



RESPONSIBLE  
CHEMISTRY

# Q3 & 9M FY2025 Results Presentation

February 13, 2025

₹ **6,163** crore

Total Income  
(in 9M FY25)

₹ **836** crore

EBITDA  
(in 9M FY25)



# Deepak Nitrite Limited: A Leading Chemical Intermediates Producer



## Company Overview

Deepak Nitrite (DNL) is one of the fastest growing and trusted chemical intermediates company in India with a diversified portfolio of products that cater to multiple industries with varied applications. DNL is recognized globally as a **'Responsible Manufacturer'** and as a **'Supplier of Choice'** by marquee customers. Led by an able management team, DNL has leveraged process expertise, technological prowess and operational excellence to capitalise on opportunities for growth and deliver sustained value creation for stakeholders.

## Depend On Deepak

Deepak Nitrite Limited (DNL) has built a strong organisation with processes and systems that ensure seamless operations, as well as a focus on ethics and transparent practices, with a team of skilled and motivated people ready to step up and take charge, as well as deep capabilities to meet customers' needs. More importantly, having long-lasting relationships at its core, founded on the principles of trust, faith, and values, ensures long-term success and future value creation.



32+

Products



56+

Applications



1,000+

Customers



Sustainable & versatile business model



7 Modern Manufacturing Facilities



Products exported to 45+ Countries across 6 continents



Largest Producer of Phenol, Acetone, IPA & Sodium Nitrite in India



Robust R&D capabilities



Rich Legacy of over 5 Decades

# Deepak Nitrite at a Glance

**7**

Modern Manufacturing  
Facilities at 5 strategic  
locations

**32+**

Products

**56+**

Applications

**₹6,163 Cr**

9M FY25 Revenues

**45+**

Countries receive  
our products

**5,000+**

Total Workforce

**1,000+**

Customers






**ICRA AA(Positive)**

Long-Term Rating

**ICRA A1+**

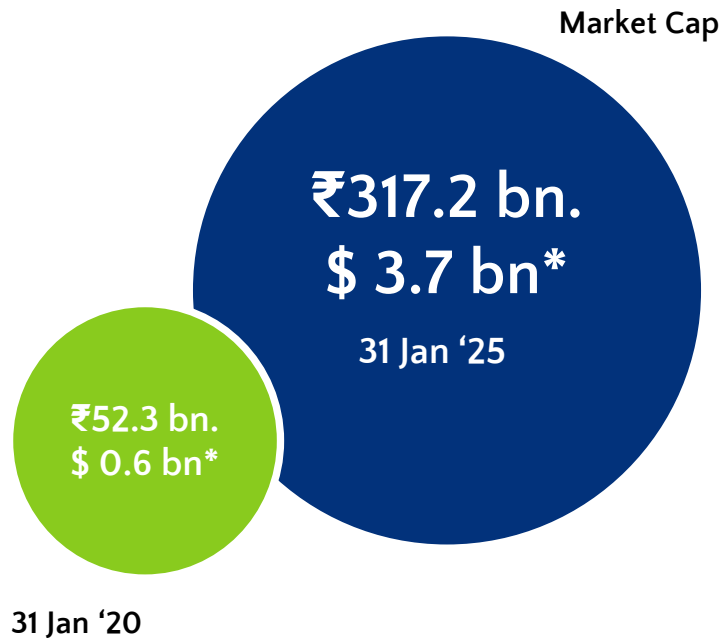
Short-Term Rating

# Performance Culture

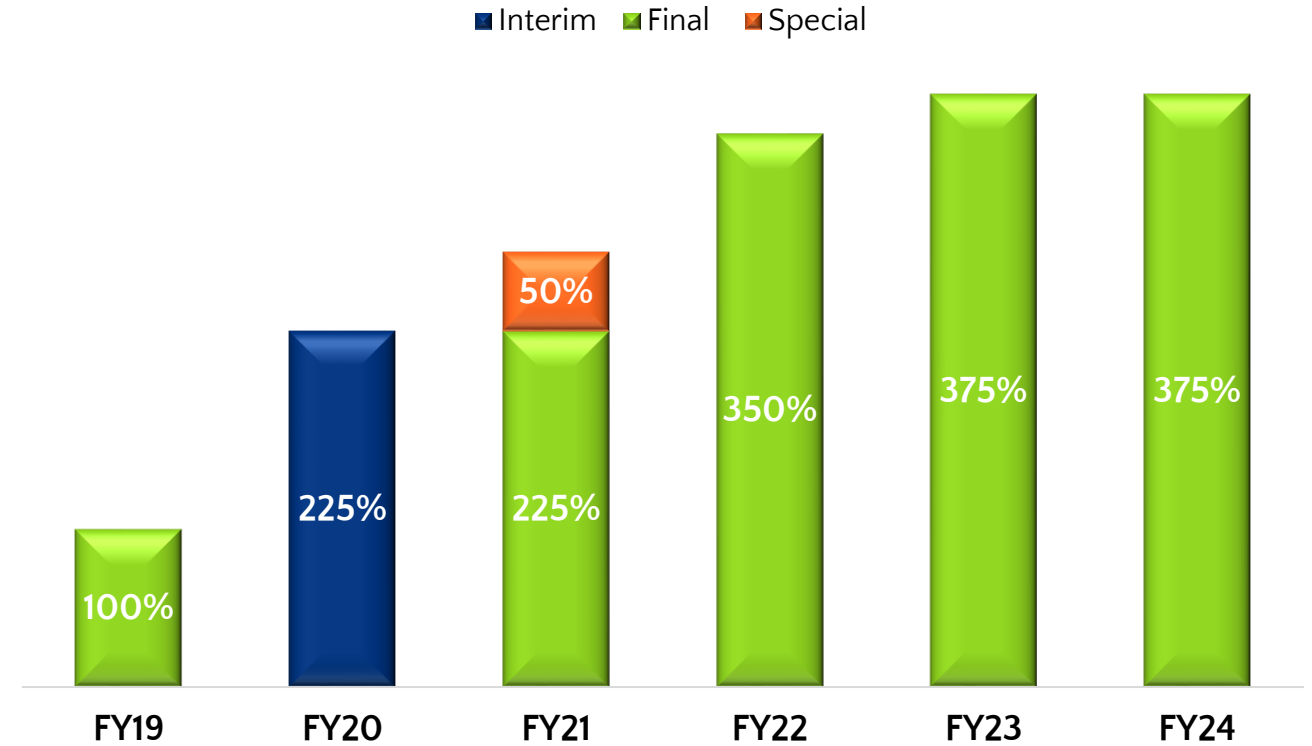
	<b>Innovativeness</b>	Driving growth through groundbreaking ideas and innovation, we go beyond merely generating product concepts. Our focus extends to superior processes and elevating employee engagement. This holistic approach maximises growth and fosters a culture of continuous improvement.
	<b>Agility</b>	In a constantly evolving landscape, adaptability is key. By swiftly responding to change and delivering results, our organisation becomes equipped to navigate the evolving challenges of the progressing world.
	<b>Responsiveness</b>	We go beyond mere responsiveness; we provide solutions and embrace accountability. This commitment extends to our employees, customers and all other stakeholders.
	<b>Performance-driven</b>	Leveraging profound category insights to identify opportunities and provide effective solutions. This, combined with rewarding high performers across diverse verticals, sets compelling examples for leadership.
	<b>Ownership</b>	Every individual is both a leader and a team member, sharing equal responsibility for the company's growth. In our organisation, the vision serves as not only the company's objective but also as a personal goal for each individual.

# Company overview: Exemplary track record

Consistently rewarded  
shareholders



## Dividend as % of Face Value



\*Conversion rate of ₹86.88 per dollar





## Catalyst of Excellence



We are bubbling with pride as

### Shri Deepak C Mehta

Chairman and Managing Director, Deepak Group

is honoured to be conferred the **Rasayan Udyog Ratna** award on the Centennial Celebrations of **The Indian Chemical Society**.



## Rasayan Udyog Ratna award by The Indian Chemical Society in this Centenary year

- Shri Deepak C Mehta Chairman and Managing Director, Deepak Group is honoured to be conferred the Rasayan Udyog Ratna award on the Centennial Celebrations of The Indian Chemical Society.
- The award is an acknowledgement of Shri Mehta's innovative and pathbreaking leadership and being a voice to address Indian Chemical Fraternity's concern to the policy makers.
- His foresight and zeal to pursue 'Responsible Chemistry, build world-scale manufacturing hubs and inspires Young Indians with his exceptional contributions to the chemical and Allied Industry.

# Awards & recognitions

## ICMAI Achievers Meet 2024 Awards for Leadership & Professionalism



- Shri Sanjay Upadhyay is felicitated at ICMAI Achievers Meet held in Mumbai date 12th Dec'24.
- One page citation in CMA's Commemorative Book featuring Who's-Who of Indian CMAs
- This honor is a testimony of Mr. Upadhyay's leadership, setting high standards for professionalism

## Awards for Excellence in Industry & Business at 18th ICAI Awards for CFO



- Shri Somsekhar Nanda has been awarded the highly esteemed CFO award recognizing excellence in industry & business at the prestigious 18th ICAI awards, organized by The Institute of Chartered Accountants of India (ICAI).

# Performance highlights – Q3 & 9M FY25 (Consolidated)

## Key numbers

10%

YoY growth in Revenue -  
9M FY25

84:16

Domestic : Exports  
Revenue Mix for 9M FY25

-5%

YoY contraction in  
EBITDA - 9MFY25

## Performance Takeaways

The operating performance of the company in the quarter was aberrant arising from a perfect storm of plants being idled because of deferred demand, lag adjusted recovery in agrochemical intermediates, and elevated raw material prices and oversupply from China.

On a segmental basis, dyes and pigments intermediates have a resilient demand where the company maintains a strong market share. Margins contracted because of a transient feedstock price increase. There is an expectation of margin expansion in this quarter. Intermediates like DASDA continue to be imported at unreasonable prices and the government has initiated an investigation of dumping. On the agrochemicals side, our plants were idled as customers prioritised inventory destocking. We are already experiencing volume pickup from international customers beginning this quarter and we are expecting domestic customers to start lifting by the end of the quarter. We expect thereafter demand patterns to normalize. On Performance Products, the outlook remains unchanged.

Continued...



# Performance highlights – Q3 & 9M FY25 (Consolidated) – Continued

Particulars (₹ crore)	Q3 FY25	Y-o-Y	Q-o-Q	9M FY25	Y-o-Y
Total Income	1,924	-5%	-6%	6,163	10%
EBITDA	190	-40%	-41%	836	-5%
PBT	135	-51%	-49%	674	-10%

## Performance Takeaways

In Deepak Phenolics, margins were compressed because of firm input prices as well as a planned shutdown for maintenance which resulted in unusual import quantities. On a positive note, post startup, capacity utilization has been enhanced by an additional 10% which came into the market at the same time as import parcels. We expect that the rationale for importing would be mitigated as the market digests increased domestic supply availability. The new asset to produce acetophenone will be commissioned in H1.

We have taken several measures to ensure that productivity and profitability are meaningfully improved. The company has commissioned four new products during Q3 and in the quarter with orders in hand. Cost improvement initiatives and debottlenecking activities will further improve performance. Our nitric acid complex is in the advanced stages of pre-commissioning and will feature in Q1 numbers. Other large projects are expected to be commissioned during H1. We are cautiously optimistic that Q4 onwards, profitability in DNL will return to normalized levels.

# Update on Projects: Ongoing

Nitric Acid



Nitric Acid plant

MIBK/ MIBC



MIBK & MIBC plant

Hydrogenation



Hydrogenation Plant

R&D Centre



R&D Centre, Savli

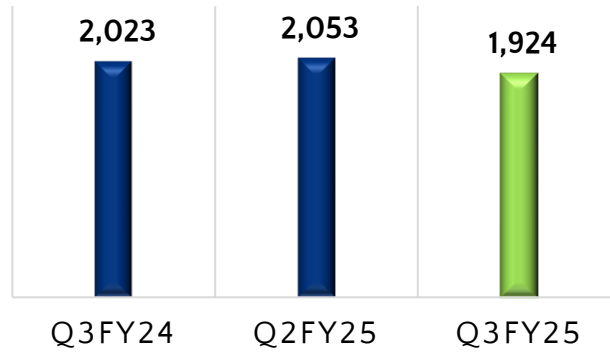
## Project Status

- Nitric Acid project is under pre-commissioning and expected to be commissioned toward the end of the current quarter.
- MIBK/MIBC Project: All Engineering and procurement is completed. Expected to be commissioned by H1 FY26
- Other Projects: Nitration and hydrogenation will be commissioned together in H2 FY 25. (Fluorination block was commissioned in Q4FY24)
- Acetophenone Project: Expected to be commissioned by H1FY26
- The R&D Centre at Savli, Vadodara, having an estimated total capital expenditure of ₹115 crore is on track for completion by March 2025. As of January 2025, about 85% of the project is completed.

# Q3 & 9M FY25 – Financial Highlights

Q3 FY25

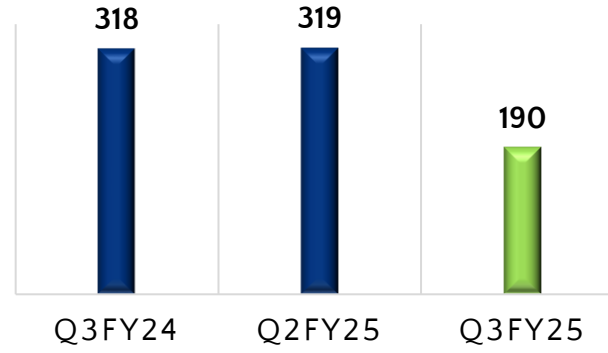
Total Income (₹ Cr.)



Y-o-Y **-5%**

Q-o-Q **-6%**

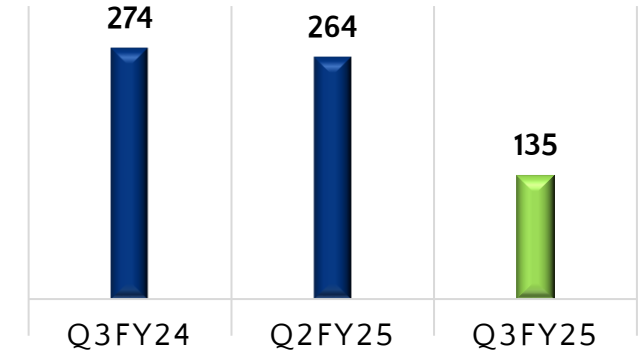
EBITDA (₹ Cr.)



Y-o-Y **-40%**

Q-o-Q **-41%**

PBT (₹ Cr.)

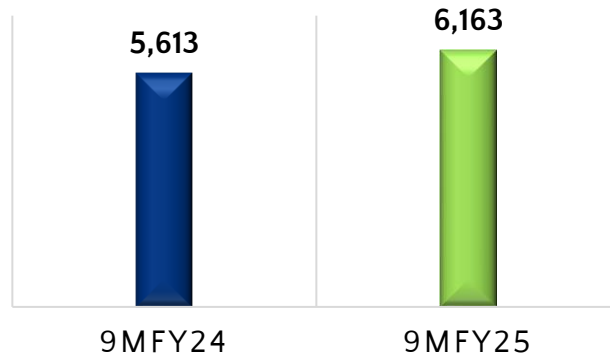


Y-o-Y **-51%**

Q-o-Q **-49%**

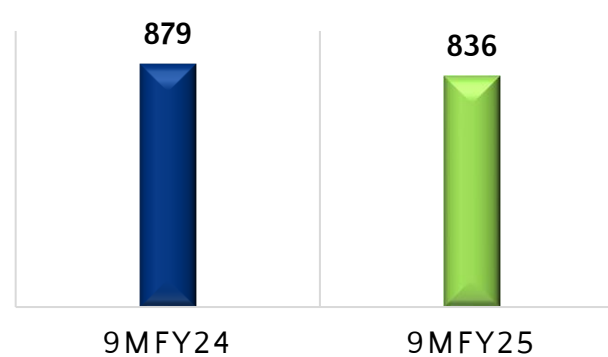
9M FY25

Total Income (₹ Cr.)



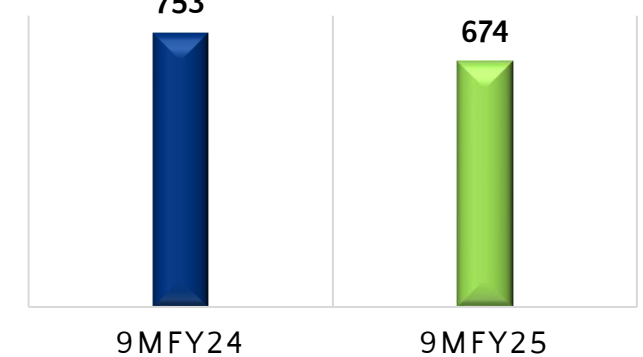
Y-o-Y **10%**

EBITDA (₹ Cr.)



Y-o-Y **-5%**

PBT (₹ Cr.)



Y-o-Y **-10%**



**Commenting on the performance for Q3 & 9M FY25, Mr. Deepak C. Mehta, Chairman & Managing Director said:**

*“Normally the business cycles of AI and phenolics are generally such that on an overall basis they complement each other. This is the first time we are experiencing both the businesses are going through short term challenges. I am happy we have been able to achieve yet another milestone in Phenol capacity utilization. Domestic production now more or less matches domestic demand and as market accepts the new normal, margin should improve.*

*On the AI business segment, the World has been going through de-stocking in the Agro-chem business. As an intermediate supplier, we have been impacted with a lag. As we see, Agro business picking up again it is a matter of time when our performance would be back to normal.*

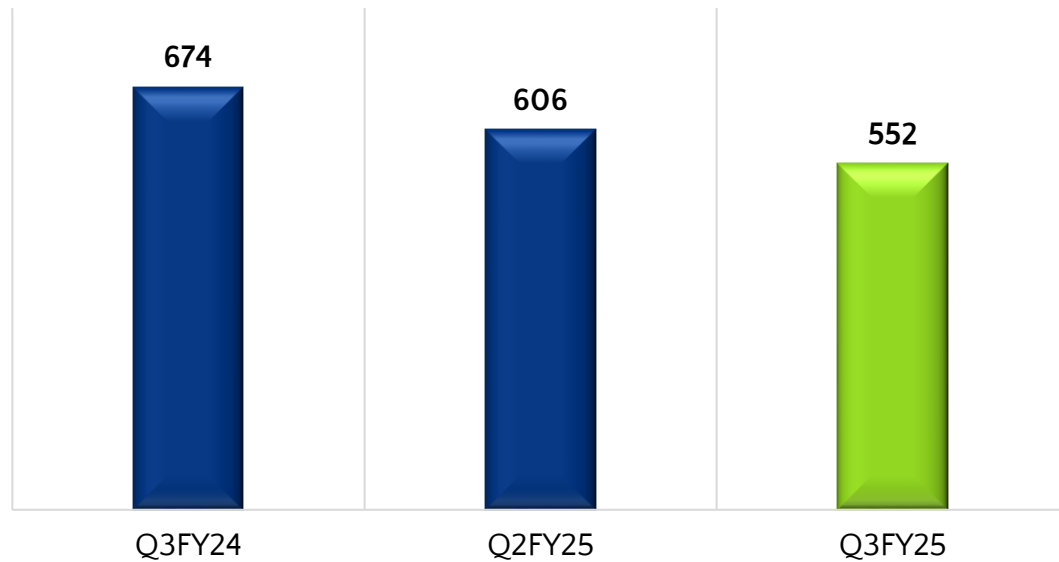
*New products in the Group including upstream products like nitric acid and downstream products like MIBK, MIBC should be coming into operations in the next few months. In the meantime, our long term plan for the polymer business is rapidly taking shape. Having entered into long term agreements for pipeline supply of critical feedstock and contracted to acquire German assets for the final product viz polycarbonate resins, we are actively working to complete the entire value chain. India continues to import almost 300kta of polycarbonate resin. Deepak will be producing about 160kta in the first phase. All our projects are targeted to be completed by the end of FY2028.*

*Overall, we remain committed to investing in strategic growth initiatives, including new product development and targeted market expansion, to ensure long-term value creation for our shareholders.”*



# Advanced Intermediates

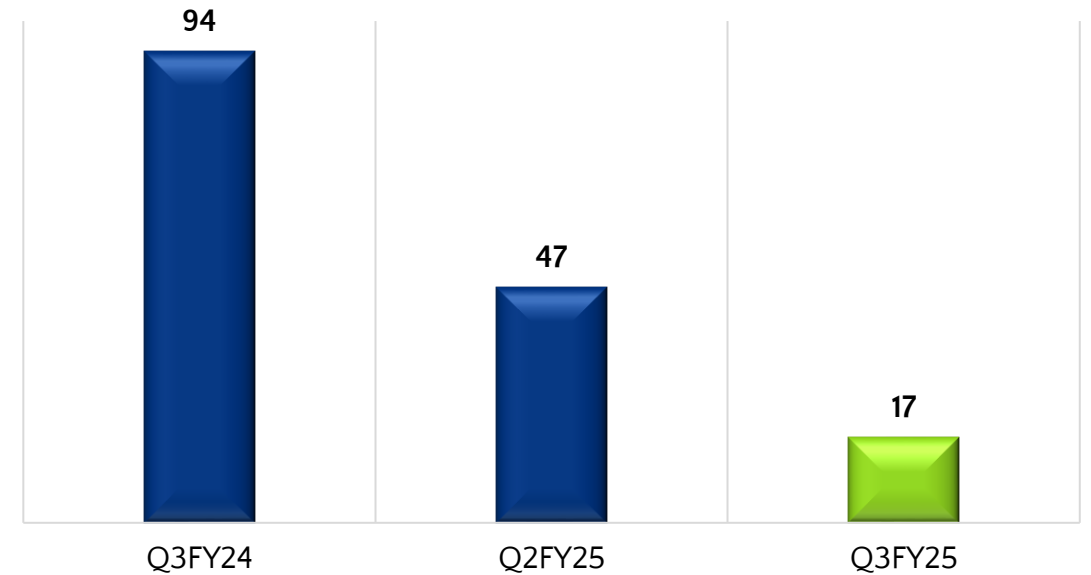
### Revenue from Operations (₹ Cr.)



Y-o-Y **-18%**

Q-o-Q **-9%**

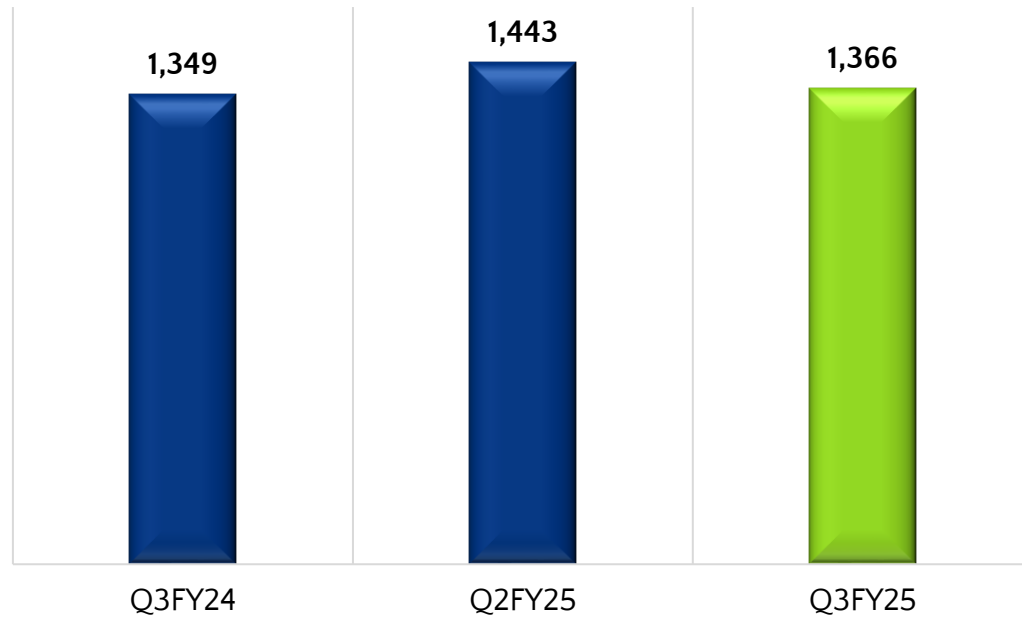
### EBIT (₹ Cr.)



Y-o-Y **-82%**

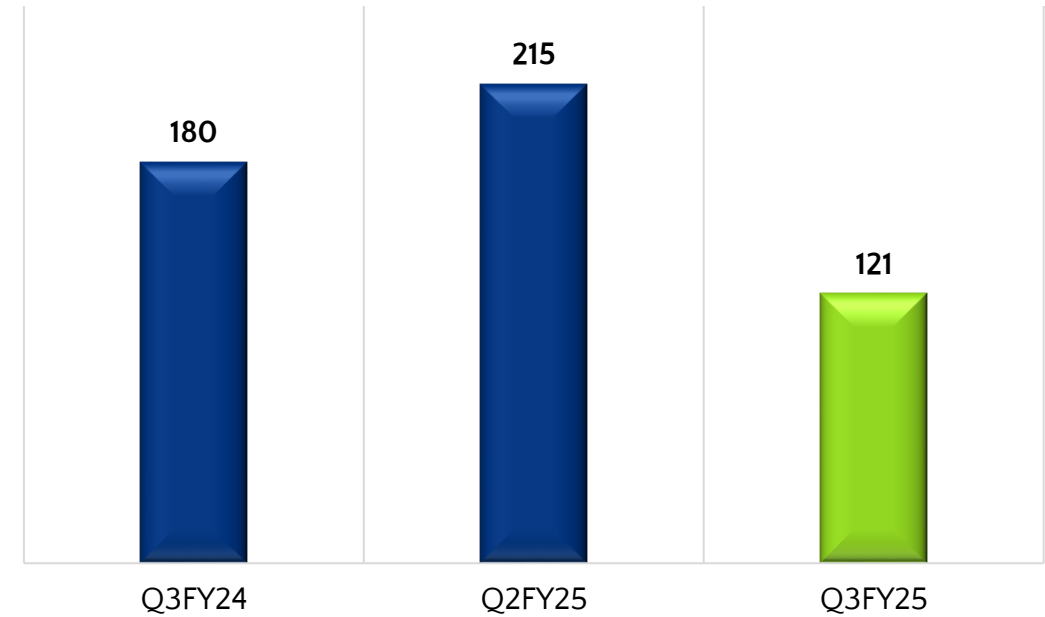
Q-o-Q **-64%**

### Revenue from Operations (₹ Cr.)



Y-o-Y <b>1%</b>	Q-o-Q <b>-5%</b>
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### EBIT (₹ Cr.)



Y-o-Y <b>-33%</b>	Q-o-Q <b>-44%</b>
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## Outlook

- On a broader industry level, there are initial signs of improved demand from international customers while domestic customers are expected to follow from the fourth quarter onwards leading to normalisation of demand patterns
- Major consuming regions have been going through de-stocking in the Agro-chem business and a lag adjusted recovery in agrochemical intermediates is underway
- Certain intermediates which witnessed transient feedstock increase are expected to witness margin expansion as raw material prices which were elevated are expected to ease
- The demand side for polymers is steadily taking shape in the domestic landscape as a slew of projects with high requirements are moving from concept into implementation
- With several projects set to be commissioned in the near future, we anticipate that we will be better positioned to capture value from additional parts of the value chain both upstream and downstream

India is experiencing a manufacturing shift, supported by favorable policies, a stable government, skilled labor, and growing consumption. Future investments will introduce new product chemistries, driving significant growth opportunities.

# Consolidated P&L Statement

Particulars (₹ crore)	Q3 FY25	Q2 FY25	Q-o-Q (%)	Q3 FY24	Y-o-Y (%)	9M FY25	9M FY24	Y-o-Y (%)
<b>Revenue</b>	1,903	2,032	-6%	2,009	-5%	6,102	5,556	10%
Other Income	21	21	-1%	14	55%	61	57	7%
<b>Total Revenue</b>	<b>1,924</b>	<b>2,053</b>	-6%	<b>2,023</b>	-5%	<b>6,163</b>	<b>5,613</b>	10%
<b>Total Expenditure</b>	1,735	1,734	0%	1,705	2%	5,327	4,733	13%
○ Raw Material consumption and change in inventory	1,393	1,382	1%	1,373	1%	4,276	3,762	14%
○ Employee benefits expense	98	97	1%	89	10%	291	258	13%
○ Power & fuel expenses	109	122	-11%	109	0%	349	344	1%
○ Other expenses	135	133	1%	134	1%	412	369	12%
<b>EBITDA</b>	<b>190</b>	<b>319</b>	-41%	<b>318</b>	-40%	<b>836</b>	<b>879</b>	-5%
<b>EBITDA Margin (%)</b>	10%	16%	-37%	16%	-37%	14%	16%	-13%
Finance Costs	6	6	-3%	3	108%	18	7	145%
Depreciation and Amortization	48	48	0%	42	16%	144	119	21%
<b>PBT Before Exceptional Items</b>	<b>135</b>	<b>264</b>	-49%	<b>274</b>	-51%	<b>674</b>	<b>753</b>	-10%
Exceptional Items	-	-	-	-	-	-	-	-
<b>PBT After Exceptional Items</b>	<b>135</b>	<b>264</b>	-49%	<b>274</b>	-51%	<b>674</b>	<b>753</b>	-10%
Tax expense	37	70	-47%	72	-48%	179	195	-8%
<b>PAT</b>	<b>98</b>	<b>194</b>	-49%	<b>202</b>	-51%	<b>495</b>	<b>557</b>	-11%
<b>PAT Margin (%)</b>	5%	9%	-46%	10%	-49%	8%	10%	-19%
<b>EPS Basic &amp; Diluted (₹)</b>	7.19	14.24	-49%	14.81	-51%	36.28	40.84	-11%



# Consolidated – Segmental Revenue & EBIT Break-up

Particulars ( ₹ crore)	Q3 FY25	Q2 FY25	Q-o-Q (%)	Q3 FY24	Y-o-Y (%)	9M FY25	9M FY24	Y-o-Y (%)
Advanced Intermediates	552	606	-9%	674	-18%	1,873	2,053	-9%
Phenolics	1,366	1,443	-5%	1,349	1%	4,273	3,537	21%
Less - Inter segment	14	17	-20%	14	-3%	44	35	27%
<b>Total</b>	<b>1,903</b>	<b>2,032</b>	<b>-6%</b>	<b>2,009</b>	<b>-5%</b>	<b>6,102</b>	<b>5,556</b>	<b>10%</b>

Particulars ( ₹ crore)	Q3 FY25	Q2 FY25	Q-o-Q (%)	Q3 FY24	Y-o-Y (%)	9M FY25	9M FY24	Y-o-Y (%)
<b>EBIT</b>								
Advanced Intermediates	17	47	-64%	94	-82%	131	312	-58%
Phenolics	121	215	-44%	180	-33%	544	438	24%
<b>EBIT %</b>								
Advanced Intermediates	3%	8%	-61%	14%	-78%	7%	15%	-54%
Phenolics	9%	15%	-40%	13%	-33%	13%	12%	3%

# About Us & Contact Details

**Deepak Nitrite Limited (NSE: DEEPAKNTR, BSE: 506401)** is a leading chemical intermediates producer with a diversified portfolio that caters to the dyes and pigments, agrochemical, pharmaceutical, plastics, textiles, paper and home and personal care segments and petrol derivatives intermediates - phenolics, acetone and IPA in India and overseas. Its products are manufactured across 6 locations, which are all accredited by Responsible Care.

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# Thank You

