

PRESS RELEASE

DEEPAK FERTILISERS records strong Q3 performance; net profit doubles

- Profit before Tax (PBT) is up by 117% on YoY basis and Profit after Tax (PAT) is up by 103%
- Revenue grows by 63%
- Fertilisers and Chemicals segment revenue up 78% and 57% respectively

Mumbai/Pune, January 29, 2014: Deepak Fertilisers And Petrochemicals Corporation Ltd (DFPCL) today announced its financial results for the Quarter-ended December 31, 2013 (Q3 FY 14).

The total income of the Company crossed the Rs.1000 crore mark to Rs. 1,013.41 crores for the quarter ended on 31st December, 2013 (Q 3 FY 14) from Rs.623.35 crores in the corresponding quarter of the previous financial year (Q2 FY13), registering a growth of 63%. Profit before tax increased to Rs. 90.53 crores in Q3 FY 14 as against Rs. 41.79 crores in Q3 FY 13 and Profit after tax stood at Rs. 64.27 crores in Q3 FY 14 as against Rs. 31.65 crores in Q3 FY 13 which is a growth of 117% and 103% respectively.

Total Income, on a Q-on-Q basis, grew marginally, while Profit before Tax grew 42% and Profit after Tax grew 41%. The combined performance of Chemicals as well as Fertilisers segments helped the Company in achieving such a positive result.

The Chemicals segment registered a growth of 57% to Rs. 650.99 crores in Q3 FY 14 from Rs.413.94 crores in Q3 FY13. The key products like Iso Propyl Alcohol and Technical Ammonium Nitrate registered a growth of 12% and 36% respectively. Profits for the Chemicals segment stood at Rs. 79.54 crores in Q3 FY 14 as against Rs. 56.07 crores in Q3 FY 13 registering a growth of 42%. Easing of raw materials prices like Ammonia and its subsequent stability, better realization of products like Methanol and IPA contributed towards profitability of the segment.

A good monsoon, strong portfolio of brands and the Company's continued focused efforts towards operational excellence helped the Agri-business register a 78% growth to Rs.401.55 crores in the current quarter as against Rs.225.13 crores in the same period last year. The quarter witnessed a sharp rise in volumes of company's manufactured fertilizers and traded non-subsidized specialty fertilizers. Segment profitability for the Agri-business thus grew to Rs. 55.07 crores in Q3 FY 14 against Rs.13.94 crores in Q3 FY 13. On Q-on-Q basis the segment revenue dropped by 11% because of lower bulk fertilizer traded volume, but profit grew by 14% mainly due to improved margins on non-subsidized specialty fertilizers and marked to market forex gains.

Finance cost for Q3 FY14 was lower than Q2 FY14 due to stable currency situation. Exceptional item in Q3 FY14 represents the amount paid towards the company's Voluntary Retirement Scheme.

For the nine months period ending on December 31, 2013, DFPCL recorded a growth of 41% on a Y-on-Y basis with income from operations rising to Rs.2,746.06 crores from Rs.1,947.20 crores in same period last year. Profit before Tax stood at Rs.213.80 crores during the nine months period as against Rs.159.69 crores in comparable period last year. Profit after Tax stood at Rs.152.44 crores in the current period against Rs.117.79 crores in same period last year.

Mr.Sailesh C. Mehta, Chairman & Managing Director – DFPCL, said: *“Our continuous efforts towards maximizing capacity utilization and operational excellence supported by favorable external factors like softening of raw material prices and stabilizing of currency have resulted in an overall strong performance of the organization. The capacity utilization of two of our key products i.e. IPA and Nitro Phosphate fertilizer are near maximum and in case of third key product Ammonium Nitrate, despite temporary sluggish growth in the mining industry, the plant is ramping up towards full capacity utilization.*

Considering the significant growth prospects in the core sectors of agriculture, mining and pharma, in which the company operates, we are actively pursuing various organic and inorganic growth opportunities; which we should be able to finalize in the forthcoming quarters.”

For further information, please contact:

Mr. D. Banerjee: +91 96577 27401 / + 91 20 6645 8070 debasish.banerjee@dfpcl.com

Mr. Pranav Thakkar: +91 9823601205/ + 91 20 6645 8270 pranav.thakkar@dfpcl.com