



**DEEPAK FERTILISERS
AND PETROCHEMICALS CORPORATION LIMITED**

REGISTERED OFFICE :
Opp. Golf Course, Shastri Nagar, Yerwada, Pune - 411 006.
Tel : (91)-20-2668 4155 Fax : 2668 3859
Internet : www.deepakgroup.com

A TQM Driven Company

Press Release

**Deepak Fertilisers And Petrochemicals Corporation Ltd.
declares 45% dividend. Net Profit up 15.70%**

Highlights:

- **Capacity utilisation of all products increases with higher Natural Gas and Refinery Grade Propylene availability**
- **Overall manufacturing volumes in the Chemicals segment rise 26%, Nitro-Phosphate volumes rise 75%**
- **Profit Before Tax increases 12.16% to 237.78 crores for 2009-10 over 2008-09**
- **Net Profit increases 15.70% to Rs. 172.05 crores for 2009-10 over 2008-09**

Mumbai / Pune, May 25th 2010: Deepak Fertilisers And Petrochemicals Corporation Ltd. today announced a dividend of 45% on the back of a profitable year.

The Company registered higher capacity utilisation of all its products for the year ended 31st March 10. This growth was driven by both the improved availability of Natural Gas and Refinery Grade Propylene from various sources.

Overall manufacturing volumes in the Chemicals segment rose 26%. This resulted in the highest ever production of Iso-Propyl Alcohol, Dilute Nitric Acid, Concentrated Nitric Acid, Technical Ammonium Nitrate, Sulphur Bentonite and Carbon Di-oxide. The Nitro-Phosphate Fertiliser (23:23:0) volumes were the highest in the last four years.

The Company also announced that its new Technical Ammonium Nitrate (TAN) project at Taloja would be operational by end-September 2010, enabling strong growth going forward. With this plant coming on stream, the Company will be the fifth largest manufacturer of this product in the world and will derive considerable advantages from the higher scale. DFPCL also announced that it has signed firm Ammonia contracts with a leading supplier from the Middle-East for this new project. Supplies will be effective once the plant becomes operational.

With the increased availability of Natural Gas and Refinery Grade Propylene (RGP), DFPCL also expects a robust growth in volumes for its Methanol, Nitric Acid and Iso-Propyl Alcohol business in 2010-11.

Income from Operations for 2009-10 stood at Rs. 1287.98 crores in 2009-10, against Rs. 1412.10 crores in 2008-09 despite the decline in volumes of traded bulk fertilisers, like MOP and SSP. Price realisations across the fertiliser segment were also lower. DFPCL had decided to reduce the volume of outsourced bulk fertilisers for the year under review owing to market conditions, which resulted in the lower overall fertiliser revenues.

Profit Before Tax increased 12.16% to Rs. 237.78 crores in 2009-10 from Rs. 212.00 crores in 2008-09, while Net Profit increased 15.70% to Rs. 172.05 crores in 2009-10 against Rs. 148.70 crores in 2008-09. Earnings Per Share went up to Rs. 19.51 compared to Rs. 16.86 in the previous year.

The Sales Income for the Agri-business, in view of the lower trading, stood at Rs. 442.07 crores in 2009-10 against Rs. 576.80 crores in 2008-09. The Sales Income for the Chemicals business rose to Rs. 852.46 crores in 2009-10 against Rs. 827.30 crores in 2008-09.

The Ishanya business continued to feel the effects of the global downturn and the consequent impact on domestic consumer spending especially on the real estate, home and interiors categories through most of 2009-10. However, the positive response to the new High Street Ishanya strategy, to expand the basket of offerings at Western India's largest retail destination, to include lifestyle, accessories, entertainment, etc, should help reverse this trend in future. The Food Court at Ishanya has been launched and its concept of "Flavours of Pune" is already a success across its catchment areas. Footfalls at Ishanya remained fairly stable during the year under review.

DFPCL's Income from Operations for Q IV 2009-10 stood at Rs. 323.83 crores against Rs. 332.95 crores in Q IV 2008-09. Profit Before Tax grew 16.02% to Rs. 59.54 crores in Q IV 2009-10 against Rs. 51.32 crores in Q IV 2008-09 with improving price realisations, higher volumes and strong cost management. Net Profit for Q IV 2009-10 improved 11.43% to Rs. 44.16 crores against Rs. 39.63 crores in Q IV 2008-09.

Commenting on the Company's future, Mr. Sailesh C. Mehta, Vice-chairman and Managing Director, DFPCL, said: "The Company is now firmly geared for growth with all the ingredients in place. We will soon have the advantages of scale in some of our key chemical products. With ample raw materials like Natural Gas, Ammonia and RGP available, we should be reaching nearly full capacity utilisation from this financial year. The primary sectors that we operate in are closely co-related to the key high-growth sectors of the Indian economy: Agri & Food, Mining and Infrastructure, Cement, Thermal Power, Paints, Aromatics, Dyes, Pharmaceuticals, Consumer durables and FMCG. This has been a cornerstone of our strategy and will ensure strong growth in the coming years."

While commenting on the results for 2009-10, Mr. Mehta said: "It must be noted, however, that during the first-half of 2008-09, prices for all fertilisers and chemicals were at pre-meltdown peaks. They have subsequently come down to normal levels and are expected to be largely stable for the rest of FY2011, though we are confident that price increases in raw materials, if any, can be passed on to the customer."

DFPCL is the market leader for Technical Ammonium Nitrate, Iso-Propyl Alcohol (IPA) and Nitric Acid and an important player in Methanol and CO₂. The Company is the only manufacturer of IPA in India. It is one of the very few companies in the world with a US Pharmacopoeia certification for this product making it the supplier of choice for the Indian pharmaceutical industry.

For further information contact:

*For Media queries: Mr. Shekhar Ghosh
Tatva Public Relations Pvt. Ltd.
Mobile: 91-9820087992. Direct: 91-22-22833852*

*For Investor Relations queries: Mr. Vivek Y. Kelkar
StratEye Strategy Consulting
Mobile: 91-9820210514*