



DEEPAK FERTILISERS  
AND PETROCHEMICALS  
CORPORATION LIMITED



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# CORPORATE INFORMATION

**C. K. Mehta**  
Chairman Emeritus

## 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**

## Executive Vice-President (Legal) & Company Secretary

**Tushar Dey**

## Management Team

**Somnath Patil**  
President & CFO

**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

**Naresh Kumar Piniseti**  
President - Human Resources

## Bankers

Bank of Baroda  
IDBI Bank Limited  
The Hongkong and Shanghai Banking Corporation Limited  
DBS Bank Limited  
ICICI Bank Limited  
State Bank of India  
Yes Bank Limited  
Kotak Bank Limited

## Solicitors

Crawford Bayley & Co.  
J. Sagar Associates  
AZB & Partners

## Auditors

**B. K. Khare & Co.**  
Chartered Accountants

## Registered Office

Opp. Golf Course, Shastri Nagar,  
Yerawada, Pune - 411 006.  
Phone : +91 - 20 - 6645 8000  
Fax : +91 - 20 - 6645 8296  
E-mail : [investorgrievance@dfpcl.com](mailto:investorgrievance@dfpcl.com)  
Website : [www.dfpcl.com](http://www.dfpcl.com)  
CIN: L24121MH1979PLC021360

## 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



# MAKING A DIFFERENCE

**The question that keeps us going is - Are we making an impactful, meaningful and sustainable difference**

- What is it that I can do that will bring success and joy to every stakeholder associated with me?
- Beyond mere deliveries and business commitments, can I take a step forward and add value to my offerings, by stepping into their shoes?
- How do I move beyond this routine relationship and make a long-term impact?
- What is it that I can do that will add joy and make a difference to the lives of others?

**We share our struggle, efforts and endeavours to make that difference which will not only leave a mark but also make our lives meaningful.**

# MAKING A DIFFERENCE



## Making a Difference to Customers

We do not just sell products to our customers. We build relationships with them.

Listening to their current and future needs and then assimilating them into our growth plans and customising our offerings to their unique and differentiated needs. Helping them in crisis situations and ensuring that, in the long term, we plan our growth in sync with that of our customers. And tracking our performance and following up with course correction, through regular Customer Satisfaction Surveys.

These are among the various initiatives of your Company that are aimed at carving relationships based not on price alone but on the index of the ultimate value delivered to our customers.

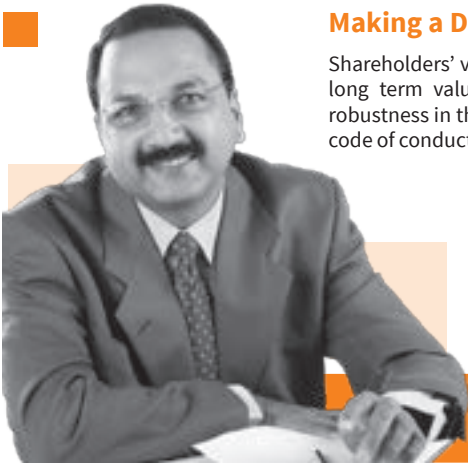


## Making a Difference to Employees

Our employee relationship is built on a strong edifice of creating a listening organisation and the joy of contributing together. The relationship begins with a recruitment requisition which extends beyond a simple, dry and monotonous job description, to encompass an in-depth and empowered position worth. The depth of the differential can be gauged from the current contextual positioning in the hierarchy, life going forward and its meaningful financial impact.

Employee Engagement and Performance Management Surveys' feedback are structured into the improved HR system and all efforts are directed towards grooming and nurturing employees into winning teams.





### Making a Difference to Shareholders

Shareholders' value at your Company goes beyond dividend and other basic compliances to deliver long term value. Our genuine Corporate Governance framework that brings transparency and robustness in the system ensures that shareholders interests are protected at all times. Well defined code of conduct serves as a guide to your Company to fulfil the expectations of the shareholders from legal and ethical perspective.

Shareholders' grievance committee of the Board takes unique pains to constantly improve the service levels. An insightful investor survey guides our customised, on-going efforts.

Shareholders' interest remains at the top of the agenda in deciding various policies that steer your Company's growth.



### Making a Difference to Suppliers

Our Suppliers and Service Providers are not merely our vendors, they are our partners in progress. We believe in partnering our Suppliers beyond the price equation as a journey with us along our growth trajectory. It is a relationship carved out of a clear understanding that each other's current and future needs are strengthened by commitment to ensure that these needs are meaningfully met at all times under a fair and ethical framework. Our partners mirror our own quality focus and service credo, thereby functioning as an extended arm of your Company to deliver greater value.

Training of even drivers and other contractor employees in safety and performance standards have become a part of our relationship investment. That is why, we have mapped our strategic charter in a way that the progress of our Suppliers and Service Providers matches our own evolution as we march onwards in our growth odyssey.



### Making a Difference to Society

As a good corporate citizen, it has been our constant endeavour to impact the lives of the people in the communities surrounding us.

Our CSR focus is intrinsic to our business charter and deep-rooted in our philosophy. Much before the amendment to the Companies Act in 2013 made CSR a mandatory requirement for Companies to fulfil, we have been engaged in social improvement through Ishanya Foundation and Deepak Foundation. These Foundations work through Health, Education and Livelihood programmes to uplift the target communities. We have in place a three-member CSR Committee to steer our corporate social goals and identify the areas to be addressed as part of our social agenda. The key driver being not to just do charity out of pity but to genuinely uplift skills and provide opportunities for a self reliant and sustained progress based on self pride.

We are committed to the sustenance and improvement of the eco-system and to the promotion of social inclusiveness and equity, through our CSR charter.



# FINANCIAL SNAPSHOT

## Income From Operations

(₹ Crore)

2009-10	1,287.98
2010-11	1,564.82
2011-12	2,342.53
2012-13	2,607.95
2013-14	3,816.28

## Net Profit

(₹ Crore)

2009-10	172.05
2010-11	186.62
2011-12	212.97
2012-13	146.90
2013-14	243.88

## EBIDTA - Operating

(₹ Crore)

2009-10	323.40
2010-11	379.80
2011-12	440.19
2012-13	380.20
2013-14	551.13

## Earnings per Share

(₹)

2009-10	19.51
2010-11	21.16
2011-12	24.15
2012-13	16.65
2013-14	27.65

## Long Term Debt to Equity Ratio

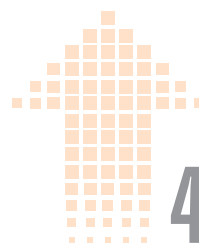
(Figures in times)

2009-10	0.65
2010-11	0.62
2011-12	0.51
2012-13	0.62
2013-14	0.49

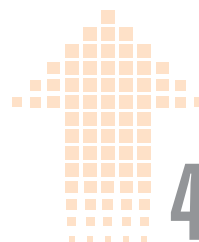
## Return on Net Worth

(%)

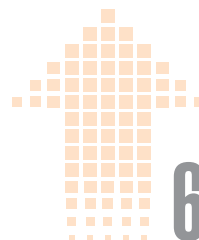
2009-10	19.86%
2010-11	18.69%
2011-12	18.60%
2012-13	11.58%
2013-14	17.39%



**46%** Income From Operations



**45%** EBITDA - Operating



**66%** Net Profit



## MESSAGE FROM THE CHAIRMAN & MANAGING DIRECTOR



“

What counts in life is not the mere fact that we have lived. It is what difference we have made to the lives of others that will determine the significance of the life we lead

*Nelson Mandela*

”

Often in the rush of things, our focus and energy tends to get diverted towards delivering the routine and stops us from thinking beyond the here and now mundane chores.

In such a transactional daily life, it is necessary to take time and meditatively ponder... What can I do to make a difference to whoever I am associated with?

The journey necessarily starts with deeply understanding what it is that is truly required by our stakeholders:

- What do customers want beyond lower prices?
- What do employees want beyond raise in salaries?
- What would suppliers ask for beyond higher prices?
- Would shareholders only crave for higher dividends?
- Does the society only need a donation cheque?



In the year that went by we ideated, evolved and assimilated on our journey that would make a difference to the lives of all our partners and associates. We relooked at our strategies and mapped them with the stakeholders and identified the areas which could bring around a meaningful change in our relationships.

Moving beyond price equations, in our Fertiliser business, we re-focused on MCBR - the Marginal Cost Benefit Ratio of input-output cost and returns from a farmer's perspective besides our production and sales. We pondered on the issue of farmer's income and his field productivity, other than mere yield improvements, we examined nutrient impact on produce quality, size, colour, juiciness, shelf life... and thereby put our farmers in the organised retail chains and ultimately in the most discerning global market place. Thus maximizing efforts to ensure our fertilisers make an impactful difference to our farmer's lives.

Our TAN business took us deep into understanding the Mining strata and the impact we can make on increasing coal and cement production, while shaving off the costs structures for the end-users namely, Power and Cement sectors. Here, the targeted differential was to bring best global practices in mine planning and execution with advanced software.

At the employee end, we focussed on deciphering employee engagement and performance system feedbacks. Are our positions attractive enough, does the organisation culture promote empowering, can people across departments converge into think tanks to stretch beyond just individual KRAs. The year that went by saw us kick-start several initiatives which will help us evolve as an employer of choice in the years ahead. The key difference we plan to bring is the shift from a mere employment relationship to a joy of shared contributions.

Our engagement with the societies around our manufacturing/marketing centres grew into vocational training, unique cloth product stitching, 'cow project' and horticulture activities all directed to enhancement of incomes but with a difference... not rooted in pity but triggering a sense of pride in becoming self-reliant.

On the hard numbers, the year under review saw our

Fertiliser business smartly cross ₹ 1,400 Crore riding on a 42% jump over the previous year.

The TAN business also grew by 42% despite a tough mining sector scenario and the introduction of the stringent new AN rules. The TAN business recorded a topline of over ₹ 800 Crore.

On the Industrial Chemicals front, the business grew by 53% with sales value crossing ₹ 1,590 Crore.

Our focus on making a difference for our customers, the thrust and drive for cost effective manufacturing and appropriate product mix saw our PAT smartly rise by 66% over the previous year to cross ₹ 240 Crore.

It was only because of such outstanding performance from each business segment that culminated into announcing a 65% dividend, the highest ever dividend recommended by your Company.

The year gone by also saw us pushing the pedal strongly on the future growth front with the project of doubling of our NPK Fertilisers moving ahead, growth in the chemical and TAN sector crystallising to decisive levels of consideration. Our attempts of acquiring Mangalore Chemicals & Fertilisers kick-started our M & A drive for growth.

In the year ahead, while domestic gas availabilities and higher pricing will throw up new challenges, the pragmatic new Government gives hopes for a new growth trajectory and global footprints.

In our endeavour to make a difference, we have got the ball rolling and in the years to come we will bring around a substantial impact to each and every individual associated with us. It is this continued focus and drive to make a difference which will give purpose and vigor to our lives.

Warm Regards,



**S. C. Mehta**

Chairman & Managing Director

# Notice

NOTICE is hereby given that the Thirty Fourth Annual General Meeting of DEEPAK FERTILISERS AND PETROCHEMICALS CORPORATION LIMITED will be held on Thursday, 31<sup>st</sup> July, 2014 at 11.30 a.m. at MDC Auditorium, Yashwantrao Chavan Academy of Development Administration (YASHADA) Campus, Rajbhavan Complex, Baner Road, Pune – 411 007 to transact the following business:

## ■ ORDINARY BUSINESS

1. To receive, consider and adopt the audited Balance Sheet as at, and the Statement of Profit and Loss for the Financial Year ended 31<sup>st</sup> March, 2014 together with the Directors' Report and the Auditors' Report thereon.
2. To declare a dividend for the Financial Year ended 31<sup>st</sup> March, 2014.
3. To appoint a Director in place of Smt. Parul S. Mehta (DIN: 00196410), who retires by rotation and being eligible, offers herself for re-appointment.
4. To appoint Statutory Auditors for a period of 3 (Three) years commencing from conclusion of this Meeting until the conclusion of Thirty Seventh Annual General Meeting and to fix their remuneration.

## ■ SPECIAL BUSINESS

5. To consider and if thought fit, to pass, with or without modification(s), the following resolution as an ORDINARY RESOLUTION:

“RESOLVED THAT, pursuant to the provisions of Section 148 of the Companies Act, 2013 and Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), approval of the Board of Directors of the Company for payment of remuneration of ₹ 4,00,000/- (Rupees Four Lacs only) plus service tax as applicable and reimbursement of actual travel and out-of-pocket expenses for the Financial Year ending 31<sup>st</sup> March, 2015, to Shri Y. R. Doshi, Cost Accountants, for conducting Cost Audit of 'all applicable products and group of products', be and is hereby ratified and confirmed.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution.”

6. To consider and if thought fit, to pass, with or without modification(s), the following resolution as an ORDINARY RESOLUTION:

“RESOLVED THAT, pursuant to the provisions of Sections 149, 152, 196, 197 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modification(s) or re-enactment thereof for the time being in force) and Rules made thereunder and in partial modification to the Ordinary Resolution passed at the Thirty Third Annual General Meeting held on 8<sup>th</sup> August, 2013, in relation to the appointment of Shri Partha Bhattacharyya (DIN: 00329479) as Whole-Time Director of the Company, consent be and is hereby accorded to change the term of retirement of Shri Partha Bhattacharyya from 'not be liable to retire by rotation' to 'liable to retire by rotation'.

RESOLVED FURTHER THAT all other terms and conditions as mentioned in the Ordinary Resolution passed at the Thirty Third Annual General Meeting held on 8<sup>th</sup> August, 2013, in relation to the appointment of Shri Partha Bhattacharyya as Whole-Time Director of the Company shall remain unchanged.”

7. To appoint Shri N. C. Singhal as an Independent Director and in this regard to consider and if thought fit, to pass, with or without modification(s), the following resolution as an ORDINARY RESOLUTION:

“RESOLVED THAT, pursuant to the provisions of Sections 149, 152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and Clause 49 of the Listing Agreement with Stock Exchanges, Shri N. C. Singhal (DIN:00004916), who was appointed as Director liable to retire by rotation and whose term expires at this Annual General Meeting and in respect of whom the Company has received a notice in writing under Section 160 of the Companies Act, 2013 from a Member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company not liable to retire by rotation to hold office for 3 (Three) consecutive years for a term