



10th August, 2021

The Secretary

Listing Department

BSE Limited

National Stock Exchange of India Ltd.

Phiroze Jeejeebhoy Towers,

Exchange Plaza,

Dalal Street, Fort,

Bandra - Kurla Complex, Bandra (E)

Mumbai – 400 001

Mumbai – 400 051

BSE Code: 500645

NSE Code: DEEPAKFERT

Dear Sir/ Madam,

Sub: Press Release on Unaudited Standalone and Consolidated Financial Results for the quarter ended 30th June, 2021

Please find enclosed a Press Release on Unaudited Standalone and Consolidated Financial Results for the quarter ended 30th June, 2021.

We request you to take the same on your record.

Thanking you,
Yours faithfully,

**For Deepak Fertilisers
And Petrochemicals Corporation Limited**

**Ritesh Chaudhry
Company Secretary**

Encl: as above.

Strong Resilient Product Basket Despite Huge Raw Material Price Surge

Highest Ever Quarterly Operating Profits; Differentiated and Speciality Fertiliser volumes grew further

Pune, India, August 10, 2021: Deepak Fertilisers And Petrochemicals Corporation Limited (BSE: 500645; NSE: DEEPAKFERT), one of India's leading producers of industrial chemicals and fertilisers ("DFPCL" or the "Company"), announces its results for quarter ending June 30, 2021.

Consolidated Q1 FY22 Financial Highlights

- Top line grew by +37.6% to Rs. 1,902 crores
- Operating EBITDA of Rs. 290 crores, growth of 6.7% y-o-y
- Net Profit growth of 7.8% to Rs. 131 crores (Q1 FY21: 121 crores)
- Further reduction in Net Debt by approximately Rs. 240 Cr
- Finance Cost reduced by 22% y-o-y driven by better working capital management and continuous reduction of short-term debt
- Achieved highest ever quarterly ANP & NPK production; Sold 1.31 Lakh MT sales of differentiated NPK (SMARTEK) product (+39% y-o-y); Speciality fertiliser also grew significantly
- TAN volume grew by 11% Y-o-Y basis due to lower base in Q1FY21; Cement and Infra segment demand was slower QoQ due to second wave of Covid
- Sharp increase in key RM Prices y-o-y in Q1 (Ammonia up ~102%; Phos Acid up 49%, RGP up ~50%, MOP up 7%) affected margins, correction in finished goods prices expected over time
- Won first export order to supply Rubbing Alcohol to Central America

Chairman's Message

Commenting on the performance, Mr. Sailesh C. Mehta, Chairman & Managing Director:

"Despite the persistent challenges posed by the second wave of COVID-19, we maintained a steady growth trajectory in our operational and business performance, which indeed met our expectations.

During the Quarter:

1. Business continues to achieve significant improvement in collections, and better inventory management enabling reduction in Net Debt position substantially at the end of Q1 FY22
2. Lockdowns implemented in sections of the country hampered demand and supply in Q1 FY22, while raw material prices grew sharply during the quarter. The robust quarterly results validate the resilience in our basket of products

Looking Forward:

3. Through our on-going commitment with high quality and secured supply of locally manufactured TAN products to the Mining and Infrastructure industry, we will continue to play a key role in Nation building
4. We are pleased to announce NBS approval for our crop specific grades by the Government of India. We would be introducing Crop Specific grades in next Rabi season
5. Balance Capex plans, once implemented will hugely solidify the strong foundations of the Company and help sustain and enhance our sectoral leadership built over the past 40 years

Our efforts in each of the businesses to move from Commodity to Speciality continue with strong vigour and the next few years are expected to reap its positive impact"



Chemicals Review

- Q1 FY22 Revenues increased by 15.6% to Rs. 906 crores with segment margins of 19%
- TAN volumes grew by 11% Y-o-Y basis due to low base in Q1FY21, AN Melt volumes as well as prices improved Y-o-Y Demand for LDAN improved in Q1 FY22 compared with Q1 FY21 (primarily due to lower base in Q1 FY21). However, the demand continued to be subdued compared to pre-Covid levels as the Cement & Infrastructure sectors are yet to recover to pre-Covid levels of activity
- IPA sales volumes declined by 11.2% Y-o-Y due to high base last year though volumes increased by 29.9% Q-o-Q. IPA prices during first half of CY2020 had seen an unprecedented global IPA price surge of about 90% due to the first COVID hit. Current quarter has seen a general mellowing down in IPA prices
- The nationwide pandemic related restrictions affected the industry operations and thereby demand of Nitric Acid products particularly for the spot market customers
- Dahej facility preponed the scheduled maintenance shutdown for a period of 18 days resulted into lower volumes in Q1

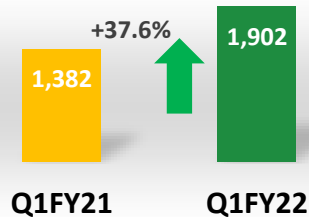
Fertilisers Review

- Q1 FY22 Revenues grew by 66.6% to Rs. 994 Cr with segment margins of 13%
- Sale of manufactured bulk fertilisers grew by 25% y-o-y backed by continued market development activities to create demand from the farmers and full manufacturing support with two trains
- Sold 1.31 Lakh MT of Smartek product during the quarter; highest in any quarter till date. Product is majorly focused on Kharif crops like Cotton, Sugarcane, Soyabean, maize and Paddy
- Sales of Traded speciality fertiliser for Q1 is 27 KT (up 8% y-o-y and 42% Q-o-Q).

Strategic Outlook

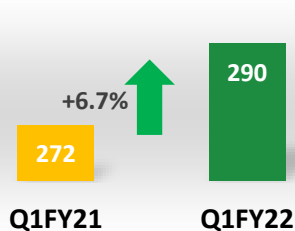
- Finished goods prices are expected to reflect raw material price increase by second half of the year
- Value proposition campaign to help driving on liquidation of fertilizer products
- Increase in NBS subsidy by GOI to maintain consumption momentum
- Nutrient Based Subsidy approval received for crop specific grades by Government of India. Company plans to introduce crop specific grades in upcoming rabi season
- The shift of Speciality Chemicals from China to India continues to provide boost to Acid business
- Double digit growth in pharma sector is expected to drive IPA demand in the coming months; Demand for HS and Disinfectants is expected to continue due to safety concerns coupled with the disinfection priorities

Q1FY22* Revenues from Operations

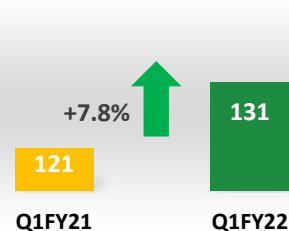


*Consolidated Financials

Q1FY22* Operating EBITDA



Q1FY22* Net Profit



Additional Notes

DFPCL Overview:

Deepak Fertilisers and Petrochemicals Corporation Ltd. (DFPCL) is among the India's leading manufacturers of industrial chemicals and fertilisers. With a strong presence in Technical Ammonium Nitrate (mining chemicals), Industrial Chemicals and Crop Nutrition (fertilisers), the Company supports critical sectors of the economy such as infrastructure, mining, chemicals, pharmaceutical and agriculture. DFPCL is a publicly listed, multi-product Indian conglomerate and has plants located in four states, namely Maharashtra (Taloja), Gujarat (Dahej), Andhra Pradesh (Srikakulam) and Haryana (Panipat). The facilities across different states of India ensures its proximity to the key consumers.

Shareholding Disclosure:

The Promoters increased their equity stake from 52.2% (46.6 mn shares) to 53.1% (57.3 mn shares). Out of the total 57.3 million shares held by Promoters, 9 million shares, representing 15.3% and 8.1% of promoter holding and share capital respectively, have been pledged.

A Non-Disposal Undertaking (NDU) was provided by the Promoters to International Finance Corporation (IFC) for CCDs issued by Smartchem Technologies Ltd. The NDU is applicable on 35 million shares owned by the Promoters and ensures they continue to own the shares. As per the undertaking, the Promoters undertook not to dispose the shares (as distinct from a pledge). These shares are in fact prohibited from mortgage, pledge, transfer or assignment.

Investor Relations / Media Contacts:

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Safe Harbour:

This document contains statements that contain "forward looking statements" including, but without limitation, statements relating to the implementation of strategic initiatives, and other statements relating Deepak Fertilisers and Petrochemicals Corporation limited's (DFPCL) future business developments and economic performance. While these forward looking statements are neither predictions nor guarantees of future events, circumstances or performance and are inherently subject to known and unknown risks and uncertainties, are based on management belief as well as assumptions made by and information currently available to management and only indicate our assessment and future expectations concerning the development of our business, a number of risks, uncertainties and other unknown factors could cause actual developments and results to differ materially from our expectations. These factors include, but are not limited to, general market, macro-economic, governmental and regulatory trends, movements in currency exchange and interest rates, competitive pressures, technological developments, changes in the financial conditions of third parties dealing with us, legislative developments, and other key factors that could affect our business and financial performance. DFPCL undertakes no obligation to publicly revise any forward looking statements to reflect future / likely events or circumstances.

