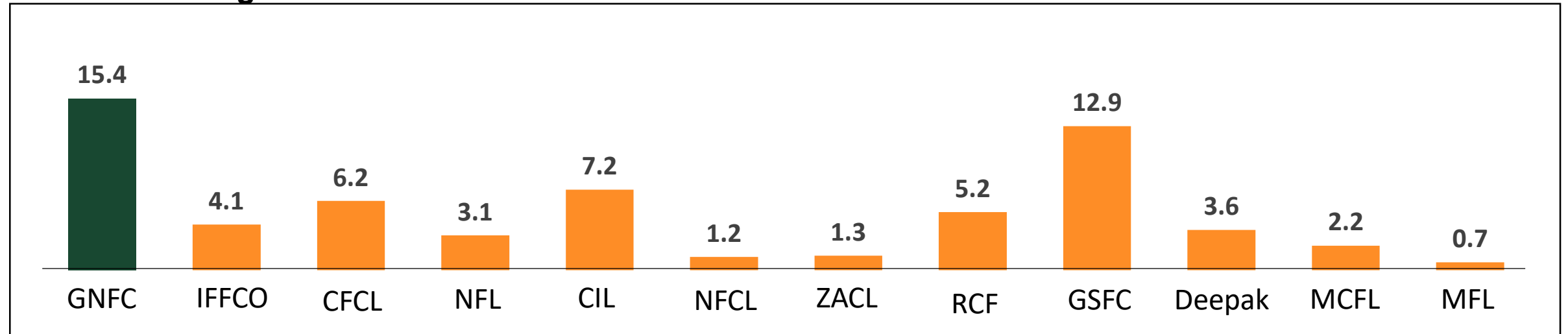


# Peer Comparison

## ROCE



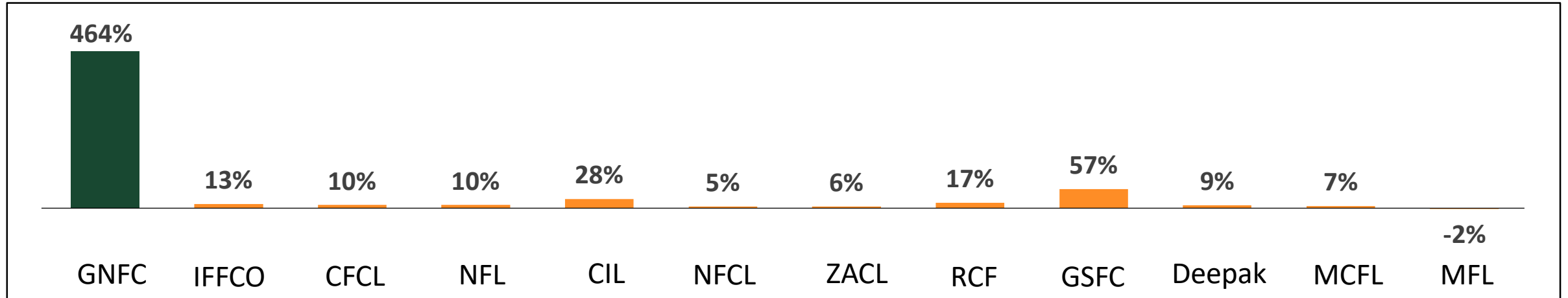
## Interest Coverage



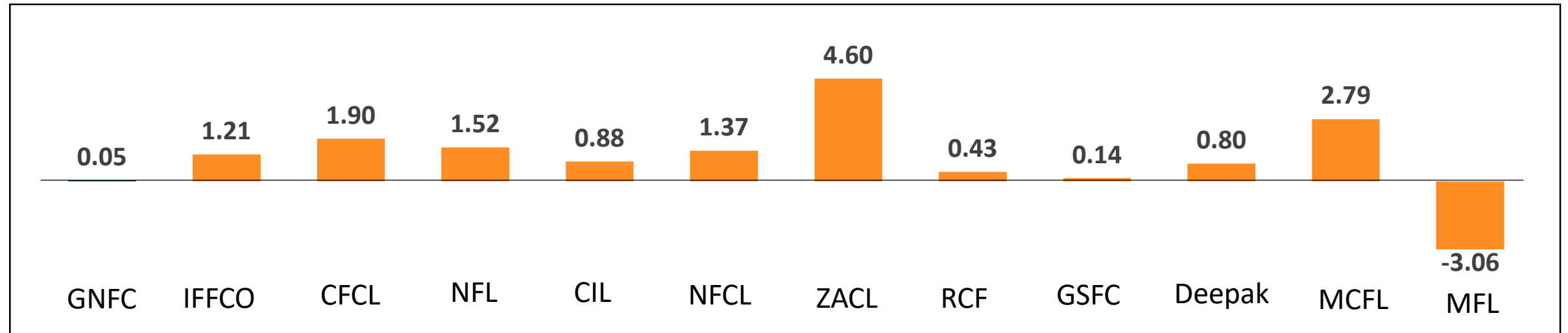


# Peer Comparison

## Net Cash Accruals/Total Debt

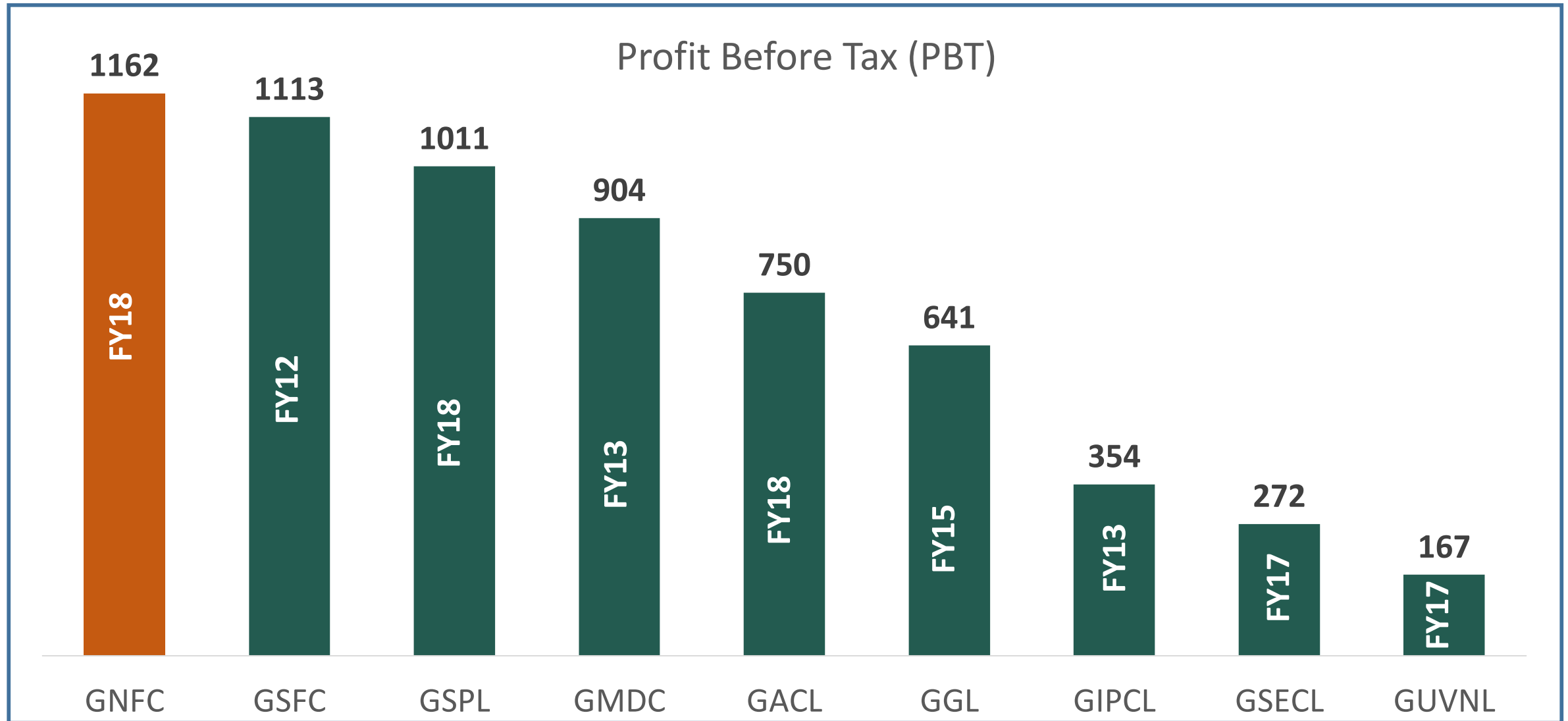


## Gearing Ratio

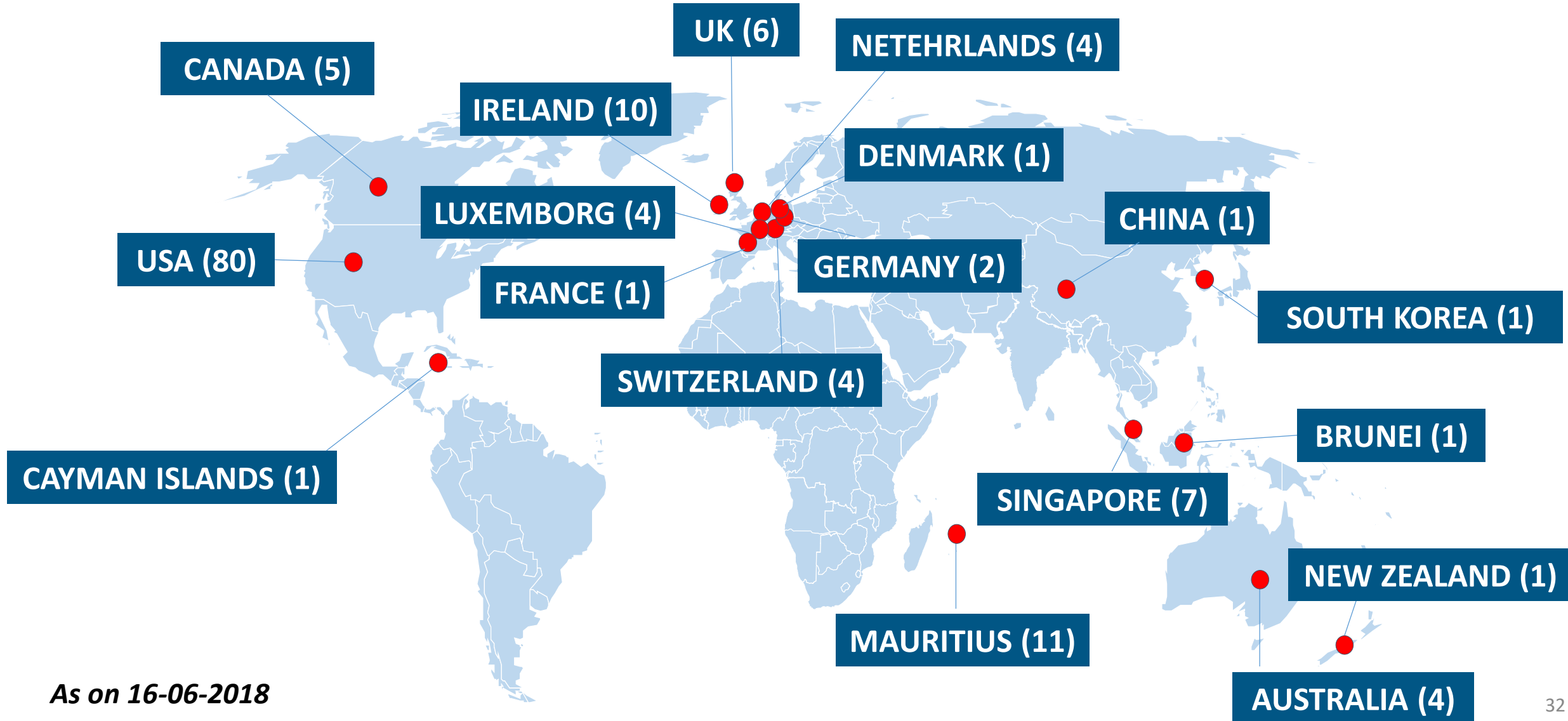


# Highest Ever PBT recorded by any GoG Company

Profit Before Tax (PBT)



# Foreign Portfolio Investors - Countrywise



As on 16-06-2018

# Major Foreign Institutional Investors

## USA

- World Bank Pension Fund
- Florida Retirement System - Acadian Asset Management, Inc
- Fidelity Puritan Trust
- Dimensional Emerging Markets Value Fund
- City Of New York Group Trust
- Citibank N.A.
- Washington State Investment Board
- Public Employees Retirement System Of Ohio
- Virginia Retirement System
- John Hancock Variable Insurance Trust Emerging Markets Value Trust
- Los Angeles City Employees Retirement System
- City Of Los Angeles Fire And Police Pension Plan

## Mauritius

- Ishares Emsc Mauritius CO.
- Morgan Stanley Mauritius Company Limited.
- Ishares Core Emerging Markets Mauritius Co.
- Kuber India Fund.
- Elara India Opportunities Fund Limited

## Singapore

- Goldman Sachs (Singapore) Pte
- Merrill Lynch Markets Singapore Pte. Ltd
- Credit Suisse (Singapore) Limited

## China

- People's bank of China

# Major Foreign Institutional Investors

## Netherlands

- Stichting Shell Pensioenfond
- Blue Sky Passive Equity Emerging Markets Global Fund
- Stichting Depositary Apg Emerging Markets Equity Pool

## Australia

- Australiansuper
- Dfa Australia Limited As Responsible Entity For Dimensional Emerging Markets Trust
- Queensland Investment Trust
- Sunsuper Superannuation Fund

## Luxembourg

- Wellington Management Funds (Luxembourg) li Sicav Wellington Alta Fund
- Wmc Gem Systematic Equity Fund
- Ram (lux) systematic funds - emerging markets equities

## Ireland

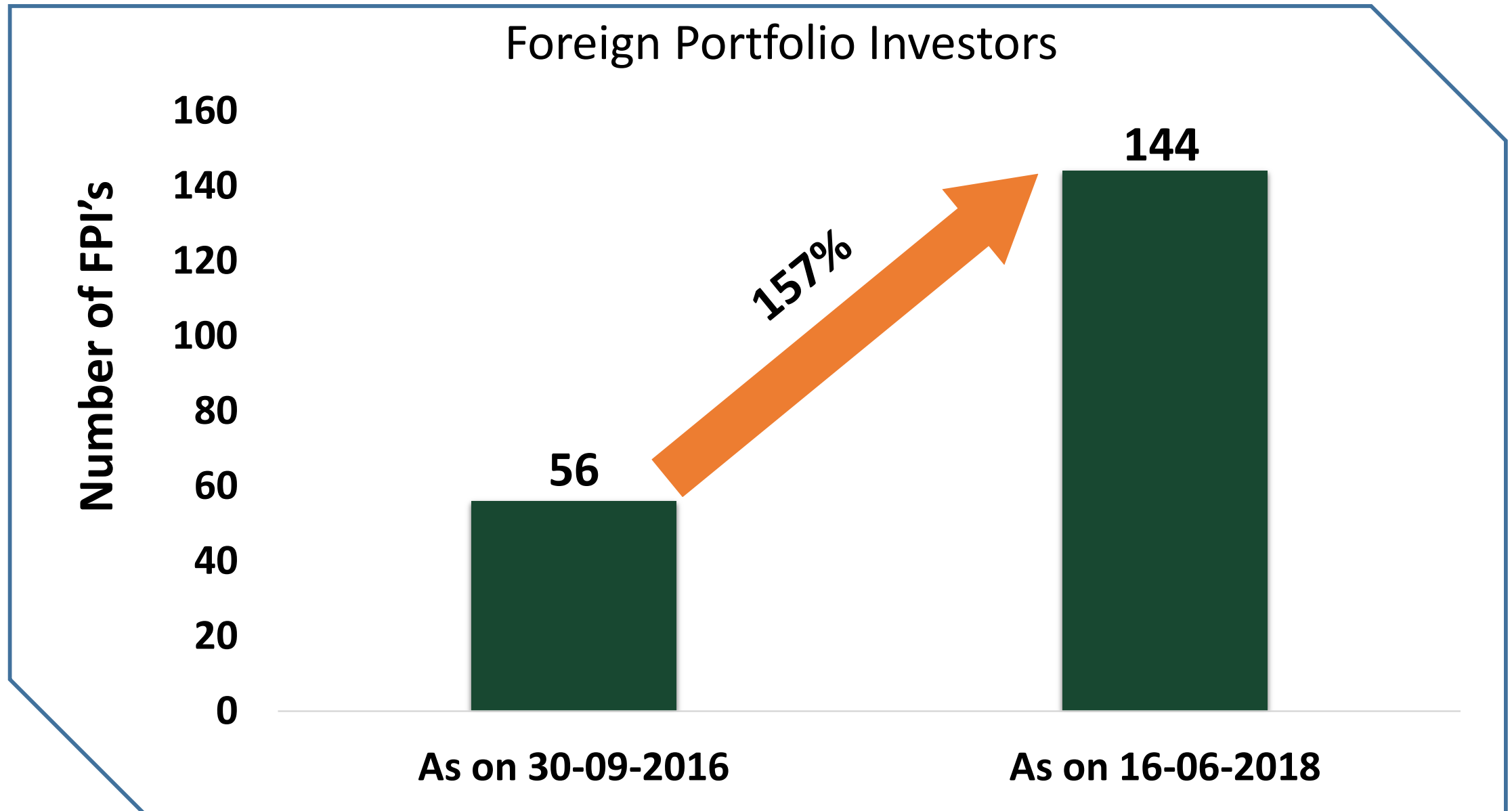
- Emerging Markets Value Fund.
- Ishares Core Msci Em Imi Ucits ETF.
- SSGA SPDR Etf Europe I Public Limited

## South Korea

- Samsung India Small And Mid Cap Focus Securities Master Investment Trust(equity)



## Increase in FPIs



## Business Restructuring in last few years



Initiated bold, quick & effective measures for Safety, Operational Stability and Increase in Throughput for TDI-II Greenfield plant. As at FY18, the capacity utilization for the TDI-II plant stood at 93% as against 80% of average operating rates across the globe.



Argued successfully for anti-dumping duties on TDI and AN Melt, protecting margins on these two products.



Ensured strategic volume tie-ups with key strategic vendors and customers.



Introduced dynamic marketing strategy for better realizations resulting into highest ever realizations in Acetic Acid, Formic Acid and Ethyl Acetate.



Established export footprint in 67 countries; Exports grew 1750 % to INR 629 crores in FY 18 from an average of INR 34 crores from FY 01 – FY 14.

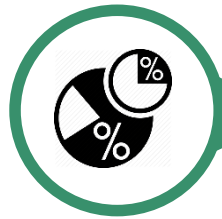
## Business Restructuring in last few years



Facilitated fuel supply arrangement of coal from 4.27 lacs MT per annum to 9.12 lacs MT per annum.



Facilitated Major negotiations for ensuring savings of more than INR 750 Crores over last 4 years.



Enhanced domestic market share to 65% for TDI from around 32%.



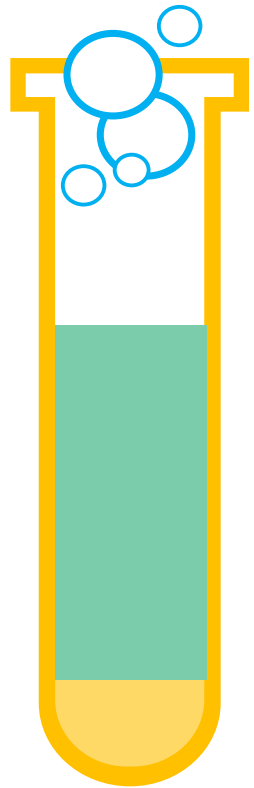
Facilitated the approval for production of Technical Grade Urea; adding one more profitable product to the chemical portfolio.



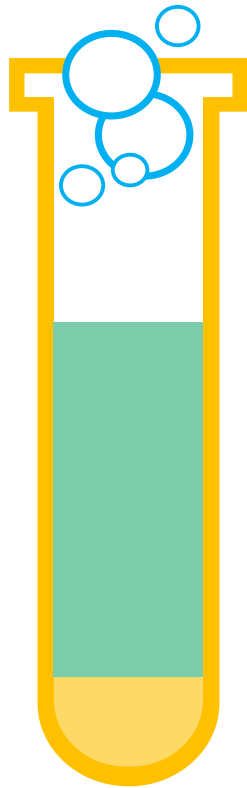
Started Methanol trading after establishing ties with Iran

# Expansion and Growth Plans

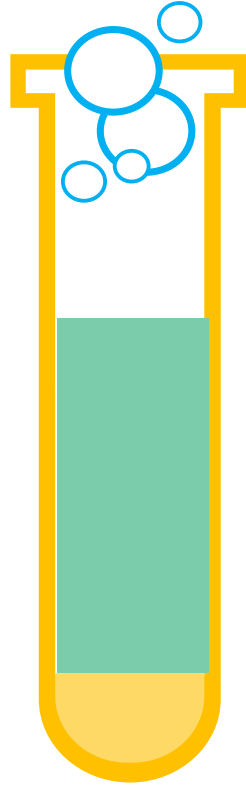
Focusing on the core capabilities & existing strengths, the board has already approved expansion plans for these major chemicals



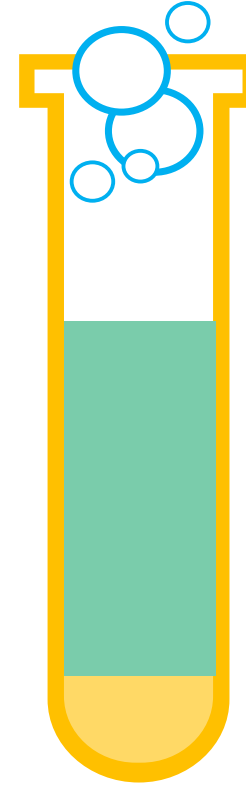
**TDI Revamp**



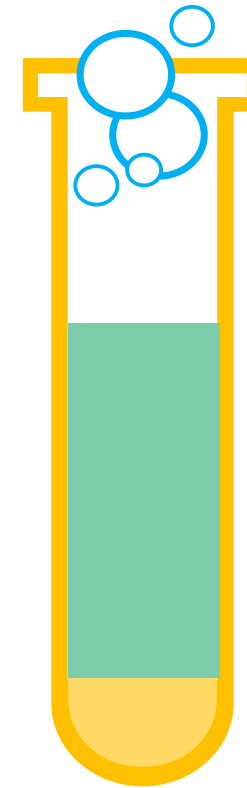
**Acetic Acid**



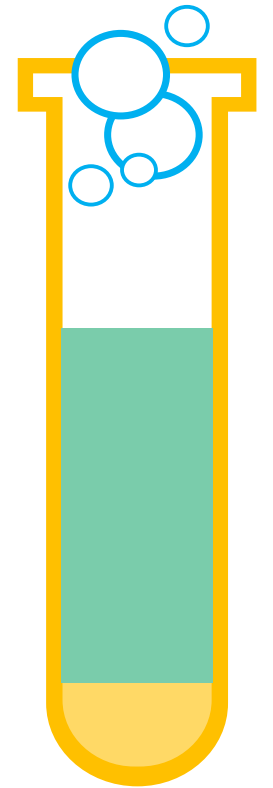
**Formic Acid**



**Concentrated  
Nitric Acid**



**Di-Calcium  
Phosphate**



**Ammonia**

# The NEEM Project

## BACKGROUND

In 2015, the Government of India made it mandatory to **Neem** coat **100%** of Urea to prevent diversion

Shri Narendra Modi, Prime Minister of India, announced this vision on August 15, 2015.



सत्यमेव जयते





# The 'NEEM' Project

GNFC created a transformative model of shared value creation through the 'Neem Project'

## The Neem Project

<http://gnfcneem.in/>

### Trigger for change

- **Mandatory 100% Neem coating of Urea** directive from Government of India
- Prominence of **unorganized players in the Neem oil market**
- **Solution - Backward integration in the Neem oil segment** through shared value creation

### Approach adopted

- Development of integrated value chain—
  - Mobilization of rural women for Neem seed collection and procurement through **5,000+ VLCCs<sup>1</sup>**
  - **Neem Oil expeller Unit** set up to produce high quality Neem oil
- **Forward integration** to be launched for upskilling laborers in end-to-end soap making

### Impact generated

- **> Rs. 45 crore income** generated for **450 thousand women in 53 districts** across six states
- **> 250 thousand people** benefitted by indirect employment
- **700% increase in Neem seeds prices** due to fair collection process
- **Highly favorable socio-economic impact** on rural women and landless laborers

**GNFC is the only company which has taken decision well in advance to produce 100% Neem Urea since Jan-2015 in the larger interest of farmers and nation**

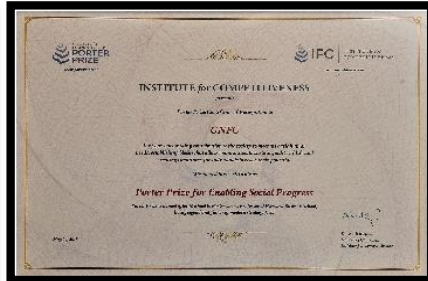
# Cashless Initiative



# Awards & Recognitions



**PORTER PRIZE-  
Cashless Initiative**



**PORTER PRIZE-  
Neem Project**



**CNBC Awaaz CEO Award  
- Outstanding Growth**



**GOLDEN PEACOCK  
AWARD**



**IBC Best Company  
AWARD**



**CII ITC  
Sustainability Award**



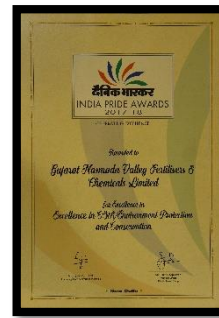
**GLOBAL CSR  
AWARD**



**ABP NEWS  
AWARD**



**INDIA CSR  
AWARD**



**Dainik Bhaskar  
Indian Pride Award**





THANK YOU

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Gujarat Narmada Valley Fertilizers & Chemicals Limited

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