



**DEEPAK FERTILISERS
AND PETROCHEMICALS CORPORATION LIMITED**

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Press Release

Deepak Fertilisers And Petrochemicals Corporation declares 35% growth in Profits from operation for Q3 FY10.

- *Net profit is up by 136 % in Q3 FY 10, (incl. exceptional items)*
- *Revenue from the Chemicals business grew 22 %. Volumes grow 69 % during Q3 FY10*
- *Volumes of manufactured Nitrophosphate fertilisers and Bentonite Sulfur improve*

Mumbai / Pune, January 25, 2010: Deepak Fertilisers And Petrochemicals Corporation Ltd., (DFPCL) today announced that Profit from operations before other income, interest and exceptional items grew 35 % to Rs. 51.22 crore for Q3 FY10 from Rs. 37.82 crore for Q3FY09. Net Profits including exceptional items for Q3 FY 10 grew to Rs. 52.86 crore from Rs. 22. 38 crore for Q3 FY 09. Income from Operations for the quarter under review stood at Rs. 366.84 crore in Q3 FY 10 against Rs. 371.39 crore in Q3 FY09.

Revenue from the Chemicals business grew 22 % from Rs 174.75 crore in Q3FY09 to Rs. 213.41 crore in Q3 FY10 with good gains in prices and a growth in volumes across almost all the Company's Chemicals products. Revenues from the agri-business stood at Rs. 157.64 crore in Q3 FY10 against Rs. 195.42 crore in Q3 FY09. Though the volumes of manufactured Nitrophosphate fertilisers and Bentonite Sulfur improved during the quarter compared to the corresponding quarter of previous year, net revenue was lower for bulk fertilisers with fall in global prices reducing the cost based subsidy with no impact in the profitability.

For the nine months ended December 2009 Income from Operations stood at Rs. 964.15 crore against Rs. 1079.15 crore for Apr-Dec 2008, while Profit from Operations before Other income, interest and exceptional items stood at Rs. 150.22 crore against Rs. 164.52 crore for the previous comparable nine month period. Net Profits grew 17 % to Rs. 127.89 crore for Q3 FY10 against Rs. 109.07 crore in Q3 FY09.

DFPCL's Vice Chairman and Managing Director, Mr. S. C. Mehta said, "We are seeing steady prices and good increases in volumes in the chemicals business. Capacity utilisation in fertilisers has also improved considerably. With gas now available from a variety of sources we are now moving toward full capacity utilisation in the coming years. Our capacity enhancements done through retrofits in the Ammonia and TAN business are now beginning to pay off as is the value accruing from the new capacity addition in Nitric Acid. DFPCL is now clearly poised for growth".

Prices in chemical sector have firmed up and has been steady. Work on the new chemical project to support the mining sector is proceeding as per schedule with commissioning expected in the latter half of FY11. The new plant should help the Company derive both economies of scale and create entry barriers for new entrants into the Indian market for the product.

With the retail sector now gradually having come out of the global economic meltdown, Ishanya's prospects for the future are clearly improving. Ishanya's new leasing models that include revenue share arrangements with key tenants will improve income prospects over the medium-term. The plans to fine tune the Ishanya business by offering synergistically aligned products that make it a complete family destination are now moving forward swiftly and dates for the launch of the new avatar of Ishanya should be announced in the next few months. Ishanya has a 90% brand recall in its key catchment areas according to market research and is now clearly established as a shopping destination in Pune.

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