



19th November, 2022

The Secretary  
BSE Limited  
Phiroze Jeejeebhoy Towers,  
Dalal Street, Fort,  
Mumbai – 400 001  
BSE Code: 500645

Listing Department  
National Stock Exchange of India Ltd.  
Exchange Plaza,  
Bandra - Kurla Complex, Bandra (E)  
Mumbai – 400 051  
NSE Code: DEEPAKFERT

Dear Sir/ Madam,

**Sub: Intimation under Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (SEBI Listing Regulations, 2015)**

In terms of provisions of Regulation 30 of the SEBI Listing Regulations, 2015, this is to inform you that the Aarti Industries Limited and the Company have signed a binding term sheet for a 20 year period for offtake and supply of Nitric Acid. The parties plan to execute the formal agreement before the close of this calendar year. The supply arrangement comes into effect from 1st April 2023.

Further, the details required under Regulation 30 of the SEBI Listing Regulations, 2015 read with SEBI Circular No. CIR/CFD/CMD/4/2015 dated 9th September, 2015 are given in the enclosed Annexure.

A copy of the Press Release is also enclosed.

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.



### Annexure

S. No	Details of events that need to be provided	Information of such event(s)
1	Name of the contracting parties	<b>Supplier:</b> Deepak Fertilisers and Petrochemicals Corporation Limited <b>Buyer:</b> Aarti Industries Limited
2	Significant terms and conditions of orders /contracts awarded in brief	Long term supply of Nitric Acid as per customer specification
3	Whether orders / contracts have been awarded by domestic / international entity	Domestic
4	Nature of orders / contracts	Long term supply of Nitric Acid as per customer specification based on formula linked pricing
5	Whether domestic or international	Domestic
6	Time period by which the orders / contracts is to be executed	20 years
7	Broad consideration or size of the orders / contracts	Estimated to be more than Rs. 8,000 Cr over 20 years
8	Whether the promoter / promoter group / group companies have any interest in the entity awarded the orders / contracts. If yes, nature of interest and details thereof	No
9	Whether the orders / contracts would fall with related party transactions. If yes, whether the same is done at "arms length"	No. The transaction is at arms length basis.

Media Release

## Aarti Industries and Deepak Fertilisers signs a binding term-sheet for 20 year Nitric Acid offtake and supply arrangement valued over Rs.8,000 Cr

**Mumbai, 19th Nov, 2022:** Aarti Industries Ltd (AIL) and Deepak Fertilisers & Petrochemicals Corporation Ltd (DFPCL) today announced that they have signed a binding term sheet for a 20-year period for offtake and supply of Nitric Acid. The parties plan to execute the formal agreement before the close of this calendar year. The supply arrangement comes into effect from 1st April 2023.

DFPCL is the largest manufacturer of Nitric Acid in South East Asia and AIL is one of the largest Nitric Acid consumers in India. This arrangement is a landmark and first of its kind long term association between two Indian chemical majors to augment each other's business needs and mutual interests. The deal provides specific volume commitments with supply or pay, take or pay obligations by either party thereby providing adequate assurance, financial security and protecting either party's commercial interests. Using the foundation of the current relationship of over the past three decades, this deal further strengthens and elevates the current relationship to a long-term collaborative association for years to come.

The deal benefits AIL by way of a long-term supply security for a key raw material. This would meet a majority of AIL's requirements. It also helps AIL have a greater assurance in sourcing the key RM from DPFCL, who is an existing and the largest integrated nitric acid producer in India with multiple production sites. AIL, being a manufacturer for specialty chemical and downstream products, the present deal provides a strong supply security and enables AIL to focus on future growth opportunities, introduction of new value-added products and value chains for niche applications.

Over time, with the growth across various Indian chemical companies, the demand for Nitric acid has been increasing rapidly leading to significant demand-supply gap. This warranted a long term strategy for AIL to mitigate the supply chain risk w.r.t. Nitric Acid and for DFPCL to mitigate offtake risk for one of its key manufactured products. This is indeed a mutually beneficial and win-win proposition to augment the long term needs and objectives from either side.

DFPCL, along with its subsidiaries, is a largest player in India for Nitric Acid and has a capacity of about 8.9 Lakhs MT for WNA and 2.3 Lakhs MT per annum for CNA. DFPCL is market leader in the Crop Nutrition, Mining Chemicals & Industrial Chemicals sectors. The alliance will give a boost to the Industrial Chemical sector. The long-term offtake agreement will enable DFPCL to

achieve market security for a significant portion of its Nitric Acid production and would result in revenue of more than Rs. 8,000 Crores over 20 years.

**Commenting on this deal Mr. Rajendra Gogri, Chairman & Managing Director, AIL said,** “The combination of these leading businesses with distinct strengths and capabilities will help in making the business more sustainable and help both of us to leverage and focus on individual growth opportunities. DPFCL has been a long term partner for us by supporting our key raw material needs. This deal enables us to focus on our forward integrated opportunities and helps channelize our resources effectively for driving more research driven long term and high growth avenues for global markets.”

**Commenting on this deal Mr. Sailesh C. Mehta, Chairman & Managing Director, DFPCL said,** “This landmark deal is a testament for the long term association with one of our largest customer. This deal also enables DFPCL to leverage on its competitive advantage for Nitric Acid, a critical building block intermediary chemical for the Specialty Chemicals sector. This alliance indicates the strong growth currents emerging from the ‘China plus One’ trend for the Specialty Chemical Sector in India. The available brown-field site at Dahej could give opportunities for cost effective capacity enhancements. The teams from both ends had put in tremendous effort to make this deal a reality and also to ensure the mutual interest for both of our entities are adequately protected. We see this as a start of a new collaborative journey of our relationship with AIL.”

## Company Overview:

**Aarti Industries Limited (AIL)** is one of the most competitive benzene-based speciality chemical companies in the world. AIL is a rare instance of a global speciality chemicals company that combines process chemistry competence (recipe focus) with scale-up engineering competence (asset utilization). Over the last decade, AIL has transformed from an Indian company servicing global markets to what is fundamentally a global company selecting to manufacture out of India. The Company globally ranks at 1st – 4th position for 75% of its portfolio and is “Partner of Choice” for various Major Global & Domestic Customers.

AIL has de-risked portfolio that is multi-product, multi-geography, multi-customer and multi-industry. AIL has 150+ products, 700+ domestic customers, 400+ export customers spread across the globe in 60 countries with major presence in USA, Europe, Japan. AIL serves leading consumers across the globe of Speciality Chemicals and Intermediate for Pharmaceuticals, Agro Chemicals, Polymers, Pigments, Printing Inks, Dyes, Fuel additives, Aromatics, Surfactants and various other speciality chemicals.

AIL is committed to Safety Health & Environment, equipped with Quality polices mapped to global benchmarks ensuring customer confidence and business sustainability. The Company has 10 Zero Discharge units and a strong focus on Reduce-Reuse-Recover across its 15 manufacturing sites.

AIL is a responsible corporate citizen engaged in community welfare through associated trusts (including Aarti Foundation and Dhanvallah Charitable Trust) as well as focused NGOs engaged in diverse social causes.

Over the years, AIL has received multiple awards and recognitions for outstanding export performance, leadership in the chemical industry, efforts in conserving the environments as well as ensuring sustainable growth through path breaking innovations.

**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). ICRA has upgraded DFPCL & STL ‘Long Term’ Credit Rating to AA- with Stable outlook. ‘Short Term’ Credit Rating is also affirmed to A1+ (Highest Rating).

DFPCL is Leading manufacturer and marketer of Iso Propyl Alcohol (IPA) in India and Largest Manufacturer of Nitric Acid in South East Asia. The Company is developing specialised grades of Nitric acid and IPA to meet specific requirements to cater needs of the industry/consumer.

DFPCL is one of the leading manufacturers of Technical Ammonium Nitrate in the world, it is the only producer of prilled TAN solids in India and also manufactures medical grade Ammonium Nitrate. The Company has commenced best in-class Technical Services to drive downstream productivity benefits for the mining end consumers.

CNB Segment (fertilisers) offers a basket of 48 products which include bulk fertilizers, Crop nutrient solutions, specialty fertilizers, water-soluble fertilizers, bio-stimulants, micro-nutrients, and secondary nutrients, catering to every crop's nutrient requirement. Enhanced-efficiency speciality fertilizers are developed basis rigorous R&D efforts and product trials at over 50,000 farmer demo plots. The R&D efforts have shown distinct yield and quality improvements for crops across segments such as cotton, sugarcane, onion, fruits & vegetables. Over last three years, value-added nutrition products have benefitted 6 million farmers.