



05 November 2020

The Secretary
BSE Limited
Phiroze Jeejeebhoy Towers,
Dalal Street, Fort,
Mumbai – 400 001

Listing Department
National Stock Exchange of India Ltd.
“Exchange Plaza”,
Bandra-Kurla Complex, Bandra (E)
Mumbai – 400 051

Subject: Earnings Presentation for the quarter ended 30th September, 2020

Dear Sir / Madam,

Please find enclosed an earnings presentation of the Company for the quarter ended 30th September, 2020.

We request you to take the same on your record.

Thanking you,
Yours faithfully,

**For Deepak Fertilisers
And Petrochemicals Corporation Limited**

**K. Subharaman
Executive Vice President (Legal) & Company Secretary**

Encl: as above



Products to Solutions
Commodities to Brands



DEEPAK FERTILISERS
AND PETROCHEMICALS
CORPORATION LIMITED



INDUSTRIAL CHEMICALS



MINING CHEMICALS



CROP NUTRITION

Deepak Fertilisers And Petrochemicals Corporation Ltd.

Q2 FY2021 Earnings Presentation

(BSE: 500645; NSE: DEEPAKFERT)

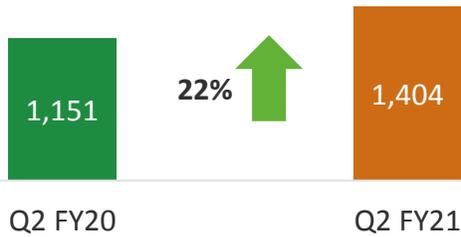
November 05, 2020

A Journey of 40 Years

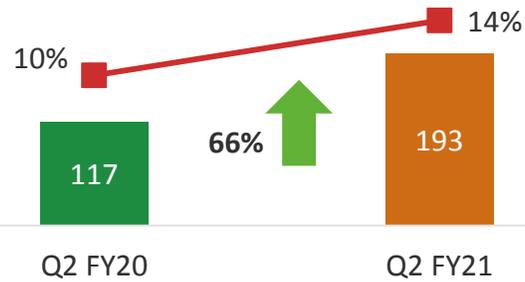
Consolidated Financial Highlights: Q2 and H1 FY2021

Q2 FY2020 V Q2 FY2021

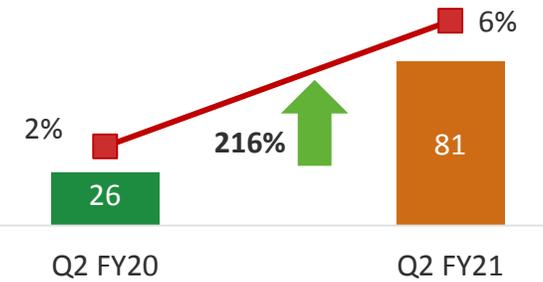
Revenue from Operations



EBITDA and EBITDA Margin

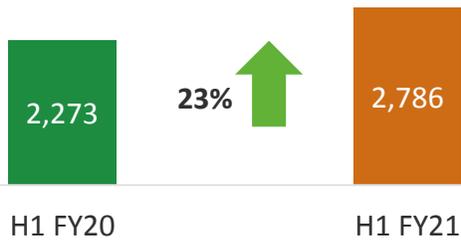


PAT and PAT Margin

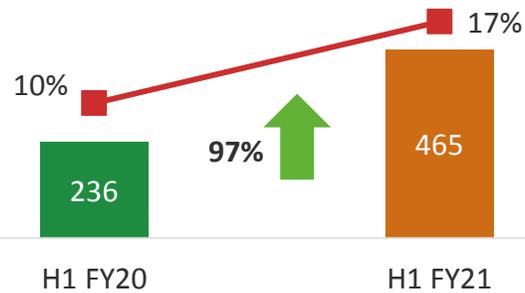


H1 FY2020 V H1 FY2021

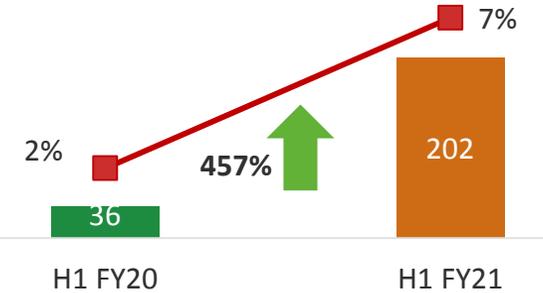
Revenue from Operations



EBITDA and EBITDA Margin



PAT and PAT Margin



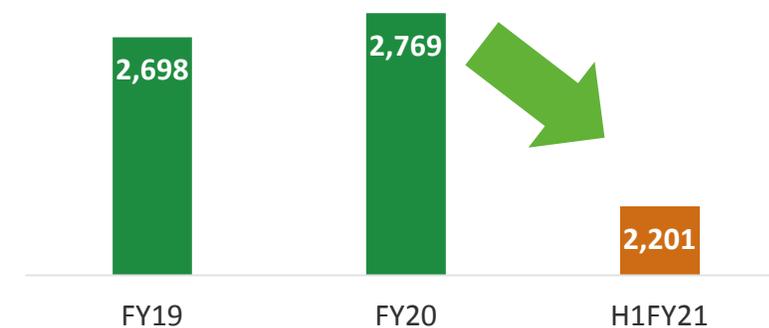
Consolidated Financial Highlights

Particulars (Rs. Cr)	Q2FY21	Q2FY20	Y-o-Y growth	Q1FY21	Q-o-Q growth	H1FY21	H1FY20	Y-o-Y growth
Net Revenue	1,404	1,151	22.0%	1,382	1.6%	2,786	2,273	22.6%
Operating EBITDA	193	117	65.7%	272	(29.0)%	465	236	97.1%
Margins (%)	13.8%	10.1%	-	19.7%	-	16.7%	10.4%	-
Net Profit	81	26	215.9%	121	(33.5)%	202	36	457.2%
Margin (%)	5.7%	2.2%	-	8.8%	-	7.2%	1.6%	-
EPS (Rs)	8.89	2.83	214.4%	13.46	(33.9)%	22.35	3.95	465.8%

Robust PAT Trajectory (Rs. Cr)

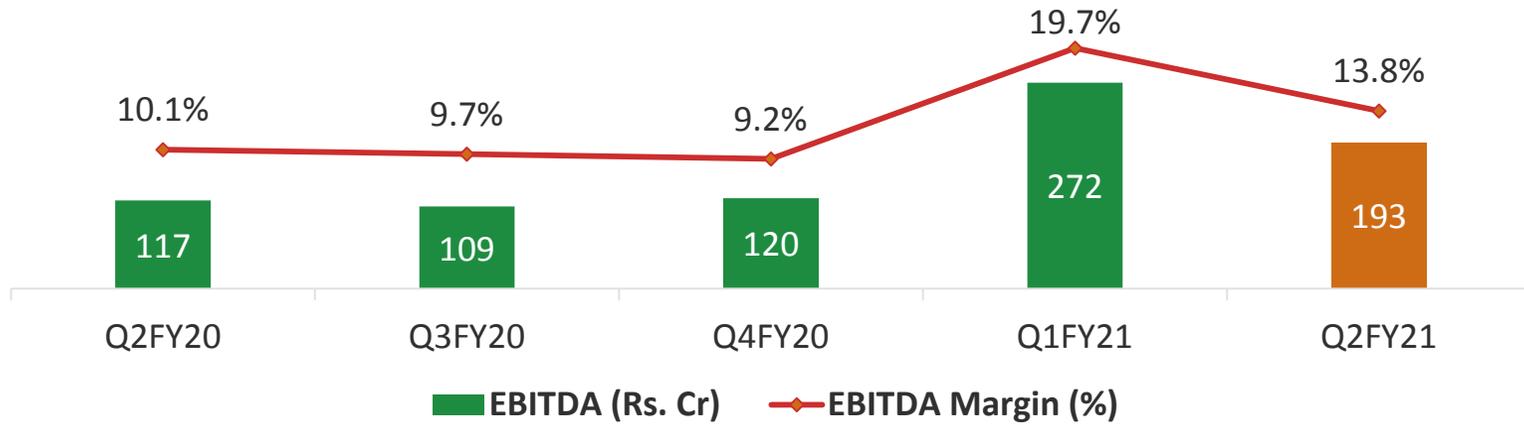


Reduction in Net Debt (Rs. Cr)



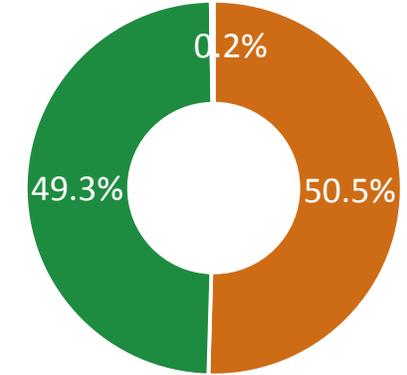
Consolidated Financial Highlights

Operating EBITDA Trend (Rs. Crores)



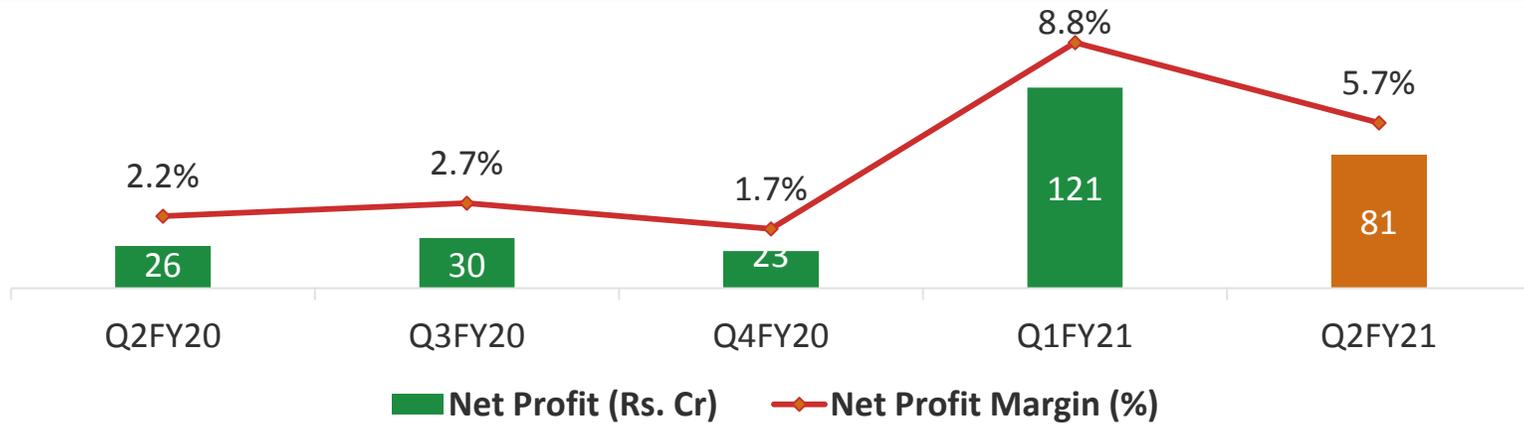
Revenue Breakdown

Q2 FY21: Rs. 1,404 Cr



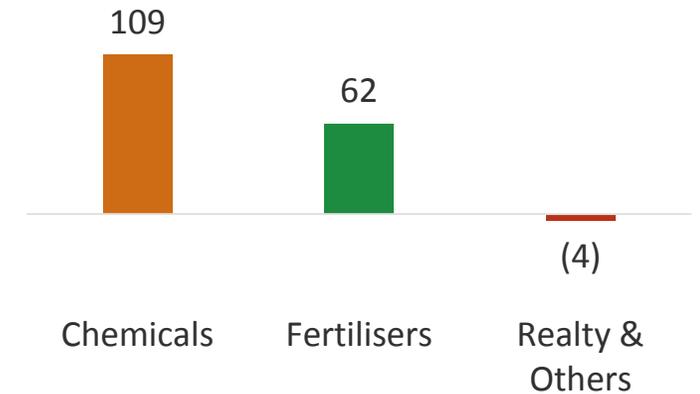
Chemicals Fertilisers Realty & Others

Net Profit Trend (Rs. Crores)



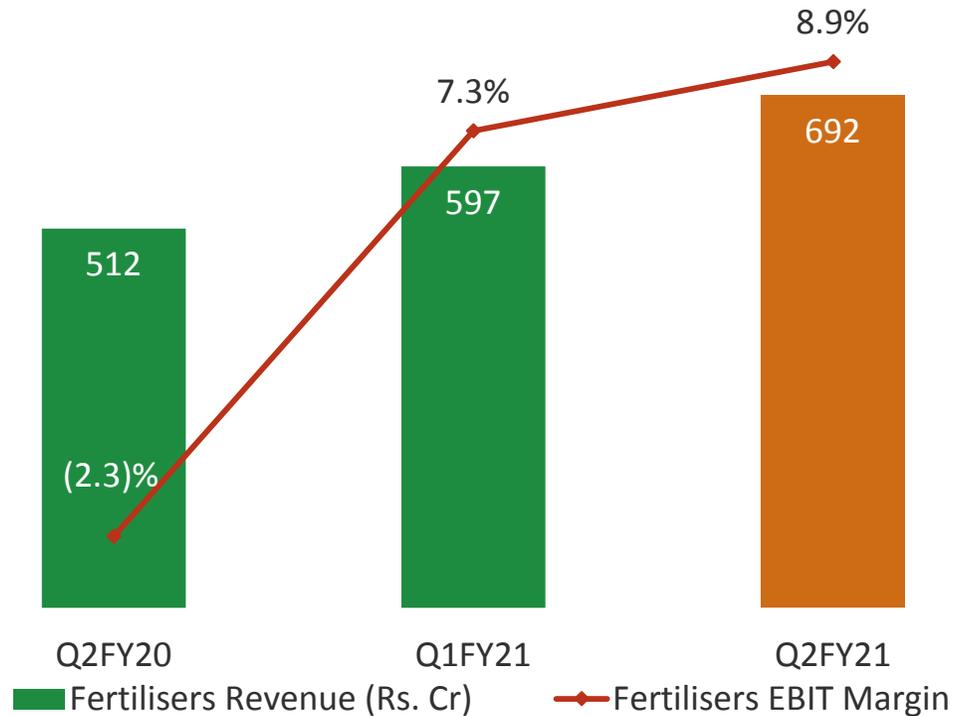
Segment Profit

Q2FY21: Rs. 167 Cr

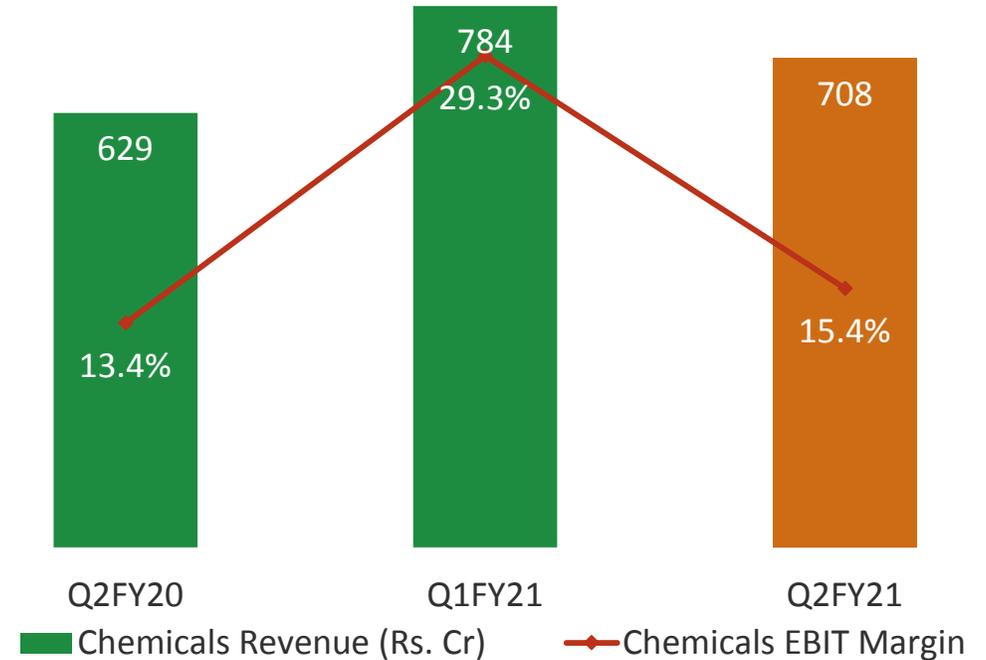


Consolidated Segment Performance

Fertilisers



Chemicals



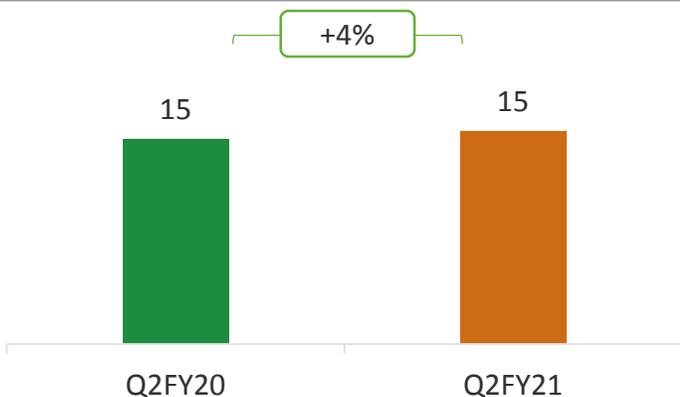
- While contribution of Fertilisers segment in total revenue has been in the range of 40%-50%, its contribution in segment profits have improved from negative (17%) in Q2 FY20 to 37% in Q2 FY21. In Q2 FY2021, Fertilisers segment delivered third consecutive profitable quarter
- Fertilisers Segment margins improved significantly from (2.3%) in Q2 FY20 to 8.9% in Q2 FY21; Chemical Segment margins improved from 13.4% in Q2 FY20 to 15.4% in Q2 FY21

Consolidated Segment Performance: Fertilisers

Manufactured NP and NPK Sales*



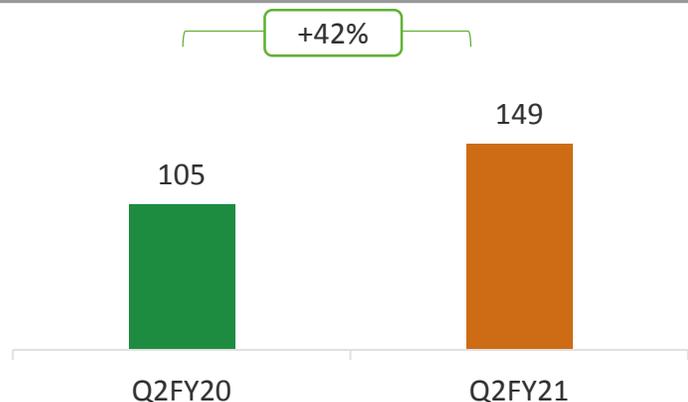
Manufactured Bensulf Sales*



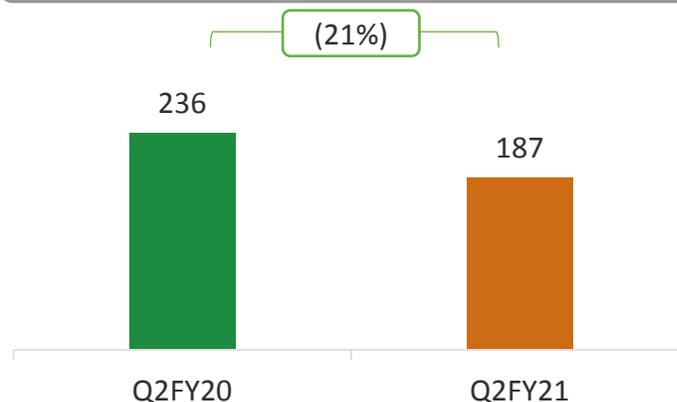
- Fertiliser Segment delivered another quarter of strong performance backed by improved volumes, good demand of our differentiated products led by favourable monsoon and our continuous efforts
- Manufactured fertilisers revenue increased by 29% y-o-y to Rs. 540 Cr in Q2FY21. Trading revenue grew by 65% y-o-y to Rs. 152 Cr for Q2FY21
- Sales volumes of manufactured bulk fertilisers (i.e. NP + NPK) increased by 29% y-o-y in Q2 FY21. Bulk traded volumes were higher mainly due to import of DAP and NPK16 grade to complement our product offerings to farmers
- Segment margins improved significantly from (2.3%) in Q2 FY20 to 8.9% in Q2 FY21
- Smartek volumes increase multifold year on year with its improved value proposition and strong market acceptance
- Successful production of new NPK grade N14 at Taloja and Superfast Bensulf grade at Panipat. Major raw materials prices declined in Q2 FY21
- With restriction on movement of field team due to COVID-19, the team adopted various ways to connect farmer, retailers, and dealer through digital means
- The Company is driving digital strategy to connect farmer through social media platform such as Facebook, YouTube, App and WhatsApp. The Company has reached around 3.8 million farmers through social media and actively engaged with 19 lakh farmers till end of H1. Around 5,00,000+ farmer directly reached through direct farmer calling and farmer webinar

Consolidated Segment Performance: Chemicals

Manufactured IPA Sales*



Manufactured TAN Sales*



Manufactured Acids Sales*



- Manufactured chemical business reported revenue of Rs. 541 Crores in Q2FY21 as compared to Rs. 524 Crores in Q2FY20. Chemical Trading sales increased by about 59% y-o-y to Rs. 167 Crores in Q2FY21, due to increase in prices
- Segment margins improved from 13.4% in Q2 FY20 to 15.4% in Q2 FY21
- IPA revenues increased by 42% y-o-y to Rs. 149 Crores in Q2FY21. Improved margins were primarily driven due to higher realisations compared to Q2 FY20. However, IPA sales volumes were adversely impacted by about 25% y-o-y due to production constraints arising out of pandemic. Softening in IPA prices have been witnessed compared to Q1 FY21
- With gradual normalization of downstream industries, sales volume of Nitric Acid during the quarter improved by about 21% over Q1FY21. However, it was lower by about 8% compared to Q2 FY20. Capacity utilization at Dahej plant improved to 80% level during the quarter as compared to 68% during the same period last year
- The impact of COVID and the resultant lockdown were witnessed across TAN Business, both domestic (HDAN, LDAN and AN Melt) and exports. Seasonally low demand in Q2 due to monsoon along with slowdown in demand due to COVID impacted TAN Business. Demand from coal and limestone mining is likely to recover in Q3 as the economy continues to open up
- Major raw materials prices declined compared to Q2 FY2020

Consolidated Sales Volumes (product wise)

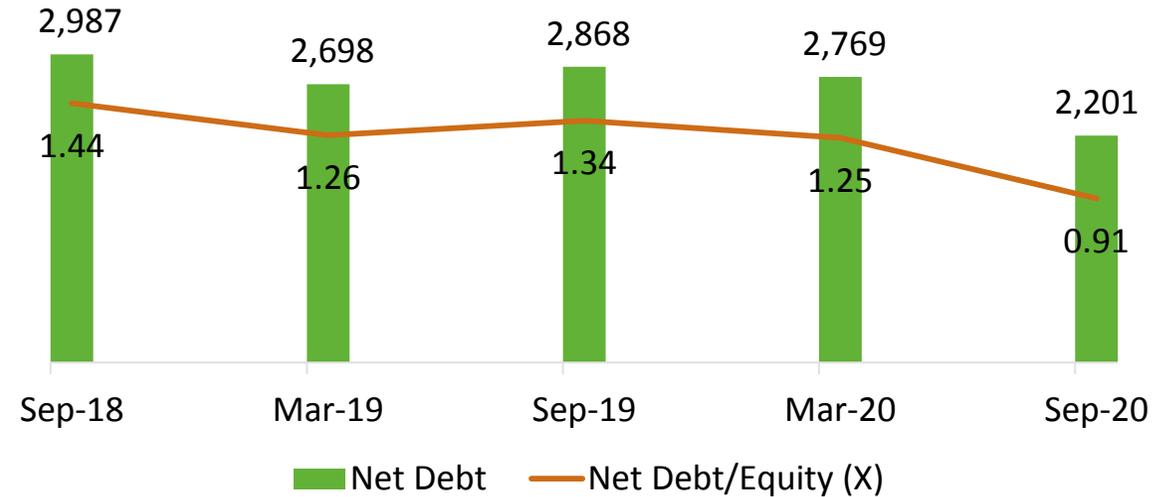
Volumes MT	Q2 FY21	Q2 FY20	Y-o-Y growth	Q1 FY21	Q-o-Q growth	H1 FY21	H1 FY20	Y-o-Y growth
Nitric Acid	52,905	57,396	(7.8)%	43,674	21.1%	96,579	1,19,873	(19.4)%
IPA	13,980	18,621	(24.9)%	16,124	(13.3)%	30,105	29,448	2.2%
TAN – LDAN	19,351	21,993	(12.0)%	13,444	43.9%	32,794	49,873	(34.2)%
TAN – HDAN	46,911	56,706	(17.3)%	82,644	(43.2)%	1,29,555	1,37,397	(5.7)%
TAN – AN Melt	9,423	11,956	(21.2)%	9,410	0.1%	18,833	30,243	(37.7)%
TAN - Total	75,685	90,655	(16.5)%	1,05,498	(28.3)%	1,81,182	2,17,513	(16.7)%
NP	55,449	66,394	(16.5)%	60,505	(8.4)%	1,15,954	1,04,351	11.1%
NPK	1,18,660	68,616	72.9%	95,732	24.0%	2,14,391	1,34,282	59.7%
Bulk Fertilisers - Total	1,74,109	1,35,010	29.0%	1,56,237	11.4%	3,30,345	2,38,633	38.4%
Bensulf	6,606	6,567	0.6%	8,289	(20.3)%	14,895	12,669	17.6%

Consolidated Leverage Position

	Mar-20	Sep-21
ST Debt	719	223
LT Debt	2,084	2,097
Current Maturities	124	189
Total Debt	2,927	2,509
Cash & Cash Equivalent	158	308
Net Debt	2,769	2,201
Equity	2,224	2,420
Net Debt/ Equity	1.25x	0.91x

- IFC successfully subscribed to the second tranche of approx. US\$ 30 mn. DFPCL received second and final tranche of FCCBs of US\$ 15 million from IFC; Wholly owned subsidiary also received second and final tranche of CCDs of Rs. 105 Crores from IFC
- Successfully raised Rs. 178 Cr through a rights issue in October from existing and new institutional shareholders; promoters stake increased from 52.20% to 54.90%
- Final tranche of approx Rs. 10 Cr received from Desai Fruits stake sale

Net Debt (Rs. Cr) and Net Debt/Equity (x)



Credit Ratings

Bank Facilities	ICRA
Long Term Bank Facilities	A+ (stable)
Short Term Bank Facilities	A1

Important Information

Issue Opening Date	Monday, September 28, 2020
Issue Closing Date	Monday, October 12, 2020
Issue Type	Rights Issue
Face Value	10.00 Per Equity Share
Issue Price	Rs. 133/-
Premium Payable price	Rs. 123/- per Rights Equity Share
Lead Manager To The Issue	BOB Capital Markets Limited
Legal Advisor to the Issue	Khaitan & Co
Special Purpose International Legal Counsel to the Lead Manager	Squire Patton Boggs Singapore LLP
Statutory Auditors	B S R & Associates LLP
Registrar To The Issue	Kfin Technologies Private Limited



DEEPAK FERTILISERS
AND PETROCHEMICALS
CORPORATION LIMITED

RIGHTS ISSUE OVERSUBSCRIBED. THANK YOU!

- DFPCL's ₹178 Crores Rights Issue opened on September 28th and closed on October 12th, 2020
- Rights Issue had a robust response from the existing shareholders as well as new shareholders who acquired the entitlements
- The allotment ratio, as guided by the Stock Exchange has been crystallised. BOBCAPS were the sole lead managers to the Issue

DFPCL is among India's leading producers of fertilisers and industrial chemicals. Set up in 1979 as an Ammonia manufacturer, DFPCL today is a publicly listed, multi-product Indian conglomerate with a product portfolio spanning industrial chemicals, bulk and specialty fertilisers, farming diagnostics and solutions, technical ammonium nitrate and value added real estate. The Company has manufacturing facilities in Taloja - Maharashtra, Srikakulam - Andhra Pradesh, Panipat - Haryana and Dahej - Gujarat.



Cororid Based on WHO
recommended
formulation
Hand Sanitizers, Disinfectants & Wipes

Awareness through Social Media for COVID-19



Social Initiatives

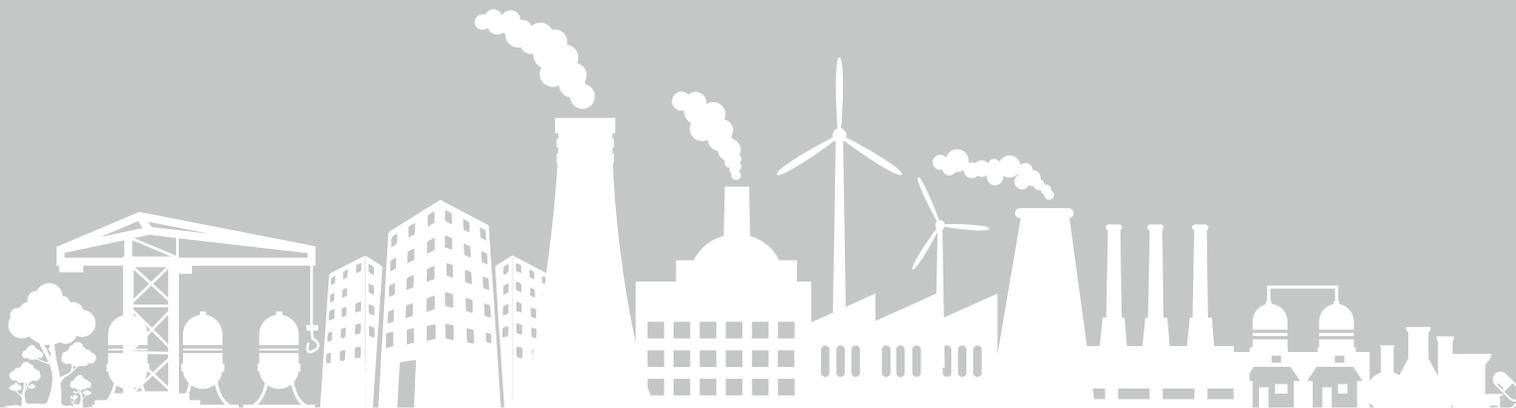


Vocational Skills Development Program (VSDP) and Education – Beautician Certification Course



Livelihood Enhancement Through Entrepreneurship Development

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 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**

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