



GUJARAT STATE FERTILIZERS & CHEMICALS LIMITED

Fertilizernagar - 391 750. Vadodara, Gujarat, INDIA.

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Press Release

25/01/2019

GSFC POSTS Q3 RESULTS

Gujarat State Fertilizers & Chemicals Ltd., a pioneer Company in phosphatic fertilizers with largest sulphur based fertilizers and having integrated fertilizers – industrial products plants, has reported Financial Results for the Quarter ended 31st December, 2018.

During the Quarter, sales revenue was Rs.1994 crores as compared to Rs.1537 crores during the corresponding quarter of the last year, showing an impressive growth of 30%. Earnings before Interest, Taxes and Depreciation (EBIDTA) for the quarter ended 31st December, 2018 was Rs.153 crores as against Rs.161 crores for 3rd quarter of last year. Net Profit stood at Rs.99 crores for the current quarter. Due to one time write back of tax provisions of Rs.100 crores last year, PAT for Q3 last year was more. As at 31st December, 2018, working capital borrowing was NIL, mainly due to better collection for fertilizers and industrial products during the quarter and good subsidy receipt. This will help in reducing the working capital interest for future periods. The total subsidy outstanding as on 31st December, 2018 is Rs.1573 crores (Rs.1749 crores last year). With Department of Fertilizers, Govt. of India eying for special banking arrangements to clear subsidies, the Company hopes that subsidy outstanding will further go down by March end. With Government's intention to help farmers, the Company expects favourable fertilizer policies. The Company was able to withstand vagaries of exchange rate fluctuations and with good hedging practices, exchange variation loss was restricted for the quarter. With expected Phosphoric Acid and Ammonia prices softening, an improvement in fertilizers margin is expected in Q4. However, on industrial products front, the Crude price movement will have its effect on margins.

Shri Sujit Gulati, IAS, Managing Director commented that Company has shown a good improvement in fertilizer sales volume of 20% during the quarter, on improved market reach and leveraging its marketing network.

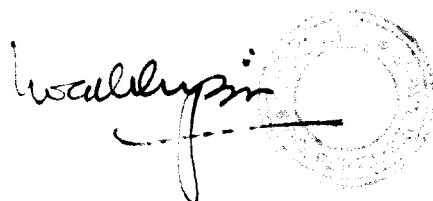
On Industrial Products front also, the Company has shown improvements in Topline and the Bottomline in this Segment. The Company is also scaling up Trading activities in Agriculture as well as Industrial Products space.

For 9 months period ending 31st December, 2018, Company achieved sales revenue of Rs.6436 crores and crossed last full year's sales of Rs.6309 crores. Similarly, as on today, Company has crossed last year's fertilizer sales volume of 20 lac MT.

About Gujarat State Fertilizers & Chemicals Ltd.

Gujarat State Fertilizers & Chemicals Ltd. (GSFC) is India's leading producer of fertilizers and bulk industrial chemicals. It is listed as one of the top Bombay Stock Exchange 500 Companies in the country, with a turnover exceeding INR 60 billion.

Established in 1962 in Vadodara, GSFC was originally conceived as a bulk fertilizer producing company to improve agricultural productivity and facilitate farmers' growth. Over the years, GSFC has successfully diversified into industrial products also. Today, apart from being leading manufacturers of nitrogenous and phosphatic fertilizers having total 24 fertilizer products, the company is also India's leading producer of industrial chemicals like Caprolactam, Melamine, MEK-Oxime, Hydroxylamine Sulphate Crystal and acrylic polymers.



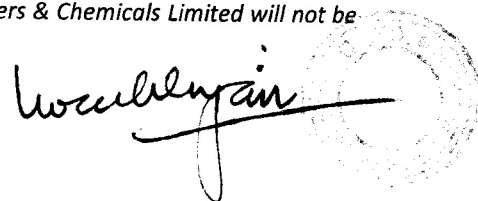
Side by side, GSFC has also promoted a few independent companies, which are doing very well now, viz. Gujarat Narmada Valley Fertilizers & Chemicals Ltd. (GNFC) in fertilizers and industrial chemicals field, Gujarat Industries Power Company Ltd. (GIPCL) in power generation and Gujarat Green Revolution Company Ltd. (GGRC) in micro irrigation systems.

About GSFC Agro-tech Ltd.

GSFC Agro-Tech Ltd. (GATL) is a fully owned subsidiary of GSFC, established in 2012 with the aim of promoting agro products and services. It has more than 290 agro outlets known as Kisan Suvidha Kendras across Gujarat, Rajasthan and Madhya Pradesh. These agro-outlets are completely dedicated to servicing farmers through retail sales, agronomy and extension services. Qualified professionals posted at the outlets offer extension services and advise farmers on appropriate products for their crops. The portfolio of agro products promoted by GATL include seeds, water soluble fertilizers, liquid bio fertilizers, chemicals fertilizers, tissue culture plants and a host of products under GSFC's 'Sardar' brand. GATL has also signed MoUs with Punjab and MP Markfed, United Phosphorous Ltd. and Tarai Development Corporation, Uttarakhand. It has also started new Product handling platform at Vizag Port in order to cater to demands of southern and eastern states. A state of the art Soil testing machine has also been installed and a Soil testing Analytics software has been developed to help farmers. GATL also forayed in food retail segment with Amul and Punjab Markfed as active partner.

For details, visit www.gsfclimited.com

Disclaimer : Certain statements in this document may be forward-looking statements. Such forward-looking statements are subject to certain risks and uncertainties like regulatory changes, local political or economic developments, and many other factors that could cause our actual results to differ material from those contemplated by the relevant forward-looking statements. Gujarat State Fertilizers & Chemicals Limited will not be

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in any way responsible for any action taken based on such statements and undertakes no obligation to publicly update these forward-looking statements to reflect subsequent events or circumstances.

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