



31st July, 2024

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

Subject: Earnings Presentation for the quarter ended 30th June, 2024

Dear Sir / Madam,

Please find enclosed an earnings presentation of the Company for the quarter ended 30th June, 2024.

We request you to kindly disseminate the same.

Thanking you,
Yours faithfully,

For **Deepak Fertilisers
And Petrochemicals Corporation Limited**

Gaurav Umakant Munoli
Company Secretary
M. No. A24931

Encl: as above

**EXCEPTIONAL
TODAY**



**EXCITING
TOMORROW**



**DEEPAK FERTILISERS
AND PETROCHEMICALS
CORPORATION LIMITED**

(BSE: 500645; NSE: DEEPAKFERT)

Earning Presentation Q1FY25

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31st July 2024



Content



Company Overview



Q1FY25 Results Overview



Project Update

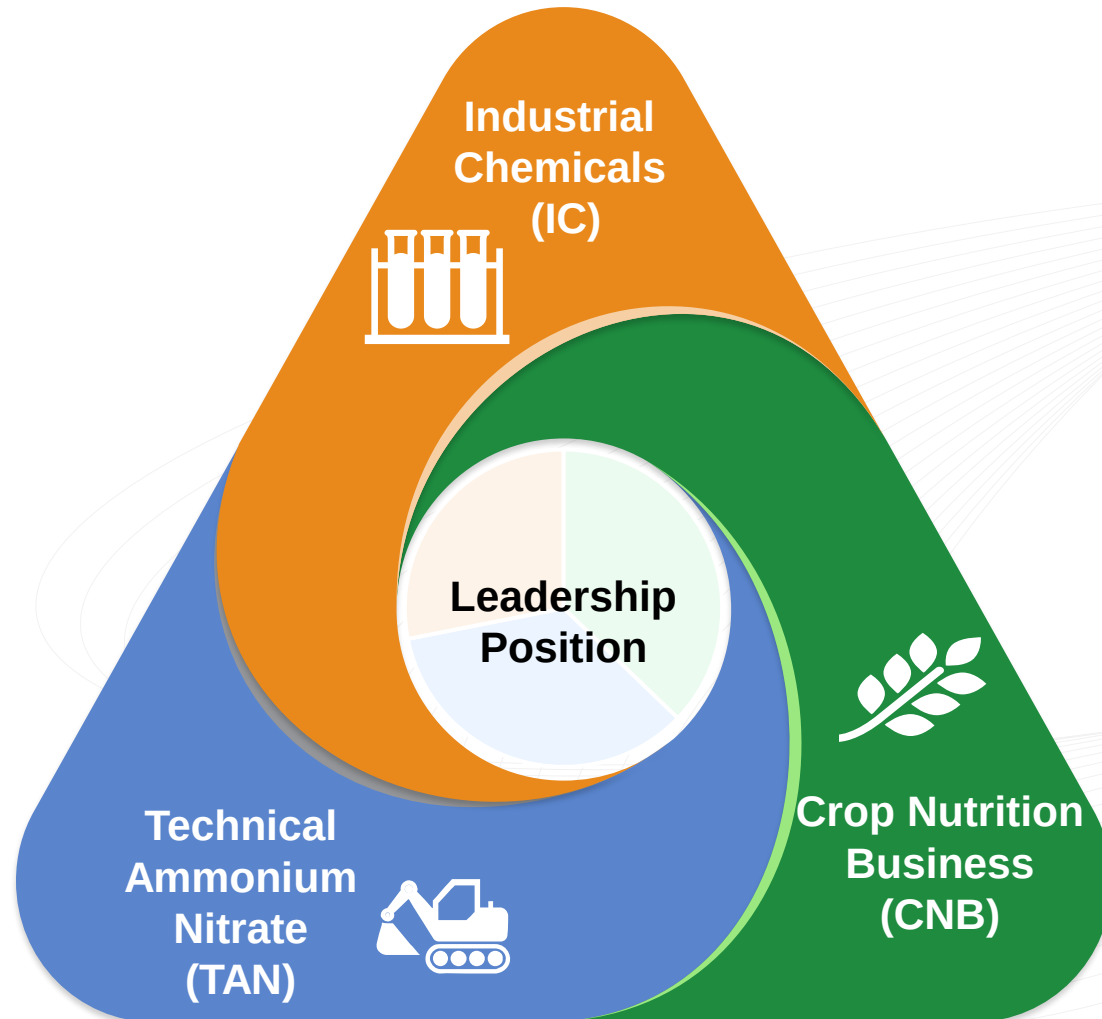


Corporate Social Responsibilities



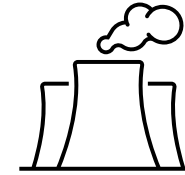
Shareholder Value

India's Leading Chemical and Fertilisers Producer



40+ Years

Rich Experience of Developing
3 verticals



6

Manufacturing Sites



2,200+

Employees



US\$ ~1.5 billion

Market Capitalization

(as on 30 July 2024)

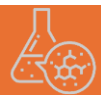
A Strong Competitive Offering



Mining Chemicals

Capacity: Technical Ammonium Nitrate **537 KTPA**
(Debottlenecking will add 50 KTPA taking total capacity to 587 KTPA)

- Only manufacturer of solid TAN in India
- Preferred partner for mining, infrastructure and explosives companies
- Strategically located plants on East and West coasts of India.
- **Products:** High density and low-density Ammonium Nitrate and AN-Melt
- **End Market**
 - Mining
 - Infrastructure
 - Explosives
 - Healthcare



Industrial Chemicals

Capacity: Diluted Nitric Acid **885 KTPA**
Concentrated Nitric Acid **231 KTPA**
Iso Propyl Alcohol **70 KTPA**

- Second largest manufacturer of Nitric Acid in S.E. Asia and largest manufacturer of Nitric Acid in India
- One of the major producer of the merchant Iso Propyl Alcohol (IPA) in India
- Strategic entry to provide basket of solvents to Pharma sector
- Dedicated storage tanks at major ports of the country
- **Products:** Varieties of Nitric Acid, IPA, Methanol, LCO2 & Traded Solvents
- **End Market**
 - Pharma
 - Nitroaromatics
 - Consumer Care
 - Explosive
 - Chemical derivatives

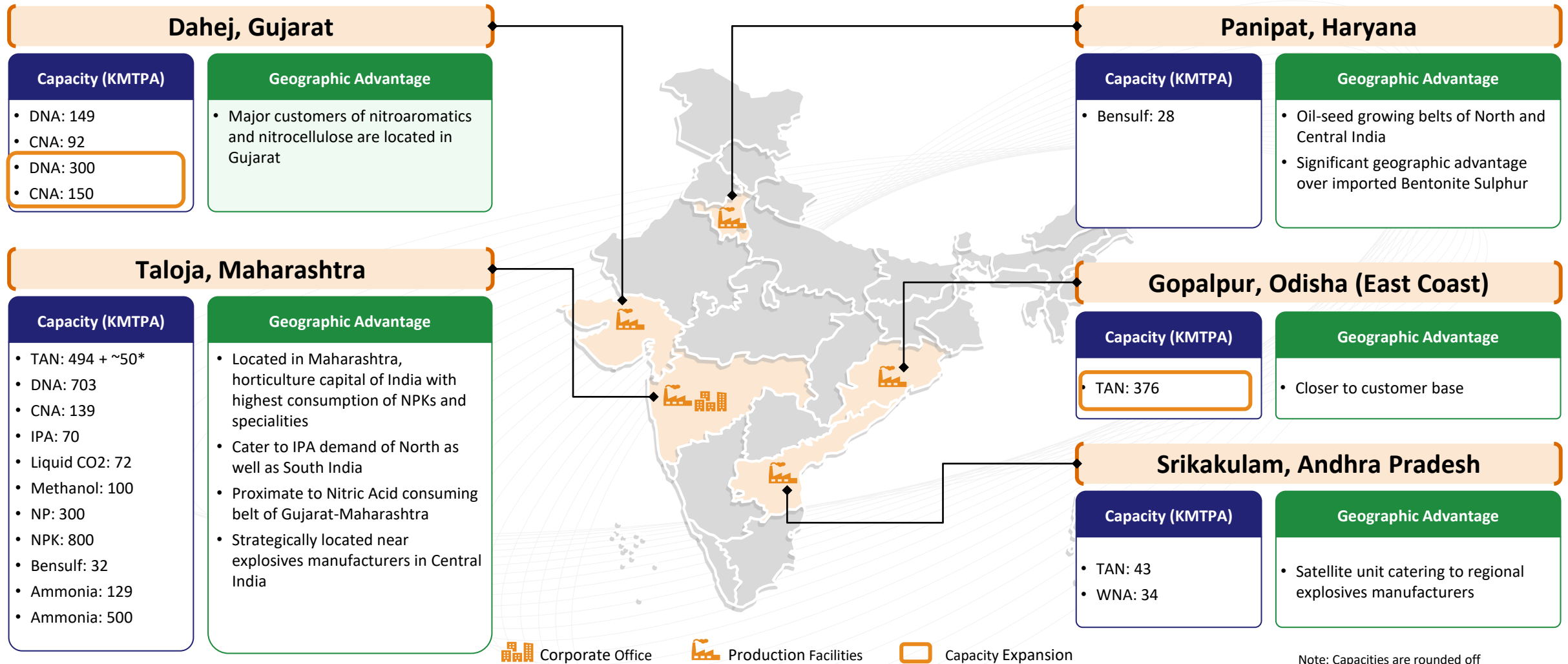


Crop Nutrition

Capacity: NP **300 KTPA**
NPK **800 KTPA**
Bensulf **60 KTPA**

- ‘Mahadhan’ strong brand present in Maharashtra, Karnataka and Gujarat
- Only manufacturer of NP prill 24:24:0 fertiliser in India
- Largest manufacturer of Bentonite Sulphur in India
- Market leaders in speciality and water-soluble fertilisers in India
- Strong market reach across India
- **Products:** NPK Variants Smartek & Croptek , Specialty fertilizers, Water Soluble fertilisers and Bentonite Sulphur
- **End Market**
 - NPK Variants
 - Crop Specific
 - Water Soluble Fertilisers
 - Bentonite Sulphur

Strategic Geographic Footprints



* TAN Debottlenecking

Note: Capacities are rounded off

Leadership Position In All Business Portfolio

Mining Chemicals



Domestic market share
44% in TAN

39% of Revenue

Industrial Chemicals



Pioneer in
ISO Propyl Alcohol
Domestic market share
60% in CNA'
28% in DNA

18% of Revenue

Crop Nutrition Business

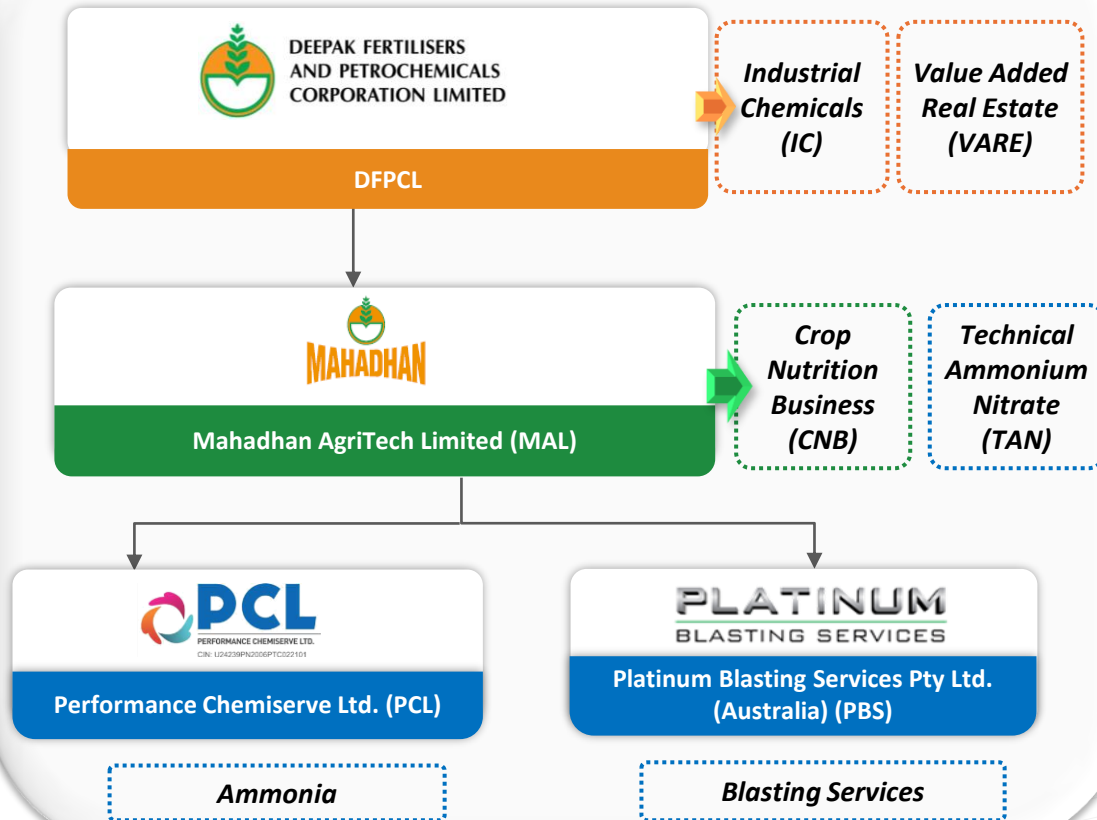


Leading player in
specialty and
water-soluble
fertilizers in India

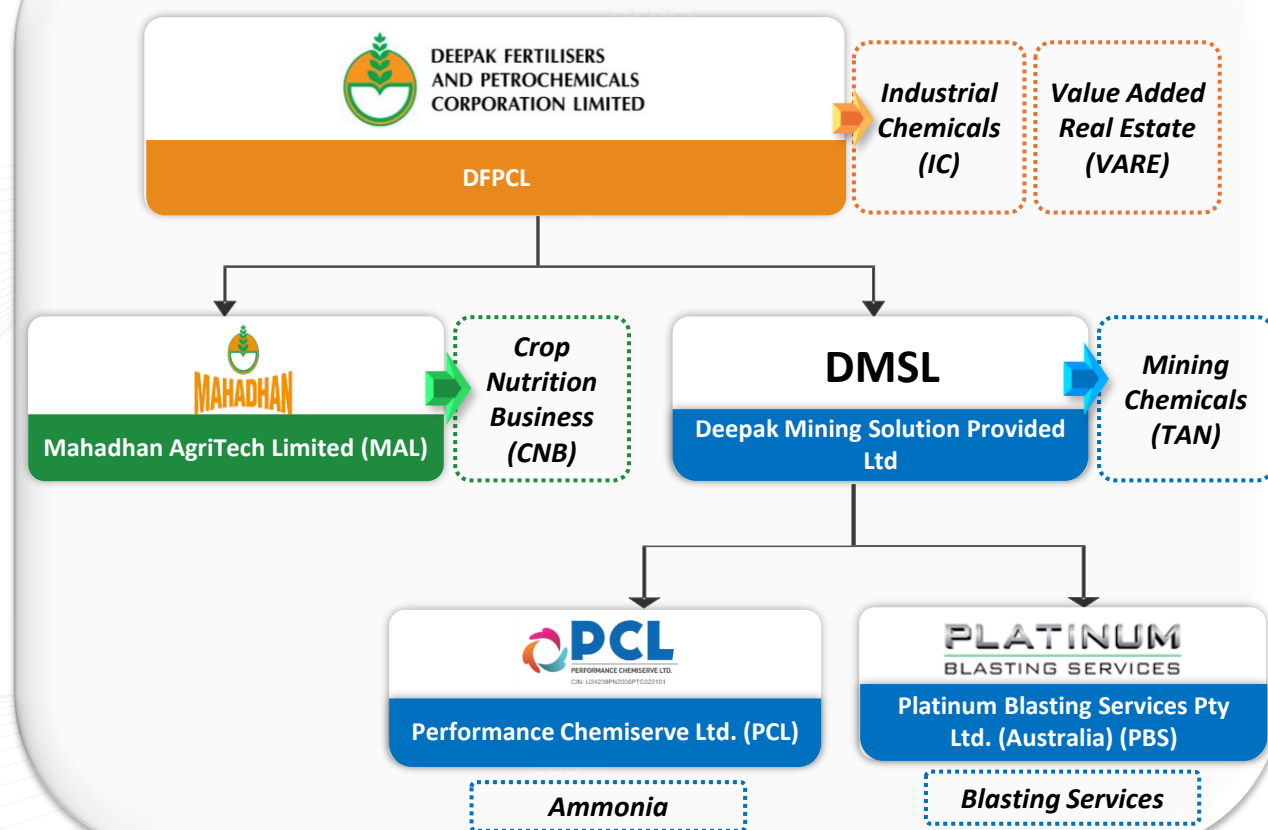
43% of Revenue

Businesses Demerged for Focused Leadership

Existing Corporate Structure



Resultant Corporate Structure

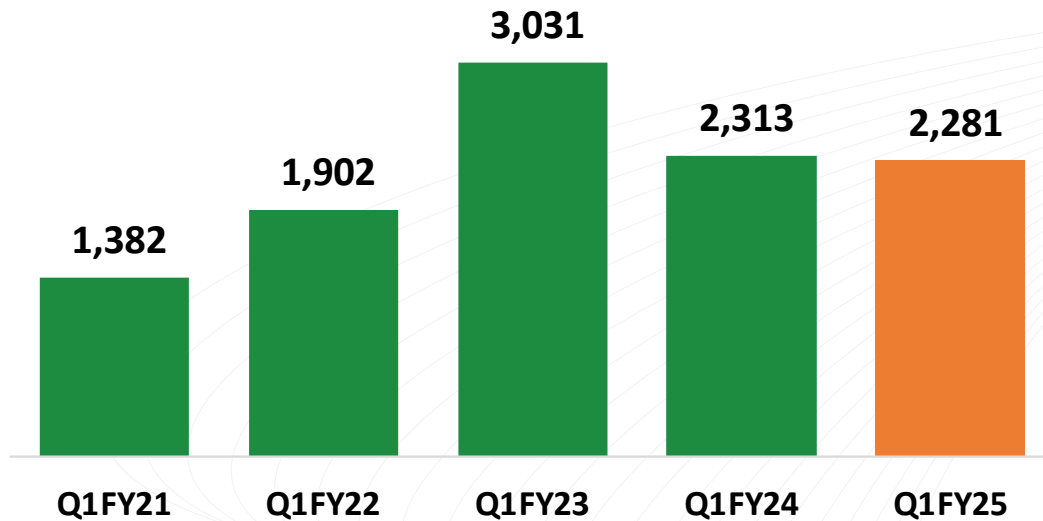


- The demerger plan for its Mining Chemicals and Fertiliser Businesses was announced in December 2022. The composite scheme of arrangement was admitted by NCLT on January 25, 2023, and subsequently NCLT approved the scheme dated 17th Jan'2024, and Order signed dated 06th July'24.
- Smartchem Technologies has been renamed Mahadhan AgriTech Limited ('MAL') effective from April 20, 2023.

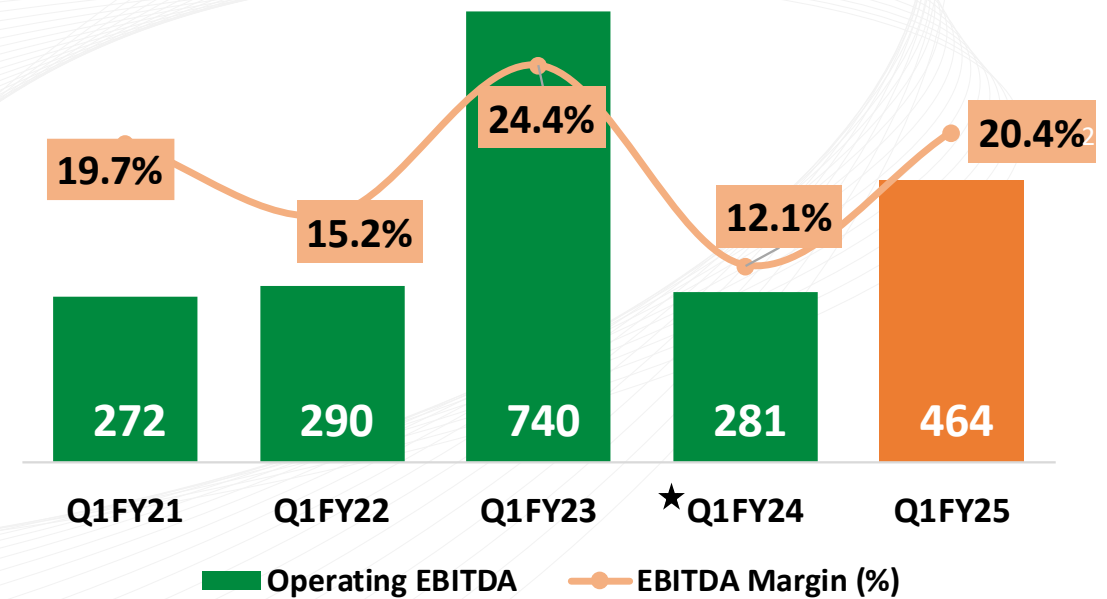
- ✓ Revenue delivered was Rs.2,281 Crores, marginal decline by 1.4% on YoY basis due to lower commodity prices.
- ✓ EBITDA margin improved to 20.4% against 12.1 % on YoY basis, even without one time impact the margins would have been 17.8%.
- ✓ Reduction in key RM Prices during Q1FY25 has resulted in lower NSP: Ammonia ▼ ~36% YoY; MOP ▼ ~37% YoY; Gas ▼ ~7% YoY ; while delivering improved overall margins.
- ✓ Launched Croptek grade for Soyabean Crop and Smartek grade for Paddy-& Pulse.
- ✓ Honorable NCLT has approved and signed the order dated 6th July'24 for demerging the TAN business from 'Mahadhan AgriTech Limited' to 'Deepak Mining Solutions Limited'.
- ✓ The National Budget has proposed Duty hikes on Ammonium Nitrate and Duty reductions on the Precious Metals used for Catalysts, both will have a positive impact.

Promising Start with 823bps Surge in EBITDA Margin

Operating Revenues (Rs. Cr)



Operating EBITDA (Rs. Cr) and Margins (%)



- Over the last 5 quarters of Q1, revenue and operating EBITDA has demonstrated sustainable growth trend.
- ★NBS one time subsidy adjustment has been made of Rs.161 crores during Q1FY24.

Q1FY25 Consolidated Financials

Rs. In Crore

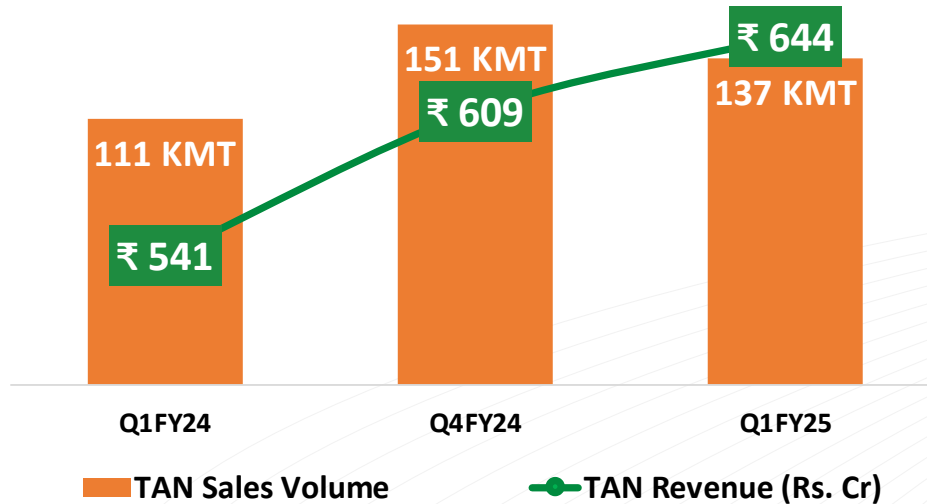
INR CR	Q1 FY 25	Q1 FY 24*	Y-o-Y growth	Q4 FY 24^	Q-o-Q growth	FY 24
Operating Revenue	2,281	2,313	-1.4%	2,086	9.3%	8,676
Operating EBITDA	464	281	65.5%	438	6.1%	1,287
<i>Margins (%)</i>	20.4%	12.1%	823 Bps	21.0%	(63) Bps	14.8%
Finance Cost	111	79	40.0%	112	-0.9%	404
D&A	95	59	60.5%	102	-6.3%	334
Net Profit	200	114	75.7%	220	-9.1%	457
<i>Margin (%)</i>	8.8%	4.9%	384 Bps	10.5%	(178) bps	5.3%

*Q1 FY 24 has one time impact of 161 Cr of subsidy on channel inventory and warehouse stock.

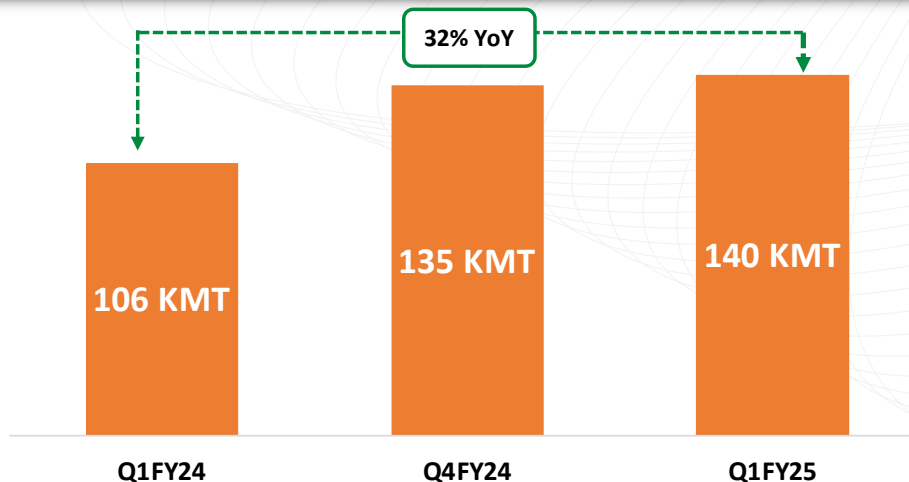
^ Q4 FY 24 includes other income for Vashi land of Rs.53 Cr included in Net profit and PCL full year incentive of Rs.89 Cr.

Mining Chemicals Business (TAN) : Q1FY25 Performance

Revenue (Rs. Cr) and Sales Volume (KMT)



TAN Production (KMT)



Highlights

Q1FY25:

- Technical Ammonium Nitrate sales volume surged by 23% YoY mainly due to improved demand.
- AN Melt sales volume reached 38 KMT, marking a 22% YoY increase, but declined slightly by 3% QoQ basis.
- LDAN sales volume grew by 23% YoY, driven by domestic demand and increased exports.
- The quarter witnessed positive trends across key market indicators compared to the high base of Q1FY24. All-India coal production increased by 11% YoY, and steel sector production grew by 11% YoY.

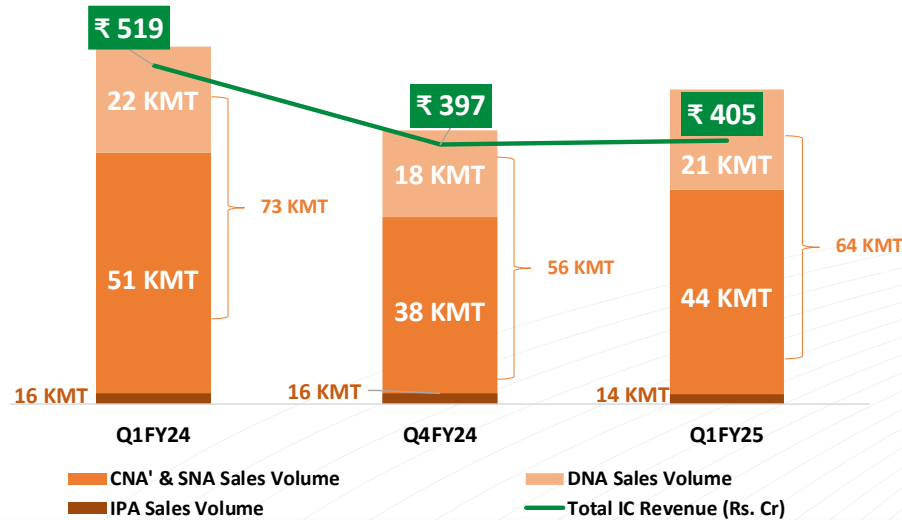
Outlook:

- Demand is expected to remain strong over the next couple of quarters driven by growth in coal mining, power, and infrastructure sectors.
- Post demerger, the Mining Chemicals business will operate as a separate legal entity, establishing itself as a fully integrated with unique value chain offering technology solutions to its customers in India.

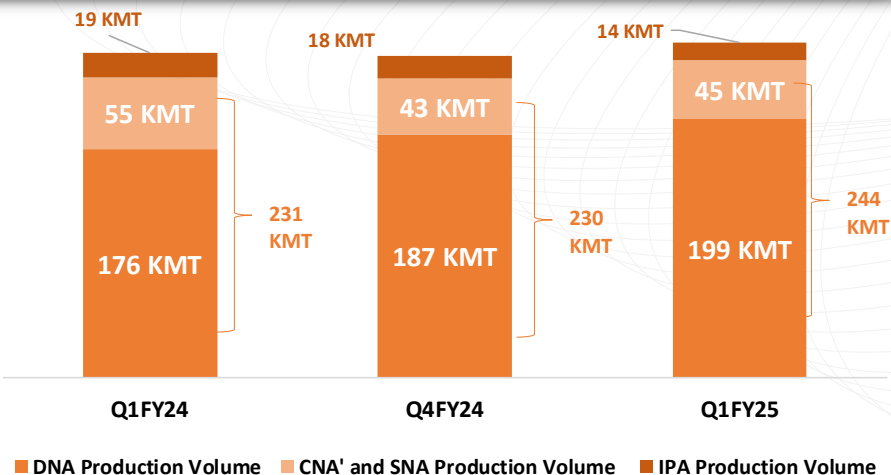
Capacity Utilization: Q1FY25: 104%

Industrial Chemicals Business : Q1FY25 Performance

Revenue (Rs. Cr) and Sales Volume (KMT)



Industrial Chemical Production (KMT)



Highlights

Q1FY25:

- Nitric acid volumes decreased by 12% YoY. The YoY decline was attributed to an extended repair job at Taloja Acid plant and reduced demand from downstream industries following the temporary shutdown of the GNFC TDI plant leading to a short term oversupply.
- IPA volumes are down owing to planned shutdown in Q1FY25. Our speciality pharma grade IPA continued to grow.
- Speciality Stainless Steel grade Nitric acid has witnessed positive customer response since its commercial launch.

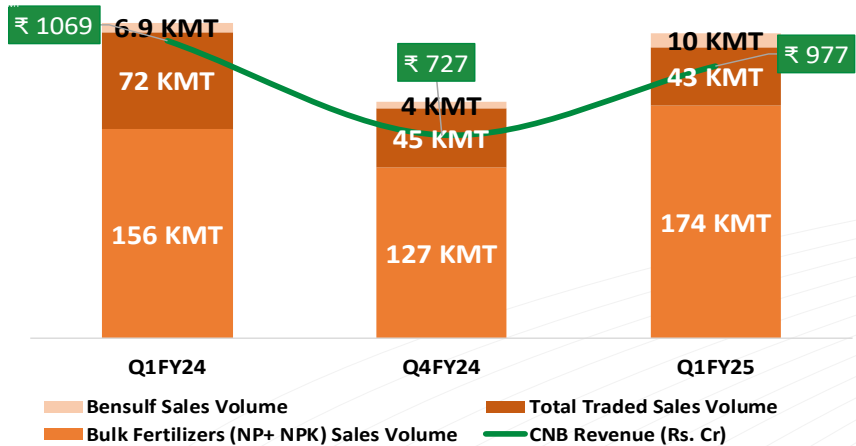
Outlook: Nitric acid prices are expected to gradually improve over few quarters. Propylene based IPA would continue to perform better from demand and price perspective. Further, various trials at customers end are being conducted for stainless steel grade nitric acid and we expect expansion of volumes. Our Speciality Chemicals are expected to grow, with the Steel Grade Nitric Acid and Pharma Grade IPA having strong and positive acceptance by the end customers.

Nitric acid Capacity Utilization: Q1FY25: 90%

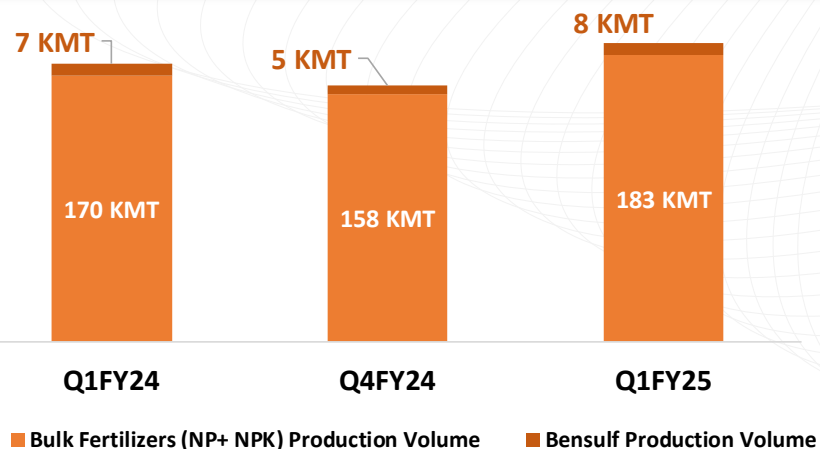
IPA Capacity Utilization: Q1FY25: 78%

Crop Nutrition Business: Q1FY25 Performance

Revenue (Rs. Cr) and Sales Volume (KMT)



CNB Production (KMT)



Highlights

Q1FY25:

- During the quarter, sales of manufactured bulk fertilisers was 174 KMT, representing an 11% increase YoY.
- The company has launched Smartek fertilizer for paddy, pulses, and cotton, along with the Croptek grade for soybean crops
- Sales of specialty fertilizer product, Bensulf, amounted to 10 KMT this quarter, reflecting a 51% increase YoY.
- Sales of traded specialty fertilisers saw an 80% increase YoY. With global prices for water-soluble fertilisers stabilizing, demand has now returned to normal levels.

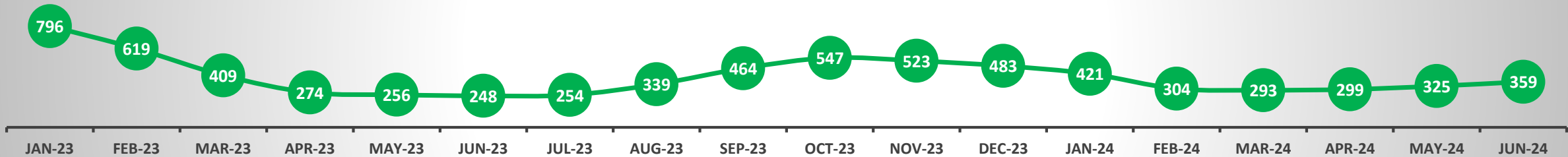
Outlook:

- With better monsoon, the demand outlook is positive. We are focusing on delivering crop specific and water soluble fertilizers which deliver higher yield and productivity to the farmer. Additionally, our recent partnership with Israel-based Haifa Group will help to promote high-performance specialty fertilisers.

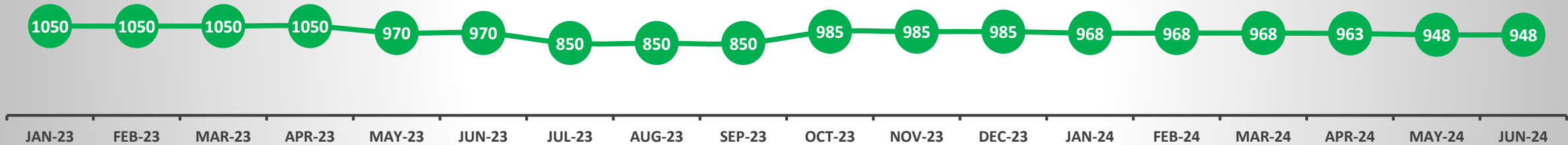
Bulk Manufacturing Capacity Utilization: Q1FY25: 67%

Raw Material Price Movement in Last 18 Months

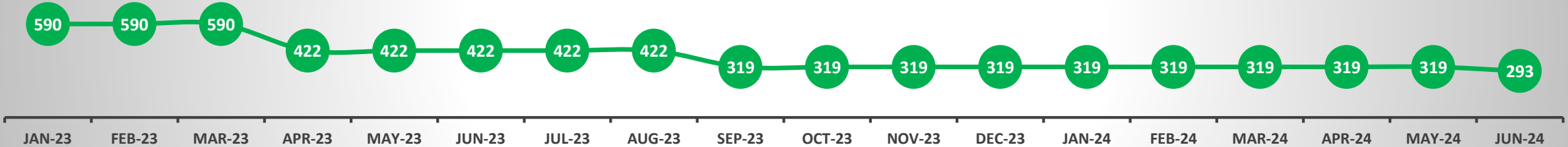
Ammonia Bulk FOB - ME (\$/MT)



Phosphoric Acid Bulk CFR (\$/MT)

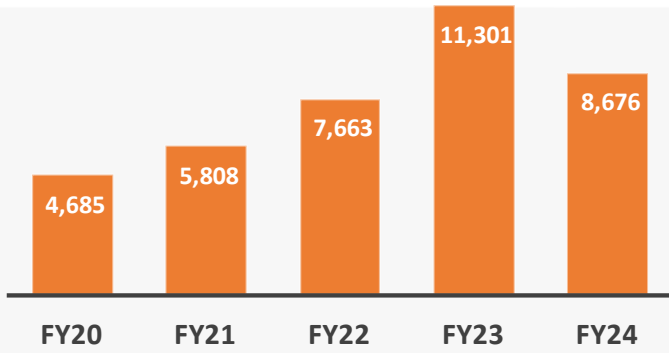


Potash Bulk CFR India (\$/MT)

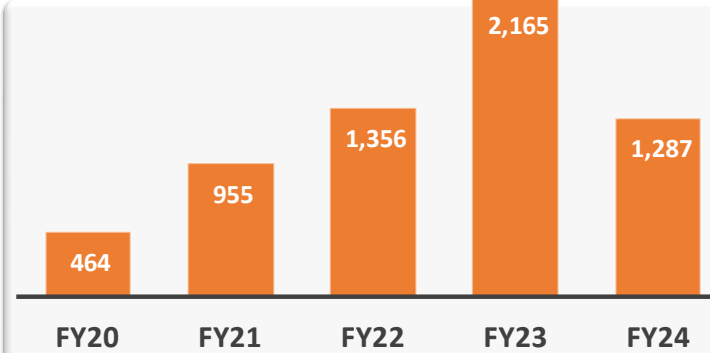


Historical Consolidated Financials

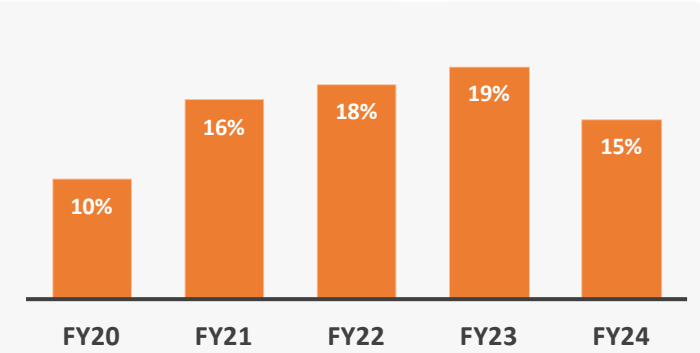
Operating Revenue (Rs. Cr)



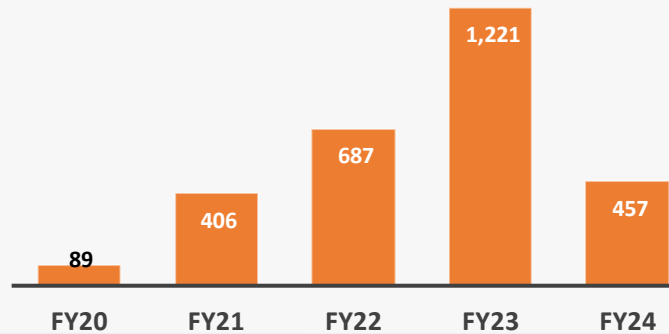
Operating EBITDA (Rs. Cr)



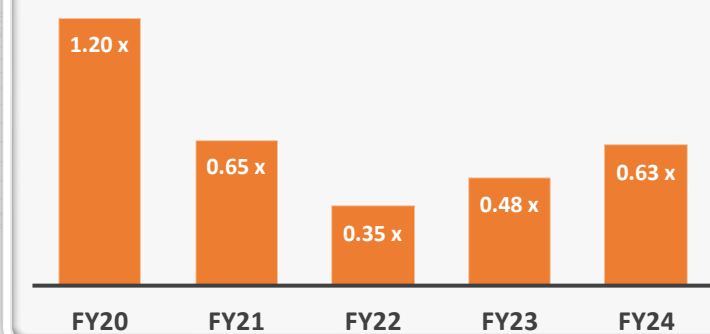
EBITDA Margin (%)



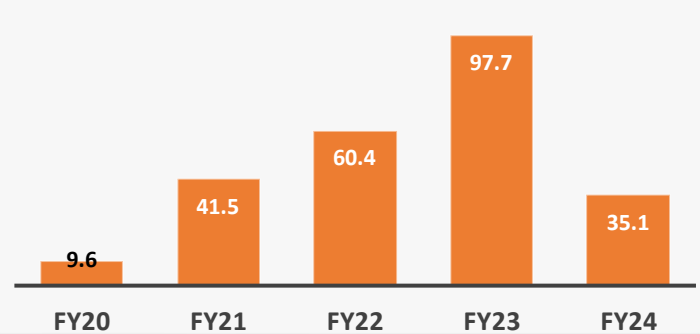
PAT (Rs. Cr)



Net Debt/Equity (x)



EPS (Rs.)



TAN Project, Gopalpur

- The Company is working on a Greenfield project in Gopalpur, Odisha for producing TAN, with a capacity of 376 KTPA at a project cost of Rs. 2,200 Cr. Expected COD: H2FY26
- Upon completion, it will increase its overall installed capacity to ~1.0 MMTPA, meeting ~60% of India's demand for AN, moving forward towards its mission of Atmanirbhar Bharat.
- Post commissioning of this plant, we will become 3rd largest pure play TAN producer in the world.
- The project is strategically located close to major mining hubs to be able to cater to their demand, while its proximity to Gopalpur port provides favourable export opportunities

Nitric Acid Project, Dahej

- Strategic expansion of WNA (300 KTPA) and CNA (150 KTPA) at a project cost of Rs. 1,950 Cr . Expected COD: H2FY26
- Leveraging 40 years of credible experience in Nitric Acid, DFPCL will become 'Asia's Largest Manufacturer' of Nitric Acid post expansion
- State-of-the-art technology from leading global technology provider, combined with low emission green technologies for the first time in India
- Approximately 65% of additional CNA capacity is already tied-up under a 20-year contract

Corporate Social Responsibility for Inclusive Community Welfare



Sports kits were donated to Shri Bhairavdev High School Ritghar, Waje High School, and Annasaheb Adivashi Anudanit High School, Wakdi



Doorstep health services were provided to 8,568 patients through a mobile clinic serving villages in and around Taloja MIDC



FMD Vaccination and Heat Induction medicine to 335+ cattle and 95+ cattle respectively



Pathology diagnostic services were provided to 145 patients through the Ishanya Pathology Sample Collection Centre in Devichapada



380 Wadi participants completed all aftercare activities, including basin preparation, flowering data and fruiting data collection



Digital classes have been installed in seven Raigad ZP schools, comprising 33 digital classrooms, benefiting a total of 1,304 students

Recent Awards and Recognition



Ishanya Foundation of DFPCL, received the **“Societal Impact Award”** at India's Moment Conclave by Y4D Foundation



Won the **“Most Preferred Workplace Award 2024-25”**



Won the **“Operational Excellence in Logistics”** award at the prestigious BW (Business World) Supply Chain Competitiveness Awards 2023



Received 15th ELSC Leadership Award for the Category – **“Best-In-Class Supply Chain Innovation”**



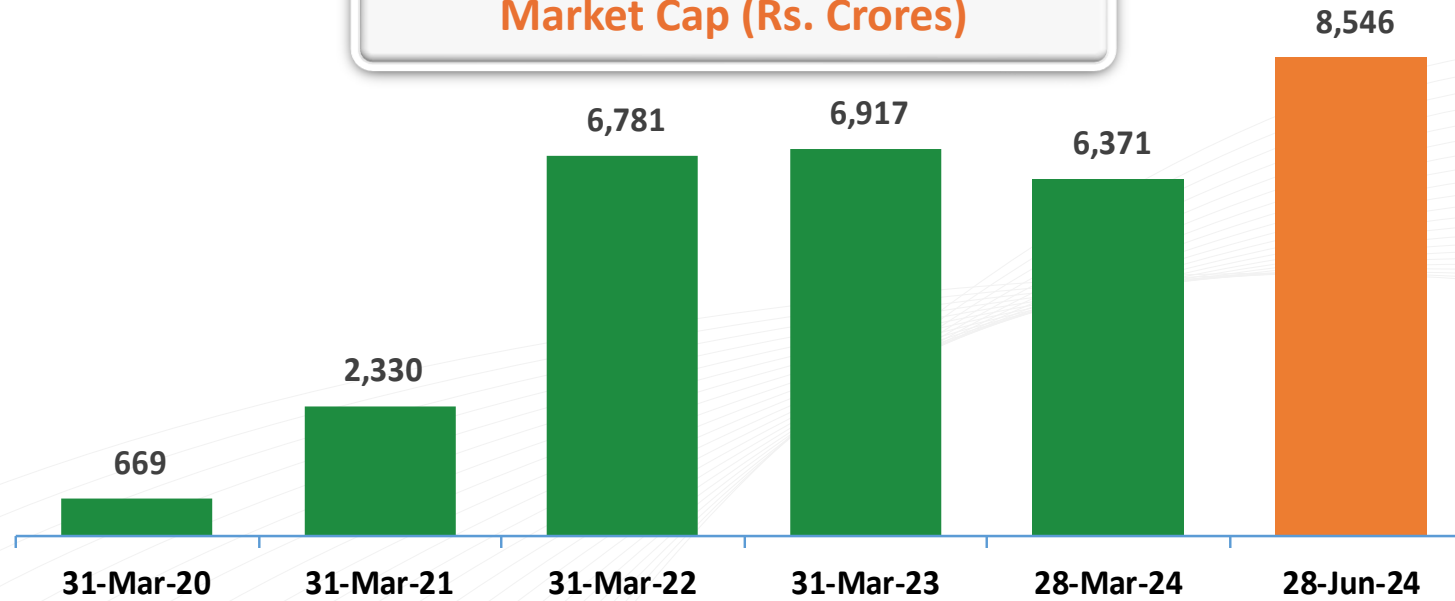
Received **“Act of Compassion Award”** in the category of 'Excellence in Empowerment through Economic Development'



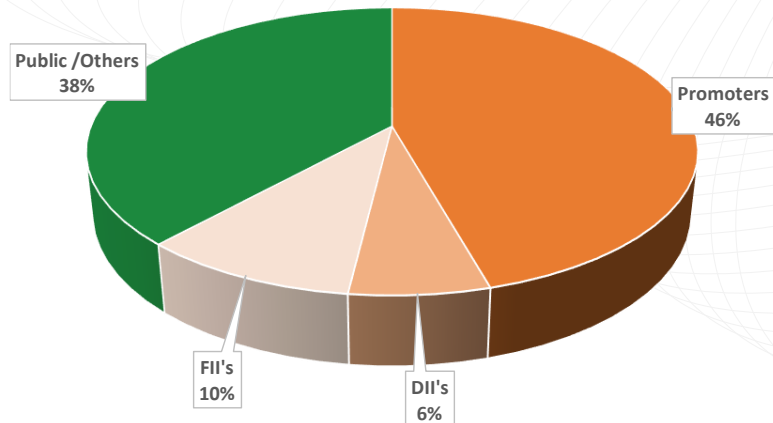
Earned the SCM Chem India 2023 award for **“Top Ten Chemical Supply Chain Company”** 2023 by ISCM

Delivering Value to Our Shareholders

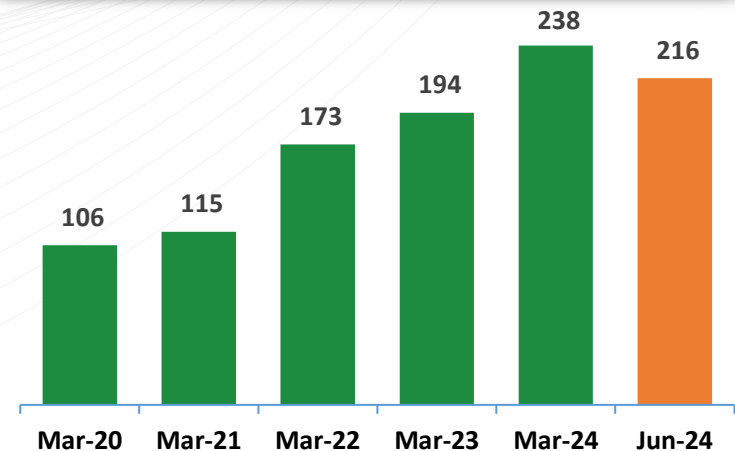
Market Cap (Rs. Crores)



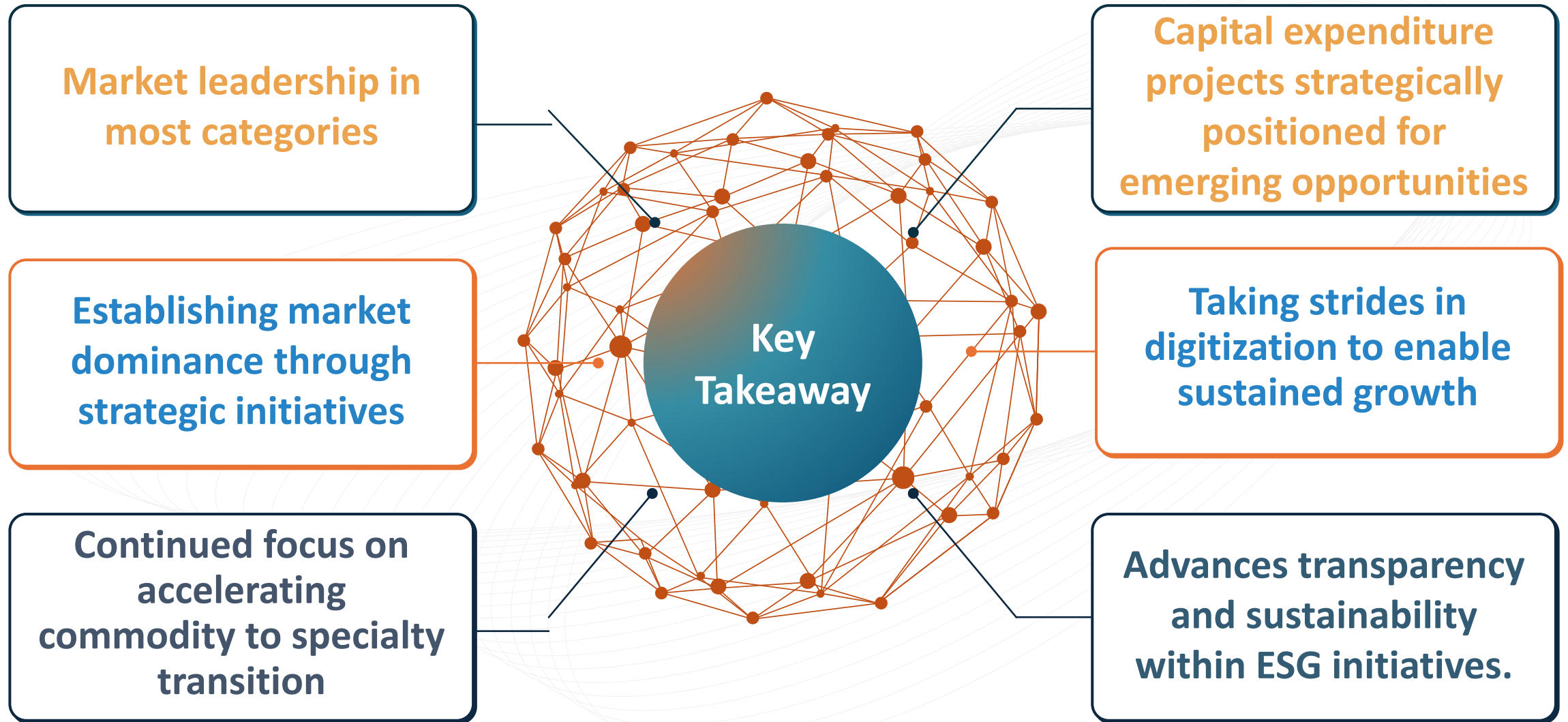
Shareholding Pattern (June 24)



Total No. of Shareholders (in 000')



Market Dominance And Demand Outlook Well Aligned With India's Growth Story



Safe Harbour: This presentation 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.



DEEPAK FERTILISERS AND PETROCHEMICALS CORPORATION LIMITED

(BSE: 500645; NSE: DEEPAKFERT)



INDUSTRIAL/PHARMA
CHEMICALS



MINING
CHEMICALS



CROP
NUTRITION

DEEPAK FERTILISERS AND PETROCHEMICALS CORPORATION LIMITED

Reg. Off and Corp. Off: Sai Hira, Survey No. 93,
Mundhwa, Pune - 411 036

CIN: L24121MH1979PLC021360

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