



14<sup>th</sup> February 2019

The Deputy General Manager BSE Limited Corporate Relationship Department 1 <sup>st</sup> Floor, New Trading Ring Rotunda Building, P J Towers, Dalal Street, Fort Mumbai 400 001 Scrip No: 500645	The Manager Listing Department National Stock Exchange of India Limited “Exchange Plaza”, C-1, Block G Bandra-Kurla Complex, Bandra (E), Mumbai – 400051  Scrip No: DEEPAKFERT
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**Sub: Unaudited Financial Results for the quarter and nine months ended 31<sup>st</sup> December 2018**

Dear Sir,

In terms of provisions of Regulations 30 and 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we enclose the following statements for the quarter and nine months ended 31<sup>st</sup> December, 2018, which were approved and taken on record by the Board of Directors at its meeting held today i.e. 14<sup>th</sup> February 2019:

1. Unaudited Standalone and Consolidated Financial Results for the quarter and nine months ended 31<sup>st</sup> December 2018.
2. Limited Review Report for the quarter and nine months ended 31<sup>st</sup> December, 2018.
3. Q3 FY 2019 Results Release.

We request you to take the same on your record.

Thanking you,

Yours truly,

For **DEEPAK FERTILISERS AND PETROCHEMICALS  
CORPORATION LIMITED**

**K. Subharaman**  
Executive Vice President – Legal & Company Secretary

**DEEPAK FERTILISERS AND PETROCHEMICALS CORPORATION LIMITED CIN: L24121MH1979PLC021360**

Regd. Office : Opp. Golf Course, Shastri Nagar, Yerawada, Pune-411 006, Corp. Office : Sai Hira, Survey No 93, Mundhwa, Pune-411 036,

Website: www.dfpl.com, Investors relation contact: investorgrievance@dfpl.com; Phone: +91-20-66458000.

**PART I**

(Amounts in Rs Lakhs unless otherwise stated)

**STATEMENT OF UNAUDITED STANDALONE FINANCIAL RESULTS FOR THE QUARTER AND NINE MONTHS PERIOD ENDED 31 DECEMBER 2018**

Sr. No.	Particulars	Quarter Ended			Nine Months Ended		Year Ended
		31 December 2018	30 September 2018	31 December 2017	31 December 2018	31 December 2017	31 March 2018
	(Refer Notes Below)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
1	Income						
	(a) Revenue from operations	62,373	77,087	93,950	269,379	208,950	321,421
	(b) Other income	723	422	489	1,531	1,673	6,642
	Total income	63,096	77,509	94,439	270,910	210,623	328,063
2	Expenses						
	(a) Cost of materials consumed	22,984	25,865	23,735	69,966	56,291	80,430
	(b) Purchases of stock-in-trade	34,402	33,726	64,472	168,183	126,080	203,547
	s Changes in inventories of finished goods and stock-in-trade	(59)	7,888	(7,656)	4,432	(7,976)	(7,366)
	(d) Excise duty	-	-	-	-	2,694	2,694
	(e) Employee benefits expense	1,467	1,021	1,986	4,100	5,007	6,442
	(f) Finance costs	2,293	1,960	1,662	6,395	4,505	7,068
	(g) Depreciation and amortisation expense	1,279	1,160	1,362	3,664	4,022	5,050
	(h) Other expenses (Net)	963	4,546	4,862	11,750	11,903	17,105
	Total expenses	63,329	76,166	90,423	268,490	202,526	314,970
3	Profit / (loss) before tax (1-2)	(233)	1,343	4,016	2,420	8,097	13,093
4	(a) Current tax	(50)	319	1,211	522	2,518	2,221
	(b) Deferred tax	(307)	160	(113)	64	(303)	(417)
	Total tax expense / (reversal)	(357)	479	1,098	586	2,215	1,804
5	Net profit / (loss) after tax (3-4)	124	864	2,918	1,834	5,882	11,289
6	Other comprehensive income						
	<i>Items that will not be reclassified to profit or loss</i>						
	Remeasurement of defined benefit obligations	61	(303)	-	(242)	-	175
	Income tax relating to this item	(21)	106	-	85	-	(61)
	<i>Items that will be reclassified to profit or loss</i>						
	Changes in fair value of investments other than equity shares carried at fair value through OCI	62	(37)	(103)	(64)	(7)	(63)
	Income tax relating to this item	(22)	13	35	22	2	22
	Total other comprehensive income, net of tax	80	(221)	(68)	(199)	(5)	73
7	Total comprehensive income / (loss) (5+6)	204	643	2,850	1,635	5,877	11,362
8	Paid-up Equity Share Capital (Face Value of Rs.10/- each)	8,820	8,820	8,820	8,820	8,820	8,820
9	Earnings Per Share (EPS) (not annualised) (face value of Rs.10 each)						
	(a) Basic (In Rs.)	0.14	0.98	3.31	2.08	6.67	12.80
	(b) Diluted (In Rs.)	0.14	0.98	3.31	2.08	6.67	12.80

*Handwritten signature*

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PART I							(Amounts in Rs Lakhs unless otherwise stated)
STATEMENT OF UNAUDITED CONSOLIDATED FINANCIAL RESULTS FOR THE QUARTER AND NINE MONTHS PERIOD ENDED 31 DECEMBER 2018							
Sr. No.	Particulars	Quarter Ended			Nine Months Ended		Year Ended
		31 December 2018	30 September 2018	31 December 2017 Restated (Refer note 4 & 5)	31 December 2018	31 December 2017 Restated (Refer note 4 & 5)	31 March 2018
	(Refer Notes Below)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
1	Income						
	(a) Revenue from operations	145,338	176,873	164,492	544,830	415,654	606,154
	(b) Other income	915	1,371	665	3,045	1,276	2,409
	Total income	146,253	178,244	165,157	547,875	416,930	608,563
2	Expenses						
	(a) Cost of materials consumed	71,875	71,403	70,112	215,597	173,497	237,317
	(b) Purchases of stock-in-trade	51,210	48,326	73,313	232,528	147,422	227,716
	(c) Changes in inventories of finished goods and stock-in-trade	(8,862)	20,521	(17,866)	(12,662)	(19,471)	(9,539)
	(d) Excise duty	-	-	-	-	6,668	6,668
	(e) Employee benefits expense	6,850	6,290	6,256	20,399	17,188	24,580
	(f) Finance costs	5,717	5,747	3,527	17,195	11,553	17,316
	(g) Depreciation and amortisation expense	4,359	4,261	4,327	12,810	12,315	16,323
	(h) Other expenses (Net)	13,489	18,827	17,477	51,877	48,245	64,894
	Total expenses	144,638	175,375	157,146	537,744	397,417	585,275
3	Profit / (loss) before share of (loss) of equity accounted investees and income tax (1-2)	1,615	2,869	8,011	10,131	19,513	23,288
4	Share of (loss) of associates	(88)	(101)	(62)	(191)	(195)	(239)
5	Profit / (loss) before tax (3+4)	1,527	2,768	7,949	9,940	19,318	23,049
6	(a) Current tax	515	407	1,328	1,260	2,640	2,349
	(b) Deferred tax	(236)	510	1,124	1,858	3,559	4,290
	Total tax expense / (reversal)	279	917	2,452	3,118	6,199	6,639
7	Net profit / (loss) after tax, non controlling interest and share in (loss) of associates (5-6)	1,248	1,851	5,497	6,822	13,119	16,410
8	Other comprehensive income (OCI)						
	<i>Items that will not be reclassified to profit or loss</i>						
	Remeasurement of defined benefit obligations	61	(303)	-	(242)	-	(139)
	Income tax relating to this item	(21)	106	-	85	-	48
	<i>Items that will be reclassified to profit or loss</i>						
	Exchange difference on translation of financial statements of the foreign operations	(408)	104	(80)	(269)	(134)	(31)
	Changes in fair value of investments other than equity shares carried at fair value through OCI #	62	(37)	(102)	(64)	(6)	(63)
	Income tax relating to the above item #	(22)	13	35	22	2	33
	Total other comprehensive income, net of tax	(328)	(117)	(147)	(468)	(138)	(152)
9	Total comprehensive income / (loss) (7+8)	920	1,734	5,350	6,354	12,981	16,258
10	Net profit / (loss) attributable to:						
	- Owners of the Company	1,221	1,780	5,445	6,614	13,040	16,267
	- Non controlling interest	27	71	52	208	79	143
11	Other comprehensive income, net of tax attributable to:						
	- Owners of the Company	(211)	(148)	(129)	(391)	(120)	(148)
	- Non controlling interest	(117)	31	(18)	(77)	(18)	(4)
12	Total comprehensive income / (loss) attributable to:						
	- Owners of the Company	1,010	1,632	5,316	6,223	12,920	16,119
	- Non controlling interest	(90)	102	34	131	61	139
13	Paid-up Equity Share Capital (Face Value of Rs.10/- each)	8,820	8,820	8,820	8,820	8,820	8,820
14	Earnings per share (EPS) (not annualised) (face value of Rs.10 each)						
	(a) Basic (In Rs.)	1.38	2.02	6.17	7.50	14.78	18.44
	(b) Diluted (In Rs.)	1.38	2.02	6.17	7.50	14.78	18.44

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UNAUDITED SEGMENT-WISE REVENUE, RESULTS, ASSETS AND LIABILITIES							(Amounts in Rs Lakhs unless otherwise stated)
Sr. No.	Particulars	Consolidated					Year Ended 31 March 2018
		Quarter Ended			Nine Months Ended		
		31 December 2018	30 September 2018	31 December 2017 Restated (Refer note 4 & 5)	31 December 2018	31 December 2017 Restated (Refer note 4 & 5)	
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)	
1	Segment revenue						
	(a) Chemicals						
	Manufactured	64,446	67,015	59,860	192,415	156,996	220,638
	Traded	30,242	40,939	59,301	173,980	120,642	202,410
	<b>Total</b>	<b>94,688</b>	<b>107,954</b>	<b>119,161</b>	<b>366,395</b>	<b>277,638</b>	<b>423,048</b>
	(b) Fertilisers						
	Manufactured	30,956	35,479	38,292	109,384	109,206	148,664
	Traded	19,144	32,492	6,611	66,701	26,912	32,046
	<b>Total</b>	<b>50,100</b>	<b>67,971</b>	<b>44,903</b>	<b>176,085</b>	<b>136,118</b>	<b>180,710</b>
	(c) Realty	515	604	399	1,604	1,233	1,685
	(d) Others	35	344	29	746	664	711
	<b>Total income from operations</b>	<b>145,338</b>	<b>176,873</b>	<b>164,492</b>	<b>544,830</b>	<b>415,653</b>	<b>606,154</b>
2	Segment results [profit / (loss) before tax and finance costs from Each segment]						
	(a) Chemicals	9,193	12,905	16,065	37,227	37,308	51,335
	(b) Fertilisers	(1,330)	(454)	989	(79)	5,500	3,674
	(c) Realty	(250)	(375)	(332)	(1,009)	(1,199)	(1,596)
	(d) Others	(64)	247	(72)	447	390	323
	<b>Total</b>	<b>7,549</b>	<b>12,323</b>	<b>16,650</b>	<b>36,586</b>	<b>41,999</b>	<b>53,736</b>
	Less: i) Finance costs	5,717	5,746	3,527	17,195	11,553	17,316
	ii) Other unallocable expenditure (net of unallocable income)	217	3,708	5,112	9,260	10,933	13,132
	<b>Total profit before tax</b>	<b>1,615</b>	<b>2,869</b>	<b>8,011</b>	<b>10,131</b>	<b>19,513</b>	<b>23,288</b>
3	Segment assets						
	(a) Chemicals	331,359	381,168	324,851	331,359	324,851	317,714
	(b) Fertilisers	224,940	234,712	241,183	224,940	241,183	174,726
	(c) Realty	22,094	25,102	23,483	22,094	23,483	23,568
	(d) Others	2,252	3,323	2,843	2,252	2,843	2,726
	(e) Unallocated	154,780	126,309	91,602	154,780	90,102	180,412
	<b>Total assets</b>	<b>735,425</b>	<b>770,614</b>	<b>683,962</b>	<b>735,425</b>	<b>682,462</b>	<b>699,146</b>
4	Segment liabilities						
	(a) Chemicals	168,701	180,533	156,046	168,701	156,046	155,159
	(b) Fertilisers	114,708	149,022	160,042	114,708	160,042	136,459
	(c) Realty	1,507	1,437	1,121	1,507	1,121	993
	(d) Others	46	45	46	46	46	46
	(e) Unallocated	236,799	231,774	181,157	236,799	181,157	197,839
	<b>Total liabilities</b>	<b>521,761</b>	<b>562,811</b>	<b>498,412</b>	<b>521,761</b>	<b>498,412</b>	<b>490,496</b>

**DEEPAK FERTILISERS AND PETROCHEMICALS CORPORATION LIMITED**

CIN: L24121MH1979PLC021360

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Investors relation contact: investor@grievance@dfpcl.com; Phone: +91-20-66458000,  
Corp. Office : Sai Hira, Survey No 93, Mundhwa, Pune-411 036

(Amounts in Rs Lakhs unless otherwise stated)

Sr. No.	Particulars	Standalone			Consolidated		
		Quarter Ended 31 December 2018	Nine Months Ended 31 December 2018	Quarter Ended 31 December 2017	Quarter Ended 31 December 2018	Nine Months Ended 31 December 2018	Quarter Ended 31 December 2017
		(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
1	Total income from operations (net)	62,373	269,379	93,950	145,338	544,830	164,492
2	Net Profit / (Loss) for the period (before tax Exceptional and/or Extraordinary items #)	(233)	2,420	4,016	1,527	9,940	7,949
3	Net Profit / (Loss) for the period before tax (after Exceptional and/or Extraordinary items #)	(233)	2,420	4,016	1,527	9,940	7,949
4	Net Profit / (Loss) for the period after tax (after Exceptional and/or Extraordinary items #)	124	1,834	2,918	1,248	6,822	5,497
5	Total Comprehensive Income for the period [Comprising Profit/(Loss) for the period (after tax) and Other Comprehensive Income (after tax)]	204	1,635	2,850	920	6,354	5,350
6	Equity Share Capital (Face value of Rs 10/- per share)	8,820	8,820	8,820	8,820	8,820	8,820
7	Reserves (excluding Revaluation Reserve) as shown in the Audited Balance sheet of the previous year	-	152,761		-	195,797	
8	Earnings Per Share (of Rs. 10/- each) (Rs.) (for continuing and discontinued operations)						
	Basic :	0.14	2.08	3.31	1.38	7.50	6.17
	Diluted :	0.14	2.08	3.31	1.38	7.50	6.17

**Note:**

- 1 The above is an extract of the detailed format of the quarter and nine months period ended 31 December 2018 financial results filed with the stock exchanges under regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The full format of the financial results are available on the stock exchange websites ([www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com)) and on the Company's website ([www.dfpcl.com](http://www.dfpcl.com)).
- 2 The auditors in their report have drawn attention to the uncertainties related to withholding of subsidies
- 3 Previous period's figures have been restated / reclassified / regrouped wherever necessary (refer the full financial results).
- 4 # Exceptional and/or Extraordinary item adjusted in the statement of the Profit and Loss in accordance with Ind-AS rule.

Place : Mumbai  
Date: 14-02-2019

For DEEPAK FERTILISERS  
AND PETROCHEMICALS CORPORATION LIMITED

**S C MEHTA**  
Chairman and Managing Director  
DIN: 00128204



**DEEPAK FERTILISERS AND PETROCHEMICALS CORPORATION LIMITED**

CIN: L24121MH1979PLC021360

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**Notes to the Statement of Standalone and Consolidated unaudited Financial Results for the quarter and nine months period ended 31 December 2018**

1. The above unaudited results of Deepak Fertilisers and Petrochemicals Corporation Limited ("the Company"), its subsidiaries (collectively referred to as "the Group"), its associates and its joint operations were reviewed by the Audit Committee and the Board of Directors at its meeting held on 14<sup>th</sup> February 2019, approved and adopted the same.
2. The Department of Fertilisers (DoF), Ministry of Chemicals and Fertilisers, had withheld subsidy, due to the Group in accordance with applicable Nutrient Based Subsidy (NBS) scheme of Government of India (GOI), alleging undue gain arising to the Group on account of supply of cheap domestic gas, since challenged by the Group before the Honourable High Court of Bombay. Based on the directive of the Honourable High Court, DoF agreed to release subsidy withheld except a sum of Rs. 31,052 Lacs pending final decision, which has been released during the month of January 2018 against a bank guarantee of equal amount.
3. The unaudited standalone and consolidated financial results of the Company (including its subsidiaries, associates and joint operations) are prepared in accordance with applicable accounting standards i.e. Ind AS, as prescribed under section 133 of the Companies Act, 2013 read with relevant rules thereunder and in terms of Regulation 33 of the SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015.
4. Previous period's figures have been reclassified/ regrouped wherever necessary.
5. The comparative consolidated financial results for the quarter and nine months period ended 31 December 2017 have been restated on account of increase in tax expenses by Rs. 500 Lacs and Rs. 1,500 Lacs respectively, due to reversal of deferred tax asset created on unamortised amount of intangible assets and goodwill created due to demerger of TAN and fertiliser business in the standalone financial statements of Smartchem Technologies Limited.
6. Effective 1 April 2018, the Company/Group has adopted Ind AS 115 "Revenue from Contracts with Customers" using the cumulative effect method. The standard is applied retrospectively only to the contracts that are not completed as at the date of application and the comparative information is not restated in the financial results. The adoption of Ind AS 115 did not have any material impact on the financial results of the Company/Group.
7. In accordance with the requirement of Ind AS, revenue for the period from 1 April 2018 to 31 December 2018 and the period from 1 July 2017 to 31 March 2018 is net of Goods and Service Tax (GST). However, revenue for the period 1 April 2017 to 30 June 2017 is inclusive of Excise Duty.

8. The statutory auditors of the Company have conducted a limited review of the standalone and consolidated financial results of the Company for the quarter and nine months ended 31 December 2018 and have expressed an unqualified report on these financial results.

The emphasis of matter in the limited review opinion on the consolidated unaudited financial results pertains to ongoing matters related to withholding of fertiliser subsidies released based on issue of bank guarantee of equivalent amount as more fully explained in note 2 above. This matter is pertaining to Smartchem Technologies Limited, a wholly owned subsidiary.

9. Management's response to the emphasis of matter:

With regard to the emphasis of matter stated in note 8 above, there are no further developments on the matter mentioned in note 2 above.

**For DEEPAK FERTILISERS AND PETROCHEMICALS CORPORATION LIMITED**



**S. C. MEHTA**

**Chairman and Managing Director**

**DIN: 00128204**

**Place: Mumbai**

**Date: 14 February 2019**



# B S R & Associates LLP

Chartered Accountants

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## Limited review report on unaudited quarterly standalone financial results and standalone year-to-date results of Deepak Fertilisers and Petrochemicals Corporation Limited pursuant to Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

To  
Board of Directors of  
Deepak Fertilisers and Petrochemicals Corporation Limited

We have reviewed the accompanying statement of unaudited standalone financial results of Deepak Fertilisers and Petrochemicals Corporation Limited ('the Company') for the quarter ended 31 December 2018 and the year-to-date results for the period from 1 April 2018 to 31 December 2018 attached herewith, being submitted by the Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations').

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 these financial results based on our review.

We conducted our review in accordance with the Standard on Review Engagement (SRE) 2410, *Review of Interim Financial Information Performed by the Independent Auditor of the Entity* specified under section 143(10) of the Companies Act, 2013. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the financial results are 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.

Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying statement of unaudited standalone financial results prepared in accordance with applicable accounting standards i.e. Ind AS prescribed under Section 133 of the Companies Act, 2013 and other recognised accounting practices and policies has not disclosed the information required to be disclosed in terms of Regulation 33 of the Listing Regulations including the manner in which it is to be disclosed, or that it contains any material misstatement.

For **B S R & Associates LLP**  
Chartered Accountants

Firm Registration No.: 116231W/W-100024

  
**Raajnish Desai**  
Partner

Place: Mumbai  
Date: 14 February 2019

Membership No. 101190



# B S R & Associates LLP

Chartered Accountants

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## **Limited review report on unaudited quarterly consolidated financial results and consolidated year-to-date results of Deepak Fertilisers and Petrochemicals Corporation Limited pursuant to Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015**

To  
**Board of Directors of  
Deepak Fertilisers and Petrochemicals Corporation Limited**

We have reviewed the accompanying statement of unaudited consolidated financial results of Deepak Fertilisers and Petrochemicals Corporation Limited ('the Company'), its subsidiaries (collectively referred to as 'the Group'), its associates and its joint operations for the quarter ended 31 December 2018 and the year-to-date results for the period from 1 April 2018 to 31 December 2018 attached herewith, being submitted by the Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations').

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 these consolidated financial results based on our review.

We conducted our review in accordance with the Standard on Review Engagement (SRE) 2410, *Review of Interim Financial Information Performed by the Independent Auditor of the Entity* specified under section 143(10) of the Companies Act, 2013. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the consolidated financial results are 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.

We did not review the financial information of Smartchem Technologies Limited, a subsidiary, included in the statement of unaudited consolidated financial results and consolidated year-to-date financial results, whose unaudited financial information reflect total revenue of Rs. 90,409 Lacs and Rs. 2,83,662 Lacs for the quarter ended 31 December 2018 and period from 1 April 2018 to 31 December 2018 respectively. This unaudited financial information has been reviewed by the other auditor whose report has been furnished to us, and our conclusion on the unaudited consolidated financial results and the year-to-date results, to the extent they have been derived from such unaudited financial information is based solely on the report of such other auditor. Our conclusion is not modified in respect of such matter.

We draw attention to note 2 to the unaudited consolidated financial results from the report of the other auditor in relation to Smartchem Technologies Limited which more fully explains that the Department of Fertilisers has released the fertiliser subsidy of Rs. 31,052 Lacs on issue of bank guarantee of an equivalent amount. Our conclusion is not modified in respect of this matter.

We draw attention to note 5 of the unaudited consolidated financial results, which more fully explains that the comparative information for the quarter ended 31 December 2017 and year-to-date comparative information for the period from 1 April 2017 to 31 December 2017 has been restated on account of increase in tax expenses due to reversal of deferred tax asset created on unamortised amount of intangible assets and goodwill, which has been reviewed by us. Our conclusion is not modified in respect of this matter.



**Limited review report on unaudited quarterly consolidated financial results and consolidated year-to-date results of Deepak Fertilisers and Petrochemicals Corporation Limited pursuant to Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (continued) - 31 December 2018**

In our opinion and to the best of our information and according to the explanations given to us, these unaudited consolidated results include the financial results of the following entities:

**Subsidiaries:**

1. Smartchem Technologies Limited
2. Platinum Blasting Services Pty Limited
3. Australian Mining Explosives Pty Limited
4. Performance Chemiserve Private Limited
5. Deepak Mining Services Private Limited
6. Runge Pincock Minarco India Private Limited
7. SCM Fertichem Limited
8. Deepak Nitrochem Pty Limited

**Associates:**

9. Desai Fruits and Vegetables Private Limited
10. Ishanya Brand Services Limited
11. Ishanya Realty Corporation Limited
12. Mumbai Modern Terminal Market Complex Private Limited

**Joint operations:**

13. Yerrowda Investments Limited

Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying statement of unaudited consolidated financial results prepared in accordance with applicable accounting standards i.e. Ind AS prescribed under Section 133 of the Companies Act, 2013 and other recognised accounting practices and policies has not disclosed the information required to be disclosed in terms of Regulation 33 of the Listing Regulations including the manner in which it is to be disclosed, or that it contains any material misstatement.

For **B S R & Associates LLP**

*Chartered Accountants*

Firm Registration No.: 116231W/W-100024



**Raajnish Desai**  
*Partner*

Membership No. 101190

Place: Mumbai  
Date: 14 February 2019

## Deepak Fertilisers and Petrochemicals Corporation Limited

### Q3 FY2019 Results Release

**Pune, India, February 14, 2018** – Deepak Fertilisers and Petrochemicals Corporation Limited (BSE: 500645; NSE: DEEPAKFERT), among India’s leading producers of industrial chemicals and fertilisers (referred to as “DFPCL” or the “Company”), announces its results for the quarter and nine months ending December 31, 2018.

#### Q3 FY2019 Consolidated Performance Highlights:

- Total Revenues were ~ Rs. 1,453 crores in Q3 FY19 compared to ~ Rs. 1,645 crores in Q3 FY18. Operating EBITDA was ~ Rs. 108 crores in Q3 FY19 and Profit After Tax stood at ~ Rs. 12 crores in Q3 FY19
- NPK sales volume were lower during the quarter due to unfavourable market condition, raw material shortage and drought in core command area. Production volumes of IPA and Acids were impacted primarily on account of raw water supply cuts by MIDC and IPA plant shutdown
- Phosphoric Acid supplies have been restored to normal levels from January onwards and a price reduction of approx. \$15 MT has also been witnessed. Water supplies have also been augmented
- Ammonia price in Q3 FY19 increased by approx. 25% over Q3 FY18. However, ammonia price is witnessing downward trend in international market and has already reduced by approx. 8%-10% in Jan 2019
- Maintained leadership market share position with approx. 19% market share in the core market of Maharashtra for NP /NPKs
- Expansion for Nitric Acid capacities at Dahej is running as per schedule. Successfully completed the mechanical completion and production trial runs are in progress

**Commenting on the performance, Mr. Sailesh C. Mehta, Chairman & Managing Director, DFPCL, said:**

*“ Despite unfavourable demand scenario and higher raw material prices, we have recorded a 31% y-o-y growth in revenue from operations during 9M FY2019. In international market, ammonia prices have shown downward trend, therefore it should help in margins improvement going forward. Increasing focus of the Central Government through fiscal budget on agriculture sector along with various income support schemes for farmers would provide requisite support in the long run.*



*TAN business continues to perform well. As Crop Nutrition business faces challenges on grounds of lower than expected monsoon in the core command regions but green shoots witnessed in specialty fertilizers, new geographies and expected softening of raw material prices would help improve performance from upcoming kharif season. Availability of phosphoric acid is expected to further improve in coming quarters. Our new Nitric Acid plant at Dahej is on schedule to commence production soon.”*

## Segment Performance:

### a) Chemicals Segment:

- Overall Chemicals segment reported revenues of ~Rs. 947 crores in Q3 FY19 as compared to ~Rs. 1,192 crores in Q3 FY18
- TAN achieved the highest ever quarterly TAN production in Q3 supported by improved demand scenario
- Production volumes of IPA and Acids were impacted primarily on account of raw water supply cuts by MIDC and IPA plant shutdown. This has resulted in decline in sales volumes. Raw water supplies have improved since then and IPA plant is now operating in full swing
- Sudden fall in prices of pharma solvents in Q3 FY19, primarily arising out of USA's see-saw policies on Iran, has led to downward valuation of trading inventory
- The Company continued to consciously consolidate its trading portfolio and focus on high-margin products

### b) Fertiliser Segment:

- Fertilizer segment reported revenues of ~Rs. 501 crores in Q3 FY19 as compared to ~Rs. 449 crores in Q3 FY18. NPK sales volumes were lower during the quarter due to unfavourable market condition, raw material shortage and drought in core command area
- Further increase in global prices of key raw materials in Q3 FY19 (such as phosphoric acid, Ammonia and LNG) have led to the underperformance of the segment in the quarter. Lower monsoon in core regions of Maharashtra and Karnataka resulted in lower capacity utilisation
- Fertiliser segment has witnessed continued growth in differentiated products and specialty products. For differentiated products, segment sold nearly 100,000 MT YTD differentiated NPK product under brand name SMARTEK and was well received by the dealers and farmers
- Availability of phosphoric acid improved substantially in Q3 FY2019 on account of successful trial runs with different suppliers (e.g. Jordan, Vietnam, Senegal etc)

## Important Update:

Gas Authority of India Limited (GAIL) had raised a claim of INR 357 Crores in respect of supply of domestic natural gas for the period, July 2006 to May 2014 covering two agreements alleging usage of APM gas for the purposes other than production of Urea. The Hon'ble Delhi High Court vide a Common Judgment, dated 20.12.2018 upheld the well-reasoned Arbitration award and dismissed GAIL's contentions.

**DFPCL at a Glance:**

Deepak Fertilisers And Petrochemicals Corporation Ltd (DFPCL) has established a prime position for itself over the last four decades across Indian markets. Set up in 1979 as an Ammonia manufacturer, DFPCL today is a publicly listed, multi-product Indian conglomerate with a multi-product portfolio spanning industrial chemicals, bulk and specialty fertilisers, technical ammonium nitrate and value added real estate.

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**Safe Harbour:**


This release contains statements that contain “forward looking statements” including, but without limitation, statements relating to the implementation of strategic initiatives, and other statements relating to DFPCL’s future business developments and economic performance. While these forward-looking statements indicate our assessment and future expectations concerning the development of our business, a number of risks, uncertainties and other unknown factors could cause actual developments and results to differ materially from our expectations. These factors include, but are not limited to, general market, macro-economic, governmental and regulatory trends, movements in currency exchange and interest rates, competitive pressures, technological developments, changes in the financial conditions of third parties dealing with us, legislative developments, and other key factors that could affect our business and financial performance. DFPCL undertakes no obligation to publicly revise any forward-looking statements to reflect future / likely events or circumstances.