



29th October, 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 and six months ended 30th September, 2024

Dear Sir / Madam,

Please find enclosed an earnings presentation of the Company for the quarter and six months ended 30th September, 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



From
**Volume to
Value** with
**Passion
& Purpose**



**DEEPAK FERTILISERS
AND PETROCHEMICALS
CORPORATION LIMITED**

(BSE: 500645; NSE: DEEPAKFERT)

Earning Presentation Q2FY25

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October 2024

Content



Company Overview



Q2FY25 Results Overview



Project Update

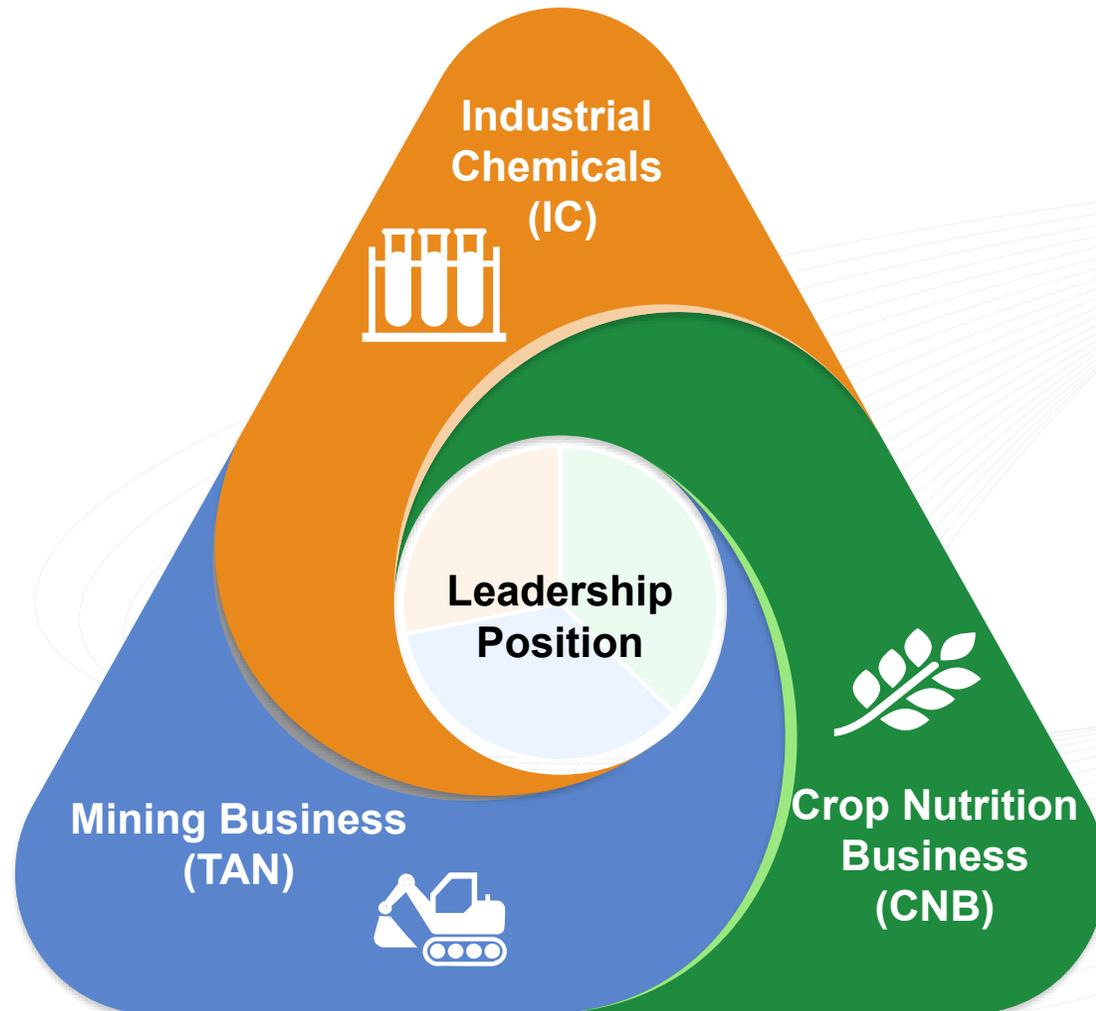


Corporate Social Responsibilities



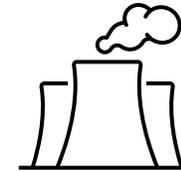
Shareholder Value

India's Leading Chemical and Fertilisers Producer



40+ Years

Rich Experience of Developing
3 verticals



6

Manufacturing Sites



2,300+

Employees



US\$ ~1.6 billion

Market Capitalization

(as on 30 September 2024)

Strong Competitive Offering



Mining Chemicals

Capacity: Technical Ammonium Nitrate
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**

- largest manufacturer of Nitric Acid in South East Asia.
- One of the major player in the merchant Iso Propyl Alcohol (IPA) market in India
- Strategic entry to provide basket of solvents to Pharma sector
- **Products:** Varieties of Nitric Acid, IPA, Methanol, LCO₂ & Pharmacopeia Solvents
- **End Market**
 - Pharma
 - Nitroaromatics
 - Explosive
 - Chemical derivatives

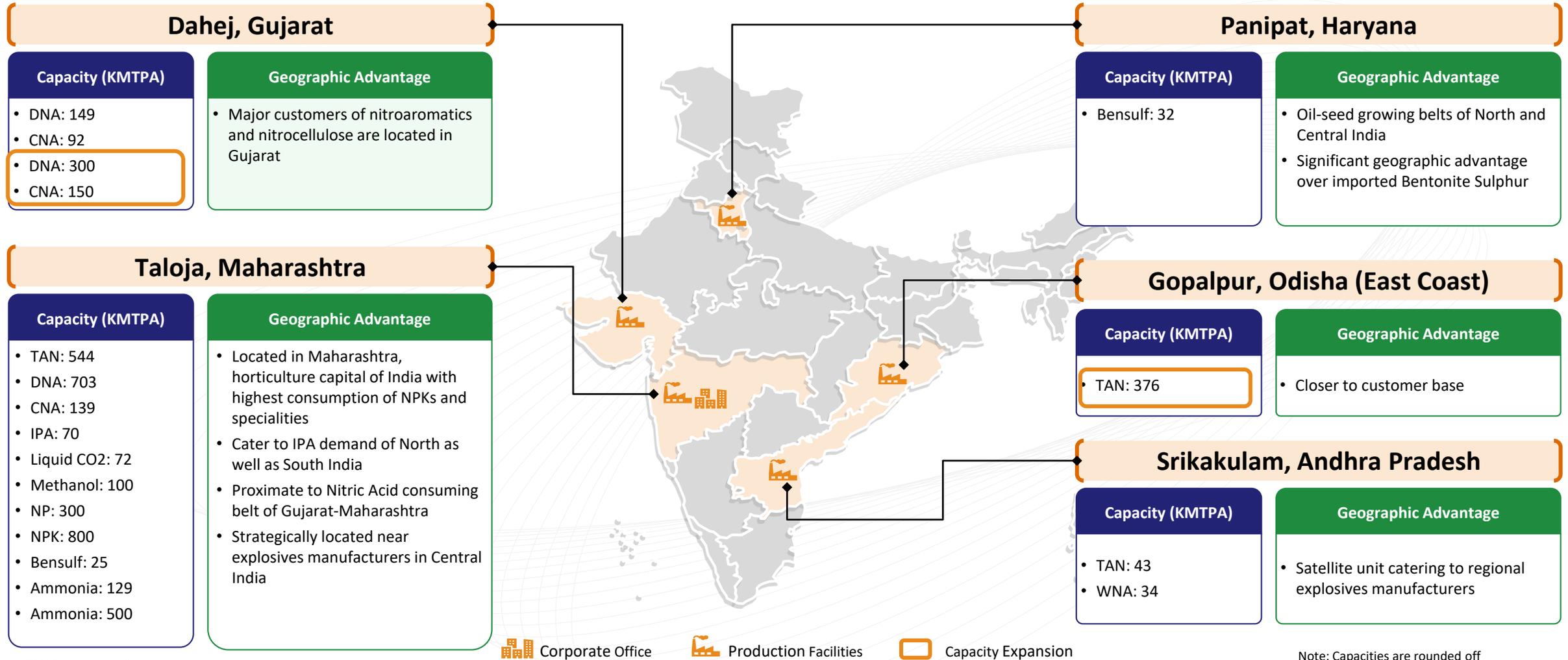


Crop Nutrition

Capacity: NP **300 KTPA**
NPK **800 KTPA**
Bensulf **57 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 specialty and water-soluble fertilisers in India
- **Products:** Specialty Complex fertilisers branded as Smartek & Croptek, Water Soluble fertilisers and Bentonite Sulphur
- **End Market**
 - Cash Crops
 - Fruits & Vegetables
 - Oils and Seeds crops
 - Water Soluble Segment

Strategic Geographic Footprints



* TAN Debottlenecking

Note: Capacities are rounded off

Leadership Position In All Business Portfolio

Mining Chemicals



Domestic market share
40% in TAN

34% of Revenue

Industrial Chemicals



Pioneer in
ISO Propyl Alcohol
Domestic market share
53% in CNA'
29% in DNA
30% in Merchant IPA

21% of Revenue

Crop Nutrition Business

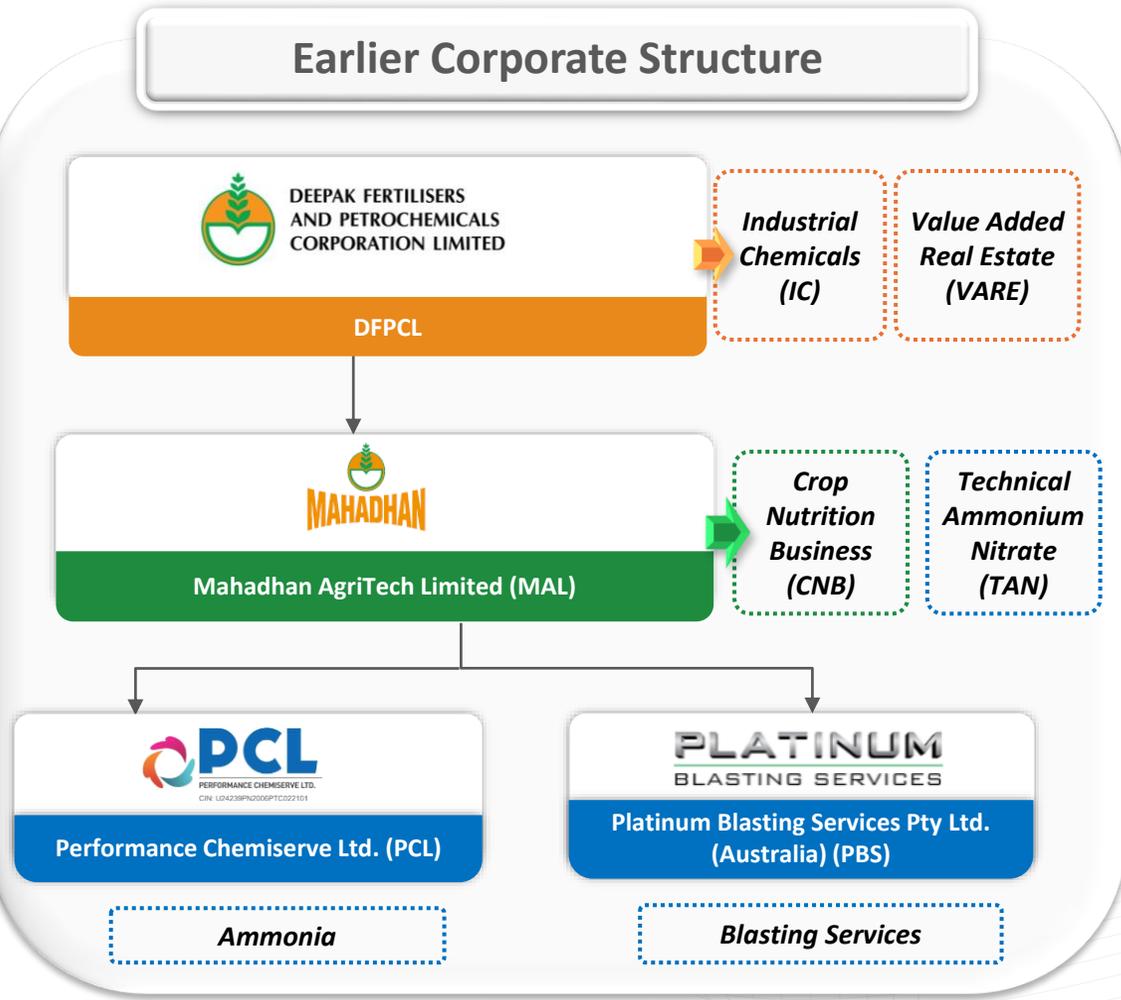


Leading player in
specialty and
water-soluble
fertilizers in India

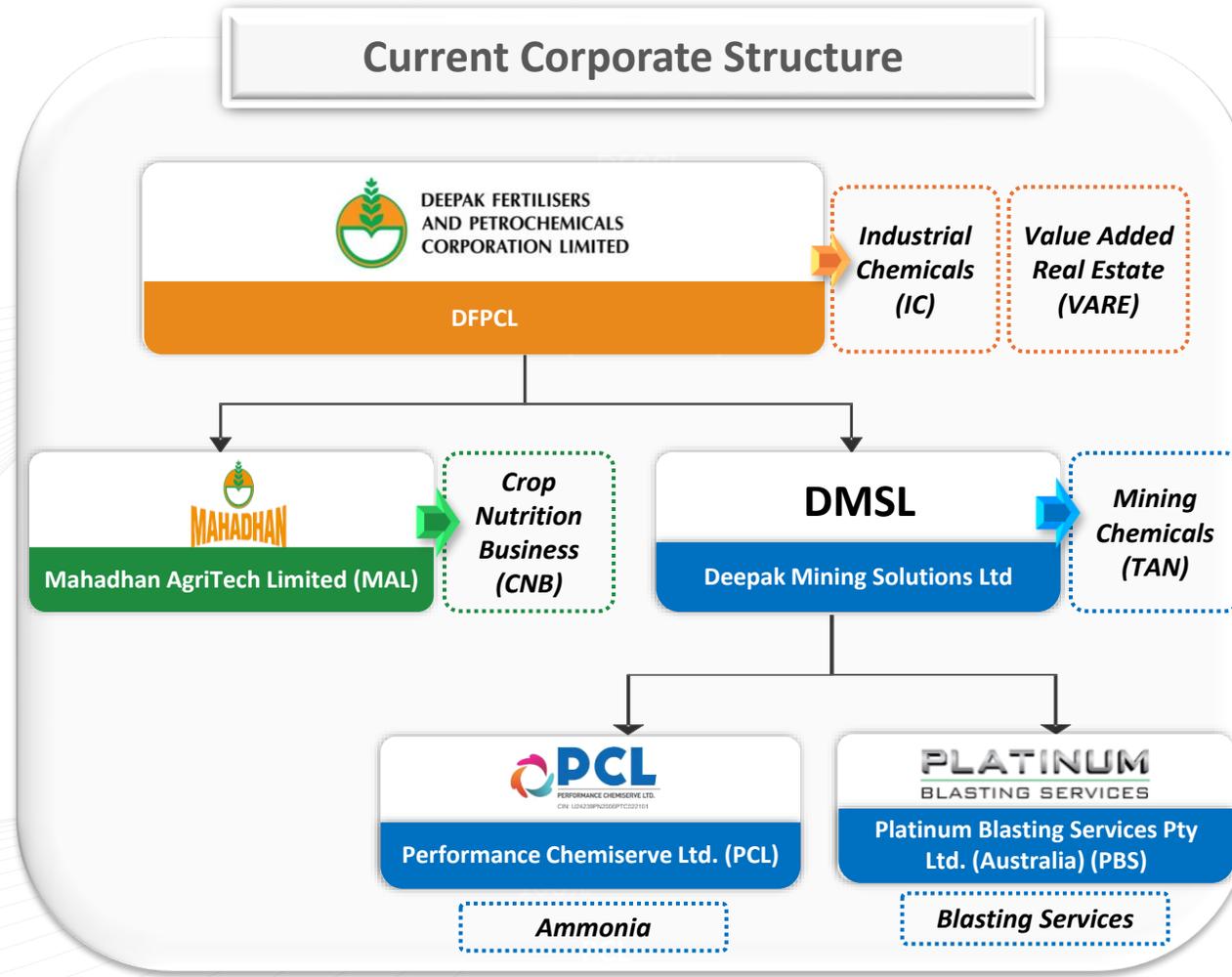
44% of Revenue

Businesses Demerged for Focused Leadership

Earlier Corporate Structure

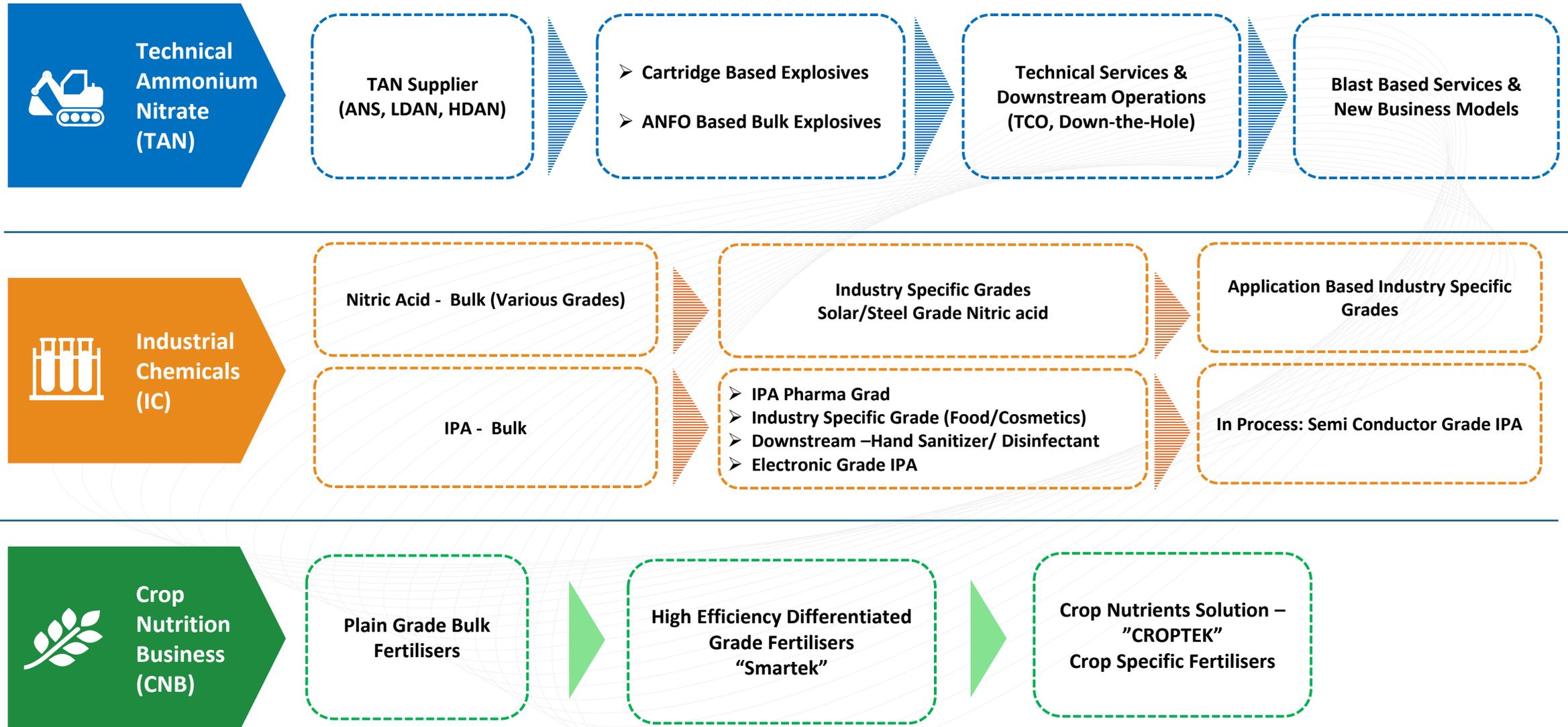


Current Corporate Structure



- The demerger plan for its Mining Chemicals and Fertiliser Businesses was approved by board on December 15, 2022. The composite scheme of arrangement was admitted by NCLT on January 25, 2023, and subsequently NCLT approved the scheme on June 28, 2024, and certified true copy of the order received on July 11, 2024.
- Smartchem Technologies has been renamed Mahadhan AgriTech Limited ('MAL') effective from April 20, 2023.

Transitioning From Commodity To Specialty



Results Update: Key Highlights of Q2FY25 (Consolidated)

Revenue Growth

13% (YoY) ↑

**Absolute EBITDA
Growth**

73% (YoY) ↑

PAT Growth

237% (YoY) ↑

**Net Debt to
EBITDA**

September 2024: 1.64x ↑
March 2024: 2.66 x

**EBITDA Margin
Growth**

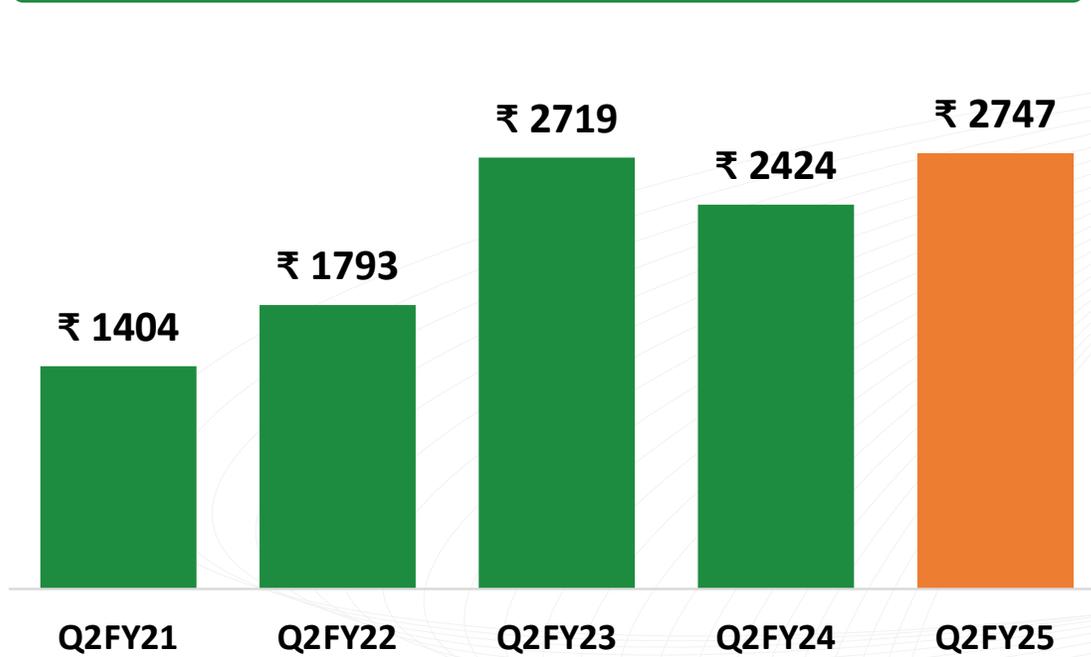
619 bps ↑
(YoY)

**PAT Margin
Growth**

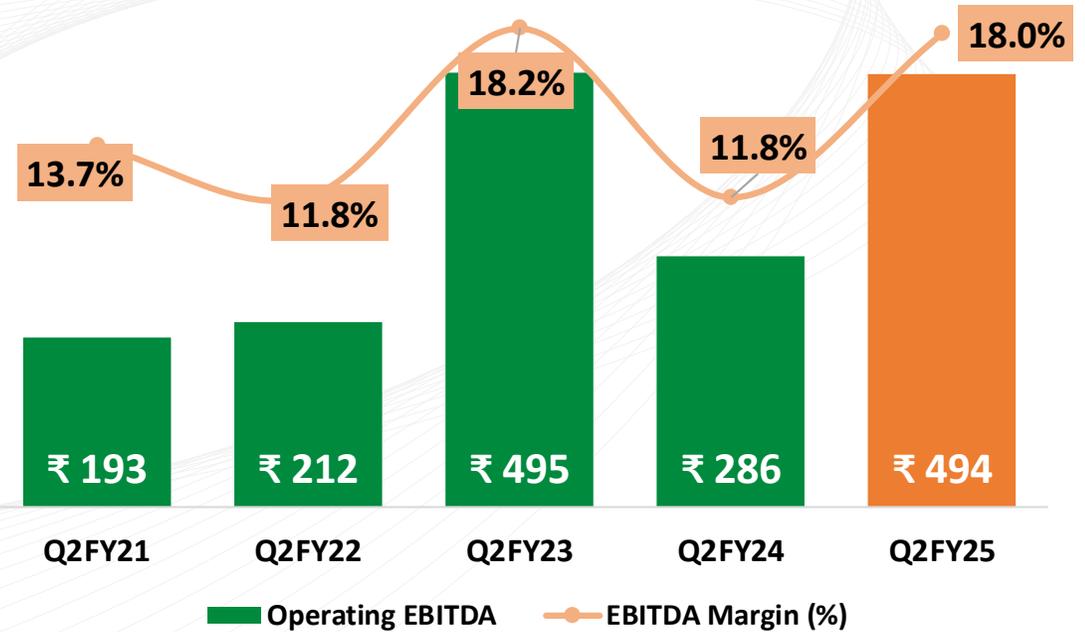
518 bps ↑
(YoY)

Continued Growth momentum in Q2FY25 with 619 bps Surge in EBITDA Margin

Operating Revenues (Rs. Cr)



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



Over the last 5 quarters of Q2, revenue and operating EBITDA has demonstrated sustainable growth trend.

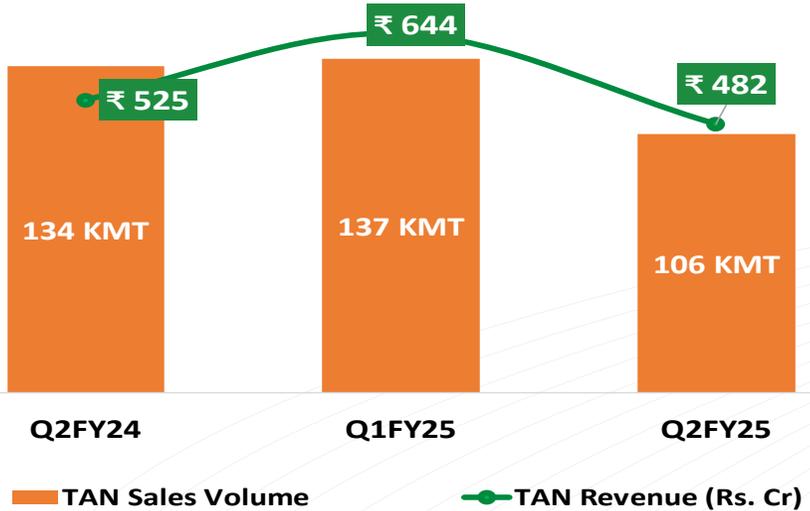
Q2FY25 and H1FY25 Consolidated Financials

Rs. In Crore

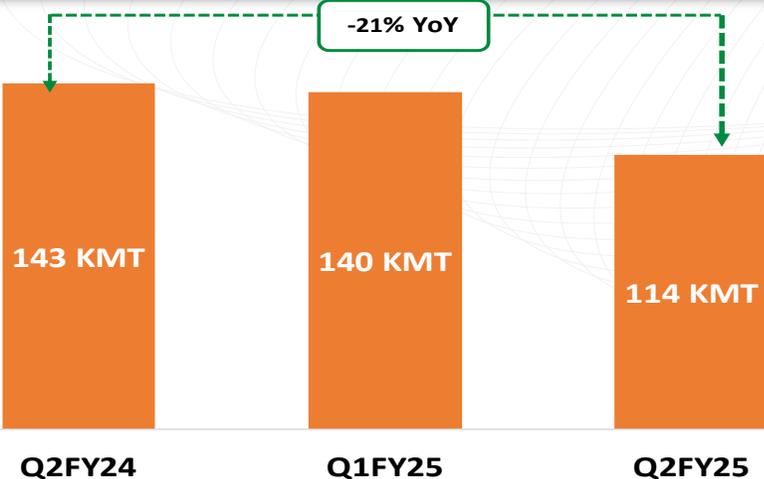
INR CR	Q2FY25	Q2FY24	YoY	Q1FY25	QoQ	H1FY25	H1FY24	YoY
Operating Revenue	2,747	2,424	13%	2,281	20%	5,028	4,737	6%
Operating EBITDA	494	286	73%	464	6%	959	567	69%
<i>Margins (%)</i>	18%	12%	619 bps	20%	(237) Bps	19%	12%	710 bps
Finance Cost	103	107	(4)%	111	(7)%	214	186	15%
D&A	100	81	23%	95	4%	195	141	39%
Net Profit	214	63	237%	200	7%	414	177	134%
<i>Margin (%)</i>	8%	3%	518 bps	9%	(96) bps	8%	4%	449 bps
Cash Profit	314	145	117%	295	6%	609	318	92%

Mining Chemicals Business (TAN) : Q2FY25 Performance

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



TAN Production (KMT)



Highlights

Q2FY25:

- In Q2 FY25, our premium product LDAN's sales volume soared by 16% YoY and rose by an impressive 20% in H1 FY25 compared to H1 FY24
- Overall sales volume was down by 21% YoY in Q2 mainly because of planned shutdown and lean seasons due to monsoon. However, revenue only fell by 8% YoY.
- In the first half of FY25, volumes decreased by 1% compared to H1 FY24, while revenue rose by 6% YoY.

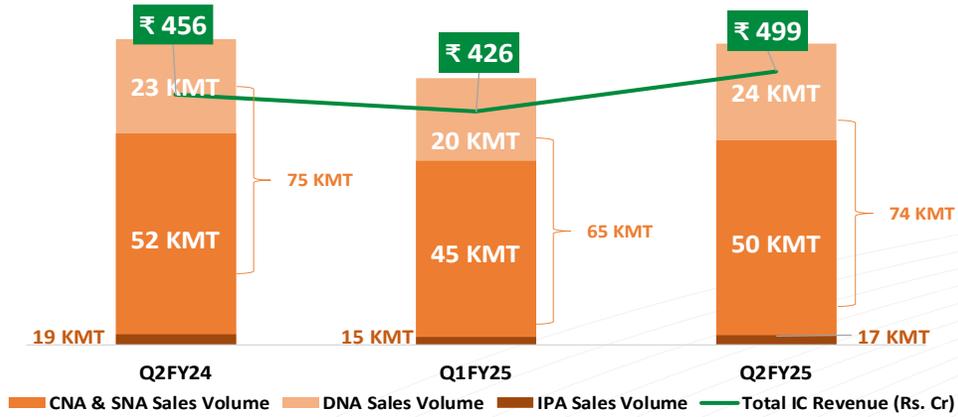
Outlook:

- The mining and infrastructure is expected to pick up post monsoon as demand for Power(Coal), Cement & Steel is expected to increase thereby providing robust support for TAN demand.

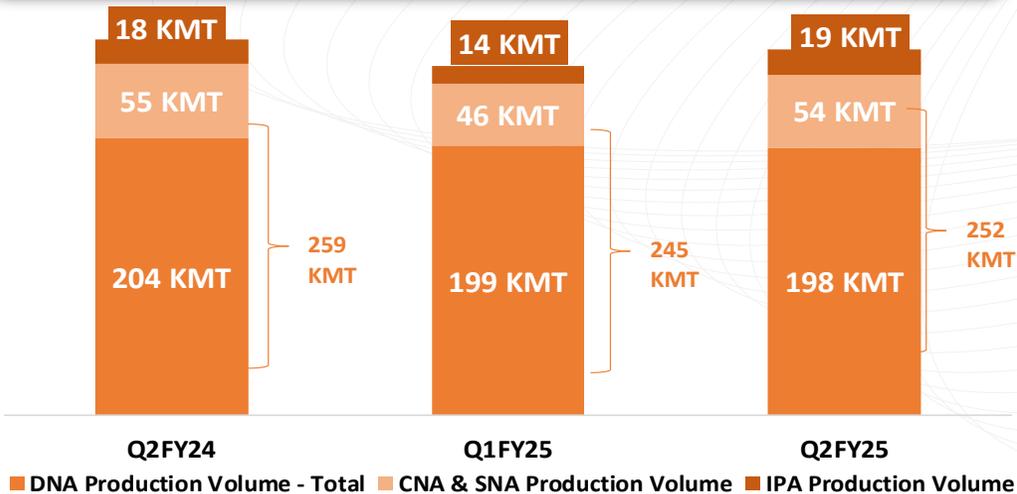
Capacity Utilization: Q2FY25: 85%

Industrial Chemicals Business : Q2FY25 Performance

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



Industrial Chemical Production (KMT)



Highlights

Q2FY25 Overview:

- Nitric acid volumes decreased slightly by 1% YoY, and IPA volumes fell by 10% YoY basis. Despite this, revenue for the industrial chemicals business increased by 9%.
- The specialty stainless steel grade nitric acid has received positive feedback from customers.
- IPA volumes have declined due to process constraints and plant shutdown. ADD has been implemented from October 22, 2024, for a duration of five years, which will help the domestic manufacturers to sustain the margins going forward.

Outlook:

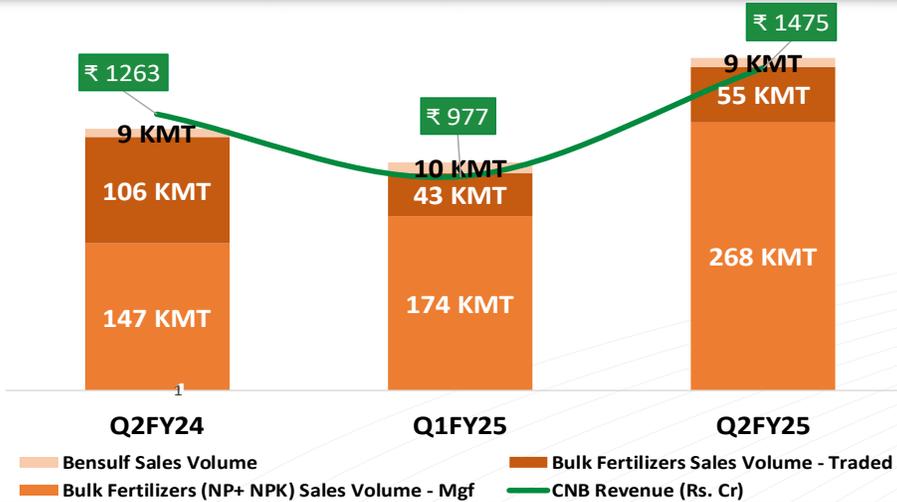
- For Nitric Acid, the demand and margins are expected to be stable over the next few quarters.
- Propylene-based IPA demand and margins are expected to be stable and improve following the implementation of the ADD on Chinese suppliers over few quarters.

Nitric acid Capacity Utilization: Q2FY25: 90%

IPA Capacity Utilization: Q2FY25: 108%

Crop Nutrition Business: Q2FY25 Performance

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



CNB Production (KMT)



Highlights

Q2 FY25 Overview:

- In Q2 FY25, manufactured bulk fertilizer has achieved highest ever sales volume of 268 KMT, an 83% YoY increase, driven by improved demand from above-average rains, which led to 102% Kharif crop sowing and positive market sentiment across all regions.
- Sales of Crop Tek surged to 37 KMT, reflecting a 70% YoY growth, with continued focus on providing crop-specific solutions for targeted crops, including cotton, soybean, sugarcane, corn, grapes, pomegranate, and banana.
- The company has recently launched premium water-soluble fertilizer grades.
- Sale of specialty fertilizer Bensulf was 9 KMT, up 7% YoY.

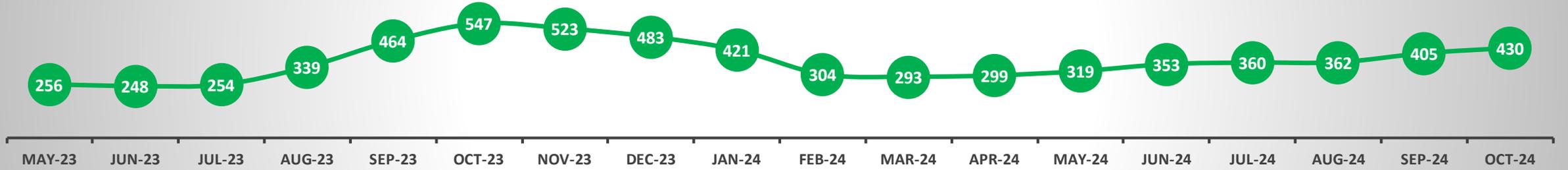
Outlook:

- The above-normal monsoon has improved groundwater availability and filled irrigation projects, indicating a promising rabi season.
- We anticipate increased acreage for rabi cash crops, particularly sugarcane, onion, and potato.
- The company will continue to focus on promoting Croptek for sugarcane and onion through targeted campaigns and Solutek for grapes

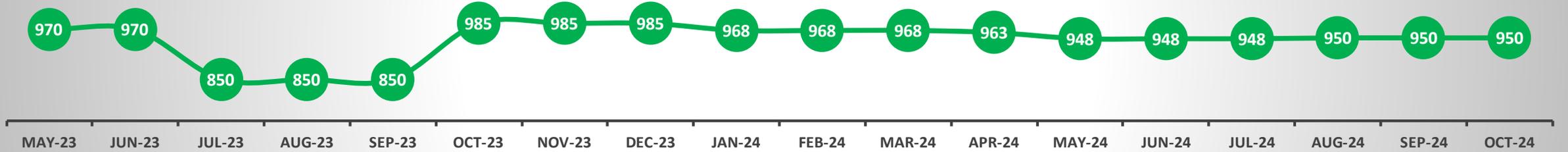
Bulk Manufacturing Capacity Utilization: Q2FY25: 80%

Raw Material Price Movement in Last 18 Months

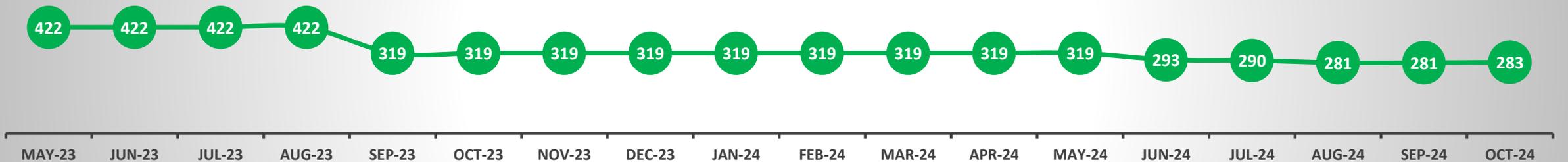
Ammonia Bulk FOB - ME (\$/MT)



Phosphoric Acid Bulk CFR (\$/MT)

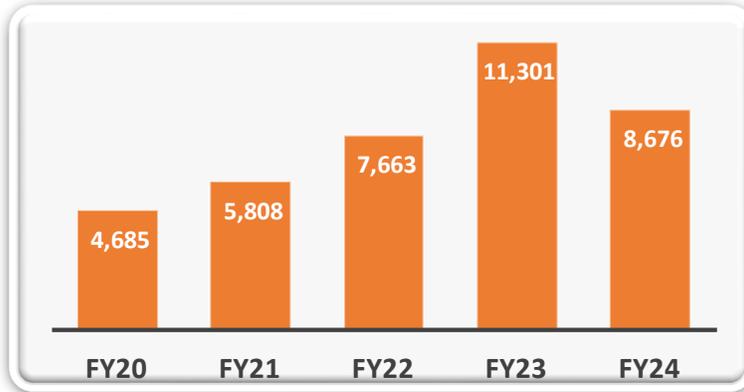


Potash Bulk CFR India (\$/MT)

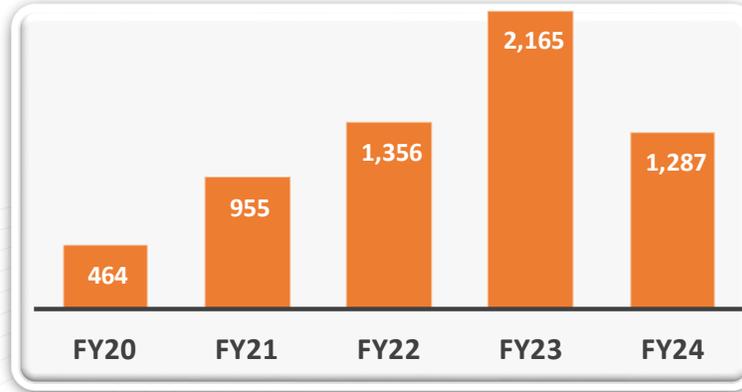


Historical Consolidated Financials

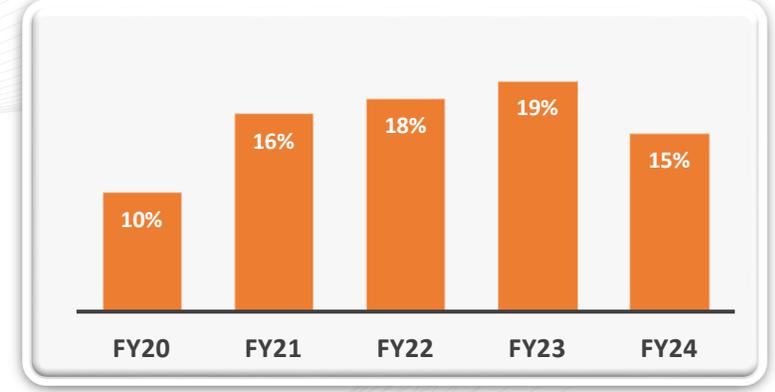
Operating Revenue (Rs. Cr)



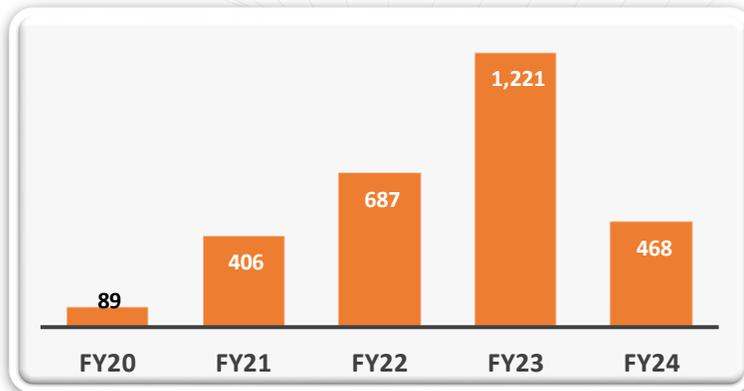
Operating EBITDA (Rs. Cr)



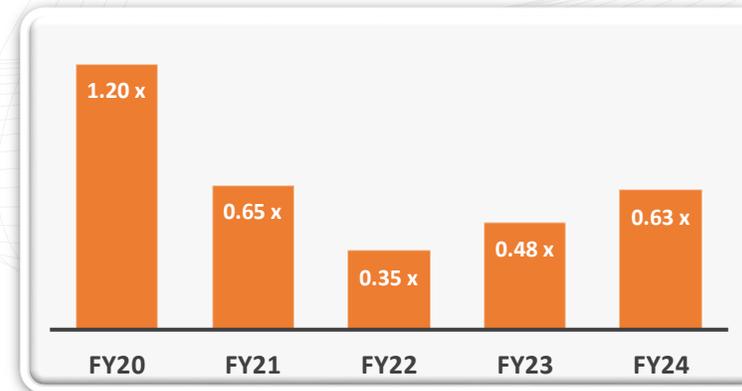
EBITDA Margin (%)



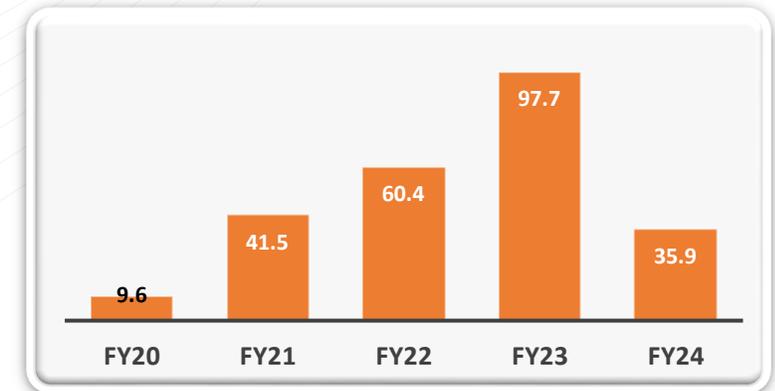
PAT (Rs. Cr)



Net Debt/Equity (x)



EPS (Rs.)



Attractive Capex of Rs.4,500 crores Underway

TAN Project, Gopalpur

- **Capacity:** 376 KTPA.
- **Expected Commissioning:** H2FY26
- Post-expansion, total AN capacity will be ~1.0 MMTPA, making us **3rd largest** pure-play TAN producer globally
- **Strategic Location Advantages:**
 - Closer to major mining areas in East India
 - Port based location- favourable for exports

Nitric Acid Project, Dahej

- **Capacity :** WNA 300 KTPA & C'NA 150 KTPA
- **Expected Commissioning:** H2FY26
- Post-expansion, total WNA capacity will be closer to 1.2 MMTPA, making us **Asia's largest manufacturer** of Nitric Acid.
- **Strategic Location:** Closer to major consumers in West and Central India.
- **65% CN'A capacity tied up** through a 20 years long term contract

Capitalizing on 40 Years of Know-How and Riding the India Growth Story

Strengthening Our Balance Sheet

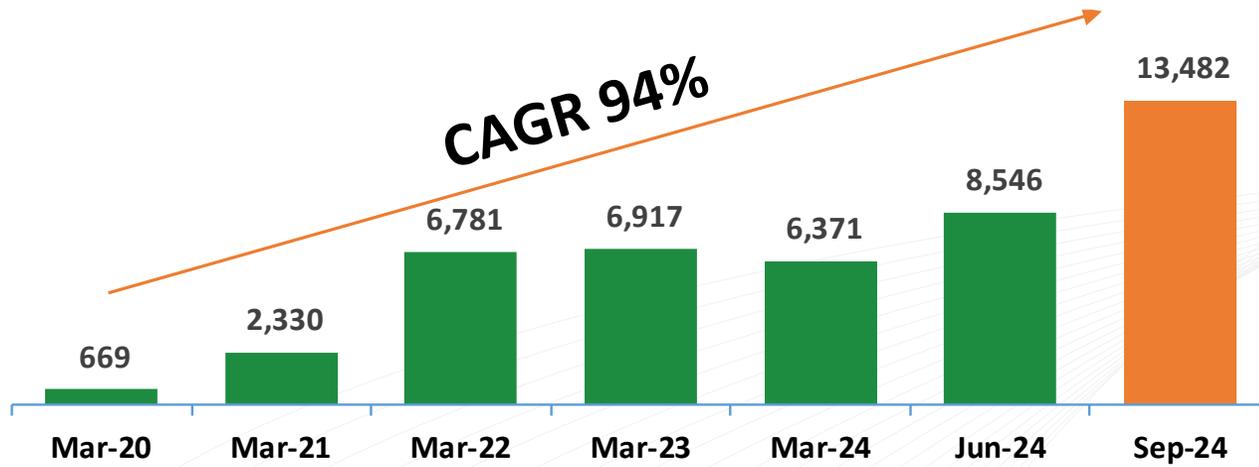
(Rs. CR)	Sep-24	Mar-24
ST Debt	1,099	654
LT Debt	2,276	3,063
Current Maturities	268	329
Total Debt	3,643	4,045
Cash & Cash Equivalent	269	226
Other Bank Balances	104	135
Investment in MFs	123	258
Net Debt	3,147	3,426

Leverage Ratios	Sep-24	Mar-24	Change
Net Debt/Equity (x)	0.55x	0.63x	-0.07
Net Debt/EBIDTA (x)	1.64x	2.66x	-1.01

- Increase in short term debt on account of reclassification of long-term debt of PCL NCD to short term debt.
- **Pre-payment of Rs.200 Crore debt** help to reduce gross debt by 10%.
- CRISIL has upgraded PCL long term rating to AA-/stable.

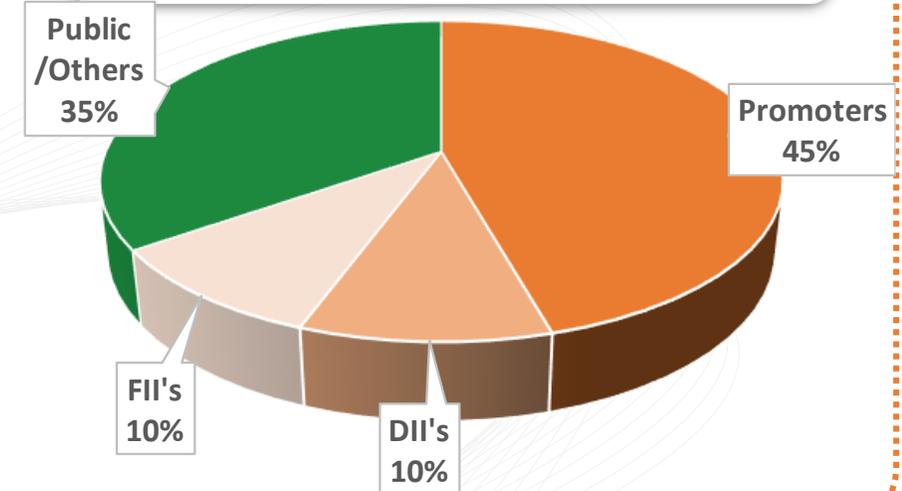
Delivering Value to Our Shareholders

Market Cap* (Rs. Crores)



* Market cap represents as on date.

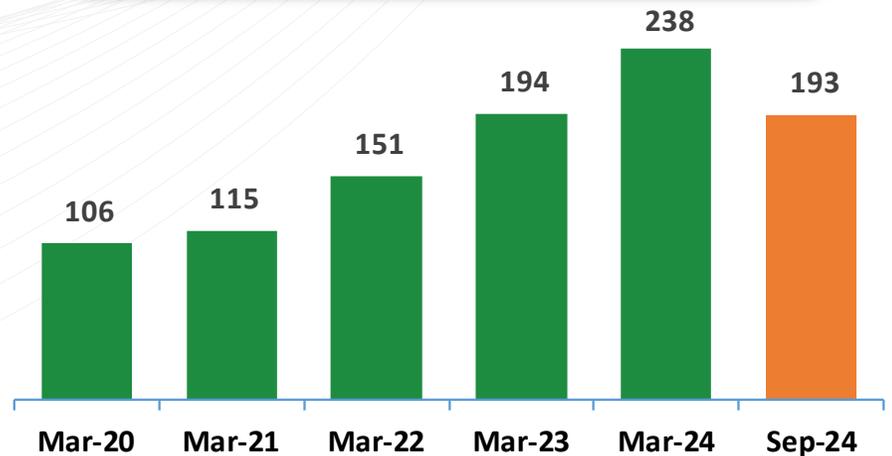
Shareholding Pattern (Sep 24)



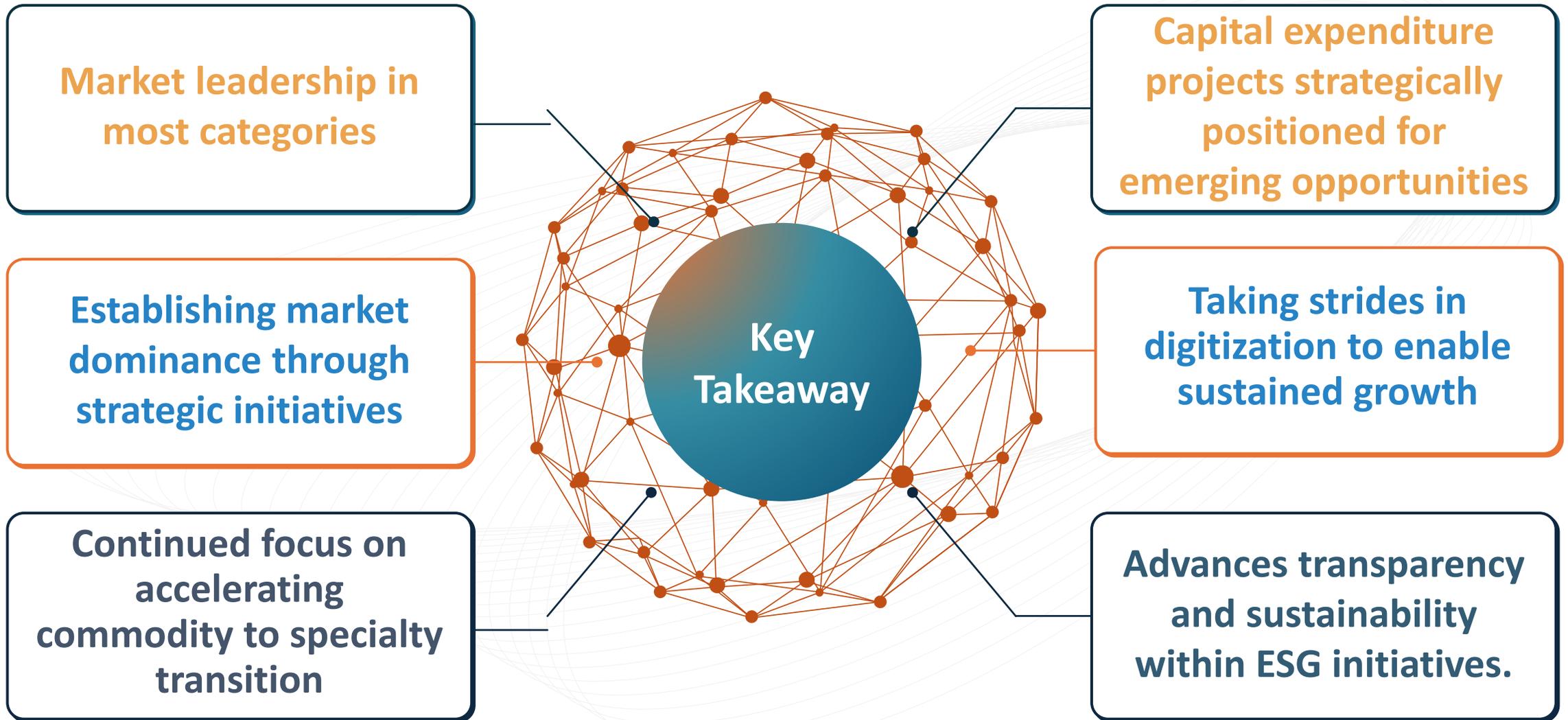
Value
Creation

CAGR
94%

Total No. of Shareholders (in 000')



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

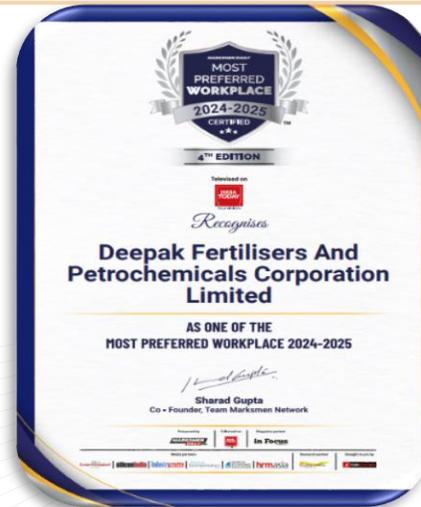


Recent Awards and Recognition



LEADERSHIP (BEST CEO)

Business Today, named **Mr. Sailesh Mehta**, Chairman & Managing Director, DFPCL as the **'BT Best CEO'** in the Natural Resources (Chemicals, Metals & Mining) Category



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



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



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

Corporate Social Responsibility for Inclusive Community Welfare



Project-Aarogyam
Mobile Medical Unit, Taloja



Project- Vocational Skill Development
Banking & Finance course, Pune



Project-Dairy Development
Support for Purchase of Buffalo. Taloja



Project- LEED
Yellow Ribbon NGO & Artisan Fair, Pune



Gyanam: Digital classroom
Raigad ZP schools in Taloja



Project- Wadi
Support for Mango Orchard, Taloja



Project- LEED
Entrepreneurship Development, Taloja



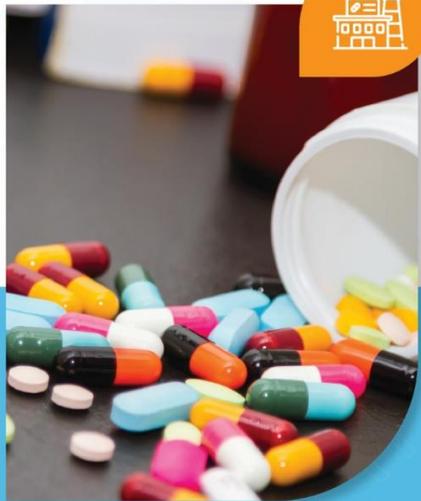
Project- Social Welfare
RO Drinking water facility, Taloja

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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