



Schedules forming part of the balance sheet

Schedule 1

SHARE CAPITAL

	(Rupees in Lacs)	
	As at 31.03.2008	As at 31.03.2007
AUTHORISED		
12,50,00,000 Equity Shares of Rs.10/- each	12,500.00	12,500.00
10,00,000 Cumulative Redeemable Preference Shares of Rs.100/- each	1,000.00	1,000.00
	<u>13,500.00</u>	<u>13,500.00</u>
ISSUED, SUBSCRIBED AND PAID UP		
8,82,04,943 Equity Shares of Rs.10/- each fully paid up	8,820.49	8,820.49
	<u>8,820.49</u>	<u>8,820.49</u>

Schedule 2

RESERVES AND SURPLUS

RESERVES		
Capital Reserve	0.13	0.13
Capital Redemption Reserve	150.00	150.00
Share Premium Account	10,798.95	10,798.95
Special Reserve (*)	100.40	118.58
Less: Transferred to Profit and Loss Account	18.18	18.18
	<u>82.22</u>	<u>100.40</u>
Debenture Redemption Reserve		
Balance as per last Balance Sheet	760.00	570.00
Add: Transferred from Profit and Loss Account	190.00	190.00
	<u>950.00</u>	<u>760.00</u>
General Reserve		
Balance as per last Balance Sheet	6,186.37	5,256.37
Less: Transferred to Employee Benefits (net of Tax Rs. 32.04 Lacs) [Refer Note 15]	62.22	-
Add : Transferred from Profit and Loss Account	1,005.00	930.00
	<u>7,129.15</u>	<u>6,186.37</u>
Surplus in Profit and Loss Account	41,949.44	36,729.79
	<u>61,059.89</u>	<u>54,725.64</u>

(*) Represents relief/incentive granted by Government of India by way of refund of 90% of Customs Duty paid on NP Project imports. This amount will be adjusted against depreciation over the remaining useful life of the fixed assets of NP Project.

DEEPAK FERTILISERS AND PETROCHEMICALS CORPORATION LIMITED
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Schedules forming part of the balance sheet

Schedule 3
LOAN FUNDS

	(Rupees in Lacs)			
SECURED LOANS	As at 31.03.2008		As at 31.03.2007	
A. TERM LOANS*				
(a) External Commercial Borrowings	8,331.50		12,960.40	
(b) From Banks	7,707.31	16,038.81	<u>8,771.00</u>	21,731.40
B. SECURED NON-CONVERTIBLE DEBENTURES **				
(a) 7.50% Privately Placed Non-Convertible Debentures	2,000.00		2,000.00	
(b) 7.25% Privately Placed Non-Convertible Debentures	1,800.00	3,800.00	<u>1,800.00</u>	3,800.00
Total Secured Loans		19,838.81		<u>25,531.40</u>
UNSECURED LOANS #				
A. Short Term Loan from Bank	8,707.53		7,000.00	
B. Buyers Credit	6,391.61	15,099.14	-	<u>7,000.00</u>
		34,937.95		<u>32,531.40</u>

Repayable within one year

NOTES :

* (A) Term Loans

(1) The ECB loan of US \$ 10 million was drawn on 28th May, 2004 which is repayable in two equal installments. The first installment was paid at the end of 36 months from the drawdown date and second installment shall be paid on the maturity date i.e. 28th May, 2008.

The said ECB loan together with all interest, default interest, fees and/or remuneration of the Trustees and costs, charges, expenses and other monies payable are secured by way of a *pari passu* mortgage and charge created on all the Company's movable and immovable properties situated at Plot No. K-1, Talaja Industrial Area, Talaja, Dist. Raigad, Maharashtra, in favour of State Bank of India as the Security Trustee, such mortgage and charge to rank *pari passu* with the mortgages and charges created in favour of financial institutions / trustees and prior mortgages and charges in favour of the banks.

(2) The ECB loan of US \$ 20 million was drawn in four installments of US \$ 5 million each on 8th April, 2005, 9th May, 2005, 2nd June, 2005 and 22nd June, 2005 and is repayable in thirteen quarterly installments of US \$ 1 million each commencing from the end of twenty one months from the weighted average drawdown date i.e. 18th May, 2005 and a single balloon payment of US \$ 7 million on the maturity date i.e. 18th May, 2010.

The said ECB loan together with all interest, default interest, fees and/or remuneration of the Trustees and costs, charges, expenses and other monies payable are secured in favour of State Bank of India, as a Security Trustee by :

(a) a first charge on all the Company's movable and immovable properties situated at Plot No. K-2, Talaja Industrial Area, Talaja; and

(b) *pari passu* mortgage and charge on all the Company's movable and immovable properties situated at Plot No. K-1, Talaja Industrial Area, Talaja, Dist. Raigad, Maharashtra, such mortgage and charge to rank *pari passu* with the mortgages and charges created in favour of financial institutions / trustees and prior mortgages and charges in favour of the banks.

(3) The Rupee Term Loan of Rs. 7,346 lacs is repayable in 32 equal quarterly installments. The first installment is repaid at the end of 24 months from the date of execution of the Agreement, i.e. on 31st August, 2007 and the last such installment shall be paid on 31st May, 2015.

The said loan together with interest, default interest, costs, charges, expenses and other monies payable is secured by way of a first charge over the immovable property consisting of appropriate built-up space of property in Survey No. : 190 and 192 situated Opposite Golf Course, Shastri Nagar, Yerawada Taluka, Sub-District of Haveli in favour of Canara Bank, Fort Market Branch, Mumbai 400 038.

(4) The Rupee Term loan of Rs. 1,500 lacs was drawn in two installments of Rs. 500 lacs and Rs. 1,000 lacs on 27th July, 2006 and 24th August, 2006 respectively. This loan is repayable in twenty equal quarterly installments of Rs. 75 lacs each commencing from 1st January, 2007. The last installment is payable on 1st October, 2011.

The said loan together with all interest, default interest, fees and/or remuneration of the Trustees and costs, charges, expenses and other monies payable are secured in favour of State Bank of India, Security Trustee by: A first ranking *pari passu* mortgage and charge on all the Company's movable and immovable properties situated at Plot No. K-2, Talaja Industrial Area, Talaja; and *pari passu* mortgage and charge on all the Company's movable and immovable properties situated at Plot No. K-1, Talaja Industrial Area, Talaja, Dist. Raigad, Maharashtra, such mortgage and charge to rank *pari passu* with the mortgage and charges created in favour of financial institutions/trustees and prior mortgages and charges in favour of the banks.

** (B) (i) Rs. 2,000 lacs by issue of 7.50% privately placed Non-Convertible Debentures of Rs. 10,00,000/- each redeemable in the ratio of 30:30:40 on the expiry of 5th, 6th & 7th year from the date of allotment, i.e. on 15th September, 2008, 15th September, 2009 and 15th September, 2010 respectively.

(ii) Rs. 1,800 lacs by issue of 7.25% privately placed Non-Convertible Debentures of Rs. 10,00,000/- each redeemable in the ratio of 30:30:40 on the expiry of 5th, 6th & 7th year from the date of allotment, i.e. on 30th September, 2008, 30th September, 2009 and 30th September, 2010 respectively.

All the aforesaid debentures together with interest, remuneration of the Trustees and all fees, costs, charges, expenses and other monies payable are secured by way of a legal mortgage in favour of State Bank of India as Trustees for the debentureholders of all the Company's immovable properties and plant and machinery, whether immovable or movable, pertaining to the Company's undertaking situated at Plot No. K-1, Talaja Industrial Area, Talaja, Dist. Raigad, Maharashtra, such mortgage and charges to rank *pari passu* with the mortgages and charges created in favour of financial institutions / trustees and prior mortgages and charges in favour of the banks.

(C) Cash Credit facilities from banks including Working Capital Demand loan are secured by :

(i) a first charge by way of hypothecation of stocks of raw materials, finished goods, stock-in-process, consumable stores and book debts of the Company; and

(ii) mortgage by deposit of title deeds, such mortgage to always rank subject to, subservient and subordinate to the mortgages, charges and securities that have been already created or may be created hereinafter by the Company in favour of public financial institutions, banks, credit agencies incorporated or constituted in India or abroad or machinery suppliers and/or other persons providing finance for purchase of assets or for purchase of specific items of machinery and equipment under any deferred payment schedule or bills rediscounting scheme.



Schedules forming part of the balance sheet

Schedule 4

FIXED ASSETS

(Rupees in Lacs)

Description	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	As on 01-04-07	Additions	Deductions/ Adjustments	Total upto 31-03-08	As on 01-04-07	Deductions/ Adjustments	For the year	Total upto 31-03-08	As on 31-03-08	As on 31-03-07
Land - Freehold(a)	134.34	3,714.68	-	3,849.02	-	-	-	-	3,849.02	134.34
Land - Leasehold(b)	1,061.10	1,492.44	-	2,553.54	110.03	-	21.99	132.02	2,421.52	951.07
Buildings(c)	9,208.69	4,746.78	31.54	13,923.93	2,141.27	9.36	208.64	2,340.55	11,583.38	7,067.42
Plant & Machinery(d)	75,798.37	4,584.91	162.72	80,220.56	40,636.08	130.66	4,017.08	44,522.50	35,698.06	35,162.29
Electrical Installation and Fittings	94.87	491.24	-	586.11	77.56	-	4.73	82.29	503.82	17.31
Furniture & Fixtures	495.22	48.86	1.80	542.28	414.32	1.80	19.27	431.79	110.49	80.90
Office Equipments	896.26	126.87	39.86	983.27	713.27	39.50	82.97	756.74	226.53	182.99
Vehicles	403.23	580.46	162.82	820.87	190.49	102.71	104.80	192.58	628.29	212.74
Intangible Assets	406.00	36.40	-	442.40	280.81	-	29.18	309.99	132.41	125.19
TOTAL	88,498.08	15,822.64	398.74	1,03,921.98	44,563.83	284.03	4,488.66	48,768.46	55,153.52	43,934.25
Previous Year	67,741.24	20,964.86	208.02	88,498.08	40,794.29	156.95	3,926.49	44,563.83	43,934.25	26,946.95

Capital Work-in-Progress (e)

921.46 412.26

- (a) Freehold land includes Rs. 3,600 lacs (Previous Year Rs. 3,600 lacs) represented by 24,000 Equity Shares of Rs. 10/- each in a company, which is the legal owner of the land in respect of which the Company has acquired exclusive rights of development.
- (b) Leasehold land includes Rs. 2,381.12 lacs (Previous Year: Rs. 910.67 lacs) being premium for acquiring additional plots of leasehold land, possession of which is obtained but formal deeds are under preparation and execution.
- (c) Buildings include a sum of Rs. 4,537.03 lacs (Previous Year: Rs. 4,537.03 lacs) represented by 25,652 (Previous Year: 25,652) Equity Shares of Rs.10/- each in a company which is the legal owner of the buildings in respect of which the Company has an exclusive right of use and occupation by virtue of the shares so held.
- (d) Gross Block of Plant and Machinery includes Rs. 455.01 lacs (Previous Year: Rs. 157.23 lacs) being the cost of Fixed Assets, ownership of which does not vest with the Company, being amortised over 60 months.
- (e) Capital Work-in-Progress includes advances/deposits for fixed assets Rs. 84.45 lacs (Previous Year: Rs. 71.17 lacs).

Schedule 4a

CAPITAL WORK-IN-PROGRESS - PROJECTS

(Rupees in Lacs)

Description	Incurred upto 31-03-2007	Incurred during 2007-2008	Capitalised/ Transferred during 2007-2008	Total as on 31-03-2008
Land and Site Development	3,707.29	726.83	3,702.92	731.20
Buildings (under construction)	6,001.08	4,328.39	5,081.71	5,247.76
Plant & Machinery (under installation)	4,234.98	10,365.45	1,428.40	13,172.03
Advances	1,342.14	509.18	-	1,851.32
Technical Know-how and Engineering Fees	1,080.63	295.37	-	1,376.00
Other Assets	-	23.17	3.53	19.64
Pre-operative expenditure pending Capitalisation / Amortisation :				
Employees emoluments	264.03	350.00	204.89	
General expenses	1,296.25	226.13	1,117.74	
	1,560.28	576.13	1,322.63	813.78
Interest (net) on fixed term loan and other financial charges (a)	436.58	957.32	707.64	686.26
TOTAL	18,362.98	17,781.84	12,246.83	23,897.99

- (a) Interest (net) on fixed term loan and other financial charges include Rs. Nil (Previous Year: Rs. 35.62 lacs) on account of Exchange fluctuation for outstanding loan.

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Schedules forming part of the balance sheet

Schedule 5

	(Rupees in Lacs)	
	As at 31.03.2008	As at 31.03.2007
INVESTMENTS		
[Refer Note 1(G)]		
LONG TERM		
A. SUBSIDIARY		
UNQUOTED		
1 18,00,000 1% Cumulative Redeemable Preference Shares of Rs.100/- each of Smartchem Technologies Limited	1,800.00	1,800.00
2 9,99,994 Equity Shares of Rs.10/- each of Smartchem Technologies Limited	6,379.88	6,379.88
3 1,60,000 Shares of AUD 1/- each of Deepak Nitrochem Pty. Ltd.	54.20	54.20
<i>Less : Provision for diminution in value</i>	<u>30.48</u>	<u>-</u>
	8,203.60	8,234.08
B. OTHERS		
1. TRADE UNQUOTED		
88,448 Shares of Sterling Pound 1/- each of Deepak International Limited	68.69	68.69
2. NON-TRADE QUOTED		
(a). 8.30% Fertilisers Company GOI Special Bonds 2023	400.00	-
(b). 7.95% Fertilisers Company GOI Special Bonds 2026	<u>762.10</u>	<u>-</u>
[Aggregate Market Price of Bonds Rs. 1,097.88 lacs (Previous Year : Rs. Nil)]		
(c). Investment in Equity Shares [Aggregate Market Price of Quoted Investments Rs. 958.58 lacs (Previous Year : Rs. 854.17 lacs)]	1,062.42	881.81
CURRENT INVESTMENT		
A. Liquid Funds	2,900.23	7,242.54
B. Short Term Funds	502.48	-
C. Fixed Maturity Plans	350.00	3,692.61
D. Income Funds	-	80.00
E. Equity and Derivatives Funds	<u>25.00</u>	<u>764.70</u>
<i>Less : Provision for diminution in value</i>	<u>3,777.71</u>	<u>11,779.85</u>
	3,777.71	3.44
	<u>14,274.52</u>	<u>20,960.99</u>



SCALING NEW HEIGHTS

Schedules forming part of the balance sheet

Investment in Equity Shares (Non-Trade Quoted)

Sr. No.	Name of the Scrip	Face Value Per Share (Rs.)	Balance as on 01.04.2007		Purchased during the year		Sold during the year		Balance as on 31.03.2008	
			No. of Shares	Rs. in Lacs	No. of Shares	Rs. in Lacs	No. of Shares	Rs. in Lacs	No. of Shares	Rs. in Lacs
1	3 I Infotech Limited	10	-	-	32,220	51.20	32,220	51.20	-	-
2	Aban Lloyd Chiles Offshore Limited	2	2,860	32.34	-	-	2,860	32.34	-	-
3	ABB Limited	2	-	-	5,813	65.61	5,813	65.61	-	-
4	Areva T & D India Limited	10	-	-	4,201	71.20	1,363	21.14	2,838	50.06
5	Atlas Copco (India) Limited	10	-	-	6,074	55.35	6,074	55.35	-	-
6	Bajaj Holdings & Investment Limited (Formerly Bajaj Auto Limited)	10	2,068	60.63	689	17.85	2,757	78.48	-	-
7	Balaji Telefilms Limited	2	35,741	46.26	-	-	35,741	46.26	-	-
8	Bank of India	10	-	-	24,567	95.50	-	-	24,567	95.50
9	Bharat Heavy Electricals Limited	10	-	-	3,828	89.86	-	-	3,828	89.86
10	Bharati Airtel Limited	10	-	-	8,071	68.39	8,071	68.39	-	-
11	Bharati Shipyard Limited	10	-	-	11,472	55.86	11,472	55.86	-	-
12	Blue Star Limited	2	26,318	53.56	-	-	26,318	53.56	-	-
13	Bosch Limited	10	-	-	1,022	38.69	-	-	1,022	38.69
14	Cairn India Limited	10	-	-	29,522	64.42	29,522	64.42	-	-
15	Colgate- Palmolive (India) Limited	10	13,843	51.68	1,850	6.64	15,693	58.32	-	-
16	FAG Bearings India Limited	10	-	-	8,566	57.11	8,566	57.11	-	-
17	Gas Authority of India Limited	10	-	-	7,646	22.12	7,646	22.12	-	-
18	Glaxo Smithline Pharma Limited	10	4,821	56.54	4,796	49.15	4,821	56.54	4,796	49.15
19	GMR Infrastructure Limited	2	-	-	43,601	94.09	43,601	94.09	-	-
20	Grasim Industries Limited	10	-	-	2,777	97.86	-	-	2,777	97.86
21	HDFC Bank Limited	10	5,567	53.16	2,227	23.42	7,794	76.58	-	-
22	Housing Development Finance Corporation Limited	10	-	-	4,283	91.82	-	-	4,283	91.82
23	ICICI Bank Limited	10	-	-	17,513	193.89	17,513	193.89	-	-
24	Idea Cellular Limited	10	-	-	54,773	59.32	54,773	59.32	-	-
25	Indian Seamless Steels & Alloys Limited	10	-	-	48,252	51.46	48,252	51.46	-	-
26	Infosys Technologies Limited	5	2,000	42.07	703	14.97	2,703	57.04	-	-
27	Infrastructure Development Finance Corporation Limited	10	-	-	41,803	90.55	-	-	41,803	90.55
28	ITC Limited	1	34,143	60.23	34,213	55.29	68,356	115.52	-	-
29	Jindal Saw Limited	10	-	-	11,099	70.79	1,455	8.95	9,644	61.84
30	Larsen & Toubro Limited	2	3,688	48.82	860	23.23	1,901	24.50	2,647	47.55
31	Mahindra & Mahindra Limited	10	-	-	10,656	83.26	-	-	10,656	83.26
32	Maruti Suzuki India Limited	5	-	-	7,206	66.52	7,206	66.52	-	-
33	Motor Industries Company Limited	10	1,614	57.63	-	-	1,614	57.63	-	-
34	Mysore Cements Limited	10	1,11,437	62.99	-	-	1,11,437	62.99	-	-
35	Nestle India Limited	10	-	-	2,702	39.15	-	-	2,702	39.15
36	NIIT Limited	2	-	-	49,612	71.14	49,612	71.14	-	-
37	NTPC Limited	10	36,697	53.16	34,484	68.98	36,697	53.16	34,484	68.98
38	Pantaloon Retail (India) Limited	2	-	-	13,149	80.45	13,149	80.45	-	-
39	Power Grid Corporation of India Limited	10	-	-	68,087	70.94	68,087	70.94	-	-
40	Ranbaxy Laboratories Limited	5	-	-	14,631	55.78	14,631	55.78	-	-
41	Reliance Communications Limited	5	-	-	17,799	103.32	3,589	19.04	14,210	84.28
42	Reliance Energy Limited	10	-	-	4,442	68.60	4,442	68.60	-	-
43	Reliance Industries Limited	10	-	-	4,617	79.33	4,617	79.33	-	-
44	Sesa Goa Limited	10	-	-	2,610	91.86	2,610	91.86	-	-
45	Siemens Limited	2	4,943	60.40	-	-	4,943	60.40	-	-
46	Sintex Industries Limited	2	21,196	45.72	-	-	21,196	45.72	-	-
47	State Bank of India	10	-	-	8,039	150.85	4,854	76.98	3,185	73.87
48	Steel Authority of India Limited	10	-	-	36,510	86.11	36,510	86.11	-	-
49	Sterlite Industries (India) Limited	2	-	-	8,030	52.46	8,030	52.46	-	-
50	Sun Pharma Advanced Research Company Limited*	1	-	-	5,645	-	5,645	-	-	-
51	Sun Pharmaceuticals Industries Limited	5	5,645	58.49	-	-	5,645	58.49	-	-
52	Tamilnadu Newsprint & Papers Limited	10	37,361	38.13	-	-	37,361	38.13	-	-
53	Tata Steel Limited	10	-	-	10,142	92.99	10,142	92.99	-	-
54	Unitech Limited	2	-	-	24,902	82.07	24,902	82.07	-	-
55	Voltas Limited	1	-	-	26,037	37.81	26,037	37.81	-	-
56	Yes Bank Limited	10	-	-	41,239	70.05	41,239	70.05	-	-
Total Investment in Equity Shares				881.81		3,127.31		2,946.70		1,062.42

* (Shares acquired on demerger of Sun Pharmaceuticals Ltd.)

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Schedules forming part of the balance sheet

Current Investments (in Mutual Funds)

Sr. No.	Name of the Mutual Fund	Face Value (Rs.)	Balance as on 01.04.2007		Purchased during the year		Sold during the year		Balance as on 31.03.2008	
			No. of Units	Rs. in Lacs	No. of Units	Rs. in Lacs	No. of Units	Rs. in Lacs	No. of units	Rs. in Lacs
(A) LIQUID FUNDS										
1	AIG India Liquid Fund Instl. Daily Dividend	1,000	-	-	59,960.987	600.09	59,960.987	600.09	-	-
2	AIG India Liquid Fund Super Instl. Daily Dividend	1,000	-	-	1,36,064.358	1,361.75	1,36,064.358	1,361.75	-	-
3	AIG India Liquid Fund Instl. Plan -Growth	1,000	-	-	49,772.069	500.00	49,772.069	500.00	-	-
4	AIG India Treasury Plus Fund Instl. Daily Dividend	10	-	-	1,69,69,075.889	1,701.11	1,69,69,075.889	1,701.11	-	-
5	AIG India Treasury Plus Fund Super Instl. -Daily Dividend	10	-	-	1,96,35,950.078	1,965.75	1,96,35,950.078	1,965.75	-	-
6	AIG India Treasury Plus Fund Super Instl. -Growth	10	-	-	1,76,68,924.280	1,775.49	1,76,68,924.280	1,775.49	-	-
7	ABN AMRO Cash Fund - Instl. Daily Dividend	10	-	-	1,15,01,752.681	1,150.18	1,15,01,752.681	1,150.18	-	-
8	ABN AMRO Money Plus Instl. Daily Dividend	10	-	-	1,92,73,761.173	1,927.39	1,92,73,761.173	1,927.39	-	-
9	ABN AMRO Money Plus Instl. Weekly Dividend	10	-	-	55,67,361.328	556.82	55,67,361.328	556.82	-	-
10	Birla Cash Plus - Instl. Premium-Daily Dividend Reinv.	10	-	-	5,14,27,144.700	5,152.74	4,46,82,715.087	4,476.98	67,44,429.613	675.76
11	Birla Sunlife Liquid Plus - Instl. - Daily Dividend - Reinv.	10	-	-	3,28,78,597.343	3,290.10	3,28,78,597.343	3,290.10	-	-
12	DBS Chola Liquid Inst Daily Dividend Reinv. Plan	10	-	-	2,21,90,205.358	2,226.05	2,21,90,205.358	2,226.05	-	-
13	DBS Chola Freedom Income STP Inst -Dividend Reinv. Plan	10	-	-	2,00,43,827.129	2,004.38	2,00,43,827.129	2,004.38	-	-
14	DWS Insta Cash Plus Fund - Daily Dividend Option	10	-	-	48,56,873.217	500.31	48,56,873.217	500.31	-	-
15	DWS Insta Cash Plus Fund - Instl. Plan Daily Dividend	10	-	-	5,64,14,448.860	5,652.45	5,64,14,448.860	5,652.45	-	-
16	DWS Insta Cash Plus Fund - Growth Option	10	-	-	40,79,567.892	500.00	40,79,567.892	500.00	-	-
17	DWS Money Plus Fund - Instl. Plan Dividend Option	10	-	-	4,47,12,128.156	4,474.88	4,47,12,128.156	4,474.88	-	-
18	DWS Money Plus Fund - Instl. Plan Growth Option	10	-	-	46,27,927.134	500.40	46,27,927.134	500.40	-	-
19	DWS Money Plus Fund - Advantage Fund - Instl. Plan	10	-	-	16,34,024.462	164.35	16,34,024.462	164.35	-	-
20	DSP Merrill Lynch Liquidity Fund - Instl. -Daily Dividend	1,000	-	-	1,14,995.436	1,150.18	1,14,995.436	1,150.18	-	-
21	DSP Merrill Lynch Liquidity Fund - Instl. -Growth	1,000	-	-	44,239.887	500.00	44,239.887	500.00	-	-
22	DSP Merrill Lynch Liquid Plus Fund - Instl. -Daily Dividend	1,000	-	-	1,32,662.187	1,327.06	1,32,662.187	1,327.06	-	-
23	DSP Merrill Lynch Liquid Plus Instl. Plan- Growth	1,000	-	-	45,919.595	500.09	45,919.595	500.09	-	-
24	DSP Merrill Lynch Cash Plus Retail - Weekly Dividend	1,000	-	-	67,464.769	675.48	67,464.769	675.48	-	-
25	DSP Merrill Lynch Cash Plus Instl. Daily Dividend	1,000	-	-	5,01,104.568	5,011.55	5,01,104.568	5,011.55	-	-
26	Fidelity Cash Fund- Super Instl. - Daily Dividend	10	-	-	1,80,12,436.819	1,801.29	1,80,12,436.819	1,801.29	-	-
27	Fidelity Cash Fund- Super Instl. - Growth	10	-	-	93,35,499.169	1,000.00	93,35,499.169	1,000.00	-	-
28	Fidelity Liquid Plus Super Instl. Growth	10	-	-	99,51,401.178	1,000.21	99,51,401.178	1,000.21	-	-
29	HDFC Cash Management Fund - Savings Plan- Daily Dividend Reinv.	10	-	-	1,95,63,760.743	2,080.88	1,95,63,760.743	2,080.88	-	-
30	HDFC Cash Management Fund- Savings Plus Plan Wholesale - Daily Dividend Reinv.	10	-	-	75,04,002.361	752.76	75,04,002.361	752.76	-	-
31	HSBC liquid Plus-instl.-Daily Dividend	10	-	-	27,52,244.786	275.57	27,52,244.786	275.57	-	-
32	HSBC liquid Plus-instl.Plus -Daily Dividend	10	-	-	42,49,499.521	425.49	42,49,499.521	425.49	-	-
33	HSBC Liquid Plus Fund - Instl. Plus - Growth	10	-	-	46,12,515.431	500.09	46,12,515.431	500.09	-	-
34	HSBC Cash Fund - Instl. Plus - Growth	10	-	-	40,66,759.931	500.00	40,66,759.931	500.00	-	-
35	ICICI Prudential Instl. Liquid Plan - Super Instl. Daily Dividend	10	-	-	4,86,44,368.872	4,864.56	4,86,44,368.872	4,864.56	-	-
36	ING Vysya Liquid Plus Fund - Reg - Daily Dividend	10	-	-	8,00,662.674	80.08	8,00,662.674	80.08	-	-
37	ING Vysya Liquid Fund - Super Instl. Plan - Daily Dividend Option	10	-	-	4,73,38,417.818	4,736.11	4,73,38,417.818	4,736.11	-	-
38	ING Vysya Liquid Plus Fund - Instl. - Daily Dividend	10	-	-	2,11,58,395.223	2,116.54	2,11,58,395.223	2,116.54	-	-
39	JM High Liquidity Fund Instl. Plan Daily Dividend	10	-	-	17,47,221.917	175.00	17,47,221.917	175.00	-	-
40	JM High Liquidity Fund - Super Instl. Plan - Daily Dividend	10	-	-	3,75,64,751.479	3,762.67	3,50,68,433.759	3,512.63	24,96,317.720	250.04
Carried Forward			-	-	57,19,35,691.459	69,239.85	56,26,94,944.126	68,314.05	92,40,747.333	925.80



SCALING NEW HEIGHTS

Schedules forming part of the balance sheet

Current Investments (in Mutual Funds)

Sr. No.	Name of the Mutual Fund	Face Value (Rs.)	Balance as on 01.04.2007		Purchased during the year		Sold during the year		Balance as on 31.03.2008	
			No. of Units	Rs. in Lacs	No. of Units	Rs. in Lacs	No. of Units	Rs. in Lacs	No. of units	Rs. in Lacs
(A) LIQUID FUNDS										
Brought Forward			-	-	57,19,35,691.459	69,239.85	56,26,94,944.126	68,314.05	92,40,747.333	925.80
41	JM High Liquidity Fund - Weekly Dividend Reinv. (PMS)	10	23,19,169.001	237.06	1,62,89,779.434	1,666.83	1,57,37,006.007	1,608.60	28,71,942.428	295.29
42	JM High Liquidity Fund - Instl. Plan Growth Option	10	-	-	34,98,460.677	450.00	34,98,460.677	450.00	-	-
43	JM Money Manager Fund Super Plan - Daily Dividend	10	-	-	1,25,05,986.217	1,250.60	1,25,05,986.217	1,250.60	-	-
44	JM Money Manager Fund Super Plus Plan - Daily Dividend	10	-	-	3,54,40,509.411	3,545.32	3,54,40,509.411	3,545.32	-	-
45	JM Money Manager Fund Super Plus Plan- Growth Option	10	-	-	41,35,408.943	450.33	41,35,408.943	450.33	-	-
46	JM Liquid Plus Fund-Premium Plan- Daily Dividend Option	10	-	-	84,91,998.531	849.20	84,91,998.531	849.20	-	-
47	JP Morgan India Liquid Fund Div Reinv.	10	-	-	9,99,381.083	100.02	9,99,381.083	100.02	-	-
48	JP Morgan India Liquid Plus Fund Dividend Reinv.	10	-	-	10,04,486.406	100.54	10,04,486.406	100.54	-	-
49	LIC MF Liquid Fund-Dividend Plan	10	-	-	43,29,134.577	475.34	43,29,134.577	475.34	-	-
50	LIC MF Liquid Plus Fund-Dividend Plan	10	-	-	52,69,730.040	526.97	52,69,730.040	526.97	-	-
51	Lotus India Liquid Fund Instl. Daily Dividend	10	-	-	1,40,02,586.787	1,400.32	1,40,02,586.787	1,400.32	-	-
52	Lotus India Liquid Fund Super Instl. Daily Dividend	10	-	-	1,05,05,114.581	1,050.58	1,05,05,114.581	1,050.58	-	-
53	Lotus India Liquid Plus Fund Instl. Daily Dividend	10	-	-	3,25,30,952.179	3,258.20	3,25,30,952.179	3,258.20	-	-
54	Mirae Asset Liquid Fund - Instl. - Daily Dividend Plan	1,000	-	-	1,07,450.035	1,075.27	1,07,450.035	1,075.27	-	-
55	Mirae Asset Liquid Fund - Super Instl. - Daily Dividend Plan	1,000	-	-	1,62,649.871	1,627.66	44,967.870	450.00	1,17,682.001	1,177.66
56	Mirae Asset Liquid Plus Fund - Super Instl. - Daily Dividend Plan	1,000	-	-	50,077.945	501.48	-	-	50,077.945	501.48
57	Reliance Liquidity Fund - Daily Dividend Reinv. Option	10	-	-	3,47,62,797.962	3,477.36	3,47,62,797.962	3,477.36	-	-
58	Reliance Liquid Plus Fund- Instl. Option- Daily Dividend Plan	1,000	-	-	2,10,508.579	2,107.71	2,10,508.579	2,107.71	-	-
59	SBI Magnum Insta Cash Fund Daily Dividend	10	1,19,47,263.912	2,001.20	83,84,241.425	1,404.39	2,03,31,505.337	3,405.59	-	-
60	SBI Magnum Insta Cash Fund Weekly Dividend Option	10	-	-	28,25,568.959	300.79	28,25,568.959	300.79	-	-
61	SBI Magnum Insta Cash Fund Liquid Floater Plan Dividend	10	1,95,35,432.089	2,002.58	2,87,88,418.459	2,952.75	4,83,23,850.548	4,955.33	-	-
62	SBI Premier Liquid Fund- Instl. -Daily Dividend	10	1,99,46,518.459	2,001.13	2,79,79,089.853	2,807.00	4,79,25,608.312	4,808.14	-	-
63	SBI Premier Liquid Fund- Super Instl. -Daily Dividend	10	99,73,269.169	1,000.57	30,02,419.620	301.22	1,29,75,688.788	1,301.79	-	-
64	SBI - SHF-Liquid Plus Instl. Daily Dividend	10	-	-	85,07,878.227	851.21	85,07,878.227	851.21	-	-
65	Sundaram BNP Paribas Money Fund Super Instl. Daily Dividend	10	-	-	1,43,67,405.369	1,450.43	1,43,67,405.369	1,450.43	-	-
66	Sundarm BNP Paribas Liquid Plus Fund Instl. Daily Dividend	10	-	-	1,25,11,492.772	1,253.59	1,25,11,492.772	1,253.59	-	-
67	Tata Liquid Super High Investment Fund- Daily Dividend	1,000	-	-	2,01,997.054	2,251.30	2,01,997.054	2,251.30	-	-
68	Tata Treasury Manager SHIP Daily Dividend	1,000	-	-	19,965.810	200.26	19,965.810	200.26	-	-
69	Templeton India Treasury Management Account Regular Plan - Daily Dividend	1,000	-	-	3,313.290	50.11	3,313.290	50.11	-	-
70	Templeton India Treasury Management Account Instl. Plan - Daily Dividend	1,000	-	-	15,029.987	150.34	15,029.987	150.34	-	-
71	Templeton India Treasury Management Account Super Instl. Plan Daily Dividend	1,000	-	-	2,24,998.471	2,250.55	2,24,998.471	2,250.55	-	-
72	UTI Liquid Cash Plan Instl. - Daily Income Plan Option	1,000	-	-	68,823.996	701.62	68,823.996	701.62	-	-
73	UTI Liquid Cash Plan Instl. - Growth Option	1,000	-	-	33,187.480	425.00	33,187.480	425.00	-	-
Less : Provision for Diminution in value				(2.29)						
Total Liquid Funds (A)			6,37,21,652.631	7,240.25	86,31,66,535.490	1,10,504.13	91,46,07,738.413	1,14,846.43	1,22,80,449.707	2,900.23

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Schedules forming part of the balance sheet

Current Investments (in Mutual Funds)

Sr. No.	Name of the Mutual Fund	Face Value (Rs.)	Balance as on 01.04.2007		Purchased during the year		Sold during the year		Balance as on 31.03.2008	
			No. of Units	Rs. in Lacs	No. of Units	Rs. in Lacs	No. of Units	Rs. in Lacs	No. of units	Rs. in Lacs
(B) FLOATING RATE FUNDS										
1	Grindlays Floating Rate Fund-LT-Instl. Plan B- Quarterly Dividend	10	-	-	96,47,201.829	1,000.00	96,47,201.829	1,000.00	-	-
2	Grindlays Floating Rate Fund -LT -Instl. Plan B Daily Dividend	10	-	-	15,02,966.661	150.33	15,02,966.661	150.33	-	-
3	HDFC Floating Rate Income Fund-Short Term Plan- Wholesale Option- Dividend Reinv.	10	-	-	49,70,116.943	501.03	49,70,116.943	501.03	-	-
4	Principal Floating Rate Fund FMP Instl. Daily Dividend	10	-	-	2,23,69,108.825	2,239.66	2,23,69,108.825	2,239.66	-	-
5	Tata Floater Fund - Daily Dividend	10	-	-	82,37,197.618	826.65	82,37,197.618	826.65	-	-
6	Templeton Floating Rate Income Fund-LTP Retail Option - Daily Dividend	10	-	-	1,95,09,702.047	1,953.02	1,95,09,702.047	1,953.02	-	-
7	Templeton Floating Rate Income Fund-LTP Retail Option -Weekly Option	10	-	-	32,96,351.410	350.00	32,96,351.410	350.00	-	-
8	Templeton Floating Rate Income Fund Short Term Plan- Dividend Reinv.	10	-	-	72,38,367.268	726.05	72,38,367.268	726.05	-	-
Total Floating Rate Funds (B)			-	-	7,67,71,012.602	7,746.75	7,67,71,012.602	7,746.75	-	-
(C) SHORT TERM FUNDS										
1	AIG Short Term Fund Instl.- Weekly Dividend	1,000	-	-	50,247.674	502.48	-	-	50,247.674	502.48
2	JM Short Term Fund- Dividend Plan	10	-	-	17,48,622.048	200.70	17,48,622.048	200.70	-	-
Total Short Term Funds (C)			-	-	17,98,869.722	703.18	17,48,622.048	200.70	50,247.674	502.48
(D) FIXED MATURITY FUNDS										
1	ABN AMRO FTP Series 4 Quarterly Plan C Dividend Payout	10	50,00,000.000	500.00	-	-	50,00,000.000	500.00	-	-
2	ABN AMRO FTP Series 4 Quarterly Plan D Dividend Reinv.	10	30,24,402.000	302.45	32,344.825	3.23	30,56,746.825	305.68	-	-
3	Birla FTP - Quarterly - Series 12 - Dividend Payout	10	-	-	40,00,000.000	400.00	40,00,000.000	400.00	-	-
4	BSL Interval Income Fund-Instl.- Qtrly Series 3 Dividend Payout	10	-	-	20,00,000.000	200.00	-	-	20,00,000.000	200.00
5	DBS Chola FMP-Series 7 (Quarterly Plan 1) - Dividend Payout	10	-	-	40,00,000.000	400.00	40,00,000.000	400.00	-	-
6	Standard Chartered Fixed Maturity Plan - Quarterly Plan -Quarterly Series 8 - Dividend	10	-	-	70,00,000.000	700.00	70,00,000.000	700.00	-	-
7	Prudential ICICI FMP Series 35 - Three Months Plan - D- Retail - Dividend	10	51,49,797.520	514.98	26,984.939	2.70	51,76,782.459	517.68	-	-
8	Kotak FMP 3 M Series 8 Dividend	10	50,01,764.755	500.18	-	-	50,01,764.755	500.18	-	-
9	Kotak FMP 6 M Series 2 Dividend	10	50,00,000.000	500.00	-	-	50,00,000.000	500.00	-	-
10	Reliance Mutual Fund Quarterly FMP's	10	87,50,000.000	875.00	-	-	87,50,000.000	875.00	-	-
11	Reliance Monthly Interval Fund - Series II - Instl. Dividend Plan	10	-	-	1,65,88,538.963	1,660.86	1,50,89,213.659	1,510.86	14,99,325.304	150.00
12	Reliance Interval Fund - Quarterly Plan-Series I Instl. -Dividend Plan	10	-	-	1,00,00,000.000	1,000.00	1,00,00,000.000	1,000.00	-	-
13	SBI Debt Fund Series-90 Days (February 07)- Dividend	10	50,00,000.000	500.00	-	-	50,00,000.000	500.00	-	-
14	SBI Debt Fund Series - 60 Days (April 07) - Dividend	10	-	-	1,01,41,510.000	1,014.15	1,01,41,510.000	1,014.15	-	-
15	Tata Fixed Horizon Fund Series 9 Scheme C -IP- Dividend	10	-	-	20,00,000.000	200.00	20,00,000.000	200.00	-	-
Less: Provision for Diminution in value				(1.15)						
Total Fixed Maturity Funds (D)			3,69,25,964.275	3,691.46	5,57,89,378.727	5,580.94	8,92,16,017.698	8,923.55	34,99,325.304	350.00
(E) INCOME FUNDS										
1	Principal Income Fund	10	7,67,531.867	80.00	-	-	7,67,531.867	80.00	-	-
Total Income Funds (E)			7,67,531.867	80.00	-	-	7,67,531.867	80.00	-	-
(F) EQUITY & DERIVATIVES FUNDS										
1	JM Arbitrage Advantage Fund - Dividend Payout	10	56,44,380.852	564.70	1,13,763.804	11.57	57,58,144.656	576.26	-	-
2	SBI Arbitrage Opportunities Fund - Dividend	10	20,00,000.000	200.00	95,69,486.269	1,002.79	1,15,69,486.268	1,202.79	-	-
3	SBI Infrastructure Fund	10	-	-	2,50,000.000	25.00	-	-	250,000.000	25.00
Total Equity & Derivatives Funds (F)			76,44,380.852	764.70	99,33,250.073	1,039.35	1,73,27,630.924	1,779.05	2,50,000.000	25.00
GRAND TOTAL (A+B+C+D+E+F)			10,90,59,529.624	11,776.41	1,00,74,59,046.614	125,574.35	1,10,04,38,553.555	1,33,576.48	1,60,80,022.685	3,777.71



Schedules forming part of the balance sheet

Schedule 6

CURRENT ASSETS, LOANS AND ADVANCES

(Rupees in Lacs)

	As at 31.03.2008		As at 31.03.2007
A. CURRENT ASSETS			
1 INTEREST ACCRUED ON DEPOSITS	103.44		79.42
2 INVENTORIES (taken, valued & certified by management)			
(a) Raw Materials	796.37	2,490.62	
(b) Stores, Spares, Oils, Chemicals & Catalysts (Net of provision for obsolescence Rs. 11.15 lacs; Previous Year: Rs. 43.41 lacs)	3,681.73	2,888.77	
(c) Finished Goods	3,445.44	6,146.57	
	<u>7,923.54</u>		11,525.96
3 SUNDRY DEBTORS [Refer Note 10(i)]			
(a) Unsecured, considered good:			
(i) Over six months	1,205.10	936.44	
(ii) Others	20,476.13	11,261.42	
(b) Considered doubtful	418.70	382.99	
	<u>22,099.93</u>	12,580.85	
Less: Provision for doubtful debts	418.70	382.99	
	<u>21,681.23</u>		12,197.86
4 CASH AND BANK BALANCES			
(a) Cash and Cheques on hand	115.06	157.16	
(b) Balances with Scheduled Banks:			
(i) Current/Cash Credit Accounts	1,060.74	2,173.58	
(ii) Short Term/Margin Deposits	1,828.62	1,175.98	
(Under Lien with Banks Rs.1,828.62 lacs; Previous Year: Rs.1,169.28 lacs)	<u>3,004.42</u>		3,506.72
B. LOANS AND ADVANCES [Refer Note 10 (ii)]			
Unsecured, considered good: (Unless provided for)			
1 Security and other Deposits	767.95	487.56	
2 Loans/deposits with Joint Stock Companies	2,200.78	3,100.78	
Less: Provision	383.78	383.78	
	<u>1,817.00</u>	2,717.00	
3 Balance with Central Excise, Customs etc.	1,599.75	960.69	
4 Prepaid Expenses	537.79	647.16	
5 Advance Payment of Taxes (Net)	648.76	1,136.38	
6 Advances recoverable in cash or kind or for value to be received	3,660.42	2,969.26	
	<u>9,031.67</u>		8,918.05
	<u><u>41,744.30</u></u>		<u><u>36,228.01</u></u>

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Schedules forming part of the balance sheet

Schedule 7

CURRENT LIABILITIES AND PROVISIONS

	(Rupees in Lacs)	
	As at 31.03.2008	As at 31.03.2007
A. CURRENT LIABILITIES		
1 Sundry Creditors	13,567.55	8,597.67
2 Due to Directors	507.89	535.04
3 Other Liabilities	6,032.85	4,147.55
4 Unclaimed Dividend / Interest / Matured Debentures [Refer Note 13]	247.85	228.66
5 Interest accrued but not due	447.38	359.94
	20,803.52	13,868.86
B. PROVISIONS		
1 Provision for Employee Costs	710.08	466.07
2 Proposed Dividend	3,087.20	2,646.20
3 Corporate Dividend Tax	524.70	449.80
	4,321.98	3,562.07
	25,125.50	17,430.93

Schedules forming part of the profit and loss account

Schedule 8

	(Rupees in Lacs)	
	Year Ended 31.03.2008	Year Ended 31.03.2007
OTHER INCOME		
1 Interest on Inter-Corporate Deposits (Gross) (Tax Deducted at Source Rs. 47.74 lacs; Previous Year: Rs. 38.19 lacs).	222.24	184.87
2 Interest on Term Deposits with Banks (Gross) (Tax Deducted at Source Rs. 8.46 lacs; Previous Year: Rs. 11.86 lacs).	99.02	43.99
3 Other Interest (Gross) (Tax Deducted at Source Rs. Nil; Previous Year: Rs. 1.17 lacs)	28.02	89.86
4 Insurance Claims	-	11.64
5 Dividend		
Trade Investments-Subsidiary Company	18.00	18.00
Non Trade Investments	5.79	6.18
6 Dividend - Mutual Funds	343.59	677.79
7 Profit on Sale/Redemption of Investments		
a) Long Term Non Trade Quoted Shares	237.76	101.87
b) Mutual Funds	67.92	40.35
8 Rent and other revenue from Realty business [Tax Deducted at Source Rs. 88.65 lacs; Previous Year : Rs. 52.00 lacs. (Service Tax Rs. 51.65 lacs; Previous Year : Rs. Nil)]	457.18	231.73
9 Service Charges [Tax Deducted at source Rs. 12.19 lacs; Previous Year : Rs. 2.16 lacs. (Service Tax Rs.91.25 lacs; Previous Year: Rs.39.50 lacs)]	776.19	350.94
10 Foreign Currency Fluctuation (net)	481.69	460.83
11 Miscellaneous Receipts	1,304.77	1,412.02
	4,042.17	3,630.07



Schedules forming part of the profit and loss account

Schedule 9

MANUFACTURING AND OTHER EXPENSES

(Rupees in Lacs)

	Year Ended 31.03.2008	Year Ended 31.03.2007
1 RAW MATERIALS CONSUMED (including use of gas for primary reformer heating)	33,220.01	25,402.56
2 MATERIAL HANDLING CHARGES	134.14	100.97
3 PURCHASES OF GOODS TRADED	34,237.82	33,193.16
4 PACKING MATERIAL CONSUMED	761.33	662.07
5 EMPLOYEES' EMOLUMENTS		
(a) Salaries, Wages and Allowances	4,807.90	3,901.40
(b) Contribution to Provident, Superannuation and Gratuity Funds	539.50	492.89
(c) Welfare and other Amenities	438.15	383.28
	<u>5,785.55</u>	<u>4,777.57</u>
6 OPERATING AND OTHER EXPENSES		
(a) Power, Fuel and Water	1,856.07	1,694.77
(b) Stores, Spares, Oils, Chemicals and Catalysts Consumed	1,621.89	1,248.85
(c) Repairs to:		
(i) Buildings	140.67	245.78
(ii) Plant and Machinery	1,023.75	981.90
(iii) Others	196.65	193.11
	<u>1,361.07</u>	<u>1,420.79</u>
(d) Insurance	550.11	592.15
(e) Rent	475.50	362.77
(f) Rates, Taxes and Duties	153.02	118.26
(g) Directors' Sitting Fees	6.51	7.02
(h) Auditors' Remuneration	48.06	36.29
(i) Carriage Outward (net)	1,334.27	1,466.14
(j) Cash Discounts	141.14	166.24
(k) Miscellaneous Expenses	2,600.20	2,001.76
	<u>10,147.84</u>	<u>9,115.04</u>
	<u><u>84,286.69</u></u>	<u><u>73,251.37</u></u>

Schedule 10

INVENTORY ADJUSTMENTS

1 Opening Stock of Finished Goods	6,146.57	1,282.79
2 Stocks brought over from Trial Production	-	174.29
3 Closing Stock of Finished Goods	3,445.44	6,146.57
4 Increase/(Decrease) in Excise Duty on Stock of Finished Goods	(349.25)	386.20
(Increase) / Decrease	<u>2,351.88</u>	<u>(4,303.29)</u>

Schedule 11

INTEREST AND OTHER FINANCIAL CHARGES

1 Interest on Loans*	1,281.37	907.45
2 Interest - Others	75.40	48.98
3 Other Financial Charges*	237.86	192.35
	<u>1,594.63</u>	<u>1,148.78</u>

* Excluding amount capitalised Rs. 957.32 lacs (Previous Year: Rs. 601.91 lacs)

Schedule 12

NOTES FORMING PART OF ACCOUNTS

1. SIGNIFICANT ACCOUNTING POLICIES

A) REVENUE ACCOUNTING

- Sales include product subsidy and claims, if any, for reimbursement of cost escalation receivable from FICC/Ministry of Agriculture/Ministry of Fertilisers.
- Revenue in respect of Interest, Insurance claims, Subsidy and Reimbursement of cost escalation claimed from FICC/Ministry of Agriculture/Ministry of Fertilisers beyond the notified Retention Price and Price Concession on fertilisers, pending acceptance of claims by the concerned parties is recognised to the extent the Company is reasonably certain of their ultimate realisation.
- Interest on refundable taxes is recognised on the receipt of final effectuating orders.

B) VOLUNTARY RETIREMENT SCHEME

Compensation paid under voluntary retirement scheme is amortised over a period of 60 months from the date of incurrence.

C) FIXED ASSETS

- Fixed Assets (including major modifications/betterments) are recorded at cost of acquisition or construction (including interest/financial charges, project restructuring cost and other expenditure incidental and related to such acquisition/construction).
- Intangible Assets (Goodwill, Patent, Trademark, Software Licenses etc.) are capitalised at cost of acquisition or development (including interest/financial charges and expenditure incidental and related to such acquisition/development).
- Machinery Spares other than those required for regular maintenance are capitalised at cost.
- Cost of fixed assets, the ownership of which does not vest with the Company as also expenditure on installation/erection etc. of assets taken on lease is capitalised.
- Relief/Incentive granted by the Government of India by way of refund of Customs Duty paid on NP Project imports, is treated as a special reserve and adjusted against depreciation, over the remaining useful life of Fixed Assets of NP Project.

D) DEPRECIATION

- Depreciation is provided by Straight Line Method, except for relocated DNA Plant which is depreciated by Written Down Value method.
- Tangible assets, owned by the Company, are depreciated in accordance with the rates prescribed in Schedule XIV to the Companies Act, 1956 except in the following cases where higher rates are applied to the factors of accelerated obsolescence, relocation of plant, modifications of existing plants, etc.

Computers and related equipments	23.75%
Air Conditioning System	9.5%
Furniture, Fixtures and Office Equipments	9.5%, 13.5%, 19%
Vehicles	15.83%
Relocated DNA Plant (WDV)	25.89%
IPA Plant	6.68%
Modification of existing Ammonia Plant	6.33%
- Depreciation on exchange rate variance capitalised as part of the cost of Fixed Assets upto 31st March, 2007, has been provided prospectively over the residual useful life of the assets.
- Machinery Spares other than those required for regular maintenance are capitalised as per Accounting Standard-10 on Fixed Assets and depreciated over remaining useful life of the related machinery/equipments. Costs of such spares are charged to Profit and Loss Account when issued for actual use at written down value.
- Cost of Fixed Assets, ownership of which does not vest with the Company, is amortised over a period of 60 months.
- Intangible assets are amortised over a period not exceeding 60 months.
- Cost of Leasehold Land is amortised over the lease period.

E) IMPAIRMENT OF ASSETS

Impairment of Assets, if any, is ordinarily assessed by comparing value in use of cash generating units, identified in conformity with the classification of business segments, with the carrying value of assets.



F) INVENTORIES

- Inventories of raw materials are valued at lower of moving weighted average cost and net realisable value.
- Inventories of stores, regular spares, oil, chemicals, catalysts and packing material are valued at moving weighted average cost.
- Inventories of finished goods including those held for captive consumption are valued at lower of factory cost (including depreciation but excluding interest) and net realisable value.
- Value of Work-in-Process of all products is ignored for the purpose of inventory having regard to the concept of materiality and difficulty of quantifying such stocks with exactitude.
- The inventory of seeds is written down towards possible diminution in the germination capacity considering seasonal time cycle.
- CENVAT is accounted as per exclusive method of accounting in terms of Accounting Standard-2 on Valuation of Inventories.

G) INVESTMENTS

Long term investments are valued at cost after appropriate adjustment, if necessary, for permanent diminution in their value. Current Investments are stated at lower of cost and fair value.

H) FOREIGN CURRENCY TRANSACTIONS, FORWARD CONTRACTS AND DERIVATIVES

- Transactions in foreign currency are recorded at the rate of exchange prevailing on the dates of the transactions. Foreign currency monetary items are restated at the rate as of the date of Balance Sheet or, as the case may be, at forward contract rates.
- Exchange differences either on settlement or on translation are dealt with in the Profit and Loss Account.
- The Company uses foreign currency forward contracts to hedge its actual underlying exposures and not for trading or speculation purpose. The use of these forward contracts reduces the risk and/or cost to the Company.
- Derivative transactions are restricted to swapping of variable interest in respect of External Commercial Borrowings for fixed interest rates. Accordingly fixed interest expense is recognised in the accounts.

I) EMPLOYEE BENEFITS

- Short-term employee benefits are recognised as an expense at the undiscounted amount in the Profit and Loss Account of the year in which the related service is rendered.
- The eligible employees of the Company are entitled to receive benefits under the provident fund, a defined contribution plan in which both the employees and the Company make monthly contributions at a specified percentage of the covered employees' salary (currently 12% of employees' salary). The contributions as specified under the law are paid to the Regional Provident Fund Commissioner and the Central Provident Fund under the Pension Scheme. The Company recognises such contributions as expense of the year in which the liability is incurred.
- The Company has an obligation towards gratuity, a defined benefit retirement plan covering eligible employees. The plan provides for a lump sum payment to vested employees at retirement, death while in employment or on termination of employment of an amount equivalent to 15 to 30 days salary payable for each completed year of service. Vesting occurs upon completion of five years of service. The plan is managed by a trust and the fund is invested with Life Insurance Corporation of India under its Group Gratuity Scheme. The Company makes annual contributions to gratuity fund and the Company recognises the liability for gratuity benefits payable in future based on an independent actuarial valuation.
- The Company has a Superannuation Plan for its executives - a defined contribution plan. The Company makes annual contributions at 15% of the covered employees' salary. The plan is managed by a trust and fund is invested with Life Insurance Corporation of India under its Group Superannuation Scheme. The contributions as specified under the trust deed are paid to the Life Insurance Corporation of India. The Company is liable for annual contributions and recognises such contributions as an expense of the year in which the liability is incurred.
- The Company provides for the encashment of leave or leave with pay subject to certain rules. The employees are entitled to accumulate leave for availment as well as encashment subject to the rules. As per the regular past practice followed by the employees, it is not expected that the entire accumulated leave shall be encashed or availed by the employees during the next twelve months and accordingly the benefit is treated as long term defined benefit. The liability is provided for based on the number of days of unutilised leave at the Balance Sheet date on the basis of an independent actuarial valuation.
- The Company has a medical benefit plan according to which employees are entitled to be covered under mediclaim policy for the next five years post their superannuation. The amount being insignificant, the liability towards such benefit is recognised based on the actual premium payable.

J) BORROWING COST

- Borrowing cost on working capital is charged against the profit/loss for year in which it is incurred.
- Borrowing costs that are attributable to the construction/acquisition of fixed assets are capitalised as a part of the cost of these capitalised assets till the date of completion of physical construction/mechanical completion of the assets.
- Borrowing costs that are attributable to the development/acquisition of intangible asset are capitalised till the date of use.

K) PRIOR PERIOD ITEMS

Significant items of Income and Expenditure which relate to prior accounting periods, are accounted in the Profit and Loss Account under the head "Prior Years' Adjustments" other than those occasioned by events occurring during or after the close of the year and which are treated as relating to the current year.

L) CONTINGENT LIABILITIES

Contingent Liabilities as defined in Accounting Standard-29 are disclosed by way of notes to accounts. Provision is made if it becomes probable that an outflow of future economic benefits will be required for an item previously dealt with as a contingent liability.

M) TAXES ON INCOME

Current tax is determined as the amount of tax payable in respect of taxable income for the period. Deferred tax is recognised, subject to the consideration of prudence in respect of deferred tax assets, on timing differences, being the differences between taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods. For this purpose, deferred tax liabilities and assets are reckoned on net basis, after inter-se set-off, for each component of the timing differences.

2. Estimated amount of contracts remaining to be executed on capital account and not provided for Rs. 13,607.23 lacs (Previous Year: Rs. 14,427.13 lacs).
3. The following liabilities are classified and considered contingent due to contested claims and legal disputes:
 - Claims by Suppliers: Rs. 3,575.89 lacs (Previous Year: Rs. 784.68 lacs).

Taxes & Duties

 - Income tax demands: Rs. 1,024.61 lacs (Previous Year: Rs. 2,265.65 lacs).
 - Excise demands: Rs. 169.15 lacs (Previous Year: Rs. 285.89 lacs).
 - Customs demands: Rs. 28.44 lacs (Previous Year: Rs. 115.03 lacs).
4. The following foreign currency transactions remain outstanding as at 31st March, 2008:

• Coupon Swap (US \$)	:	Nil (Previous Year: 12,53,376)
• Un-hedged Exposure		
ECB Loan (US \$)	:	1,50,00,000 (Previous Year: 1,90,00,000)
Short Term Loan (US\$)	:	2,17,09,135 (Previous Year: Nil)
Buyers' Credit (US\$)	:	1,59,35,205 (Previous Year: Nil)
Imports (US \$)	:	2,50,86,524 (Previous Year: 58,82,919)
(GBP)	:	27,620 (Previous Year: Nil)
Exports (US \$)	:	14,89,834 (Previous Year: 14,91,737)
5. Gas Authority of India Limited (GAIL), supplier to the Company of natural gas, one of the main raw materials, has effected the supplies at provisional rate as indicated in the invoices. However, according to the Company any revision in natural gas price will be only prospective as per the existing convention/practice followed by Government of India.
6. Exceptional items represent:
 - Insurance claims reversal (net) Rs. Nil (Previous Year: Rs. 116.17 lacs)
 - Amortisation of VRS Compensation paid Rs. 65.95 lacs (Previous Year: Rs. 65.95 lacs).
 - Expenditure on brand launching Rs. 210.07 lacs (Previous Year: Rs. Nil)
7. The Accounting Standard 11 on Effects of Changes in Foreign Exchange rates had become part of the Companies (Accounting Standards) Rules, 2006 vide notification dated 7th December, 2006 issued by Ministry of Company Affairs and made applicable w.e.f. 1st April, 2007. The Company has accordingly taken credit during the year of an amount of Rs. 248.76 lacs (which hitherto was adjusted against the value of plant and machinery) and included the same in Other Income.
8. **IMPAIRMENT OF ASSETS:** The Company has examined carrying cost of its identified Cash Generating Units (CGU) by comparing present value of estimated future cash flows from such CGUs, in terms of Accounting Standard-28 on Impairment of Assets, according to which no provision for impairment is required as assets of none of CGUs are impaired during the financial year ended 31st March, 2008.



SCALING NEW HEIGHTS

		(Rs. in Lacs)
9. A)	Computation of Managerial Remuneration	
	Profit Before tax	15,151.34
	Add :	
	1) Managerial Remuneration	479.52
	2) Directors' sitting fees/commission	6.51
	3) Provision for diminution in value of Investments (net)	27.04
	4) Provision for Doubtful Debts (net)	35.71
		548.78
	Less:	
	1) Exceptional Items	276.02
	2) Profit on Sale of Investments	305.68
	3) Profit on sale/discard of assets (net)	30.08
		611.78
	Profit as per Section 349	15,088.34

- (a) Commission payable to Vice-Chairman & Managing Director at 2.90% (Previous Year: 3.20% for Chairman and Vice-Chairman & Managing Director) of profit as per Section 349 restricted to Rs. 437.56 lacs (Previous Year: Rs. 422.83 lacs).
- (b) Commission payable to other directors @ 1% (Previous Year: 1%) of net profit restricted to Rs. 70 lacs in aggregate (Previous Year: Rs. 35 lacs).

- B) Employees' emoluments as per Schedule 9, include remuneration to Vice-Chairman & Managing Director (Previous year for Chairman and Vice-Chairman and Managing Director) as under:

		(Rs. in Lacs)	
		<u>2007-2008</u>	<u>2006-2007</u>
(i)	Salary and allowances	25.31	38.16
(ii)	Contribution to Provident Fund and Superannuation Fund*	6.64	9.98
(iii)	Gratuity and Leave Encashment Payable**	-	76.73
(iv)	Perquisites	10.01	10.07
(v)	Commission	437.56	422.83
		479.52	557.77

(*) Since the premium on Group Policy with LIC for Gratuity is computed on totality valuation basis, the contribution applicable is not ascertainable and accordingly the same has been considered above.

(**) Gratuity and Leave Encashment payable to Chairman.

10. (i) Sundry Debtors include due from companies in which some of the Directors are Directors/Members: Rs. 194.27 lacs (Previous Year: Rs. 377.58 lacs) maximum amount due during the year: Rs. 661.16 lacs (Previous Year: Rs. 798.55 lacs).
- (ii) Loans and Advances include :
- Security deposit of Rs. 200 lacs (Previous Year: Rs. 200 lacs) placed with Vice-Chairman & Managing Director towards lease of residential premises.
 - Due from officers Rs. 12.66 lacs (Previous Year: Rs. 16.48 lacs) maximum amount due during the year Rs. 16.48 lacs (Previous Year: Rs. 17.12 lacs).
11. Net exchange difference credited to Profit and Loss Account is Rs. 481.69 lacs (Previous Year: Credit Rs. 460.83 lacs).
12. To comply with the requirement of The Micro, Small And Medium Enterprises Development Act, 2006, the Company requested its suppliers to confirm it whether they are covered as Micro, Small or Medium enterprise as is defined in the said Act. Based on the communications received from such suppliers confirming their coverage as such enterprise, the Company has recognised them for the necessary treatment as provided under the Act, from the date of receipt of such confirmations and there is no default in payment to such enterprise as specified in the said Act.

13. The Investor Education And Protection Fund shall be credited by the following amounts:

		(Rs. in Lacs)	
Particulars		<u>2007-2008</u>	<u>2006-2007</u>
a)	Unclaimed dividends	245.58	226.06
b)	Unclaimed debentures matured	2.27	2.60
		247.85	228.66

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14. Auditor's Remuneration (included in Schedule 9)

(Rs. In Lacs)

	2007-2008	2006-2007
a) Statutory Audit	17.56	15.45
b) Report on Consolidated Accounts	4.21	3.71
c) Quarterly Results Limited Review	4.21	3.71
d) Tax Audit	4.21	3.71
e) Certification	5.02	2.62
f) Taxation Matters	11.68	6.03
g) Out-of-pocket Expenses	1.17	1.06
	48.06	36.29

15. Defined benefit plans – As per actuarial valuation as on 31st March, 2008

(Rs. In Lacs)

Particulars	Gratuity benefits	Compensated absences
1 Components of employer expenses		
Current service cost	57.44	43.56
Interest cost	82.29	25.79
Expected return on plan assets	(73.93)	NA
Actuarial losses / (gains)	105.89	122.38
Total expenses / (Income) recognised in the Profit and Loss Account	171.69	191.73
2 Actual contribution and benefits paid during the year		
Actual benefits paid	71.01	76.39
Actual contribution	137.28	NA
3 Net asset / (liability) recognised in the Balance Sheet as at 31st March, 2008		
Present Value of Defined Benefit Obligation	1,212.49	437.71
Fair value of plan assets	940.11	Nil
Net asset/(liability) recognised in Balance Sheet	272.38	437.71
4 Change in Defined Benefit Obligations (DBO) during the year ended 31st March, 2008		
Present Value of DBO at beginning of year	1,028.67	322.37
Current Service cost	57.44	43.56
Interest cost	82.29	25.79
Actuarial (gains)/ losses	115.10	122.38
Benefits paid	(71.01)	(76.39)
Present Value of DBO at the end of year	1,212.49	437.71
5 Change in Fair Value of Assets during the year ended 31st March, 2008		
Plan assets at beginning of year	790.70	NA
Actual return on plan assets	83.14	NA
Actual Company contributions	137.28	NA
Benefits paid	(71.01)	NA
Plan assets at the end of year	940.11	NA
6 Actuarial Assumptions		
Discount Rate	8.00%	8.00%
Expected Return on plan assets	9.35%	NA
Salary escalation	5.00%	5.00%

a) The planned asset is represented by investment made under the Group Gratuity Scheme operated by Life Insurance Corporation of India.

b) The revised Accounting Standard 15 (Employee Benefits) is adopted by Company with effect from 1st April, 2007. Pursuant to such adoption, incremental employee costs of Rs. 26.93 lacs are recognised in the Profit and Loss Account. For the current year, an incremental liability of Rs. 62.22 lacs (net of tax) as on 1st April, 2007 as detailed below has been set off against the General Reserve as per the transitional provision of the Accounting Standard.

(Rs. in Lacs)

Particulars	Gross	Tax	Net
Gratuity benefits	103.93	(35.33)	68.60
Compensated absences	(9.67)	3.29	(6.38)
	94.26	(32.04)	62.22



SCALING NEW HEIGHTS

16. Major Items of Deferred Tax Liabilities and Deferred Tax Assets : (Rs. in Lacs)

Sr. No.	Particulars	Opening Balance as on 01-04-2007	Net increase/(decrease) during the Year	Closing Balance as on 31-03-2008
A. Deferred Tax Liabilities				
1.	Timing Difference on account of depreciation	6,987.38	(397.06)	6,590.32
2.	Others	-	74.57	74.57
	Total A	6,987.38	(322.49)	6,664.89
B. Deferred Tax Assets				
1.	Provision for Doubtful Debts/Loans & Advances	260.63	12.14	272.77
2.	Accrued expenses deductible on actual payment/Quantification	149.95	41.35	191.30
3.	Difference of Opening Liability as per Revised AS-15	32.04	-	32.04
	Total B	442.62	53.49	496.11
	Net Tax effect of Timing Difference (A-B)	6,544.76	(375.98)	6,168.78

17. Information pursuant to the provisions of paragraphs 3, 4C and 4D of Part II of Schedule VI of the Companies Act, 1956.

A. QUANTITATIVE DETAILS (PRODUCED COMMODITIES)

PARTICULARS	UNIT	AMMONIA	CNA	DNA	METHANOL	IPA	PROPANE	CRUDE IPE	AN	CO ₂	ANP	POWER(KWH)
Licensed Capacity/Annum												
Current Year	MT	1,25,400	79,200	2,97,000	1,00,000	70,000	-	-	90,000	16,500	2,29,500	8,76,00,000
Previous Year	MT	90,000	79,200	2,97,000	1,00,000	70,000	-	-	90,000	16,500	2,29,500	8,76,00,000
Installed Capacity/Annum												
Current Year	MT	1,25,400	79,200	2,97,000	1,00,000	70,000	-	-	90,000	16,500	2,29,500	8,76,00,000
Previous Year	MT	90,000	79,200	2,97,000	1,00,000	42,000	-	-	90,000	16,500	2,29,500	4,41,60,000
01-04-2007 to 31-03-2008												
Production/Purchase(*)	MT	97,244	80,457	2,17,349	31,548	49,447	9,789	1,047	1,17,786	15,472	29,907	91,77,736
Captive Consumption (**)	MT	94,953	-	1,87,908	-	-	-	-	-	-	-	-
Damage/Losses	MT	-	-	-	5	30	-	-	-	-	-	4,39,434
Sales (***)	MT	2,789	80,467	29,077	35,798	52,239	9,685	1,047	1,17,907	15,498	32,538	87,38,302
	Rs. in Lacs	460	9,314	2,567	5,957	25,485	3,193	186	16,511	577	3,736	310
01-04-2006 to 31-03-2007												
Production/Purchase(*)	MT	1,08,738	84,127	2,31,593	67,765	15,886	3,426	4	1,07,641	18,611	65,980	23,05,871
Captive Consumption (**)	MT	1,04,668	-	2,01,835	-	-	-	-	-	-	-	-
Damage/Losses	MT	-	-	-	-	5	-	-	-	-	-	2,03,860
Sales (***)	MT	3,647	84,244	30,611	63,424	12,552	3,347	4	1,07,748	18,610	68,782	21,02,011
	Rs. in Lacs	572	7,239	2,069	13,771	6,641	977	1	12,539	658	7,194	74
Opening Stock 01-04-2007/	MT	3,335	379	1,775	4,537	3,329	79	-	234	51	2,973	-
Closing Stock 31-03-2007	Rs. in Lacs	157	29	69	603	1,824	27	-	16	1	283	-
Opening Stock 01-04-2006	MT	2,912	496	2,628	196	-	-	-	341	50	5,775	-
	Rs. in Lacs	103	34	100	22	-	-	-	25	1	559	-
Closing Stock 31-03-2008	MT	2,837	369	2,139	282	507	183	-	113	25	342	-
	Rs. in Lacs	169	29	93	35	240	71	-	10	1	20	-

(*) Ammonia production includes purchased Ammonia 29,598.83 MT (Previous Year: 29,937.69 MT) and equivalent Ammonia for Hydrogen production 2,789.38 MT (Previous Year: 3,647.37 MT).

NP producton includes off-grade production of 600 MT (Previous Year: Nil)

(**) Shown only for information without assigning value.

(***) Ammonia sales include equivalent Ammonia 2,789.38 MT (Previous Year: 3,647.37 MT) for Hydrogen sale. Sale value of Hydrogen Rs. 460.23 lacs (Previous Year: Rs. 572.36 lacs).

NP sales include off-grade sales of 399.69 MT (Previous Year: Nil) Sales Value of off-grade Rs. 9.99 lacs (Previous Year: Rs. Nil)

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B. QUANTITATIVE DETAILS (TRADED PRODUCTS)

Product	01-04-2007 to 31-03-2008				01-04-2006 to 31-03-2007				Opening stock 01-04-2007 / Closing Stock 31-03-2007		Opening stock 01-04-2006		Closing stock 31-03-2008	
	Purchase	Damage/ Losses	Sales		Purchase	Damage/ Losses	Sales		MT	Rs. Lacs	MT	Rs. Lacs	MT	Rs. Lacs
Unit	MT	MT	MT	Rs. Lacs	MT	MT	MT	Rs. Lacs	MT	Rs. Lacs	MT	Rs. Lacs	MT	Rs. Lacs
Methanol	52,351	218	53,327	8,563	48,805	19	47,016	8,523	1,770	283	-	-	576	80
Ammonium Nitrate	-	-	-	-	-	-	646	69	-	-	646	84	-	-
Acetone	358	-	358	152	525	-	525	189	-	-	-	-	-	-
Methyl Isobutyl Ketone	-	-	-	-	26	-	26	19	-	-	-	-	-	-
NP Ethoxylates 9.5	132	-	132	93	-	-	-	-	-	-	-	-	-	-
Propylene Glycol	34	-	34	21	-	-	-	-	-	-	-	-	-	-
DEE Surf	8	-	8	6	-	-	-	-	-	-	-	-	-	-
Toluene	2,152	-	2,152	856	-	-	-	-	-	-	-	-	-	-
Ortho Xylene	529	-	529	228	-	-	-	-	-	-	-	-	-	-
Methyl Ethyl Glycol	6	-	6	4	-	-	-	-	-	-	-	-	-	-
Lauryl Alcohol Ethoxylate	3	-	3	2	-	-	-	-	-	-	-	-	-	-
Chloroform	37	-	37	10	-	-	-	-	-	-	-	-	-	-
Di Methyl Formamide	76	-	76	35	-	-	-	-	-	-	-	-	-	-
Di-ammonium Phosphate	-	-	-	-	15,193	-	15,193	1,386	-	-	-	-	-	-
Muriate of Potash	1,06,269	206	1,24,820	13,632	1,05,676	(251)	81,466	8,579	25,634	2,376	1,173	122	6,877	781
Ammonium Sulphate	10,650	-	10,650	804	11,030	-	11,030	698	-	-	-	-	-	-
Mixtures	90,440	-	91,318	6,484	1,24,780	-	1,21,831	8,361	2,949	197	-	-	2,071	148
Single Super Phosphate	59,354	-	59,354	2,050	70,422	1	70,421	2,310	-	-	-	-	-	-
Micronutrients	2,168	1	2,157	262	647	-	501	139	201	44	55	13	211	42
Seeds	-	-	-	-	26	-	238	88	88	1	300	114	88	8
Solid Soluble Fertiliser	8,422	15	4,040	1,458	2,390	3	2,071	789	549	161	233	85	4,916	1,489
Sulphur	1,940	2	1,546	400	780	2	634	159	168	23	24	3	560	126
Magnesium Sulphate	5,278	-	5,187	337	2,015	-	2,011	118	5	-	1	-	96	6
Zinc Sulphate	177	-	147	45	-	-	6	1	-	-	6	2	30	8
Bio Fert - Liquid (KL)	64	1	53	180	37	-	26	93	14	35	3	5	24	56
Bio Fert - Solid	460	2	392	124	226	-	178	57	69	17	21	11	135	33
Fruits	302	-	302	47	-	-	-	-	-	-	-	-	-	-

C. PRINCIPAL RAW MATERIALS CONSUMED

	Gas (For Production & Utilities)		Phosphoric Acid		R G Propylene		Ammonia	DNA
	SM ³ Million	Rs. in Lacs	MT	Rs. in Lacs	MT	Rs. in Lacs	MT	MT
01.04.2007 TO 31.03.2008	138.26	4,285.77	7,053.05	1,564.13	49,478.08	17,599.60	94,952.26	1,87,908.01
01.04.2006 TO 31.03.2007	152.46	4,840.07	14,970.05	3,337.19	17,446.76	5,372.24	1,04,668.29	2,01,834.64

D. CIF VALUE OF IMPORTS

	(Rs. in Lacs)	
	2007-2008	2006-2007
(i) Raw Material	627.15	3,431.52
(ii) Capital Goods	4,373.00	195.24
(iii) Components and Spares	393.84	267.01
(iv) Traded Goods	22,921.52	19,463.01
	28,315.51	23,356.78

E. PAYMENTS IN FOREIGN CURRENCY (CASH BASIS)

	(Rs. in Lacs)	
	2007-2008	2006-2007
(i) Interest on Loans/Debentures/Debenture Redemption	4,920.36	1,224.54
(ii) Dividend	13.29	14.11
No. of Shareholders	389	408
No. of Shares	4,42,850	4,70,350
(iii) Technical Fees to Foreign Vendors	255.97	410.74
(iv) Foreign Travel	49.42	37.69
(v) Others (Net of Reimbursements)	102.11	107.11
	5,341.15	1,794.19



SCALING NEW HEIGHTS

F. EARNINGS IN FOREIGN EXCHANGE

(Rs. in Lacs)

	2007-2008	<u>2006-2007</u>
FOB Value of exports	6,130.04	2,154.89
Others	572.64	240.65
	<u>6,702.68</u>	<u>2,395.54</u>

G. VALUE OF IMPORTED/INDIGENOUS RAW MATERIALS, COMPONENTS AND SPARES CONSUMED

	2007-2008		<u>2006-2007</u>	
	Rs. in Lacs	Percentage	Rs. in Lacs	Percentage
(i) Raw Materials				
- Imported	2,358.91	7.10	3,476.96	13.69
- Indigenous	30,861.11	92.90	21,925.60	86.31
	<u>33,220.02</u>	<u>100.00</u>	<u>25,402.56</u>	<u>100.00</u>
(ii) Components and Spares				
- Imported	164.43	5.43	187.58	7.24
- Indigenous	2,866.26	94.57	2,405.07	92.76
	<u>3,030.69</u>	<u>100.00</u>	<u>2,592.65</u>	<u>100.00</u>

18. Earnings Per Share as computed in accordance with the Accounting Standard-20

	2007-2008	<u>2006-2007</u>
(i) Net Profit After Tax (Rs. in Lacs)	10,026.55	9,292.64
(ii) Number of Equity Shares of Rs.10/-each	8,82,04,943	8,82,04,943
(iii) Basic and Diluted Earnings Per Share (Rs.)	11.37	10.54

19. Segment Reporting - Refer Annexure - A.

20. Related Party Disclosure - Refer Annexure - B.

21. Statutory dues not deposited on account of dispute - Refer Annexure - C.

22. Previous year's figures have been re-grouped wherever necessary to conform to current year's grouping.

As per our Report of even date
For B.K. KHARE & CO.
Chartered Accountants
R.D. ONKAR
Partner
Membership No. : 45716

C.K. MEHTA
Chairman

S.C. MEHTA
Vice-Chairman & Managing Director

S.S. MARATHE
Director

N.C. SINGHAL
Director

S.R. WADHWA
Director

Mumbai
Dated 30th May, 2008

Mumbai
Dated 30th May, 2008

R. SRIRAMAN
Sr. Vice-President (Legal) &
Company Secretary

DEEPAK FERTILISERS AND PETROCHEMICALS CORPORATION LIMITED
28TH ANNUAL REPORT 2007-2008

ANNEXURE-A

SEGMENT REPORTING

(Rs.in Lacs)

Sr. No.	PARTICULARS	CHEMICALS	BULK FERTILISERS	REALTY	OTHERS	ELIMINATIONS	COMMON	TOTAL
1	Revenue							
	a) External Sales							
	i) Produced	64,250.91	3,735.94	-	309.42	-	-	68,296.27
	<i>Previous Year</i>	<i>44,467.78</i>	<i>7,193.86</i>	-	<i>73.56</i>	-	-	<i>51,735.20</i>
	ii) Traded	9,970.05	25,822.58	-	-	-	-	35,792.63
	<i>Previous Year</i>	<i>8,799.30</i>	<i>22,778.89</i>	-	-	-	-	<i>31,578.19</i>
	b) Inter-segment sales	849.02	-	-	-	(849.02)	-	-
	<i>Previous Year</i>	<i>1,809.44</i>	-	-	-	<i>(1,809.44)</i>	-	-
	c) Other income	1,021.48	257.90	457.18	165.55	-	-	1,902.11
	<i>Previous Year</i>	<i>835.43</i>	<i>293.08</i>	-	-	-	-	<i>1,128.51</i>
	d) Unallocated Corporate other income	-	-	-	-	-	2,140.06	2,140.06
	<i>Previous Year</i>	-	-	-	-	-	<i>2,501.56</i>	<i>2,501.56</i>
	Total Revenue	76,091.46	29,816.42	457.18	474.97	(849.02)	2,140.06	1,08,131.07
	<i>Previous Year</i>	<i>55,911.95</i>	<i>30,265.83</i>	-	<i>73.56</i>	<i>(1,809.44)</i>	<i>2,501.56</i>	<i>86,943.46</i>
2	Segment Result	19,292.58	(1,000.57)	49.10	215.86	-	2,140.06	20,697.03
	<i>Previous Year</i>	<i>17,835.41</i>	<i>(2,706.66)</i>	-	<i>(214.49)</i>	-	<i>2,501.56</i>	<i>17,415.82</i>
3	Unallocated Corporate expenses	-	-	-	-	-	10,670.48	10,670.48
	<i>Previous Year</i>	-	-	-	-	-	<i>8,123.18</i>	<i>8,123.18</i>
4	Net profit	-	-	-	-	-	-	10,026.55
	<i>Previous Year</i>	-	-	-	-	-	-	<i>9,292.64</i>
5	Other Information							
	a) Segment Assets	64,404.22	17,189.97	22,084.83	4,858.30	-	-	1,08,537.32
	<i>Previous Year</i>	<i>49,931.77</i>	<i>16,348.94</i>	-	<i>17,895.76</i>	-	-	<i>84,176.47</i>
	Unallocated Corporate Assets	-	-	-	-	-	27,575.29	27,575.29
	<i>Previous Year</i>	-	-	-	-	-	<i>35,908.79</i>	<i>35,908.79</i>
	Total Assets	-	-	-	-	-	-	1,36,112.61
	<i>Previous Year</i>	-	-	-	-	-	-	<i>1,20,085.26</i>
	b) Segment Liabilities	6,259.88	7,863.38	9,254.51	-	-	-	23,377.77
	<i>Previous Year</i>	<i>2,790.82</i>	<i>5,916.17</i>	-	<i>8,960.06</i>	-	-	<i>17,667.05</i>
	Unallocated Corporate Liabilities	-	-	-	-	-	42,854.46	42,854.46
	<i>Previous Year</i>	-	-	-	-	-	<i>38,872.08</i>	<i>38,872.08</i>
	Total Liabilities	-	-	-	-	-	-	66,232.23
	<i>Previous Year</i>	-	-	-	-	-	-	<i>56,539.13</i>
	c) Capital Expenditure incurred during the year	3,950.32	49.73	11,287.69	7.19	-	527.71	15,822.64
	<i>Previous Year</i>	<i>15,505.94</i>	<i>269.89</i>	-	<i>4,738.44</i>	-	<i>450.59</i>	<i>20,964.86</i>
	d) Depreciation	3,367.14	568.55	103.88	244.34	-	186.60	4,470.51
	<i>Previous Year</i>	<i>2,921.92</i>	<i>533.18</i>	-	<i>128.61</i>	-	<i>324.61</i>	<i>3,908.32</i>
	e) Other non-cash expenditure	-	-	-	-	-	-	-
	<i>Previous Year</i>	-	-	-	-	-	-	-

Segment Information

1. Primary segment reporting (by business segments)
Composition of business segment

Segment	Products covered
a. Chemicals	Ammonia, Methanol, DNA, CNA, CO ₂ , AN, IPA, Propane, Bulk and Speciality Chemicals
b. Bulk Fertilisers	NP, MOP, DAP, Ammonium Sulphate, Mixtures, SSP, Seeds, Sulphur, Micronutrients, SSF, Bio Fertilisers
c. Realty	Real Estate Business
d. Others	Windmill Power.

2. Inter-segment Sales Pricing: Inter-segment revenue has been recognised as estimated under Excise Regulations.
3. Secondary Segment Information: There are no reportable geographical segments since the Company caters mainly to needs of Indian Markets.

As per our Report of even date
For B.K. KHARE & CO.
Chartered Accountants
R.D. ONKAR
Partner
Membership No. : 45716

C.K. MEHTA
Chairman

S.C. MEHTA
Vice-Chairman & Managing Director

S.S. MARATHE
Director

S.R. WADHWA
Director

N.C. SINGHAL
Director

Mumbai
Dated 30th May, 2008

Mumbai
Dated 30th May, 2008

R. SRIRAMAN
Sr. Vice-President (Legal) &
Company Secretary



ANNEXURE-B

1. NAMES OF THE RELATED PARTIES AND RELATIONSHIP

A. ASSOCIATES

1. Blue Shell Investments Pvt. Ltd.
2. Deepak Nitrite Ltd.
3. Nova Synthetic Ltd.
4. Yerrowda Investments Ltd.
5. The Lakaki Works Pvt. Ltd.
6. Superpose Credits And Capital Pvt. Ltd.
7. Storewell Credits And Capital Pvt. Ltd.
8. High Tide Investments Pvt. Ltd.
9. Deepak Asset Reconstruction Pvt. Ltd.
10. Mahadhan Investment and Finance Pvt. Ltd.

B. SUBSIDIARIES

1. Smartchem Technologies Ltd.
2. Deepak Nitrochem Pty. Ltd.

C. Key Management Personnel

1. Shri S.C.Mehta

2. RELATED PARTY TRANSACTIONS

(Rs. in Lacs)

Sr. No.	Nature of Transactions	Current Year				Previous Year			
		Subsidiaries	Associates	Key Management Personnel	Total	Subsidiaries	Associates	Key Management Personnel	Total
1	Sale of Goods	1,062.79	2,813.81	-	3,876.60	747.17	2,616.26	-	3,363.43
2	Purchase of Goods	-	-	-	-	6.93	-	-	6.93
3	Cash Discount Allowed	-	-	-	-	-	11.26	-	11.26
4	Rendering of Services	-	1.35	-	1.35	-	16.86	-	16.86
5	Receiving of Services	-	71.50	470.52	542.02	-	78.31	549.07	627.38
6	Leasing or Hire Purchase arrangements	-	24.55	(9.00)	15.55	-	231.43	(9.00)	222.43
7	Sale of Fixed Assets	4.12	-	-	4.12	0.21	-	-	0.21
8	Finance (including Loans, Equity contribution in cash or in kind)	-	-	-	-	-	-	-	-
9	Interest Received	-	3.75	-	3.75	-	-	-	-
10	Dividend Received	18.00	-	-	18.00	18.00	-	-	18.00
11	Dividend Paid	-	521.17	515.75	1,036.92	-	472.40	586.68	1,059.08
12	Balance Receivable/(Payable)	17.69	168.00	(237.56)	(51.87)	12.25	326.86	(299.88)	39.23
	Less : Provision for Receivable/(Payable)	-	-	-	-	-	-	-	-
	Net Outstanding Receivable/(Payable)	17.69	168.00	(237.56)	(51.87)	12.25	326.86	(299.88)	39.23

DEEPAK FERTILISERS AND PETROCHEMICALS CORPORATION LIMITED
28TH ANNUAL REPORT 2007-2008

ANNEXURE-B (Contd.)

3. NAMES OF THE RELATED PARTIES FOR VALUE EXCEEDING 10% OF THE TRANSACTIONS

(Rs. in Lacs)

Sr. No.	Nature of Transactions	Subsidiaries	Associates	Key Management Personnel
1	Sale of Goods Smartchem Technologies Limited Deepak Nitrite Limited	1,062.79 -	- 2,813.81	- -
2	Purchase of Goods Smartchem Technologies Limited	-	-	-
3	Rendering of Services Smartchem Technologies Limited Deepak Nitrite Limited	- -	- 1.35	- -
4	Receiving of Services Yerrowda Investments Limited Shri S.C. Mehta (Remuneration) Shri S.C. Mehta (Commission)	- - -	69.48 - -	- 32.96 437.56
5	Leasing or Hire Purchase arrangements Deepak Nitrite Limited Shri S.C. Mehta	- -	24.55 -	- (9.00)
6	Sale of Fixed Assets Smartchem Technologies Limited Deepak Nitrite Limited	4.12 -	- -	- -
7	Interest Received Deepak Nitrite Limited	-	3.75	-
8	Dividend Received Smartchem Technologies Limited	18.00	-	-
9	Dividend Paid Nova Synthetic Limited Shri S.C. Mehta	- -	483.31 -	- 515.75
10	Balance Receivable / (Payable) Smartchem Technologies Limited Yerrowda Investments Limited Deepak Nitrite Limited Shri S.C. Mehta	17.69 - - -	- (8.58) 176.58 -	- - - (237.56)

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Partner
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S.C. MEHTA
Vice-Chairman & Managing Director

S.S. MARATHE
Director

N.C. SINGHAL
Director

S.R. WADHWA
Director

Mumbai
Dated 30th May, 2008

Mumbai
Dated 30th May, 2008

R. SRIRAMAN
Sr. Vice-President (Legal) &
Company Secretary



ANNEXURE-C

STATUTORY DUES NOT DEPOSITED ON ACCOUNT OF DISPUTES :

Name of the Statute	Nature of dues	Amount (Rs.)	Period to which Amount relates	Forum where the dispute is pending
Income Tax Act,1961	Demand Raised u/s 143 (3)	1,26,41,581	Assessment Year 2005-06	Commissioner of Income Tax (Appeals) – XXVIII, Mumbai
The Maharashtra Sales Tax on Transfer of Right to Use Any Goods for any Purpose Act, 1985	Lease tax levied on crane hire charges	23,554	Assessment Year 1990-91	Dy. Commissioner of Sales Tax, Pune
The Bombay Stamp Act, 1958	Stamp Duty demanded against licence fee	26,14,695	Financial Year 1995-96	The Chief Revenue Authority, Pune
The Central Excise Act, 1944	CENVAT credit of raw material for exempted finished Goods	1,08,01,431	November-2006 to December-2006	Customs Excise and Service Tax Appellate Tribunal

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Membership No. : 45716

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DEEPAK FERTILISERS AND PETROCHEMICALS CORPORATION LIMITED
28TH ANNUAL REPORT 2007-2008

Information pursuant to Part IV of Schedule VI of the Companies Act, 1956

BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE

I. Registration Details

Corporate Identity No.	L 24121 MH1979 PLC 021360
Balance Sheet Date	31-3-2008

II. Capital Raised during the year

(Amount Rs. in Thousands)

Public Issue	Nil
Rights Issue	Nil
Bonus Issue	Nil
Private Placement	Nil
Shares allotted to Promoters against Warrants	Nil

III. Position of Mobilisation and Deployment of Funds

Total Liabilities	1,10,98,711
Total Assets	1,10,98,711

Sources of Funds

Paid up Capital	8,82,049
Reserves and Surplus	61,05,989
Secured Loans	19,83,881
Unsecured Loans	15,09,914
Deferred Tax Liability	6,16,878

Application of Funds

Net Fixed Assets	79,97,297
Investments	14,27,452
Net Current Assets	16,61,880
Misc. Expenditure	12,082
Accumulated Losses	Nil

IV. Performance of the Company

Turnover	1,04,08,890
Total Expenses	92,97,973
Profit Before Tax	15,15,134
Profit After Tax	10,02,655
Earnings Per Share (Rs.)	11.37
Dividend Rate (%)	35

V. Generic Names of Principal Products/Services of the Company (as per monetary terms)

Product Description	Item Code No. (ITC Code)
Chemical Fertilisers containing Nitrates and Phosphates (Nitrophosphate/Ammonium Nitrate Phosphate)	31055100
Organic Chemicals : Acyclic Alcohols : Methanol (Methyl Alcohol)	29051100
Ammonium Nitrate	31023000
Iso Propyl Alcohol (IPA)	29051220
Nitric Acid	28080010



Statement pursuant to Section 212 of the Companies Act, 1956 relating to Subsidiary Companies

1. Name of the Subsidiary	:	Smartchem Technologies Limited	Deepak Nitrochem Pty. Ltd.
2. Financial Year of the Subsidiary Company ended on	:	31 - 03 - 2008	31 - 03 - 2008
3. Date from which it became Subsidiary	:	09 - 12 - 2003	27 - 08 - 2004
4. (a) Number of Shares held by Deepak Fertilisers And Petrochemicals Corporation Limited (Holding Company) with its nominees in the Subsidiary at the end of the Financial Year of the Subsidiary	:	9,99,994 Equity Shares of Rs. 10/- each fully paid-up. 18,00,000 1% Cumulative Redeemable Preference Shares of Rs. 100/- each.	160,000 Shares of AUD1/- each fully paid-up.
(b) Extent of shareholding interest of Holding Company at the end of the Financial Year of the Subsidiary	:	99.99%	100.00%
5. The Net aggregate amount of the Subsidiary's Profit/ (Losses) so far as it concerns the members of the Holding Company not dealt with in the Holding Company's accounts			
(i) For the Financial Year ended 31st March, 2008	:	Rs. 1,401.49 lacs	Rs. (32.51) Lacs
(ii) For the Previous Year	:	Rs. 434.49 lacs	Rs. (0.10) Lacs
6. The Net aggregate amount of the Profit of the Subsidiary which has been dealt with in the accounts of the Holding Company			
(i) For the Financial Year ended 31st March, 2008	:	Rs. 18 Lacs	Nil
(ii) For the Previous Year	:	Rs. 18 Lacs	Nil
7. Material changes between the end of the Financial Year of the Subsidiary and the Holding Company's Financial Year	:	N.A.	N.A.

C.K. MEHTA
Chairman

S.C. MEHTA
Vice-Chairman & Managing Director

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DEEPAK FERTILISERS AND PETROCHEMICALS CORPORATION LIMITED
28TH ANNUAL REPORT 2007-2008

DETAILS OF SUBSIDIARY COMPANIES FOR 2007-08

(Rs. in Lacs)

	Name of the Subsidiary	Smartchem Technologies Limited	Deepak Nitrochem Pty. Ltd.
	Financial Year ends on	31st March	31st March
a	Share Capital	1,900.00	58.50
b	Reserves	5,205.23	-
c	Total Assets	7,553.30	58.50
d	Total Liabilities	7,553.30	58.50
e	Details of Investments :		
	- Equity Shares	3.68	-
	- Mutual Funds	2,621.68	-
f	Turnover	9,336.16	-
g	Profit Before Taxation	2,078.36	(32.51)
h	Provision for Taxation	676.87	-
l	Profit After Taxation	1,401.49	(32.51)
j	Proposed Dividend	1,918.00	-

Accounts of Deepak Nitrochem Pty. Ltd. has been converted into Indian Rupees at exchange rate prevailing on 31-03-2008 (AUD 1 = Rs. 36.56)

C.K. MEHTA
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Director

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Director

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