



GUJARAT STATE FERTILIZERS & CHEMICALS LIMITED

Welcomes you to
Analysts' Meet

19th September, 2017

GUJARAT STATE FERTILIZERS & CHEMICALS LIMITED

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AN OVERVIEW

GUJARAT STATE FERTILIZERS & CHEMICALS LIMITED

ADVANTAGE GSFC

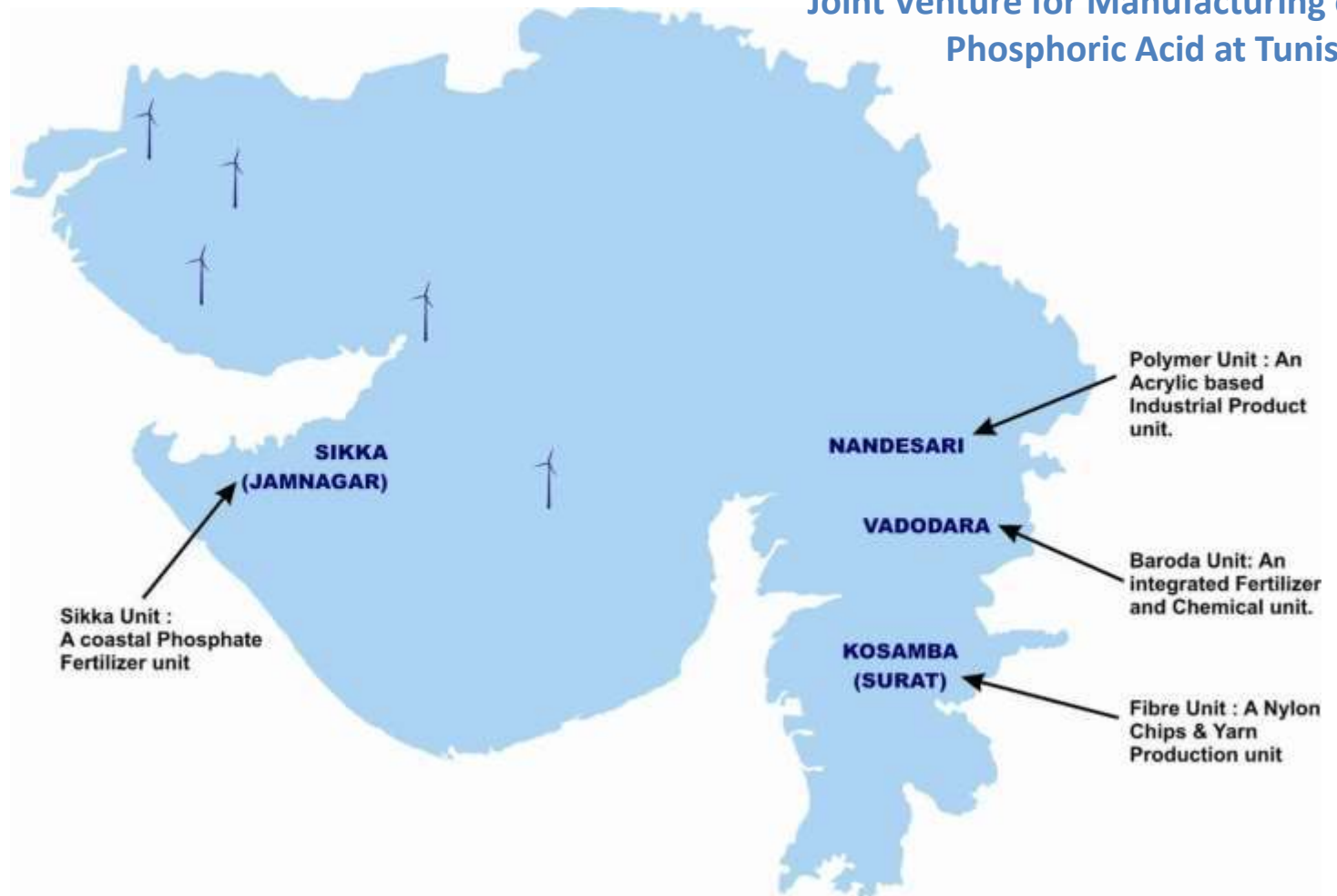


- ➔ **GSFC is India's premier fertilizer & chemical manufacturing company incorporated on February 15, 1962.**
- ➔ **First to manufacture DAP (complex fertilizer) in India.**
- ➔ **First to establish Melamine Plant in the Country.**
- ➔ **First to set up Caprolactam Plant in India.**

GSFC – MANUFACTURING LOCATIONS



Joint Venture for Manufacturing of Phosphoric Acid at Tunisia



Wind Farm Location of GSFC

- Mahidad & Jasdan – Rajkot
- Jamanwada - Rajkot
- Bayath – Kutch
- Sikarpur – Kutch
- Adodar – Kutch
- Jamanwada - Rajkot

INDUSTRIAL PRODUCTS (installed capacity)



➔	CAPROLACTAM	-	70000	MTPA
➔	NYLON-6 CHIPS (GUJLON)	-	15000	MTPA
➔	MELAMINE (GUJLAMINE)	-	15000	MTPA
➔	MEK OXIME (GUJOXIME)	-	4450	MTPA
➔	WEAK NITRIC ACID	-	8000	MTPA
➔	ARGON GAS	-	2960000	NM3
➔	NY FILAMENT YARN (GUJNYL)	-	6000	MTPA
➔	MMA (GUJMER)	-	5000	MTPA
➔	PMMA (S)	-	2000	MTPA
➔	PMMA (P)	-	2000	MTPA
➔	MAA (GUJMET)	-	500	MTPA
➔	ACH (GUJACH)	-	5150	MTPA

FERTILIZER PRODUCTS (installed capacity)

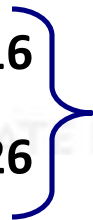


Fertilizers under the brand name “Sardar”

- ➔ UREA - 364000 MTPA
- ➔ AMMONIUM SULPHATE (AS) - 196000 MTPA
- ➔ AMMONIUM PHOSPHATE SULPHATE (APS) - 256000 MTPA
- ➔ DI-AMMONIUM PHOSPHATE (DAP) - 984000 MTPA

NPK 12-32-16

NPK 10-26-26



GUJARAT STATE FERTILIZERS & CHEMICALS LIMITED

India Reach



EXPORT OF GSFC PRODUCTS

GSFC exports its products to more than 25 countries world wide



COMPANIES PROMOTED BY GSFC

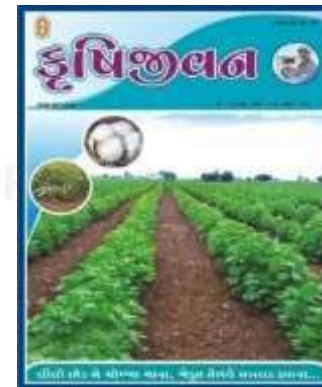
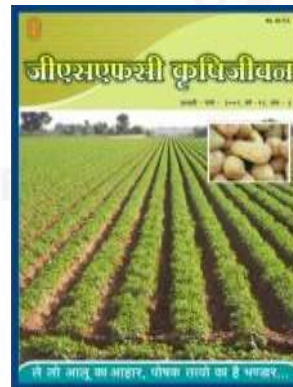
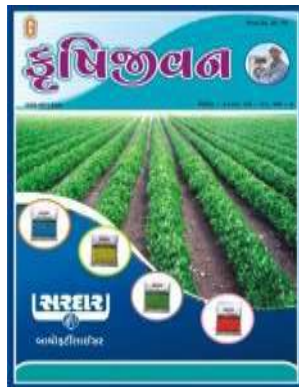


- ➔ **GSFC AGROTECH LIMITED (GATL)**
100% Subsidiary Company of GSFC
- ➔ **TUNISIAN INDIAN FERTILIZERS (TIFERT)**
A Joint Venture in Tunisia to ensure P.A. supply
- ➔ **GUJARAT NARMADA VALLEY FERTILIZERS & CHEMICALS LIMITED (GNFC)**
A Fertilizer & Chemical Company
- ➔ **GUJARAT GREEN REVOLUTION COMPANY LIMITED (GGRC)**
Revolution in agriculture through Micro Irrigation
- ➔ **GUJARAT CHEMICAL PORT TERMINAL COMPANY LIMITED (GCPTCL)**
A step to improve port based infrastructure
- ➔ **GUJARAT INDUSTRIES POWER COMPANY LIMITED (GIPCL)**
A Joint Power Plant
- ➔ **EFFLUENT CHANNEL PROJECTS LIMITED (ECPL)**
Ensuring Cleaner Environment
- ➔ **BHAVNAGAR ENERGY COMPANY LIMITED (BECL)**
Lignite Based 500 MW power project
- ➔ **KARNALYTE INC., CANADA**

AGRO EXTENSION ACTIVITY



- ➔ **Krishijivan–Agricultural magazine for farming community**
More than 65,000 subscribers in Gujarati edition (monthly)
More than 8,000 subscribers in Hindi edition (quarterly)
- ➔ **Farm Youth Training Programs organized regularly.**
- ➔ **Soil and Water testing facilities through well-equipped laboratory besides Mobile Van Lab.**
- ➔ **Field Demonstrations, Night Meetings, Seminars, Exhibitions.**
- ➔ **Promoting Micro Irrigation Systems.**





MARKET PRESENCE

GUJARAT STATE FERTILIZERS & CHEMICALS LIMITED

MARKET SHARE – FERTILIZER



NAME OF FERTILIZER	All India sales (Million Tons per Annum)	GSFC SHARE
DAP	8.82	6%
APS	3.73	8%
AS	0.45	78%
UREA	29.61	1%

MARKET SHARE – INDUSTRIAL PRODUCTS



Name of Product	Major End Use	Indian Demand MTPA	GSFC Share	GSFC Strength
Caprolactam	Tyre Cord and Nylon Yarn	150000	56%	Market Leader
Melamine	Laminates & Plywood	55000	33%	
MEK Oxime	Anti Skinning Agent for paints, varnish	600	90%	
Nylon – 6 Chips	Extrusion for Monofilaments, Packaging, Moulding for Automobiles	50,000	47%	Well Spread Market Network



GSFC Agrotech Limited 'GATL'

GUJARAT STATE FERTILIZERS & CHEMICALS LIMITED

GATL Overview



- Wholly owned subsidiary of GSFC
- Managing retail operations and expanding retail network outside Gujarat also to embrace POST DBT challenges for organisation.
- Marketing and trading arm of GSFC for selling the designated products of GSFC & GATL under Brand name 'SARDAR'.
- Handling retail operations with a focussed approach on Sales, Marketing, Branding and Trading through existing and new Dealers / Franchisee Agreements.
- Primary markets : Gujarat, MP, Maharashtra and Rajasthan.
- Product mix: Water Soluble Fertilizers, Plant Growth Promoters, Liquid Bio-Fertilizers, Seeds, Pesticides, Tissue Culture Plants



Business Highlights of GATL



- **New dealers for Agro inputs –Business Expansion**
- **Introduction of attractive packing for Agro inputs**
- **Revamping of retail outlets-New Design**
- **Innovative Logistics-Door step delivery to farmers**
- **Multi brand tie-ups with NSC & PHI (seeds); CIL & IPL (Fertilizers); Rise N Shine (TC plants).**
- **Multi brand business : NSC(5Cr) and Rise N Shine (8L)**
- **Government Projects :**
 - **TDD: Total Business of 35 Cr with 5 % profit involving 1.19L farmers.**
 - **Tissue Culture Tribal Business : Received work order worth Rs 16.0 Cr from Tribal Department for 2016-17 (Rs 8.0Cr) and 2017-18 (Rs 8.0Cr)**

Business Highlights of GATL



- **Capacity Expansion: TC(1.5 M to 4.0 M); SAG(1000mt to 2500MT)**
- **Tissue Entrepreneur : A novel initiative of income generation within a turnaround period of 6-8 weeks through secondary hardening of tissue culture plants in Net House. The first batch of 16 beneficiaries are already inducted for the programme.**
- **WSF: Current sales plan is of 6000MT.**
- **ICP technology to be introduced in soil testing to increase capacity from existing 30000 to 100000 samples per annum.**
- **Agri net Call Centre : Outsourced to JAM Research Services, Mumbai. Farmer queries are now being answered in 3 languages : Hindi, Gujarati and Marathi**

Key Achievements of GATL



Retail Chain Expansion: 5 new depots opened in Gujarat and 4 planned in Rajasthan.

Total retail Business is of the tune of Rs 72Cr.

Introduction of new Tissue Culture varieties : TC Parval and TC Dahlia.



GROWTH TRAJECTORY

GUJARAT STATE FERTILIZERS & CHEMICALS LIMITED

GROWTH TRAJECTORY – ON GROWTH PATH, ALWAYS



PHASE I 1967	PHASE II 1969	PHASE III 1974-1982	PHASE IV 1983-88	PHASE V 1989-2000	PHASE VI 2002-2011	PHASE VII 2011- 2014
Inception as a Fertilizer Company at Baroda	Expansion in Fertilizers at Baroda	Diversification in Petro-Chemicals at Baroda	Acquisition & Expansion at other Locations	Further Expansion in Petrochemicals and Acquisition	Expansion in Petrochemicals, Fertilizers and Green Power	ANONE DE-BOTTLENECKING
Ammonia I	Ammonia II	Caprolactam-I	Nandesari - Polymer Unit Acquisition	Co-Generation of Steam & Power Project –I	Sikka – DAP C Train	HX SULPHATE CRYSTAL
Urea-I	Urea II	Oleum(SO ₂)		Kosamba - Fibre Unit Acquisition	MEK-Oxime	METHENOL
Ammonium Sulphate		Purge Gas Recovery Plant (Methane)		Co-Generation of Steam & Power Project – II	Ammonia-III Revival	WIND MILL POWER PROJECT PHASE VI 29.4 MW
Diammonium Phosphate		Nylon-6	Caprolactam II	Wind Power Projects – Phase I to V – 124 MW	WATER SOLUBLE FERTILIZERS	
Sulphuric Acid-I		Oxo-Syn Gas	Sulphuric Acid-IV			
Phosphoric Acid	MEK Oxime	Combined Cycle Co-Generation Project-III				
Utilities	Sulphuric Acid III	Melamine II				
		Melamine I	Sikka – New DAP Plant - A&B Trains	Ammonia-IV		



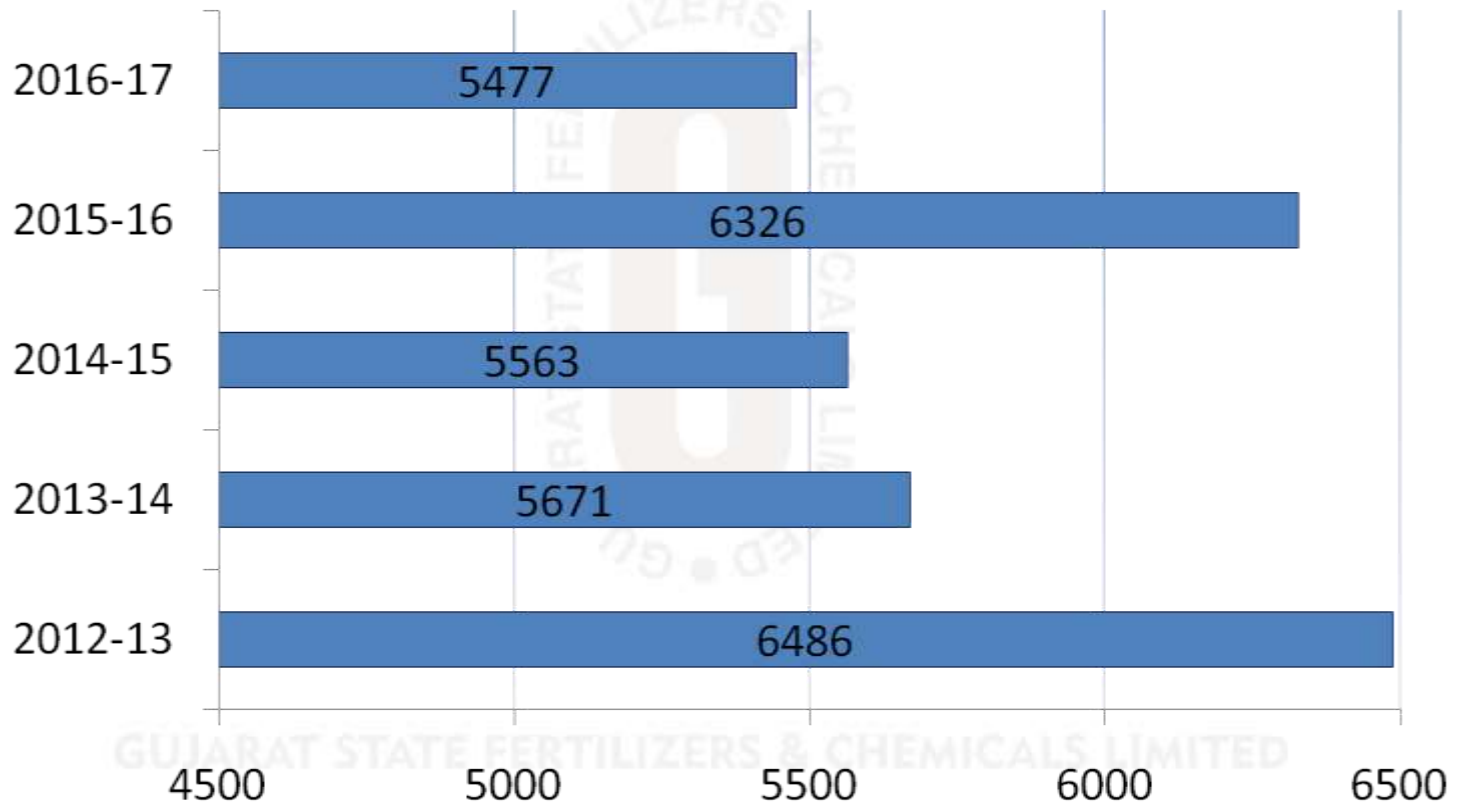
PERFORMANCE HIGHLIGHTS

GUJARAT STATE FERTILIZERS & CHEMICALS LIMITED

GROSS SALES



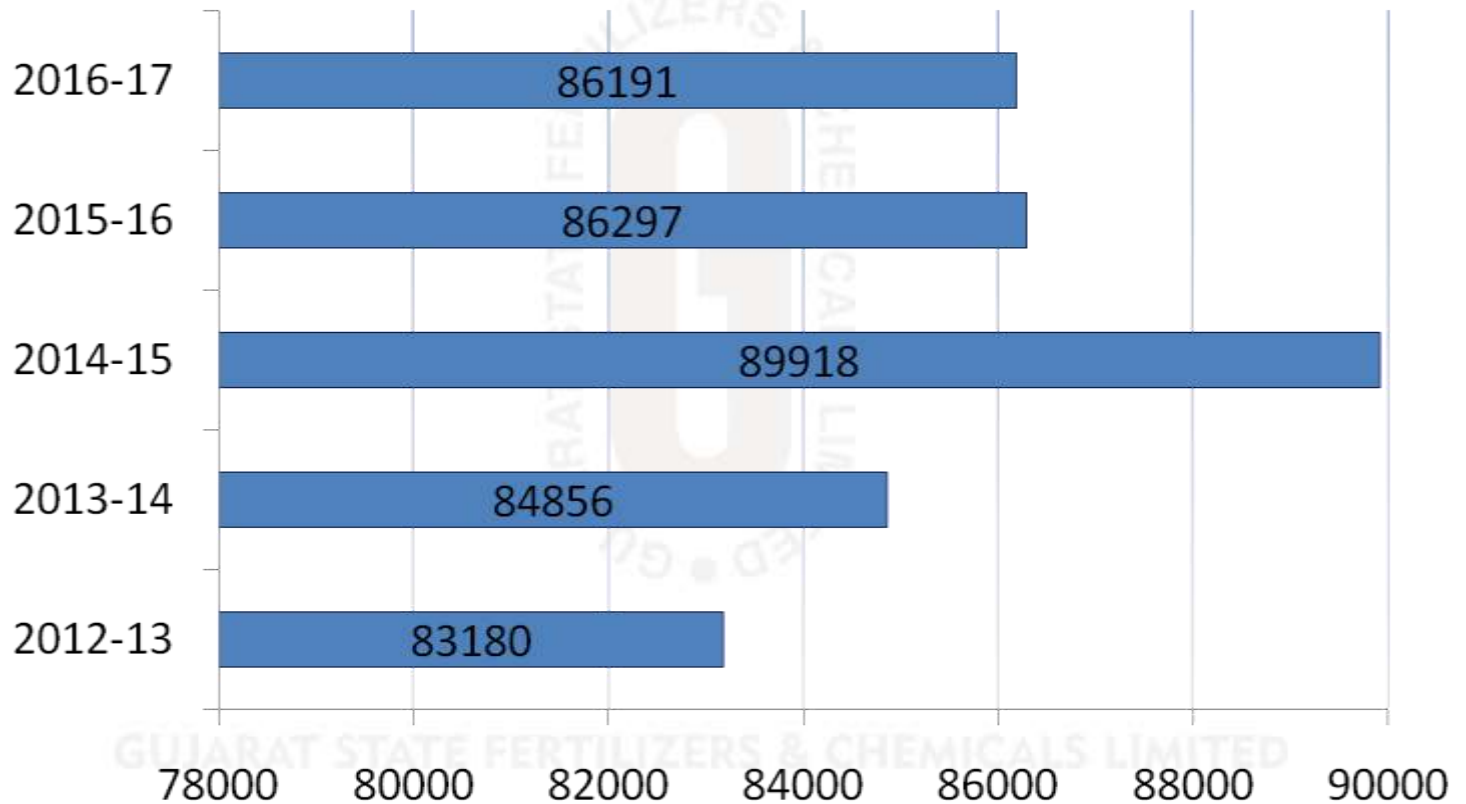
Gross Sales (Rs. In Crores)



PRODUCTION (CAPROLACTUM)



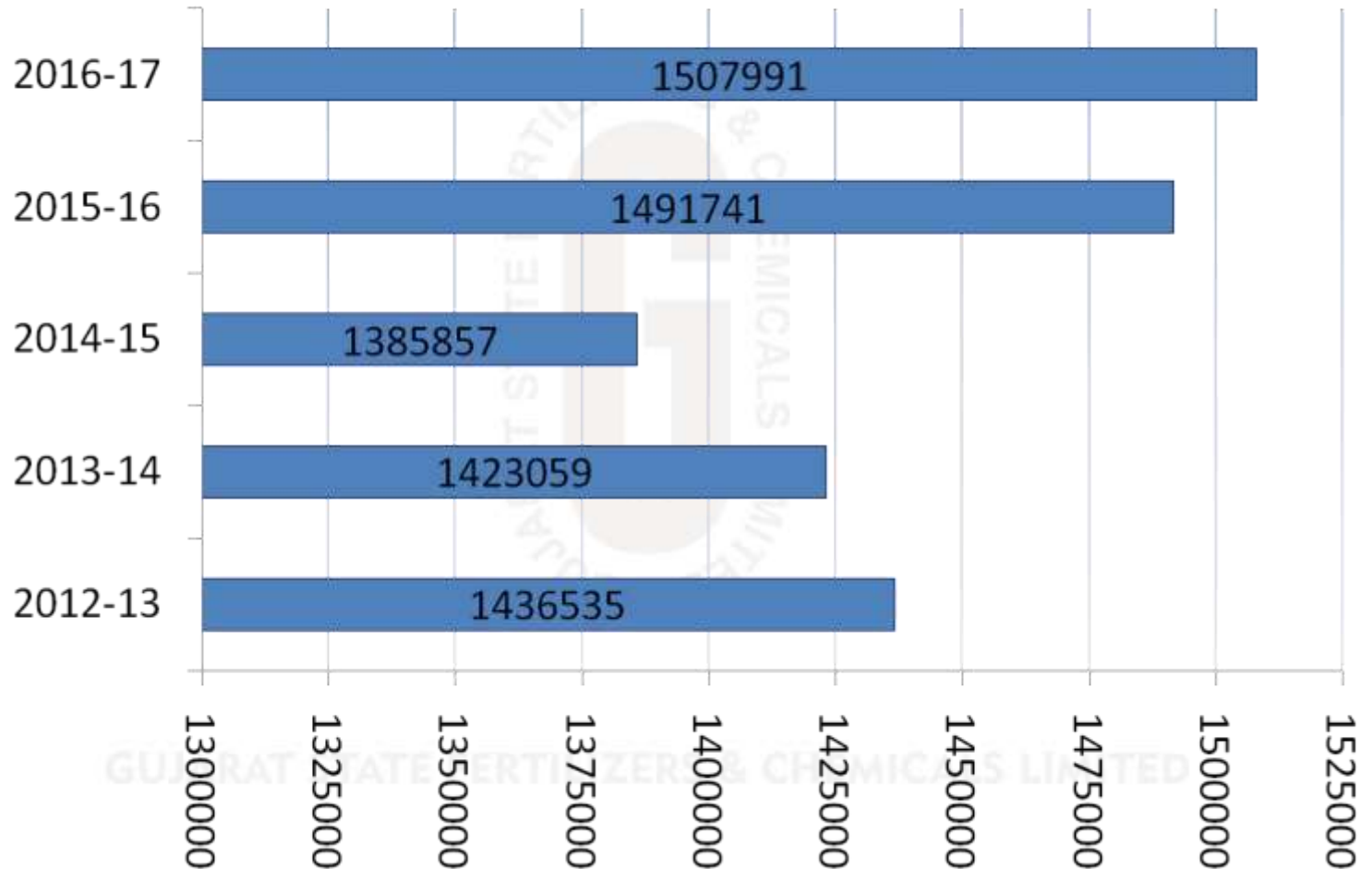
PRODUCTION (CAPROLACTUM) IN MTS



PRODUCTION (FERTILIZER)

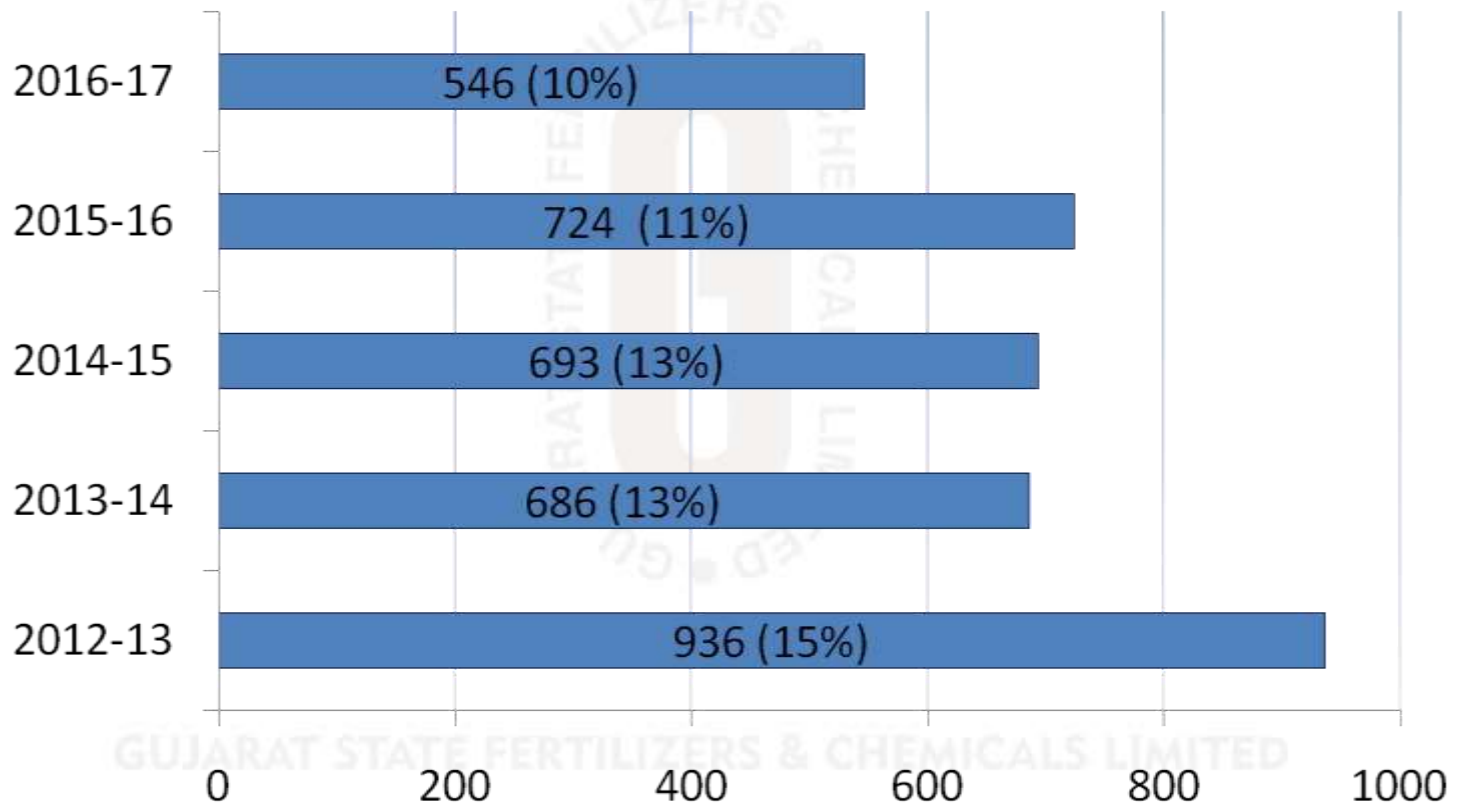


PRODUCTION (FERTILIZER) IN MTS



OPERATING PROFIT

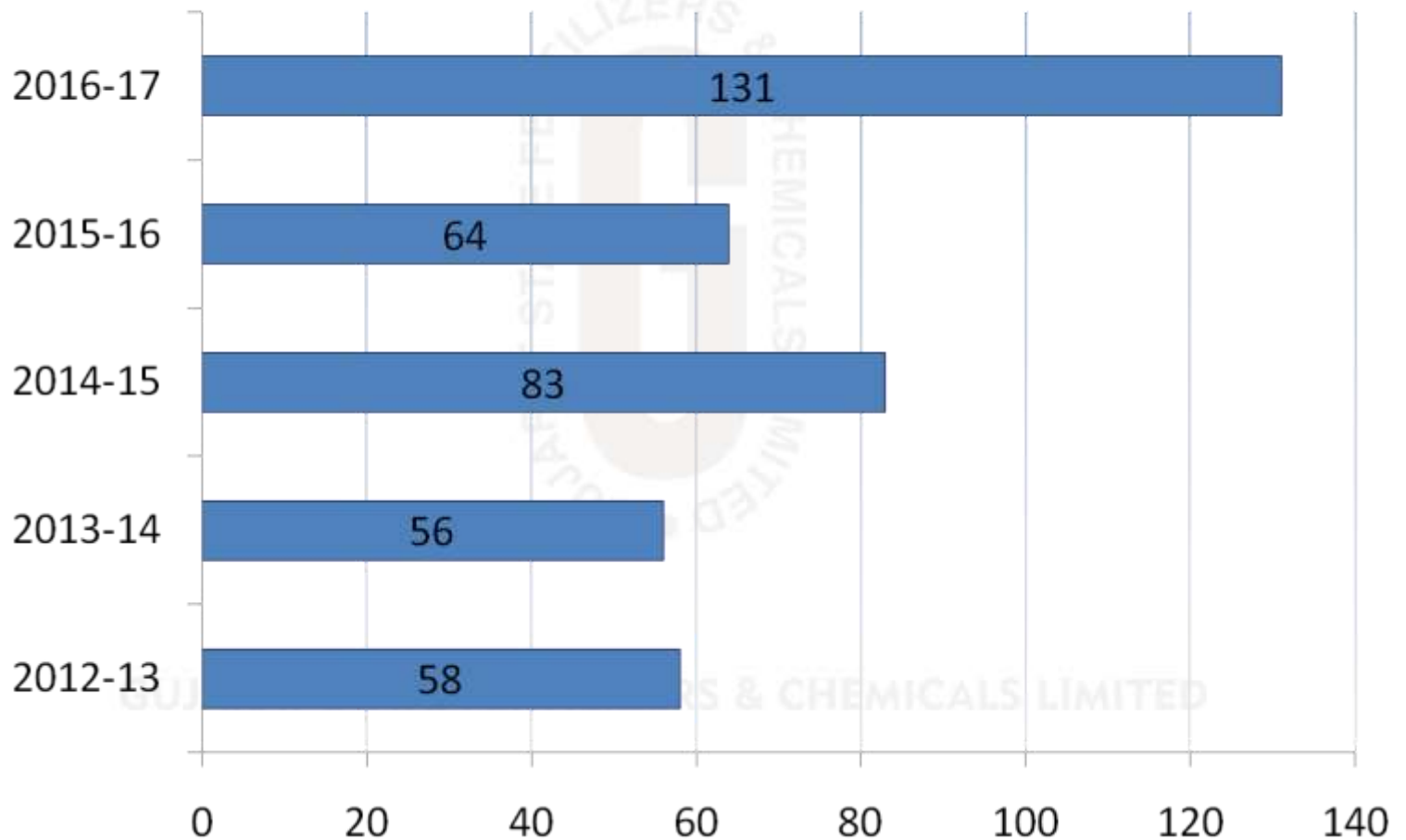
OPERATING PROFIT (EBIDTA) (RS. IN CRORES)



MARKET PRICE PER SHARE



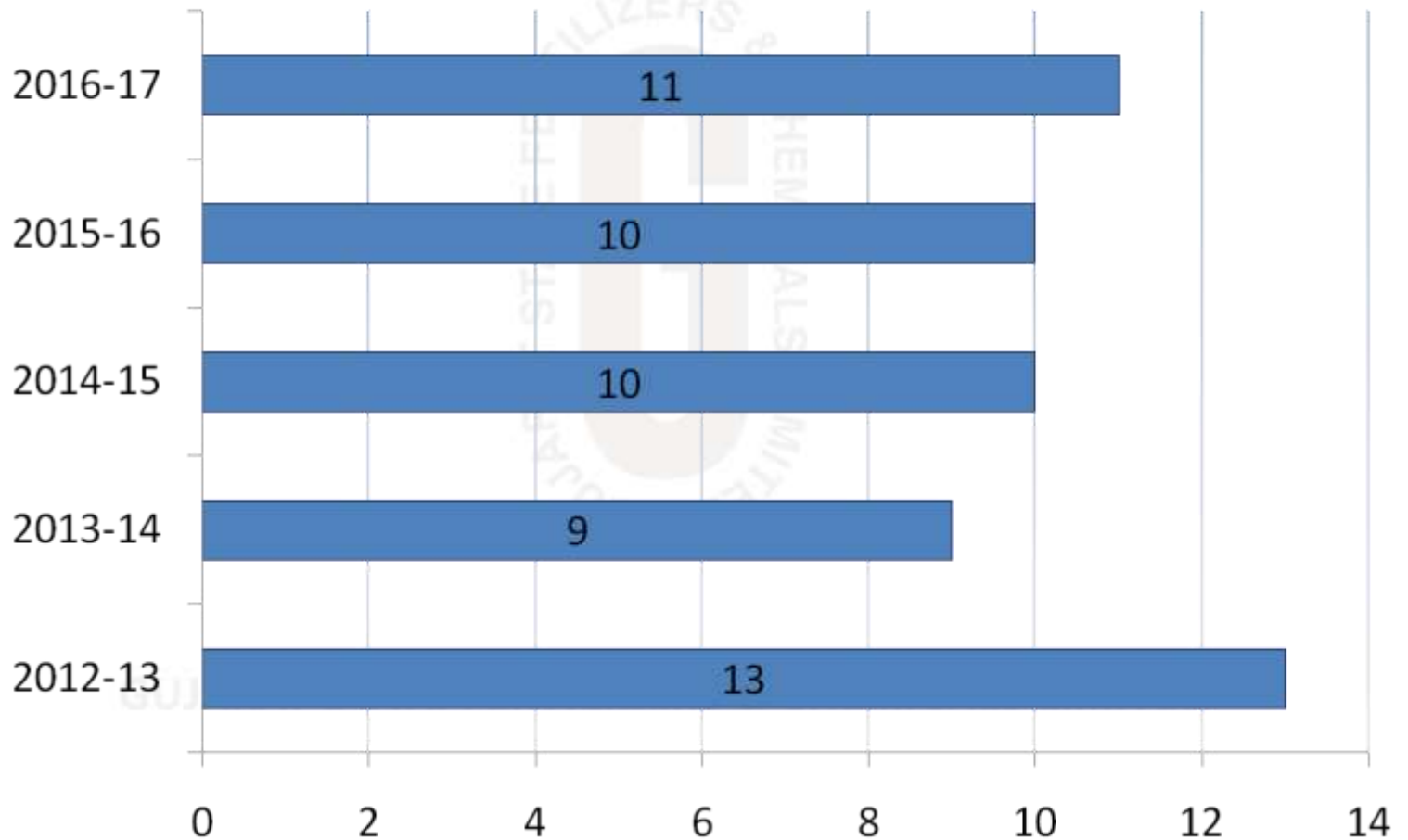
**MARKET PRICE PER SHARE
(FACE VALUE RS.2 PER SHARE)**



EARNING PER SHARE



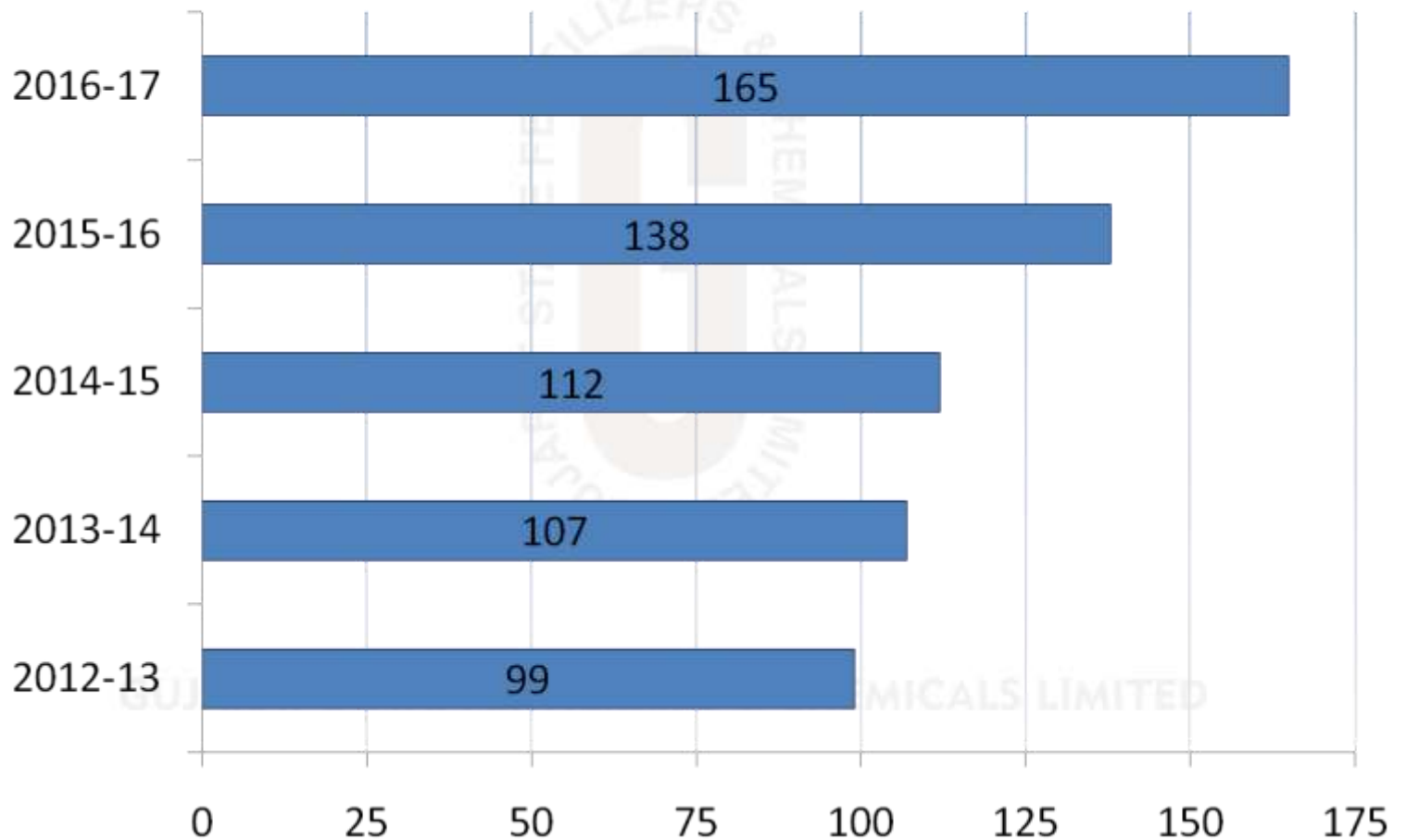
MARKET PRICE PER SHARE (FACE VALUE RS.2 PER SHARE)



BOOK VALUE PER SHARE



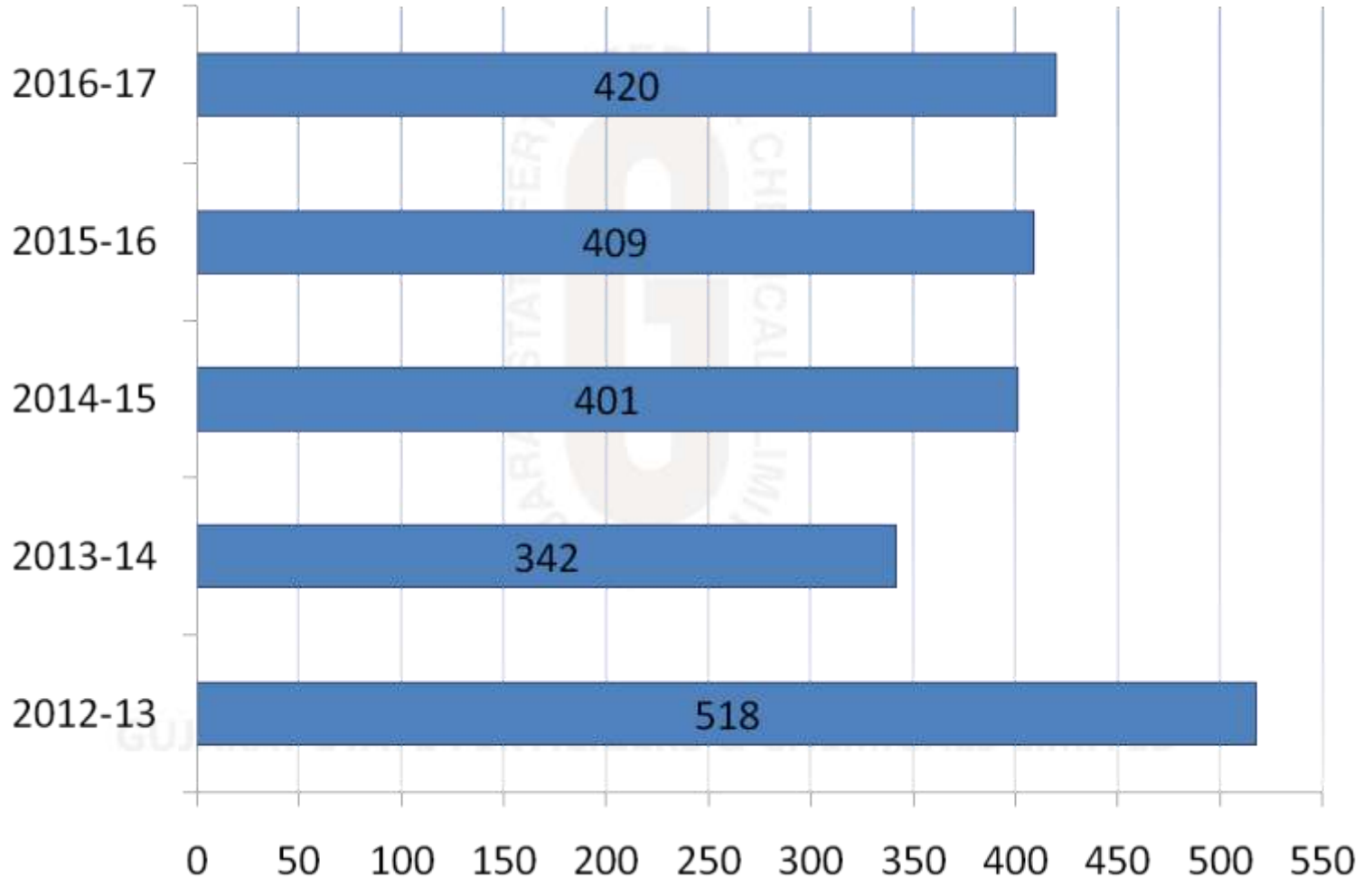
BOOK VALUE PER SHARE (FACE VALUE RS.2 PER SHARE)



PROFIT AFTER TAX



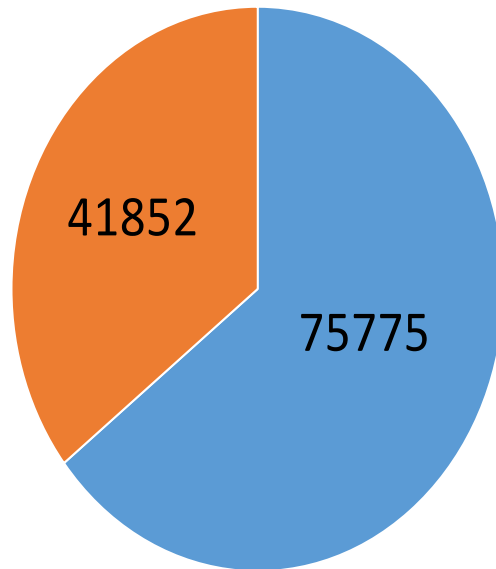
PROFIT AFTER TAX (RS. CRORES)



SEGMENT WISE TURNOVER (Rs. In lakhs)

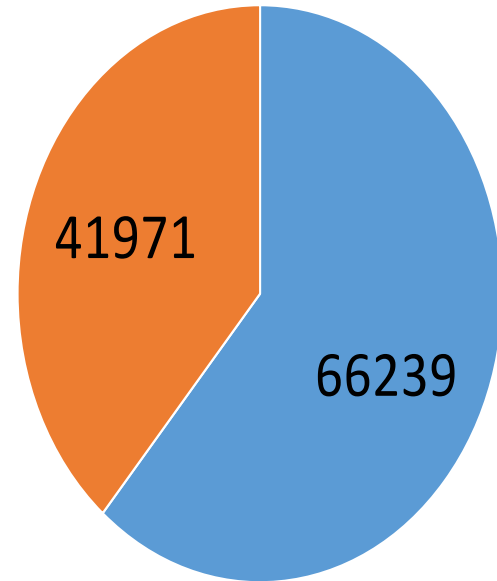


June-17



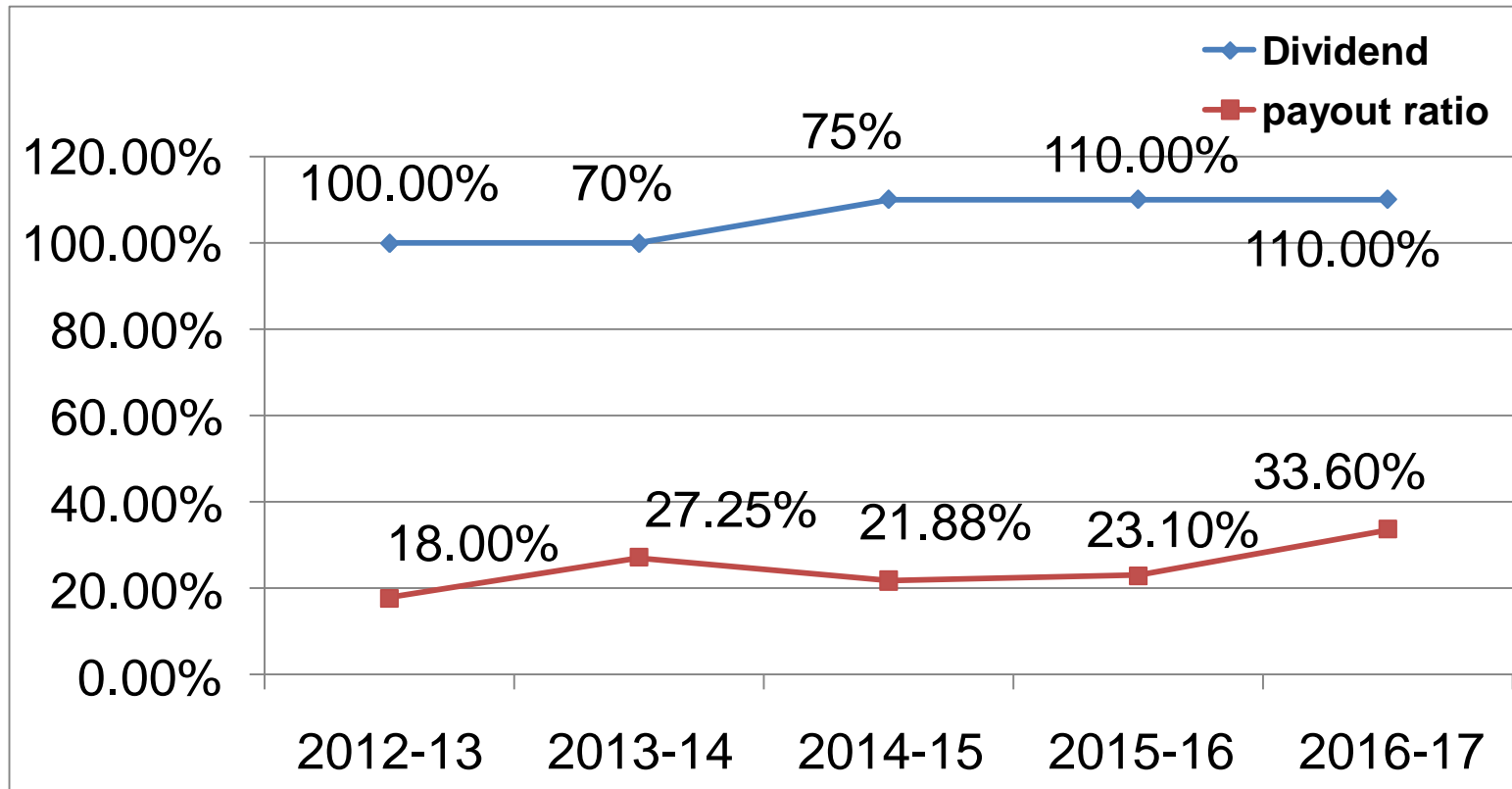
■ Fertilizer Products ■ Industrial Products

June-16



■ Fertilizer Products ■ Industrial Products

DIVIDEND TRACK RECORD



Per share figures for current year is based on face value of Rs.2 & previous year figures are based on face value of Rs.10.



SHAREHOLDERS' PROFILE

GUJARAT STATE FERTILIZERS & CHEMICALS LIMITED

MAJOR HOLDERS (Holding more than 1% Shares as on 09/09/2017)



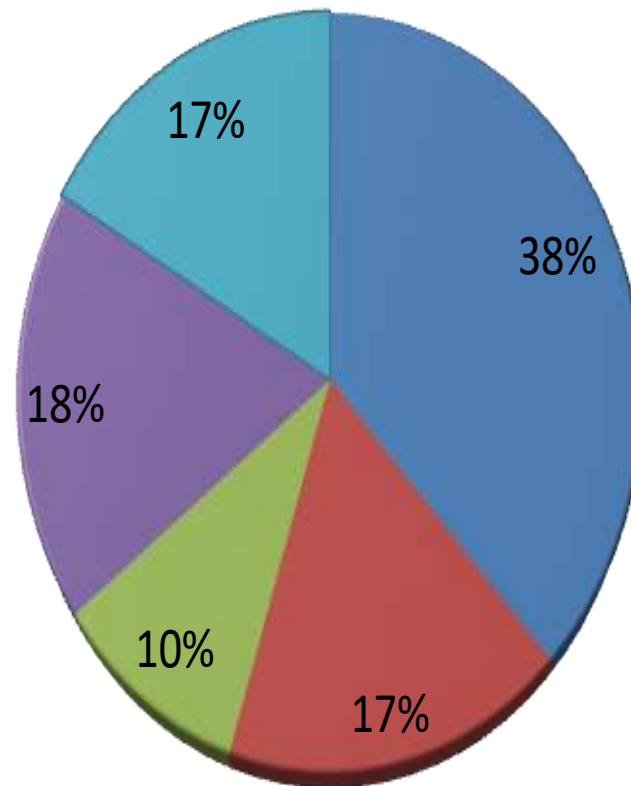
NAME OF SHARE HOLDERS	SHARES	%
GUJARAT STATE INVESTMENTS LIMITED	15,07,99,905	37.84
LIFE INSURANCE CORPORATION OF INDIA	3,17,78,658	7.98
Fidelity Low-Priced Stock Fund	3,03,00,000	7.60
Reliance Capital Trustee Company Limited A/c Reliance Growth Fund	1,14,08,572	2.86
Gujarat Alkalies & Chemicals Limited	75,00,000	1.88
Gujarat Narmada Valley Fertilizers & Chemicals Limited	75,00,000	1.88
GHI LTP Limited	61,14,648	1.53
Government Pension Fund Global	58,00,001	1.45
Gujarat Mineral Development Corporation Limited	50,00,000	1.25





SHARE HOLDING PATTERN (as on 09-09-2017)

Total paid up equity share capital Rs. 79,69,55,060.00



% holding



-  Promoter
-  Financial Institutions & Mutual Funds
-  Bodies Corporate & Banks
-  Individuals & Co-operative Societies & Co-operative banks
-  Foreign Portfolio Investors



Initiatives for better tomorrow

GUJARAT STATE FERTILIZERS & CHEMICALS LIMITED

CARBON FOOTPRINTS - Energy Conservation Schemes



- **GSFC is putting up persistent efforts in the field of Energy Conservation to reduce emission of Green House Gas (GHG), which shall result into less CO2 generation for same rate of production of various products at GSFC and its Units.**
- **These schemes are implemented as an in-house measure to reduce NG and power consumption. GSFC has heavily invested to power generation through renewable energy.**
- **Installed wind mills of 152.8 MW capacity. Anticipated reduction in CO2 generation is 1.51 lacs MT per year with fulfillment of 46% of total power requirement through wind mill.**
- **GSFC's policy is to plant maximum trees to absorb generated CO2 and about 18% land of GSFC is green belt. Approx. 1.32 lacs trees have been planted in green belt.**

CARBON FOOTPRINTS - Energy Conversation Schemes



- **GSFC has adopted a policy of usage of selective fuel for vehicles to have minimum carbon foot print.**
- **GSFC has earmarked a special fund of Rs.5 crores for implementation of various energy conversation schemes.**
- **Installation of Sulphuric Acid (SA) Plant is under consideration to have additional production of 1000 MTPD Ammonium Phosphate Sulphate (APS). Additional advantage of SA Plant is generation of Waste Steam, which can effectively be utilized in entire complex to minimize usage of Natural Gas (NG) and ultimately it will resulted into reduction in carbon foot print.**

POWER COST REDUCTION



With increasing NG prices and policy restrictions prudent measures are initiated to reduce power cost from Rs. 260.4 Cr (Rs.6.71 /Kwh) to Rs.217 Cr (Rs.5.88/Kwh).

To name a few are :

- increased use of Wind Power resulted in reduction of power cost by Rs.5.13 Cr.
- Started power purchase from IEX from September-2016 – Savings Rs.4.68 Cr.
- Improvement in Power Factor to 0.975 (May-2017) from 0.92 in March-2016. Savings in demand cost Rs.80 Lac in FY-2016-17.
- GIPCL power's average variable cost is reduced to Rs.4.42/Kwh (2016-17) from Rs.5.52/Kwh (2015-16).

POWER TRENDS & FUTURE PLANNING



Power purchase cost and Wind power utilisation at GSFC:

The Power Purchase Cost for the FY 2013-14 was Rs.7.26 per KWH and Wind Power Utilisation for the said FY was recorded at 77.32% which was reduced to Rs.5.88 per KWH and Wind Power Utilisation for the year was increased to 85.11%.

Future Planning for cost reduction :

- **1 MW Solar power plant proposed on roof top in Baroda complex.**
- **10 MW Solar power project proposed at Charanka Solar park Gujarat..**
- **This will help to reduce our power purchase expenditure by Rs.10 Cr/annum and protect Solar RPO burden of about Rs. 2.5 to Rs. 3.5 cr. annually.**
- **2.5 MW wind power reallocation is under pipeline which would provide annual savings of approx. Rs. 1.87 Cr.**

Cost saving achieved by GSFC through various measures
(between June 2016 to August 2017)



Sr. No.	Particular	Expected Achievement	Target achieved
01	Cost saving by inventory management: (through Finished product stock reduction of methanol, sulphuric acid, MMA, Acetone)	1000 Lac	765 Lac
02	Cost saving through management of scrap	1000 Lac	1141 Lac
03	Cost saving through Negotiation (Including reverse auction):	12000 Lac	9743 Lac
04	Cost saving through effective measures in Logistics: (through incremental road dispatch, reduction in RH-WH movement, internal shifting of cost etc.)	1705 Lac	988 Lac
05	Cost saving through Energy Conservation:	1000 Lac	107 Lac
06	Cost cutting through reduction in Specific consumptions	1000 Lac	1483 Lac
07	Cost saving through import of fertilizers and IP products (through saving in SCF Charge, extra bag cost, hedging cost, LC Charge etc.)	5000 Lac	5640 Lac



SWOT ANALYSIS

GUJARAT STATE FERTILIZERS & CHEMICALS LIMITED



STRENGTHS

- Zero Debt Company.
- Fully integrated Production Facilities.
- Better & efficient Management of Utilities viz. Power & Gas.
- Proper & timely plant Maintenance Schedule.
- Strong Brand Image and Market Network.
- Captive jetty at Sikka.
- JV in Tunisia viz. TIFFERT as a backward integration to ensure consistent supply of PA.
- Diverse product basket.

WEAKNESS

- Major raw materials are being imported and there are limited suppliers world over yet efforts are on to obtain consistent supplies at optimum cost.
- Being in existence for more than 50 years, the plant capacities were contemporary at that time. However, they appear to be smaller in the present context except in case of DAP which has contemporary capacity.



OPPORTUNITIES

- Exploring tie-ups with countries like Togo, Uganda, Senegal, Canada etc. for consistent supply of raw material.
- Agro products consolidation.
- New Petrochemical Complex at Dahej.
- Capacity addition in complex fertilizers.
- Expanding fertilizer business reach through franchise network.
- Trading of fertilizers & techno products to tap growing demands.

THREATS

- Market related threats – fertilizer business – over dependency on monsoon and Govt. policies.
- Exchange Rate Risks.
- Addition of new capacities world over resulting in Global competition.
- Cheaper imports.



STRIDING AHEAD...

GUJARAT STATE FERTILIZERS & CHEMICALS LIMITED

PROJECTS UNDER CONSTRUCTION



Project	Location	Expected Capacity	Expected Commissioning	Expected increase in turnover Rs. in Crores	Mode of Financing
Melamine	Vadodara	40,000 MTPA	July 2018	400	Cash accruals

PROJECTS UNDER CONSIDERATION



Project	Location	Expected Capacity	Expected Investment	Expected Commissioning Year	Expected Benefits
Phosphoric Acid	Sikka	3.3 Lakh MTPA	Rs. 1800 Crores	2020 -21	Backward integration
Sulphuric Acid	Sikka	10 Lakh MTPA		2020 -21	Backward integration
MMA	Dahej	50,000 MTPA	Rs. 1400 Crores	2021 -22	Increase in turn over by Rs. 600 Crores.
Ammonia - Urea complex	Republic of Congo- Africa	Ammonia- 2.6 Lakh MTPA Urea - 3.6 Lakh MTPA	GSFC investment will be part of equity. Gol & G-RoC will also have equity participation	2021-22	To have foothold in Africa.

PROJECTS UNDER CONSIDERATION



Project	Location	Expected Capacity	Expected Investment	Expected Commissioning Year	Expected Benefits
DAP- NPK Plant	Sikka	5 Lakh MTPA	Rs. 300 Crores	After Commissioning of Phosphoric Acid plant.	Increase of market share.
Conversion of Methanol plant for production of Ammonia / Synthesis Gas	Vadodara	1.5 lakh MTPA Ammonia / Synthesis Gas	Rs. 400 Crores	2020-21	Idle assets of Methanol plant will be used for Ammonia production.
Revamping of Ammonia Plant	Vadodara	0.5 lakh MTPA Ammonia	Rs. 250 Cores	2020-21	Captive requirement of Ammonia.



GSFC CSR

THEME: Noble initiatives of GSFC

GUJARAT STATE FERTILIZERS & CHEMICALS LIMITED

GSFC CSR POLICY



A caring corporate always exists in sync with its surrounding communities. Going a step ahead, GSFC is closely involved in continuous community development. Our dedicated CSR Cell is committed to various endeavours toward improving the overall quality of life around us:

Imparting education and promoting sports (in association with TENVIC Sports Edu. Pvt. Ltd.) – working in schools and running GSFC schools and GSFC University

Promoting healthcare and sanitation facilities. – Medical Camps, Blood donation camps, vision restoring, thalassemia screening etc.

Comprehensive rural development projects. – both social (women empowerment, vocational training, livelihood etc) and infrastructural (building roads, crematorium etc) as well as making available safe drinking water and focusing on water and environment conservation (Ensuring environment friendly initiatives. – tree plantations, awareness programme)

On going CSR Projects



- Working with special children – established Osmosis (Learning) Centre and working closely with Akshar Trust (School for hearing impaired children).
- Vocational Training and Livelihood enhancement.- working with youth and women.
- Supporting society during natural calamities – support to Uttarakhand, J&K and recently to Banaskatha Floods
- Support to NGOs for social development of communities. – Bal Gokulam, United Way of Baroda, SVADES, ALIMCO, etc
- Developing Industry Academic interface. - working to develop sustainable development models
- Connecting farmers with latest technology for higher yields. – various programmes like workshops, demonstrations, field visits etc.



University Uniqueness



GSFC University Differentiators



- GSFC University has been established based on the following philosophy of learning:
 - It is “**For Teaching**” university with emphasis on applied research. The curriculum is designed in such a way that, there is a strong inclination towards R&D applied to industry and companies.
 - University is striving to produce 100% “**industry ready**” students, so that they are employable.
 - The University is modeled based on the **principle of a Medical college**, where students learn how to apply **theories** learned in classes.

On same lines GSFC University campus is adjacent to GSFC plants and at handshaking distance.

This enabling easy access to students & faculties to learn applications of theory taught in class-rooms in industry scenarios.

GSFC University Differentiators



- **Teaching and Learning hinges on following four elements:–**
 - **First dimension - Theory in state-of-art Class rooms**
 - **Second dimension – Virtual Simulation and Physical Practical in Lab environment**
 - **Third dimension – Regular GSFC's plant visits to become familiar with real life Equipment in various Plants**
 - **Fourth dimension - Hands on practice through industrial internship of 60 days every year, i.e., 8 months in 4 years course**
- **Syllabus has been designed by Board Of Studies (BOS) having 50% members drawn from industry, so as to keep the course material current with industry's requirements.**

GSFC University Differentiators



- **A corpus of 5% of the University's Tution fee income earmarked for financial assistance to needy students**
- **To ensure the best faculties and assessment by Students of their faculties.**
- **Bank, ATM and Medical Centre are with in easy reach of students and staff**
- **Imbibing Moral Values:-**
 - **Respect for - gender differences, manual work, safety procedures within the plant and outside**
 - **Working in teams through club culture. There are 30 clubs of various hues**
 - **Willingness to learn and use her/his hands through internship**
 - **Application of scientific methods in professional life**
 - **Ethical conduct in every walk of life - Intellectual and financial integrity.**

GSFC University Differentiators



- Executive Development Centre is being developed as an extension of University s
- It is to provide technical and training related support to the industry in Gujarat by leveraging the strength of the University;
- Designing and Executing training programmes based on training need assessment for ETs/GETs & MTs for Industries;
- A few recent initiatives are –
 - ❑ For GSFC – a 3 year unique Diploma in Plant Management, which can be acquired by ETs of GSFC during first 3 years of training
 - ❑ With Karcher of Germany to skill persons with state-of-art cleaning equipment
 - ❑ With Larsen & Toubro Limited for Project Management programs
 - ❑ With Indian Institute of Engineers for In Service Diploma Programs



ACCOLADES

GUJARAT STATE FERTILIZERS & CHEMICALS LIMITED

GSFC Awards



SR. NO.	NAME OF AWARD
1	First Place under Public Manufacturing – Mega category (14 th National Award for Excellence in Cost Management, 2016 by the Institute of Cost Accountants of India.
2	Winner of Golden Peacock HR Excellence Award – 2016 in Chemical and Fertilizer Sector.
3	Mahadhan Award for Crop Productivity.
4	FAI's special award on Environmental Protection.
5	GSFC bags coveted Golden Peacock Award.
6	GSFC honored with Leadership Award for Excellence in Corporate Social Welfare.
7	FGI Awards for "Industrial Relations" and Environmental Control.
8	GSFC voted as India's No.1 Brand.
9	National Award for manufacturing competitiveness.



THANK YOU

GUJARAT STATE FERTILIZERS & CHEMICALS LIMITED