



31st August, 2020

The Secretary
BSE Limited
Phiroze Jeejeebhoy Towers,
Dalal Street, Fort,
Mumbai – 400 001

Listing Department
National Stock Exchange of India Ltd.
“Exchange Plaza”,
Bandra - Kurla Complex, Bandra (E)
Mumbai – 400 051

**Sub: Interim Condensed Consolidated Financial Statements for the period ended
30th June, 2020**

Dear Sir / Madam,

Pursuant to Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, we wish to inform you that the Board by way of Circular Resolution has approved today the Interim Condensed Consolidated Financial Statements of the Company for the period ended 30th June, 2020 along with the review report thereon from the Statutory Auditors, for the purposes of disclosure in the Letter of Offer to be filed by the Company in connection with the proposed rights issue of equity shares.

This is for your information and record please.

Thanking you,

Yours truly,

For Deepak Fertilisers and Petrochemicals Corporation Ltd

K. Subharaman

EVP (Legal) & Company Secretary

FCS 4361

Deepak Fertilisers and Petrochemicals Corporation Limited
Interim Condensed Consolidated Balance Sheet as at 30 June 2020
(All amounts in ₹ Lakhs unless otherwise stated)

	Notes	30 June 2020	31 March 2020
ASSETS			
Non-current assets			
Property, plant and equipment	3	241,652	242,615
Capital work-in-progress	4	141,751	130,958
Investment property	5	3,607	3,607
Right of use of assets	5(a)	18,945	18,980
Goodwill on consolidation	5(b)	4,266	4,093
Other intangible assets	6	1,784	1,867
Investment in equity accounted investees	7	5	5
Financial assets			
i. Investments	8	3	72
iii. Other financial assets	15	4,838	4,730
Deferred tax assets (net)	26	2,981	4,589
Income tax assets (net)		12,231	12,112
Other non-current assets	18	26,235	28,924
Total non-current assets		458,298	452,670
Current assets			
Inventories	17	62,063	68,369
Investment in equity shares (held-for-sale)	9	149	149
Financial assets			
i. Investments	10	13,523	1,011
ii. Trade receivables	11	104,252	127,580
iii. Cash and cash equivalents	13	33,084	15,757
iv. Bank balances other than cash and cash equivalents	14	775	10,169
v. Loans	12	144	118
vi. Other financial assets	15	1,148	2,527
Other current assets	18	13,840	14,873
Total current assets		228,078	240,653
Total assets		687,376	693,323
EQUITY AND LIABILITIES			
Equity			
Equity share capital	19	8,928	8,928
Other equity	20	221,265	209,150
Equity attributable to owners of the Company		230,193	218,078
Non controlling interest		4,661	4,313
Total equity		234,854	222,391
Liabilities			
Non-current liabilities			
Financial Liabilities			
i. Borrowings		209,737	208,425
ii. Lease liabilities	5(a)	6,976	6,764
iii. Other financial liabilities	23	170	170
Provisions	24	6,254	5,687
Total non-current liabilities		223,137	221,066
Current liabilities			
Financial liabilities			
i. Borrowings	22	41,054	71,930
ii. Lease liabilities	5(a)	1,674	1,944
iii. Trade payables			762
(a) total outstanding dues of micro and small enterprises		511	762
(b) total outstanding dues of creditors other than micro and small enterprises	25	130,126	128,687
iv. Other financial liabilities	23	38,989	33,722
Other current liabilities	27	6,526	4,478
Provisions	24	7,587	7,421
Current tax liabilities (net)		2,688	724
Total current liabilities		229,365	249,686
Total liabilities		452,492	470,732
Total equity and liabilities		687,376	693,323

Significant accounting policies
The accompanying notes form an integral part of the Interim Condensed Consolidated Financial Statements

1 - 2

Initiated for identification purposes

For and on behalf of Board of Directors of Deepak Fertilisers and Petrochemicals Corporation Limited

For B S R & Associates LLP
Chartered Accountants
Firm Registration No.: 116231WW/100024

S. C. Mehta
Chairman and Managing Director
DIN:00128204

Amitabh Bhargava
President & CFO

Rajinlah Deval
Partner

Paitha Sarathi Bhattacharya
Director
DIN : 00329479

K. Subhraman
EVP-Legal and Company Secretary
Membership No. FCS 4361

Place: Pune
Date:

Place: Pune
Date:

Confirmed by BSR
mail dated 26/8/20

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Deepak Fertilisers and Petrochemicals Corporation Limited
Interim Condensed Consolidated Statement of Profit and Loss for the 3 months period ended 30 June 2020
 (All amounts in ₹ Lakhs unless otherwise stated)

	Notes	3 months period ended 30 June 2020	3 months period ended 30 June 2019
Revenue from operations	28	138,208	112,220
Other income	29	359	925
Total Income		138,567	113,145
Expenses			
Cost of materials consumed	30	60,412	53,782
Purchases of stock-in-trade	31	18,839	32,896
Changes in inventories of finished goods and stock-in-trade	32	8,786	(11,119)
Employee benefits expense	33	8,932	7,993
Finance costs	34	5,521	6,117
Depreciation and amortisation expense	35	5,335	5,188
Other expenses (net)	36	14,018	16,711
Total expenses		121,843	111,568
Profit before share of (loss) of equity accounted investees and Income tax		16,724	1,577
Share of (loss) of equity accounted investees		-	(17)
Profit before tax		16,724	1,560
Tax expense			
Current tax		2,918	375
Deferred tax		1,692	115
Total tax expense		4,610	490
Profit for the period		12,114	1,070
Other comprehensive Income ("OCI")			
(A) Items that will not be reclassified to profit or loss			
Remeasurement of defined benefit obligations		(277)	(189)
Income tax relating to this item		63	59
Total (A)		(194)	(110)
(B) Items that will be reclassified subsequently to profit or loss			
Exchange differences on translation of foreign operations		398	142
Total (B)		398	142
Other comprehensive Income / (loss) for the period (A+B), net of tax liability		204	(152)
Total comprehensive Income for the period		12,318	918
Profit for the period attributable to:			
-Owners of the Company		12,014	990
-Non controlling Interests		100	80
Other comprehensive loss (net of tax) attributable to:			
-Owners of the Company		65	(139)
-Non controlling interests		139	(13)
Total comprehensive Income for the period attributable to:			
-Owners of the Company		12,079	851
-Non controlling interests		239	67

Earnings per equity share of Rs.10 each (not annualised)

i) Basic (in Rs.) 13.46 1.12

ii) Diluted (in Rs.) 13.03 1.12

Weighted average number of equity shares of Rs. 10 each 89,284,425 88,204,943

Significant accounting policies

1 - 2

The accompanying notes form an integral part of the Interim Condensed Consolidated Financial Statements

Initialed for identification purposes

For and on behalf of Board of Directors of Deepak Fertilisers and Petrochemicals Corporation Limited

For B S R & Associates LLP
 Chartered Accountants
 Firm Registration No.: 116231WWW-100024


S. C. Mehta
 Chairman and Managing Director
 DIN:00128204


Armitabh Bhargava
 President & CFO

Raajnish Desai
 Partner

Partha Sarathi Bhattacharya
 Director
 DIN: 00329479

K. Subharaman
 EVP-Legal and Company Secretary
 Membership No: FCS.4351

Place: Pune
 Date:

Place: Pune
 Date:



Deepak Fertilisers and Petrochemicals Corporation Limited
Interim Condensed Consolidated Statement of Changes in Equity for the 3 months period ended 30 June 2020
(All amounts in ₹ Lakhs unless otherwise stated)

A. Equity Share Capital

	30 June 2020	31 March 2020
Balance at the beginning of the period/year	8,928	8,820
Changes in equity share capital during the period/year	-	108
Balance as at the end of the period/year	8,928	8,928

B. Other Equity

	Share warrants, reserves and surplus						Items of Other Comprehensive Income			Total attributable to Owners of the Company	Non Controlling interest (NCI)	Total
	Securities premium	Capital redemption reserve	Share warrants	Equity portion of non-current borrowings (FCCB)	General reserve	Retained earnings	Fair value through OCI	Other Items of Comprehensive Income				
Balance as at 1 April 2019	10,536	1,950	5,000	-	17,922	166,693	(46)	(991)	200,986	4,377	205,342	
Profit for the period	-	-	-	-	-	990	-	-	990	80	1,070	
Other comprehensive loss	-	-	-	-	-	-	-	(139)	(139)	(13)	(152)	
Total comprehensive income / (loss) for the period	-	-	-	-	-	990	-	(139)	851	67	918	
Adjustment	-	-	-	-	-	55	-	-	55	-	55	
Movement of NCI on account additional share purchase of Complete Mining Solutions Private Limited	-	-	-	-	-	(13)	-	-	(13)	13	-	
Balance as at 30 June 2019	10,536	1,950	5,000	-	17,922	167,826	(46)	(1,130)	201,858	4,467	206,315	
Balance as at 1 April 2020	13,781	1,950	4,187	1,288	17,922	172,011	(46)	(1,902)	209,150	4,313	213,463	
Profit for the period	-	-	-	-	-	12,014	-	-	12,014	100	12,114	
Other comprehensive income	-	-	-	-	-	-	-	65	65	139	204	
Total comprehensive income for the period	-	-	-	-	-	12,014	-	66	12,079	239	12,318	
Exchange difference of minority shareholder	-	-	-	-	-	-	-	-	-	131	131	
Adjustment	-	-	-	-	-	44	-	-	44	-	44	
Movement of NCI on account additional share purchase of Ishanya Brand Services Limited	-	-	-	-	-	(8)	-	-	(8)	8	-	
Balance as at 30 June 2020	13,781	1,950	4,187	1,288	17,922	184,061	(46)	(1,837)	221,265	4,691	225,968	

Movement in non controlling interest	30 June 2020	30 June 2019
Balance at the beginning of the period	4,313	4,377
Add: Profit for the period	239	67
Add: Exchange difference of minority shareholder	131	-
Add: Minority movement	8	13
Balance as at the end of the period	4,691	4,467

The accompanying notes form an integral part of the Interim Condensed Consolidated Financial Statement

Initialed for identification purposes

For and on behalf of Board of Directors Deepak Fertilisers and Petrochemicals Corporation Limited.

For B S R & Associates LLP
Chartered Accountants
Firm Registration No.: 116231/WW-100024

S. C. Mehta
Chairman and Managing Director
DIN:00128204

Amitabh Bhargava
President & CFO

Rajnish Desai
Partner

Partha Sarathi Bhattacharya
Director
DIN : 00329479

K. Subharaman
EVP, Legal and Company Secretary
Membership No: FCS 4361

Place: Pune
Date:

Place: Pune
Date:

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Deepak Fertilisers and Petrochemicals Corporation Limited
Interim Condensed Consolidated Statement of Cash Flows for the 3 months period ended 30 June 2020
(All amounts in ₹ Lakhs unless otherwise stated)

	3 months period ended 30 June 2020	3 months period ended 30 June 2019
Cash flow from operating activities		
Profit before tax as per statement of profit and loss	16,724	1,560
Adjustments for		
Depreciation and amortisation expense	5,335	5,188
(Profit)/Loss on sale of property, plant and equipment (net)	-	23
Provision for doubtful trade receivables	222	137
Impairment of Investment	69	-
Gain on sale of investments	(18)	(532)
Changes in fair value of financial assets at fair value through profit or loss	10	-
Provision for stores and spares	75	-
Unrealised loss on embedded derivative contracts	(30)	-
Share of loss of associates	-	17
Interest income	(292)	(144)
Finance costs	5,521	6,117
Foreign exchange fluctuations loss (net)	223	-
Cash generated from operations before working capital changes	27,839	12,366
Change in trade receivables	23,331	14,083
Change in inventories	6,231	(31,025)
Change in trade payables	965	16,308
Change in other financial liabilities	1,531	9,386
Change in other financial assets	1,336	(332)
Change in other non-current assets	(70)	300
Change in other current assets	933	(15,749)
Change in provisions	733	244
Change in other current liabilities	2,050	2,863
Cash generated from operations	64,879	8,444
Income taxes paid (net)	(1,157)	(274)
Net cash generated from operating activities	63,722	8,170
Cash flows from investing activities		
Purchase of property, plant and equipment, intangible assets (including Capital work-in-progress)	(9,074)	(12,552)
Purchase of investments in mutual funds	(12,494)	23,814
Repayment of loans by employees and other loans given	(36)	-
Fixed deposits matured	9,394	-
Changes in other bank balances	-	(5,591)
Dividends received from Mutual Funds	-	80
Interest received	227	730
Net cash (used in) / generated from investing activities	(11,983)	6,481
Cash flows from financing activities		
Proceeds from borrowings - non current	3,710	294,683
Repayment of borrowings - non current	(2,616)	(288,543)
Proceeds from borrowings - current	31,610	1,179
Repayment of borrowings - current	(62,486)	(8,046)
Payment of lease payables	(515)	-
Interest paid	(4,115)	(6,267)
Dividends paid (including dividend distribution tax)	-	(2)
Net cash (used in) financing activities	(34,412)	(6,986)
Net increase in cash and cash equivalents	17,327	7,655
Cash and cash equivalents at the beginning of the period	15,757	8,874
Cash and cash equivalents at the end of the period	33,084	18,529

The accompanying notes form an integral part of the Interim Condensed Consolidated Financial Statements

The above statement of Cash Flows has been prepared under the 'Indirect Method' as set out in Ind AS 7, "Statement of Cash Flows"

Initiated for identification purposes

For and on behalf of Board of Directors Deepak Fertilisers and Petrochemicals Corporation Limited

For B S R & Associates LLP
Chartered Accountants
Firm Registration No.: 116231W/W-100024

S. C. Mehta
Chairman and Managing Director
DIN: 00128204

Amitabh Bhargava
President & CFO

Raajnish Desai
Partner

Partha Sarathi Bhattacharya
Director
DIN : 00329479

K. Subharaman
EVP-Legal and Company Secretary
Membership No: FCS:4361

Place: Pune
Date:

Place: Pune
Date:

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B S R & Associates LLP

Chartered Accountants

7th & 8th floor, Business Plaza,
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36/3-8, Koregaon Park Annex,
Mundhwa Road, Ghorpadi,
Pune - 411001, India

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Report on Review of Interim Condensed Consolidated Financial Statements

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

Introduction

We have reviewed the accompanying Interim Condensed Consolidated Financial Statements of Deepak Fertilisers and Petrochemicals Corporation Limited (“the Holding Company”) and its subsidiaries (Holding Company and its subsidiaries together referred to as “the Group”), its associates and its joint operations, which comprise the interim condensed consolidated balance sheet as at 30 June 2020, and the interim condensed consolidated statement of profit and loss (including other comprehensive income) for the three months period then ended, interim condensed consolidated statement of changes in equity and interim condensed consolidated statement of cash flows and selected explanatory notes for the three months period then ended (collectively herein after referred as the “Interim Condensed Consolidated Financial Statements”).

Management is responsible for the preparation and presentation of this Interim Condensed Consolidated Financial Statements in accordance with the recognition and measurement principles laid down in the Indian Accounting Standard 34 “Interim Financial Reporting” (“Ind AS 34”), prescribed under Section 133 of the Companies Act, 2013 (‘the Act’) read with relevant rules issued thereunder and other accounting principles generally accepted in India and has been approved by the Board of Directors. Our responsibility is to express a conclusion on this Interim Condensed Consolidated Financial Statements based on our review.

Scope of review

We conducted our review in accordance with Standard on Review Engagements (SRE) 2410, “*Review of Interim Financial Information Performed by the Independent Auditor of the Entity*”, issued by the Institute of Chartered Accountants of India. A review of interim financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Emphasis of matter

We draw attention to the Note 37 to the Interim Condensed Consolidated Financial Statements which describes that a Search Operation was carried out by the Income Tax Department on the Holding Company and a subsidiary in November 2018. Pursuant to notice received in the last quarter of the year 2019-20, the Holding Company and a subsidiary has filed revised tax returns for Assessment Years 2013-2014 to 2018-2019. The Holding Company’s Management does not expect any additional liability to devolve on the Group and no provision has been recognised as at 30 June 2020. Though the Holding Company and the subsidiary have not received any demand notices till date, the uncertainty in the matter remains till the proceedings are concluded. Our opinion is not modified in respect of this matter.

B S R & Associates LLP

Deepak Fertilisers and Petrochemicals Corporation Limited
Report on Review of Interim Condensed Consolidated Financial Statements (*continued*)

Other Matters

- (a) We did not review the financial statements of two subsidiaries, whose interim condensed financial statements reflect total assets (before consolidation adjustments) of Rs. 664,762 Lakhs as at 30 June 2020, total revenues (before consolidation adjustments) of Rs. 88,194 Lakhs for the three months period and net cash flows amounting to Rs. 11,978 Lakhs for the three months period ended on that date, as considered in the Interim Condensed Consolidated Financial Statements. These financial statements have been reviewed by other auditors whose reports have been furnished to us by the Holding Company's Management and our opinion on the Interim Condensed Consolidated Financial Statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries is based solely on the review reports of the other auditors.
- (b) The financial statements of 8 subsidiaries whose interim condensed financial statements reflect total assets (before consolidation adjustments) of Rs. 18,321 Lakhs as at 30 June 2020, total revenues (before consolidation adjustments) of Rs. 9,240 Lakhs for the three months period and net cash inflows amounting to Rs. 980 Lakhs for the three months period ended on that date, as considered in the Interim Condensed Consolidated Financial Statements, have not been reviewed either by us or by other auditors. The Interim Condensed Consolidated Financial Statements also include the Group's share of net loss (and other comprehensive income) of Rs. Nil for the three months period ended 30 June 2020, as considered in the Interim Condensed Consolidated Financial Statements, in respect of two associates whose financial statements have not been reviewed by us or by other auditors. These unreviewed interim condensed financial statements have been furnished to us by the Holding Company's Management and our opinion on the Interim Condensed Consolidated Financial Statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and associates, is based solely on such unreviewed interim condensed financial statements. In our opinion and according to the information and explanations given to us by the Holding Company's Management, these interim condensed financial statements are not material to the Group.

Our opinion on the Interim Condensed Consolidated Financial Statements is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the interim condensed financial statements certified by the Holding Company's Management.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying Interim Condensed Consolidated Financial Statements is not prepared, in all material respects in accordance with the recognition and measurement principles laid down in the Ind AS 34, prescribed under Section 133 of the Act read with relevant rules issued thereunder and other accounting principles generally accepted in India.

For B S R & Associates LLP

Chartered Accountants

Firm Registration No.: 116231W/W-100024

RAAJNISH
SHRIKRISHNA DESAI

Digitally signed by RAAJNISH
SHRIKRISHNA DESAI
Date: 2020.08.31 17:16:10
+05'30'

Raajnish Desai

Partner

Place: Pune
Date: 31 August 2020

Membership No.: 101190
UDIN: 20101190AAAABY7244