



**DEEPAK FERTILISERS
AND PETROCHEMICALS CORPORATION LIMITED**

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Press Release

**DEEPAK FERTILISERS AND PETROCHEMICALS CORPORATION LTD.
RECORDS 41% INCREASE IN INCOME Q2 2011-12**

- ***Own-manufactured Fertilisers and Chemicals drive growth***
- ***PBT up 31% and PAT up 30% for Q2 FY12***
- ***Sales for Agri-business up 22% for the Quarter with higher capacity utilisation***
- ***Sales for the Chemicals business up 50% for the Quarter***

Mumbai / Pune, Thursday, October 20, 2011: Deepak Fertilisers And Petrochemicals Corporation Ltd. (DFPCL) today announced the financial results for the six months and the quarter ended September 30, 2011 (Q 2 FY 12).

For the quarter ended September 30, 2011, DFPCL, driven by an increase in sales volumes of own manufactured Fertilisers and Chemicals, has recorded an Income from Operations of Rs. 577.19 crores. This represents an increase of 41% over the corresponding period last year, when income from operations stood at Rs. 410.77 crores.

For the same period, the Company's Profit before Tax (PBT) rose 31% to Rs. 75.18 crores against Rs. 57.44 crores for the previous corresponding year (Q2 FY11) and Profit after Tax rose 30% to Rs. 53.90 crores against Rs. 41.44 crores in the corresponding period of the previous year.

During the Quarter under review, sales for the Chemicals business grew 50% to Rs. 351.48 crores in Q2 FY 12 against Rs. 234.64 crores in the same period for the previous year. This was largely due to additional volumes from the new Technical Ammonium Nitrate plant and higher volumes and improved realisations across the other chemical products. Segment profitability for the Chemicals business grew to Rs. 77.67 crores in Q2 FY 12 against Rs. 61.39 crores for the corresponding period of the previous year.

With higher capacity utilisation and an improved availability of phos acid, Sales for the Agri-business grew 22% to Rs. 230.70 crores in Q2 FY 12 against Rs. 189.19 crores in Q2 FY 11. Own manufactured fertilisers grew 54% to Rs. 112.46 crores in Q2 FY 12 against Rs. 72.76 crores in Q2 FY11. The sales of outsourced specialty fertilisers which include water solubles, bio-fertilisers, micro nutrients, etc. grew 45% during the quarter under review over same quarter in the previous year with good improvement in margins. The sales of fruits and vegetables from the Saarrthie business also showed a good 54% growth in Q2 FY12 compared to the corresponding quarter of the previous year. This higher capacity utilisation, coupled with stronger operations and cost management and the improved margins on speciality fertilisers, has led to better segment profitability in the Agri-business. Segment profits grew to Rs. 34.63 crores in Q2 FY 12 from Rs. 11.93 crores in Q 2 FY 11.

For the six months ended September 30, 2011, (H 1 2012) the Company has recorded an Income from Operations at Rs. 1051.06 crores. This represents an increase of 38% over the corresponding period last year, when income from operations stood at Rs.761.31 crores. The Company's Profit before Tax (PBT) rose 25% to Rs. 163.08 crores against Rs. 130.94 crores for the previous corresponding half year and Profit after Tax rose 26% to Rs. 117.84 crores against Rs. 93.64 crores in the corresponding period of the previous year.

Certain modifications and repairs in the new TAN complex in October will result in a downtime of about 3 weeks. However, its impact in the market will not be significant in view of the low activity in the coal mining sector due to the extended monsoon and Telangana stir.

Modifications at the Company's mall, Ishanya, are expected to be completed in Q 1 FY 13 and the new High Street Ishanya concept will then be fully ready for trading. This is expected to result in a good increase in footfalls and revenue going forward.

Commenting on the results, **Mr. Sailesh Mehta, Vice Chairman and Managing Director**, said, "Our products from the new complex at Taloja are now well accepted by the Indian mining and infrastructure sectors. Our mining chemicals are a very vital ingredient for India's mining and infrastructure sector, esp. for critical products like coal. Our volume growth over the next 6-8 quarters or so, as we replace inferior quality imports, is expected to be strong. Besides this our own-manufactured fertiliser volumes are growing well. We are in a strong position to consolidate and gain market share quickly going forward. The Company's foray into the Agri-sector is also beginning to yield promising results with improved procurement practices and a revamped product management driven organisation structure aligned to the specific needs of the business," he said.

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