



Date :9<sup>th</sup> August 2018

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 ended 30<sup>th</sup> June 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 ended 30<sup>th</sup> June 2018, approved and taken on record by the Board of Directors, at its meeting held on 9<sup>th</sup> August 2018;

1. Un-audited Stand-alone and Consolidated Financial Results for the quarter ended 30<sup>th</sup> June 2018.
2. Limited Review Report for the quarter ended 30<sup>th</sup> June, 2018.
3. Press Release

In terms of the provisions of Regulation 33(3)(b) (i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, kindly note that Company would like to submit the Standalone as well as Consolidated Financial Results during the Financial Year 2018-2019.

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

PART I		(Amounts in Rs Lakhs unless otherwise stated)			
STATEMENT OF UNAUDITED FINANCIAL RESULTS FOR THE QUARTER ENDED JUNE 30, 2018					
Sr. No.	Particulars	Standalone			Year Ended 31 March 2018
		30 June 2018	31 March 2018 (Refer note 5)	30 June 2017 (Refer note 6)	
	(Refer Notes Below)	(Unaudited)	(Audited)	(Unaudited)	(Audited)
1	Income				
	(a) Revenue from operations	1,29,919	1,12,471	57,608	3,21,421
	(b) Other income	386	4,969	509	6,642
	Total income	1,30,305	1,17,440	58,117	3,28,063
2	Expenses				
	(a) Cost of materials consumed	21,117	24,139	15,152	80,430
	(b) Purchases of stock-in-trade	1,00,055	77,468	32,758	2,03,547
	(c) Changes in inventories of finished goods and stock-in-trade	(3,397)	610	(1,964)	(7,366)
	(d) Excise duty	-	-	2,694	2,694
	(e) Employee benefits expense	1,612	1,435	1,172	6,442
	(f) Finance costs	2,142	2,563	1,252	7,068
	(g) Depreciation and amortisation expense	1,225	1,028	1,286	5,050
	(h) Other expenses	6,241	5,202	3,891	17,105
	Total expenses	1,28,995	1,12,445	56,241	3,14,970
3	Profit before tax (1-2)	1,310	4,995	1,876	13,093
4	(a) Current tax	253	(297)	617	2,221
	(b) Deferred tax	211	(115)	(111)	(417)
	Total tax expense / (reversal)	464	(412)	506	1,804
5	Net profit after tax (3-4)	846	5,407	1,370	11,289
6	Other comprehensive income				
	<i>Items that will not be reclassified to profit or loss</i>				
	Remeasurement of defined benefit obligations	-	175	-	175
	Income tax relating to this item	-	(61)	-	(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	(89)	(56)	118	(63)
	Income tax relating to this item	31	20	(41)	22
	Total other comprehensive income, net of tax	(58)	78	77	73
7	Total comprehensive income (5+6)	788	5,485	1,447	11,362
8	Paid-up Equity Share Capital (Face Value of Rs.10/- each)	8,820	8,820	8,820	8,820
9	Earnings Per Share (EPS) (EPS for quarter ended period is not annualised)				
	(face value of Rs.10 each)				
	(a) Basic (In Rs.)	0.96	6.13	1.55	12.80
	(b) Diluted (In Rs.)	0.96	6.13	1.55	12.80



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



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

**PART I** (Amounts in Rs Lakhs unless otherwise stated)

**STATEMENT OF UNAUDITED FINANCIAL RESULTS FOR THE QUARTER ENDED JUNE 30, 2018**

Sr. No.	Particulars	Consolidated			
		Quarter Ended			Year Ended
		30 June 2018	31 March 2018 (Refer note 5)	30 June 2017 Restated (Refer note 6 & 7)	31 March 2018
(Refer Notes Below)	(Unaudited)	(Audited)	(Unaudited)	(Audited)	
1	Income				
	(a) Revenue from operations	2,22,619	1,90,500	1,28,030	6,06,154
	(b) Other income	759	1,133	350	2,409
	Total income	2,23,378	1,91,633	1,28,380	6,08,563
2	Expenses				
	(a) Cost of materials consumed	72,319	63,820	45,716	2,37,317
	(b) Purchases of stock-in-trade	1,32,992	80,294	50,774	2,27,716
	(c) Changes in inventories of finished goods and stock-in-trade	(24,321)	9,932	(8,695)	(9,539)
	(d) Excise duty	-	-	6,668	6,668
	(e) Employee benefits expense	7,259	6,829	5,376	24,580
	(f) Finance costs	5,731	5,763	3,732	17,316
	(g) Depreciation and amortisation expense	4,190	4,008	4,077	16,323
	(h) Other expenses	19,561	16,649	15,828	64,894
	Total expenses	2,17,731	1,87,295	1,23,476	5,85,275
3	Profit before tax (1-2)	5,647	4,338	4,904	23,288
4	(a) Current tax	338	(291)	619	2,349
	(b) Deferred tax	1,584	731	907	4,290
	Total tax expense	1,922	440	1,526	6,639
5	Net Profit after tax (3-4)	3,725	3,898	3,378	16,649
6	Share of (loss) of associates	(2)	(44)	(30)	(239)
7	Net profit after tax, non controlling interest and share in (loss) of associates	3,723	3,854	3,348	16,410
8	Other comprehensive income (OCI)				
	<i>Items that will not be reclassified to profit or loss</i>				
	Remeasurement of defined employee benefit plans	-	(139)	-	(139)
	Income tax relating to this item	-	48	-	48
	<i>Items that will be reclassified to profit or loss</i>				
	Exchange difference on translation of financial statements of the foreign operations	35	103	-	(31)
	Changes in fair value of investments other than equity shares carried at fair value through OCI #	(89)	(57)	118	(63)
	Income tax relating to the above item #	31	(16)	(41)	33
	Total other comprehensive income, net of tax	(23)	(61)	77	(152)
9	Total comprehensive income (7+8)	3,700	3,793	3,425	16,258
10	Net profit attributable to:				
	- Owners of the Company	3,613	3,790	3,332	16,267
	- Non controlling interest	110	64	16	143
11	Other comprehensive income, net of tax attributable to:				
	- Owners of the Company	(32)	(75)	77	(148)
	- Non controlling interest	9	14	-	(4)
12	Total comprehensive income attributable to:				
	- Owners of the Company	3,581	3,715	3,409	16,119
	- Non controlling interest	119	78	16	139
13	Paid-up Equity Share Capital (Face Value of Rs.10/- each)	8,820	8,820	8,820	8,820
14	Earnings per share (EPS) (EPS for quarter ended period is not annualised)				
	(face value of Rs.10 each)				
	(a) Basic (In Rs.)	4.22	4.37	3.80	18.60
	(b) Diluted (In Rs.)	4.22	4.37	3.80	18.60





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**UNAUDITED SEGMENT-WISE REVENUE, RESULTS, ASSETS AND LIABILITIES** (Amounts in Rs Lakhs unless otherwise stated)

		Consolidated			
Sr.  No.	Particulars	Quarter Ended			Year Ended
		30 June 2018	31 March 2018 (Refer note 5)	30 June 2017 Restated (Refer note 6 & 7)	31 March 2018
		(Unaudited)	(Audited)	(Unaudited)	(Audited)
1	Segment revenue				
	(a) Chemicals				
	Manufactured	60,954	63,642	51,961	2,20,638
	Traded	1,02,799	81,769	29,122	2,02,410
	<b>Total</b>	<b>1,63,753</b>	<b>1,45,411</b>	<b>81,083</b>	<b>4,23,048</b>
	(b) Fertilisers				
	Manufactured	42,949	39,458	36,166	1,48,664
	Traded	15,065	5,134	10,003	32,046
	<b>Total</b>	<b>58,014</b>	<b>44,592</b>	<b>46,169</b>	<b>1,80,710</b>
	(c) Realty	485	451	417	1,685
	(d) Others	367	46	361	711
	<b>Total income from operations</b>	<b>2,22,619</b>	<b>1,90,500</b>	<b>1,28,030</b>	<b>6,06,154</b>
2	Segment results [profit / (loss) before tax and finance costs from Each segment]				
	(a) Chemicals	15,129	14,026	8,622	51,335
	(b) Fertilisers	1,705	(1,826)	2,613	3,674
	(c) Realty	(383)	(396)	(445)	(1,596)
	(d) Others	264	(67)	268	323
	<b>Total</b>	<b>16,715</b>	<b>11,737</b>	<b>11,058</b>	<b>53,736</b>
	Less: i) Finance costs	5,731	5,763	3,732	17,316
	ii) Other unallocable expenditure (net of unallocable income)	5,337	1,636	2,422	13,132
	<b>Total profit before tax</b>	<b>5,647</b>	<b>4,338</b>	<b>4,904</b>	<b>23,288</b>
3	Segment assets				
	(a) Chemicals	3,94,347	3,17,714	2,77,823	3,17,714
	(b) Fertilisers	2,49,452	1,74,726	2,13,158	1,74,726
	(c) Realty	22,047	23,568	24,007	23,568
	(d) Others	3,036	2,726	2,684	2,726
	(e) Unallocated	1,11,060	1,80,412	81,721	1,80,412
	<b>Total assets</b>	<b>7,79,942</b>	<b>6,99,146</b>	<b>5,99,393</b>	<b>6,99,146</b>
4	Segment liabilities				
	(a) Chemicals	1,81,912	1,55,159	1,23,264	1,55,159
	(b) Fertilisers	1,68,626	1,36,459	1,37,733	1,36,459
	(c) Realty	1,033	993	1,020	993
	(d) Others	46	46	58	46
	(e) Unallocated	2,38,662	1,97,839	1,60,507	1,97,839
	<b>Total liabilities</b>	<b>5,90,279</b>	<b>4,90,496</b>	<b>4,22,582</b>	<b>4,90,496</b>



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(Amounts in Rs Lakhs unless otherwise stated)

Sr. No.	Particulars	Standalone			Consolidated		
		Quarter Ended 30 June 2018	Quarter Ended 30 June 2017	Year Ended 31 March 2018	Quarter Ended 30 June 2018	Quarter Ended 30 June 2017	Year Ended 31 March 2018
		(Unaudited)	(Unaudited)	(Audited)	(Unaudited)	(Unaudited)	(Audited)
1	Total income from operations (net)	1,29,919	57,608	3,21,421	2,22,619	1,28,030	6,06,154
2	Net Profit / (Loss) for the period (before tax Exceptional and/or Extraordinary items #)	1,310	1,876	13,093	5,647	4,904	23,288
3	Net Profit / (Loss) for the period before tax (after Exceptional and/or Extraordinary items #)	1,310	1,876	13,093	5,647	4,904	23,288
4	Net Profit / (Loss) for the period after tax (after Exceptional and/or Extraordinary items #)	846	1,370	11,289	3,725	3,378	16,649
5	Total Comprehensive Income for the period [Comprising Profit/(Loss) for the period (after tax) and Other Comprehensive Income (after tax)]	788	1,447	11,362	3,700	3,425	16,258
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	-	-	1,52,761	-	-	1,95,797
8	Earnings Per Share (of Rs. 10/- each) (Rs.) (for continuing and discontinued operations)						
	Basic :	0.96	1.55	12.80	4.22	3.80	18.60
	Diluted :	0.96	1.55	12.80	4.22	3.80	18.60

**Note:**

- 1 The above is an extract of the detailed format of the quarter ended 30 June, 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 and www.nseindia.com) and on the Company's website (www.dfpl.com).
- 2 The auditors in their report have drawn attention to the uncertainties related to withholding of subsidies and claims by a vendor.
- 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: 09-08-2018For 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 ended 30 June 2018**

1. The above unaudited results of Deepak Fertilisers and Petrochemicals Corporation Limited ("the Company"), its subsidiaries, Associates and its joint venture (together referred to as "the Group") were reviewed by the Audit Committee and the Board of Directors at its meeting held on 8<sup>th</sup> and 9<sup>th</sup> August 2018 respectively, 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. 310 crores pending final decision, which has been released during the month of January 2018 against a bank guarantee of equal amount.
3. GAIL has claimed a sum of Rs. 357 crores in respect of supply of domestic natural gas for the period July 2006 to May 2014, alleging usage for manufacture of products other than Urea. As per two contracts entered into 2006 and 2010 between the Group and GAIL, the purchase of gas was clearly intended, supplied and utilised for industrial applications. It has been in the full knowledge of the Department of Fertilisers, Government of India that the Company; as per the Industrial License, since its inception was never engaged in the manufacture of Urea and the dispute was referred to Arbitration. Accepting Group's stand, the Arbitration Tribunal has rejected the claim of GAIL. However, GAIL has preferred an appeal before Honourable Delhi High Court.
4. The unaudited standalone and consolidated financial results of the Company (including its subsidiaries and associates) 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.
5. Figures for standalone and consolidated financial results for the quarter ended 31 March 2018 as reported in these unaudited financial results, are the balancing figures between the audited figures in respect of the full financial year and published figures for nine months period ended 31 December 2017. The figures upto 31 December 2017 had only been reviewed and were not subjected to audit.
6. Previous period's figures have been reclassified/ regrouped wherever necessary.
7. The comparative consolidated financial results for the quarter ended 30 June 2017 have been restated on account of increase in tax expenses by Rs. 5 crores, 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.

8. The Financial results for the quarter ended 30 June 2017 were reviewed by the erstwhile auditors.
9. 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.
10. In accordance with the requirement of Ind AS, revenue for the quarter ended 30 June 2018, quarter ended 31 March 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.
11. The statutory auditors of the Company have conducted a limited review of the standalone and consolidated financial results of the Company for the quarter ended 30 June 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 and claims by a vendor in respect of supply of gas for manufacture of products other than urea, as more fully explained in Notes 2 and 3 above. These matters are pertaining to Smartchem Technologies Limited, a wholly owned subsidiary.

12. Management's response to the Emphasis of Matter:  
With regard to the emphasis of matter stated in Note 11 above, there are no further developments on the matters mentioned in notes 2 and 3 above.

**For DEEPAK FERTILISERS  
AND PETROCHEMICALS CORPORATION LIMITED**



**S. C. MEHTA**

**Chairman and Managing Director**

**DIN: 00128204**

**Place: Mumbai**

**Date: 9 August 2018**



# B S R & Associates LLP

Chartered Accountants

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## Limited review report on unaudited quarterly Standalone Financial 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 30 June 2018, being submitted by the Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations'). Attention is drawn to the fact that the figures for the 3 months ended 31 March 2018 as reported in these financial results are the balancing figures between audited figures in respect of the full previous financial year and the published year to date figures up to the third quarter of the previous financial year. The figures up to the end of the third quarter of previous financial year had only been reviewed and not subjected to audit.

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.

The comparative standalone financial results for the quarter ended 30 June 2017 included in these standalone financial results have been reviewed by the predecessor auditor, whose limited review report dated 10 August 2017 expressed an unmodified conclusion.





**Limited review report on unaudited quarterly Standalone Financial Results of Deepak Fertilisers and Petrochemicals Corporation Limited pursuant to Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (continued)- 30 June 2018**

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*

Membership no.: 101190

Place: Mumbai

Date: 9 August 2018

# B S R & Associates LLP

Chartered Accountants

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## Limited review report on unaudited quarterly Consolidated Financial Results of Deepak Fertilisers and Petrochemicals Corporation Limited pursuant to Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

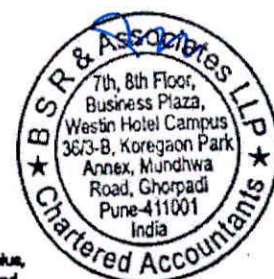
To  
Board of Directors of  
Deepak Fertilisers and Petrochemicals Corporation Limited

We have reviewed the accompanying statement of unaudited consolidated financial results of Deepak Fertilisers and Petrochemicals Corporation Limited ('the Company'), its subsidiaries, its associates and its joint operations (collectively referred to as 'the Group') for the quarter ended 30 June 2018, being submitted by the Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations'). Attention is drawn to the fact that the figures for the 3 months ended 31 March 2018 as reported in these financial results are the balancing figures between audited figures in respect of the full previous financial year and the published year to date figures up to the third quarter of the previous financial year. The figures upto the end of the third quarter of previous financial year had only been reviewed and not subjected to audit.

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 unaudited 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, whose unaudited financial information reflect total revenue of Rs. 91,878 Lakhs for the quarter ended 30 June 2018. This unaudited financial information has been reviewed by the other auditor whose report has been furnished to us, and our opinion on the unaudited consolidated financial 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.



B S R & Associates (a partnership firm with  
Registration No. BA69226) converted into  
B S R & Associates LLP (a Limited Liability,  
Partnership with LLP Registration No. AAB-8182)  
with effect from October 14, 2013

Registered Office  
5th Floor, Lodha Excelus,  
Apollo Mills Compound  
N. M. Joshi Marg, Mahalaxmi  
Mumbai - 400 011

**Limited review report on unaudited quarterly Consolidated Financial Results of Deepak Fertilisers and Petrochemicals Corporation Limited pursuant to Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (continued) - 30 June 2018**

We draw attention to the following notes to the unaudited consolidated financial results from the report of the other auditor in relation to Smartchem Technologies Limited:

- a) note 2 which more fully explains that the Department of Fertilisers has released the fertiliser subsidy of Rs. 310 crores on issue of bank guarantee of an equivalent amount; and
- b) note 3 which more fully explains that GAIL, a vendor, has claimed an amount of Rs. 357 crores in respect of supply of gas for manufacture of products other than urea.

Our conclusion is not modified in respect of these matters.

The comparative consolidated financial results for the quarter ended 30 June 2017 included in these consolidated financial results were reviewed by the predecessor auditor, whose limited review report dated 10 August 2017 expressed an unmodified conclusion. We draw attention to note 7 of the unaudited consolidated financial results, which more fully explains that the comparative information for the quarter ended 30 June 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.

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:**

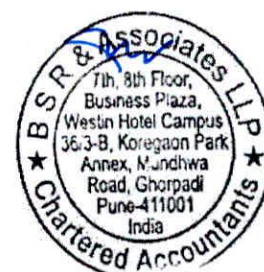
1. Smartchem Technologies Limited
2. Platinum Blasting Services Pty Limited
3. Australian Mining Explosives Pty. Limited
4. Performance Chemiserve Private Limited
5. Deepak Mining Services Private Limited
6. Runge Pincock Minarco India Private Limited
7. SCM Fertichem Limited
8. Deepak Nitrochem Pty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

**Associates:**

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

**Joint operations:**

13. Yarrowda Investments Limited



**Limited review report on unaudited quarterly Consolidated Financial Results of Deepak Fertilisers and Petrochemicals Corporation Limited pursuant to Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (continued) - 30 June 2018**

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: 9 August 2018

## DEEPAK FERTILISERS announces Q1 results

*Improved performance by TAN, Specialty Fertilizers and increase in traded volumes of IPA and Methanol led to growth in revenues and profitability*

**Mumbai/Pune, August 09, 2018:** Deepak Fertilisers and Petrochemicals Corporation Ltd (DFPCL) today announced its financial results for the quarter ended June 30, 2018 (Q1FY19).

On consolidated basis, the total income of the Company grew by 74%, from Rs. 1,280.30 crores in Q1 FY18 to Rs. 2,226.19 crores in Q1 FY19. PBT and PAT recorded a growth of 15% and 10% respectively, from Rs. 49.04 crores and Rs. 33.78 crores in Q1 FY18 to Rs. 56.47 crores and Rs. 37.25 crores in Q1 FY19.

On a standalone basis, total income of the Company for Q1 FY19 stood at Rs. 1,299.19crores, PBT stood at 13.10crores and PAT was Rs. 8.46crores as compared to Q1 FY18, where revenues stood Rs. 576.08 crores, PBT at Rs. 18.76 crores and PAT at Rs. 13.70 crores.

On a consolidated basis, chemicals segment reported revenues of Rs. 1,637.53 crores in Q1FY19 as compared to Rs. 810.83crores in Q1FY18, and segment profit stood at Rs. 151.29 crores in Q1FY19 as compared to Rs. 86.22crores in Q1FY18. Industrial Chemicals traded products portfolio recorded a substantial 253% jump in revenues over Q1FY18. However, manufactured Nitric Acid and IPA reported a shade lowervolume. Due to maintenance shutdown of the company's key propylene supplier, desired volume of IPA could not be manufactured and Dilute Nitric Acid (DNA) volume was utilized for captive consumption to manufacture other high margin products, which have better contribution as compared to merchant sale of DNA, thereby impacting Industrial Chemicals business.

As a strategy to become the most preferred solvents supplier to the pharma sector, Company had been growing its volumes of traded solvents. While trading contributed positively to the bottom line, post the clamp down on buyer's credit facilities by banks, the interest on working capital increased during the quarter. Going forward, the Company intends to consolidate its trading business and focus on high-margin products, leading to lower volumes but better profitability in the forthcoming quarters. In Q1 FY19, Technical Ammonium Nitrate (TAN) recorded noteworthy growth in volumes as compared to Q1 FY18. TAN has recorded growth across its product segments, including encouraging growth in the export segment. As compared to previous year, sectors like mining and infrastructure have witnessed higher growth thereby providing growth impetus to TAN segment.

Fertilizer segment reported revenues of Rs. 580.14crores in Q1FY19 as compared to Rs. 461.69crores in Q1FY18, segment profit stood at Rs. 17.05crores in Q1FY19 as compared Rs.26.13crores Q1FY18. There were multiple global phosphoric acid and LNG price hikes and a lag in transferring its impact in the new MRPs have led to the underperformance of the segment in the quarter. The Company sold 8,748 tonnes of Sulphur Bentonite in Q1 FY19 as compared to 5,172 tonnes in Q1 FY18, a substantial growth of 69%, strengthening its leadership position in Specialty Fertilisers segment. With technical snags at the facilities of some of the global phosphoric acid suppliers, there have been short supplies of phosphoric acid to the country and to the company, which has also impacted the quarter.

**Mr. Sailesh C. Mehta, Chairman & Managing Director – DFPCL** mentioned, *"It gives me pleasure to share that, a journey to redefine our business strategy of shifting focus from customers to consumers with an objective of offering differentiated products and solutions and strengthening the core has*

*Sailesh Mehta*



*begun in the right earnest. To help this endeavor, the Company is also investing in onboarding new talent to support the ramp-up. There has been a rise in manpower cost and other costs related to performance improvement initiatives, but this is an investment we are making in building a sustained high performing operation.*

*Based on its four decades of proven experience and the growing product demand, the Board today approved capacity expansions of IPA and TAN with a capex outlay of about Rs.2,350 crores. Additionally, to strategically support the total downstream sectors already in operations, the Board also approved a world scale ammonia facility capex as a backward integration at the cost of approximately Rs. 2,950 crores. All the projects on a standalone basis exceeded the company's investment viability parameters. The company is at a high-level positive traction with banks and financial institutions for tie-ups on the debt funding. In addition to the inflows from internal generation, the Board has also approved raising of Equity up to Rs. 800 Cr in the Company through various options of securities towards part funding the capex plan, to ensure prudential leverage norms."*

**For further information, please contact:**

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