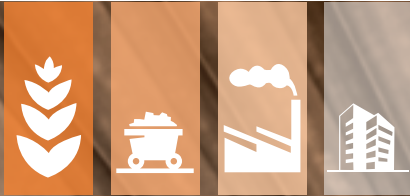




DEEPAK FERTILISERS
AND PETROCHEMICALS
CORPORATION LIMITED



Customer Centricity

Annual Report 12/13

CORPORATE INFORMATION

Board of Directors

S. C. Mehta, *Chairman & Managing Director*
 Partha Bhattacharyya, *Executive Director*
 R. A. Shah
 D. Basu
 N. C. Singhal
 U. P. Jhaveri
 S. R. Wadhwa
 Dr. S. Rama Iyer
 Smt. Parul S. Mehta
 Anil Sachdev
 Pranay Vakil

Company Secretary

R. Sriraman
Executive Vice-President (Legal) & Company Secretary

Management Team

Somnath Patil, *President & CFO*
 Rajendra Sinh, *President - HRD & Corporate Services*
 Dr. Rajeev Chemburkar, *President - Chemicals*
 Guy R. Goves, *President - Agribusiness*
 Pandurang Landge, *President - Projects*
 Carl Anders Lindgren, *President & Technical Advisor for TAN*
 Alok Goel, *President - Strategy & Business Development*

Bankers

Bank of Baroda
 IDBI Bank Limited
 The Hongkong and Shanghai Banking Corporation Limited
 DBS Bank Limited
 ICICI Bank Limited

Solicitors

Crawford Bayley & Co.
 J. Sagar Associates

Auditors

B. K. Khare & Co.

Registered Office

Opp. Golf Course, Shastri Nagar, Yerawada, Pune - 411 006.
 Phone : +91 - 20 - 6645 8000
 Fax : +91 - 20 - 2668 3727
 E-mail : investorgrievance@dfpcl.com
 Website : www.dfpcl.com

Plants

Plot K-1, K-7 & K-8, MIDC Industrial Area,
 Taloja, A. V. 410 208, District Raigad, Maharashtra.
 Phone : +91 - 22 - 6768 4000
 Fax : +91 - 22 - 2741 2413

CONTENTS

Corporate Overview

Customer Centricity	01
Feel like a Customer	02
Value like a Customer	03
Innovate like a Customer	04
Lead like a Customer	05
Financial Snapshot	06
Message from the Chairman & Managing Director	08

06 Financial Snapshot



Statutory Reports

Management Discussion and Analysis	10
Corporate Social Responsibility	17
Notice	19
Directors' Report	26
Corporate Governance	33
General Shareholder Information	38

17 Corporate Social Responsibility

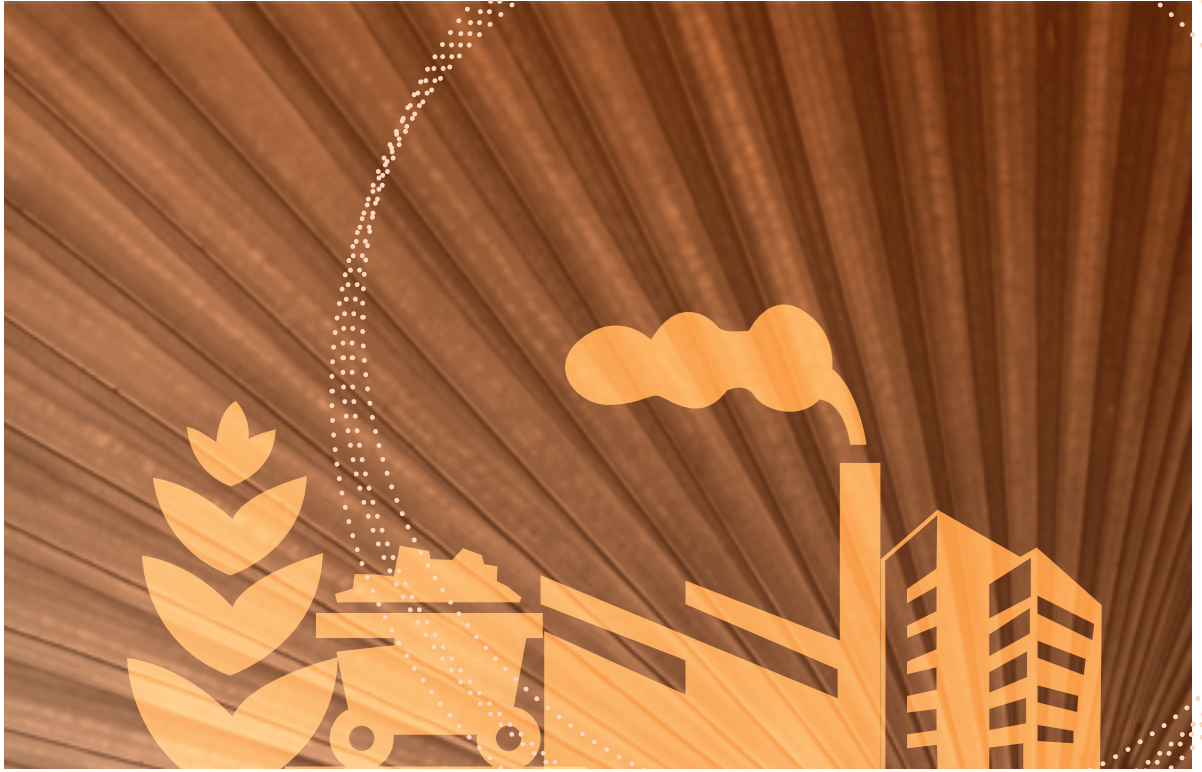


Financial Statements

Independent Auditors' Report	41
Balance Sheet	44
Statement of Profit and Loss	45
Cash Flow Statement	46
Notes to the Financial Statements	47
Consolidated Financial Statements	79

41 Independent Auditors' Report





Customer

Centricity at the Core

Customers, in the ultimate analysis will remain the key essence of business.

Unless the customer remains at the centre of attention, at the core of thought, strategy and action, business will not survive in the long run.

At DFPCl we constantly strive to understand who our customer is; what is the value we bring to him; how do we sustain the bond and finally take it beyond pure pricing towards ultimate value creation. The following pages unfold our journey towards customer centricity.

Feel like a Customer

BEYOND SIMPLY UNDERSTANDING THE BASIC CUSTOMER NEEDS OF QUALITY, PRICE, TIMELY DELIVERIES ETC., WE AT DFPCL HAVE ALWAYS CRAVED TO UNDERSTAND OUR CUSTOMERS' END-USE, END-EXPECTATIONS AND END-DELIVERABLES AND THEN WORKED BACKWARDS AND BENT BACKWARDS TO DELIVER!

EMERGING FROM THIS DRIVE HAVE COME UP VALUE ADDED PRODUCTIONS SUCH AS THE VARIOUS CONCENTRATIONS OF OUR NITRIC ACIDS, VARIOUS GRADES OF OUR TECHNICAL AMMONIUM NITRATE AND CROP-SPECIFIC, SOIL-SPECIFIC FERTILISERS.

“**T**he use of Mahapower, Bensulf and spraying of Mahadhan Josh and Amruta has greatly improved the length and girth of banana fingers in my farm. This has resulted in an increase in per acre net income from ₹ 3.06 lac to ₹ 3.78 lac. DFPCL, through its expertise, helped improve the morale and standard of living of the farmers in our region. DFPCL is a company where the farmers' needs are given top priority.”



Avinash Maruti Padval, Mahalunge Padval, District Pune



Ghevar Singh, Tirupati Trading

“**T**here is no comparison to DFPCL's product quality (OPTIMEX). We are extremely confident of DFPCL's services – be it on-time delivery or quality. This enables us to take orders from customers without hesitation at any time of the year.”



Value like a Customer

BEYOND MERELY GIVING DISCOUNTS TO MATCH COMPETITION, AT DFPCL, WE HAVE LEARNT THE HARD WAY TO STRIVE TOWARDS CREATING A VALUE PROPOSITION FOR OUR CUSTOMERS. BUNDLING PRODUCTS TO MAKE HIS LIFE EASY, MAKING SERVICES TO IMPROVE PRODUCT EFFICACY AND COMBINING FINANCIAL PRODUCTS TO CREATE VALUE PROPOSITIONS HAVE BEEN SOME OF THE WAYS WE HAVE MADE CUSTOMERS TO PAY, WITH JOY!

C. S. Dadheech, Mines Manager - Ambuja Cement Limited



“The performance of DFPCL's product TAN (OPTIMEX) is outstanding. It has helped us improve productivity from our mining operations along with efficiency and OMS. We now have improved our powder factor considerably, also saving man hours utilised in the blasting process. DFPCL always ensures complete techno-commercial help right from the commencement, from procurement up to usage. DFPCL has ensured the optimum usage of the product, achieving good results for us.”



“I am a sugarcane grower and have been trying to get optimum crop productivity in the past, but in vain. Having attended a single crop seminar on Sugarcane Integrated Nutrient Management System, organised by DFPCL has altered my crop productivity to a great extent. I have tested my soil samples from the Agri-lab at DFPCL and have used the fertilisers recommended based on the test results. This has not only minimised my expenditure on fertilisers but also increased the productivity of my fields manifold – improving the yield per acre. I am a staunch believer in quality and recommend the farmers in my territory to seek help from DFPCL, owing to my great experience with them.”

Gokuldas Ramchandra Nikam, Farmer – Nagapur, Pune



Innovate like a Customer

BEYOND CREATING NEW PRODUCTS AND THEN FINDING CUSTOMERS, AT DFPCL, WE HAVE WORKED HARD TO INVOLVE OUR CUSTOMERS' VOICE TO STIMULATE INNOVATIONS. INNOVATIONS IN PRODUCTS, IN SERVICES, IN SUPPLY CHAIN AND IN FINANCIAL OFFERINGS! AT THE ROOT OF INNOVATIONS IS A STRONG CUSTOMER VOICE GUIDING THE STRATEGIC DIRECTIONS.



Anand Vora, Director - Accessories

“Our Accessories store at Ishanya, our first in Pune, has given me a lot of confidence in the customers of Pune. This is mainly due to the quality of footfalls that we get at our Ishanya store, leading me to believe that there is huge potential for products related to Home décor at Ishanya and Pune. I am quite confident that our new store will gain momentum and be one of our best performing stores in the country. The efforts of Ishanya to conduct engagement events with the interior designer fraternity is commendable.”



“My experience with DFPCL has been extremely fulfilling. I have always received timely guidance from the Company representatives about implementation of Integrated Pest Management (IPM), Integrated Nutrient Management (INM), the doses of fertiliser required for the crops cultivated, as well as knowledge of grading and packaging of the harvested produce.”

Anasaheb Raghunath Padwal, Farmer – Ambegaon



Lead like a Customer

BEYOND BEING A LEADING VOICE FOR THE SALES DEPARTMENT, OUR CUSTOMER VOICE LEADS THE UNDERCURRENT DISCUSSIONS DEEP DOWN WITH MANUFACTURING, FINANCE, LOGISTICS EVEN PROJECTS. WHEN TO PRODUCE, WHAT GRADES, HOW TO REACH OUT, CHANNELS, SUPPLY-CHAINS, STORAGES, FUNDING OPTIONS, ALL GET LED BY THE CUSTOMER VOICE IN DFPCL. BUSINESS DRIVE AND STRATEGIC PROCESSES GET CLEARLY LED BY THE CUSTOMER VOICE AT DFPCL.



“We are a trusted pharmaceutical ingredient manufacturer, based out of Hyderabad. DFPCL has established itself as a trustworthy and reliable supplier of Nitric Acid for us. We have derived great benefits from DFPCL in terms of consistent supplies. It is difficult to find vendors like DFPCL who are regular suppliers and who do not let us down whenever we face a crisis. Their Technical Staff is extremely competent and very responsive.”

Dr. N. V. Reddy, Managing Director (Commercial) - Virchow Laboratories Ltd., Hyderabad

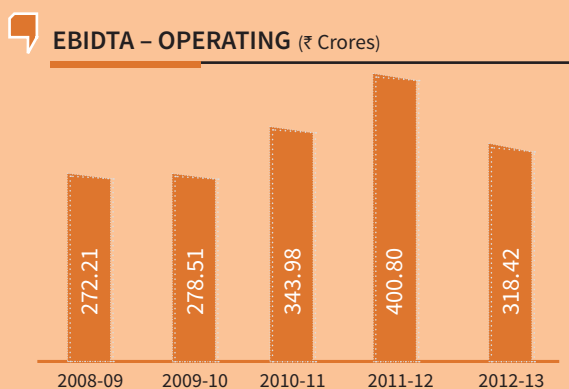
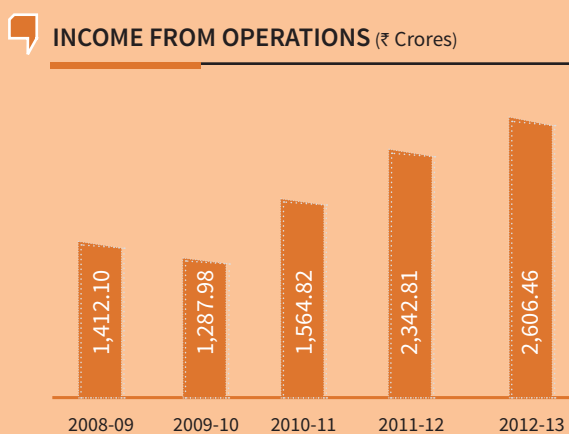


Navin Shah, Vice President (Commercial) - Aarti Industries

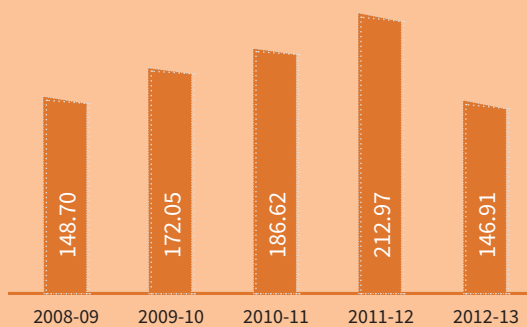


“Having a diversified customer base with over 150 export customers and 500 domestic customers, consistent supply of raw material is critical. DFPCL has always stood by us for timely delivery. They respond quickly and they are genuinely interested in serving their customers.”

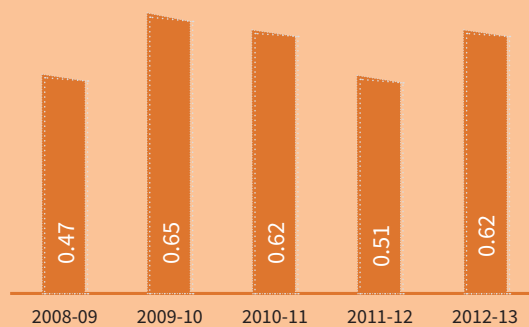
Financial Snapshot



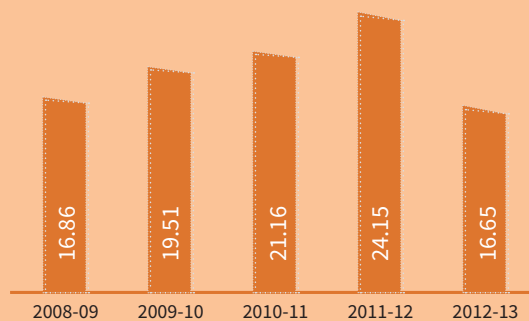
NET PROFIT (₹ Crores)



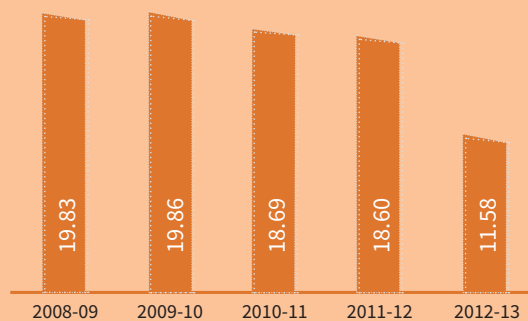
LONG TERM DEBT-EQUITY RATIO (Figures in times)



EARNINGS PER SHARE (₹)



RETURN ON NET WORTH (%)



Message from the Chairman & Managing Director



S. C. Mehta

Chairman & Managing Director



IT WAS CLEARLY THE CUSTOMER BONDS BUILT
OVER DECADES THAT HELPED US WITHSTAND
THE STRONG HEADWINDS

