



**DEEPAK FERTILISERS  
AND PETROCHEMICALS CORPORATION LIMITED**

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**A TQM Driven Company**

## Press Release

### **Deepak Fertilisers And Petrochemicals Corporation Profit Before Tax improves 94% in Q1 2008-09**

- ***Net Sales grows 49% on a Q-on-Q basis***
- ***Chemicals business grows 50% on Q-on-Q basis, Agri-business grows 44%***
- ***ISO-9001:2000, ISO-14001:2004 and OHSAS-18001:2007 certifications obtained at Taloja***
- ***Ishanya, India's largest Design Centre and Specialty Mall, crosses 6 lakh footfalls mark***

**Pune July 29, 2008:** Deepak Fertilisers And Petrochemicals Corporation Ltd., (DFPCL), today announced a strong 49% growth, on a Q-on-Q basis, in its topline to Rs. 327.60 crore in Q1 2008-09 (from Rs. 219.79 crores in Q1 FY 08). Income from operations was Rs. 332.71 crores (including realty income). Profit Before Tax improved 94% to Rs. 66.89 crore during the quarter under review (from Rs. 34.46 crore in Q1 FY08).

Profit After Tax grew 99% to Rs. 44.88 crore in Q1FY09 as against Rs. 22.58 crore Q1 FY08. The performance is riding on a strong improvement in both volumes and prices in the Chemicals business. The Company saw a rise in capacity utilization thanks to the ad-hoc availability of additional liquefied natural gas (LNG) for a limited period during the quarter under review.

The Company's Chemicals business grew to Rs. 227.89 crore in Q1 2007-08 against Rs. 151.96 crore in Q1 2007-08. The Agri-business grew to Rs. 98.86 crore in Q1 2007-08 from Rs. 68.62 crore in Q1 2006-07.

Speaking at the 28<sup>th</sup> Annual General Meeting of the Company, DFPCL's Chairman Mr. C. K. Mehta said, while declaring 35% dividend, that the Company has received the ISO - 9001:2000, ISO-14001:2004 and OHSAS-18001:2007 certifications from Bureau Veritas Certification reaffirming its strong operations and management practices.

Speaking about the results for Q1 and the future plans for the Company, Mr. S. C. Mehta, the Vice Chairman and Managing Director said that the Company expected to get Natural Gas from KG Basin also which is likely to commence by the end of the current year. "Thus the inadequacy of gas feed stock should be behind us from the year 2009-

10. While the LNG/KG Basin Gas prices are expected to be higher, the additional gas availability will improve capacity utilisation at our Talaja Complex," he said.

He also stated that the Company's Board of Directors had decided on a fast track capacity expansions at the Talaja plant with chemicals to support the mining sector by constructing a 3,00,000 MTA Technical Ammonium Nitrate (TAN) plant at Talaja, for which required land is already available. This would be supported by in-house ammonia as well as imported Ammonia through DFPCL's upcoming JNPT Ammonia storage tank which was expected to be ready in Q4 FY09. The new JNPT tank will advantageously create opportunity for further product enhancement, in particular, in the Nitric Acid market.

Mr. Mehta emphasized that this fast-track capacity enhancement was being done at Talaja currently owing to the urgent demand by the mining sector. In the meanwhile efforts were being made to expedite the logistics and infrastructure issues at Paradip.

Mr. S. C. Mehta also stated that "The Company is exploring forward integration into various sectors catered to by its products, including contract mining services and other related businesses. This will help the Company climb the value chain across its lines of business." He also stated that the company's discussions with Yara were on-track and that further announcements on the progress would be made on completion of the due diligence exercise.

Ishanya, India's largest Design Centre and Specialty Mall has opened 30 stores with over 5000 brands. Another 18 stores are expected to open in the next few weeks. Ishanya also launched India's first laser and water works show, Fantasia Magic, at its 500 seater amphitheatre during the quarter under review.

The Company's Mahadhan Saarrthie initiative is proving to be a success with nine centres open and over 5,000 hectares under cultivation in Maharashtra with 1463 farmers enrolled into this initiative. The Company has also enrolled 257 farmers for Globalgap certification of their produce which enables the best possible price for export across the international markets. Total exports till date so far under this initiative stand at 678 tons including fruits and vegetables. These have been facilitated across the European markets especially into countries like U.K. and Norway which have very stringent quality requirements.

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