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Mundhwa, Pune - 411 036, India.
Tel: +91 (20) 6645 8000

DEEPAK FERTILISERS
AND PETROCHEMICALS
CORPORATION LIMITED

30th May, 2021

The Secretary	Listing Department
BSE Limited	National Stock Exchange of India Ltd.
Phiroze Jeejeebhoy Towers,	"Exchange Plaza",
Dalal Street, Fort,	Bandra-Kurla Complex, Bandra (E)
Mumbai – 400 001	Mumbai – 400 051
BSE Code: 500645	**NSE Code: DEEPAKFERT**

Subject: Earnings Presentation for the quarter and year ended 31st March, 2021

Dear Sir / Madam,

Please find enclosed an earnings presentation of the Company for the quarter and year ended 31st March, 2021.

We request you to take the same on your record.

Thanking you,
Yours faithfully,

For **Deepak Fertilisers**
And Petrochemicals Corporation Limited

RITESH
CHAUDHRY
Digitally signed by RITESH CHAUDHRY
Date: 2021.05.30 22:49:59 +05'30'

Ritesh Chaudhry
Company Secretary

Encl: as above

ONE OF INDIA’S **LEADING** PRODUCERS OF INDUSTRIAL CHEMICALS AND FERTILISERS

Earnings Presentation Q4 and FY2021

30 May 2021

www.dfpcl.com

DEEPAK FERTILISERS AND PETROCHEMICALS CORPORATION LIMITED

(BSE: 500645; NSE: DEEPAKFERT)

Q4 FY21 and FY21 Financial Highlights

DEEPAK FERTILISERS AND PETROCHEMICALS CORPORATION LIMITED

FY21 Historic Best Year For DFPCL With High Growth Trajectory In Place

(Rs. Cr)	Q4FY21	Q4FY20	Y-o-Y growth	Q3FY21	Q-o-Q growth	FY21	FY20	Y-o-Y growth
Operating Revenue	1,575	1,293	21.8%	1,447	8.8%	5,808	4,685	24.0%
Operating EBITDA	273	120	128.4%	217	26.0%	955	464	105.8%
Margins (%)	17.3%	9.2%	809 bps	15.0%	236 bps	16.4%	9.9%	654 bps
Net Profit	116	23	414.6%	89	30.2%	406	89	356.6%
Margin (%)	7.3%	1.7%	560 bps	6.1%	121 bps	7.0%	1.9%	510 bps
EPS (Rs)	11.03	2.44	352.0%	8.74	26.2%	41.47	9.58	332.9%

Note: Consolidated Financials

Inspite of Covid disruption, achieved BEST EVER performance

Reflects the improvement in operational efficiency

Business and marketing strategic initiatives showing positive results

Contributions from recent capacity additions

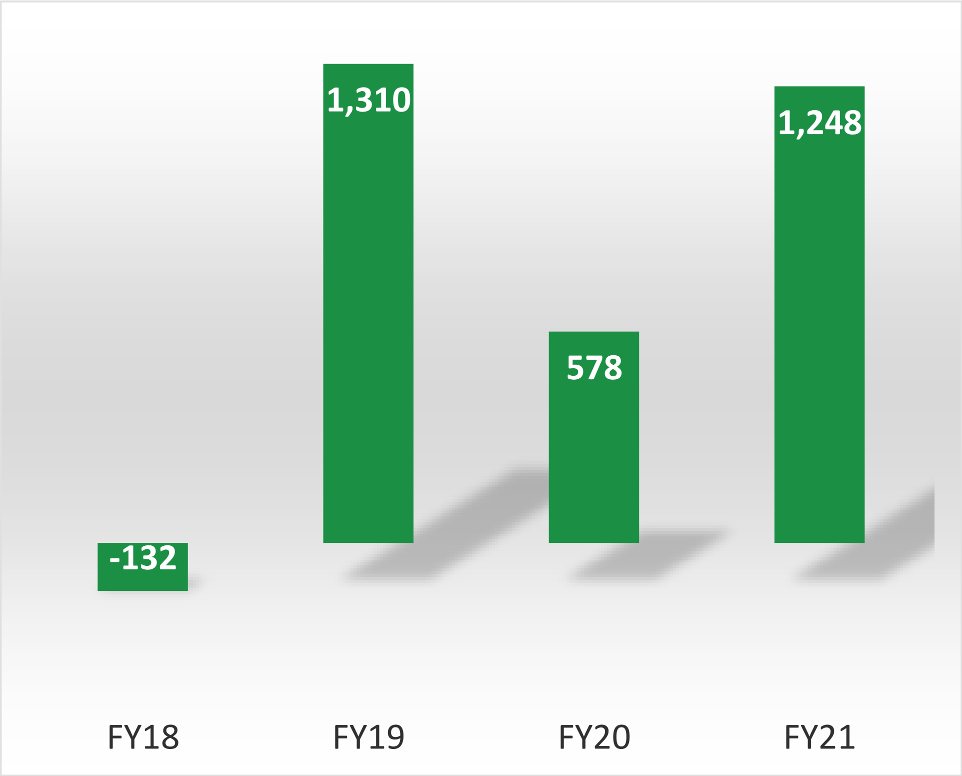
Cash Flow Generation

DEEPAK FERTILISERS AND PETROCHEMICALS CORPORATION LIMITED

Better Working Capital Management And Profits Generated Rs. 1,248 Cr Of Cash Flows; Reduced Borrowings And Increase Liquid Investments

Rs. Cr	FY20	FY21
Cash Flow from Operations	578	1,248
Capex	(365)	(234)
Change in Borrowings	(93)	(404)
Change in Equity	0	178
Liquid Investments	240	(435)
Others	(291)	(342)
Net Change in Cash	**69**	**11**
Opening Cash	89	158
Change in Cash	69	11
Liquid Investments	240	435
Closing Cash	**398**	**604**

Cash Flow from Operations



Balance Sheet

DEEPAK FERTILISERS AND PETROCHEMICALS CORPORATION LIMITED

Net Debt Reduced By Rs 840 Crore and Net Debt / EBITDA Down To 1.91x

(Rs. CR)	Mar-20	Mar-21	Change
ST Debt	719	110	(85)%
LT Debt	2,084	2,187	5%
Current Maturities	124	217	75%
Total Debt	**2,927**	**2,514**	**(14)%**
Cash & Cash Equivalent	158	170	
Other Bank Balances	94	69	
Investment in MFs	10	449	
Net Debt	**2,665**	**1,826**	**(31)%**

	Mar-20	Mar-21	Change
Net Debt/Equity (x)	1.20	0.65	▼ 46%
Net Debt/EBIDTA (x)	5.74	1.91	▼ 67%
Finance Cost	243 Cr	188 Cr	▼ 23%

Recent Capital Transactions

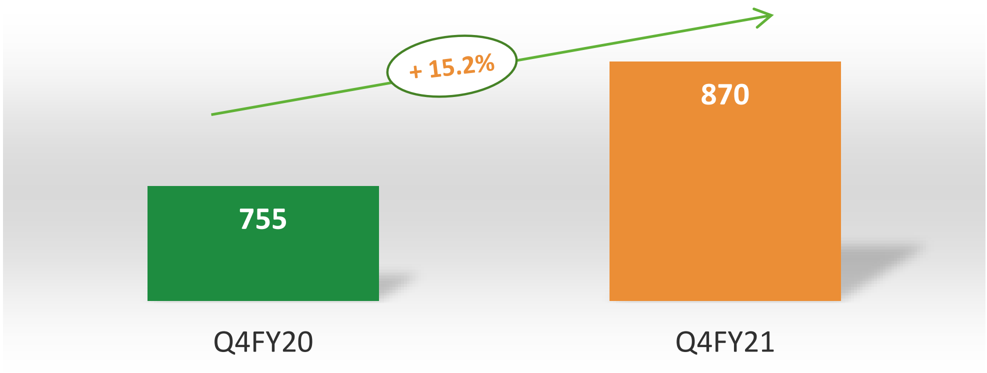
- Long Term (LT) borrowings incudes loan for the ongoing project.
- The LT borrowings also includes convertible debentures of International Finance Corporation (IFC).
- **Significant improvement in leverage ratio.**

Quarterly Performance Trend

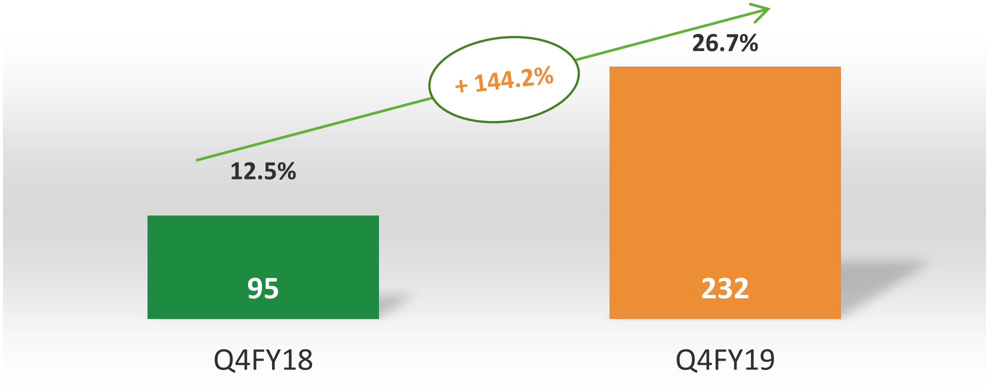
DEEPAK FERTILISERS AND PETROCHEMICALS CORPORATION LIMITED

Improved performance in all the key products

Revenues (Rs. Cr)



Segment Profit (Rs. Cr) and Margin (%)



- Q4 FY21 Revenues increased by 15% to Rs. 870 crores; Margins increased from 13% to 27%
- Dahej delivered a strong quarter with 100% capacity utilization. Q4 CNA sales volumes in Dahej increased by 53% y-o-y
- Strong demand of LDAN and AN Melt (TAN products) during Q4 FY21. Demand for LDAN improved in Q4 FY21 inline with the improvement seen in the demand for Cement and Steel related sector in the domestic market
- Low IPA production volumes in Q4 FY21 mainly due to un-planned shutdown. While demand and pricing remained robust, a catalyst change got delayed due to Covid linked shipping/deliveries
- **Global specialty chemical value chains moving from China to India boosting nitric acid demand and prices in India**

FY21 Capacity Utilization

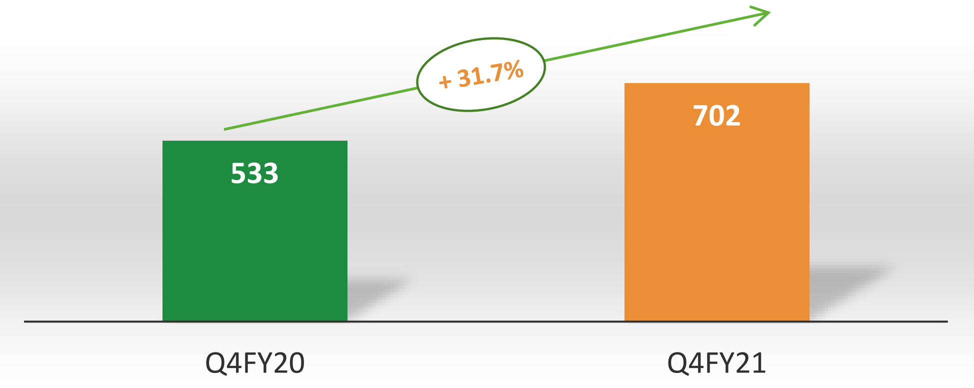
IPA 79%	ACIDS 74%	TAN 74%

Quarterly Performance Trend

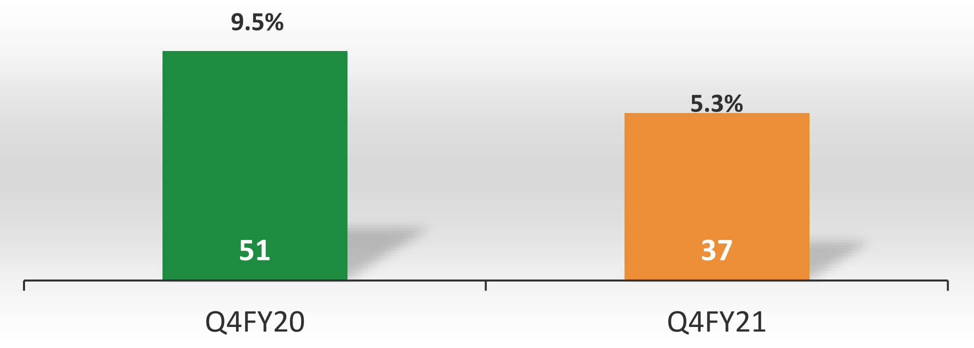
DEEPAK FERTILISERS AND PETROCHEMICALS CORPORATION LIMITED

Consistent Growth In Revenues, Volume Growth Of 32.8% And Sixth Consecutive Quarter Of Profitability

Revenues (Rs. Cr)



Segment Profit (Rs. Cr) and Margin (%)



- Q4 FY21 Revenues grew by 32% to Rs. 702 Cr; Segment Margins of 5%
- Sixth consecutive quarter of profitability in Fertilisers
- The Company successfully moved its 100% NPK production from plain grade to differentiated NPK (SMARTEK), volume growth of 198% YoY
- Bensulf sales volumes increased by 94% in Q4 FY21, mainly from differentiated Super-fast Bensulf launched in Q1 FY21
- Adverse movement of key RM Prices y-o-y in Q4 (Ammonia up 11.8%; Phos Acid up 18.3%) affecting margin of this quarter, which is generally passed on over longer time
- The Government of India recently announced huge hike in fixed subsidies shall help to neutralize this increase in raw material cost. Thus, avoiding disruption in demand and smoothening of margins over a period
- Established a strong base of over 2.5 million farmer customers since the launch of Smartek. High value proposition with repeat customers by over 90% validates premium pricing; the journey to continue
- During the year, conducted 18,000 digital webinars explaining 2.22 Lakh farmer about product value proposition. In addition, around 10 Lakh farmers were contacted by direct calling by marketing team

FY21 Capacity Utilization

NP/NPK 73%

Bensulf 51%

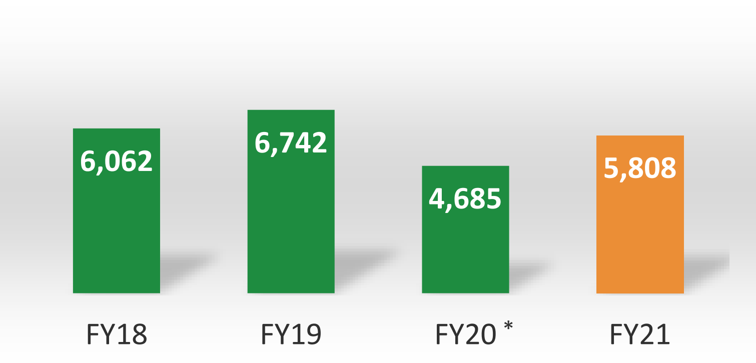
Investment Case

Financial Track Record

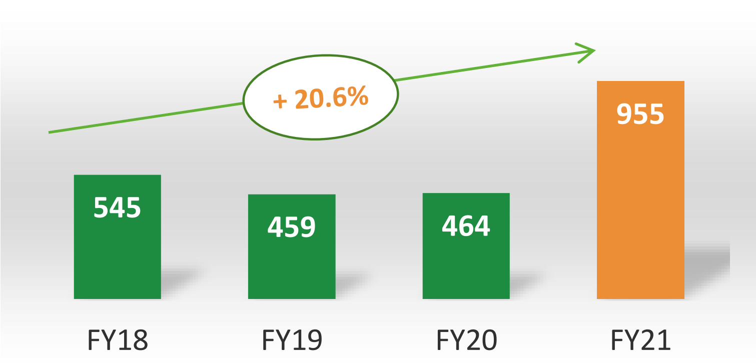
DEEPAK FERTILISERS AND PETROCHEMICALS CORPORATION LIMITED

Strategic plans and attractive end market dynamics to drive future growth and profitability

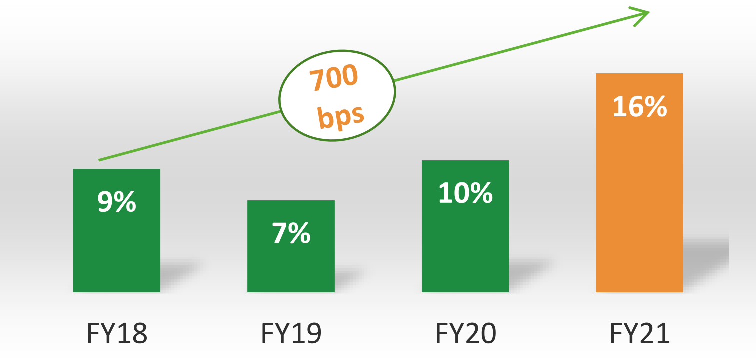
Operating Revenue (Rs. Cr)



EBITDA (Rs. Cr)

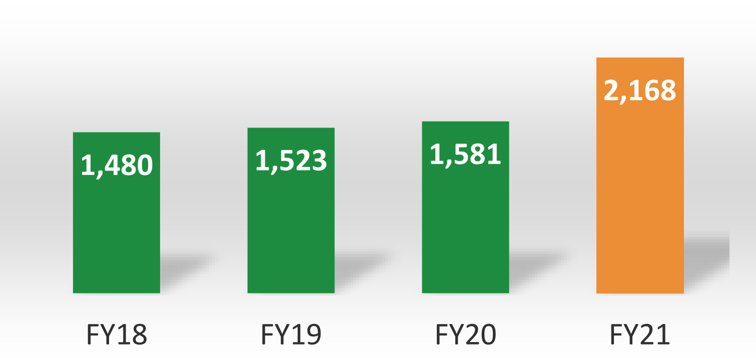


EBITDA Margin (%)

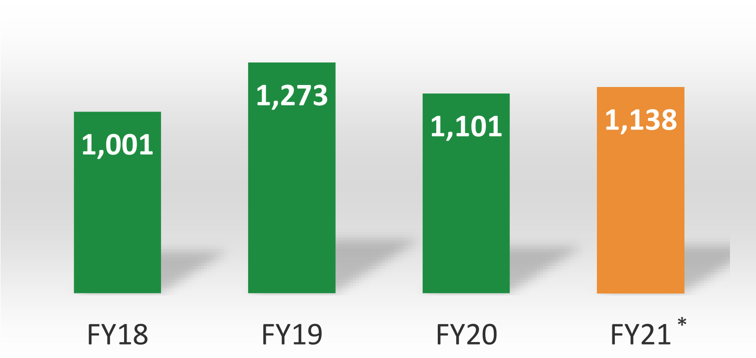


*Cautiously consolidated trading portfolio with focus on high-margin products

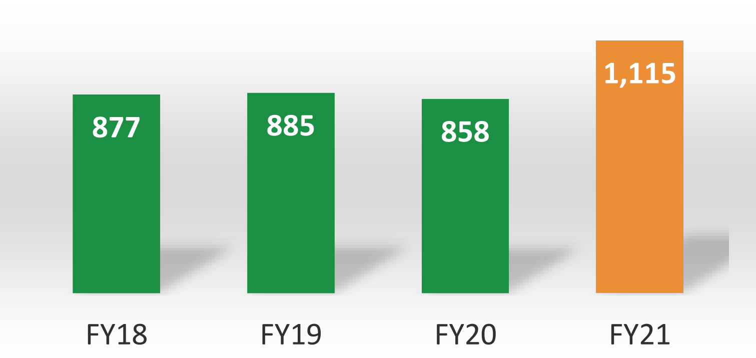
Fertilisers Revenue (Manufactured) (NP + NPK + Bensulf)



Chemicals - TAN Revenue (Manufactured)



Chemicals - IPA+NA (Manufactured)



*some segments were Covid impacted and are expected to rebound

Segment Product Volumes

DEEPAK FERTILISERS AND PETROCHEMICALS CORPORATION LIMITED

Despite pandemic related challenges, improved operational and marketing strategy drive profitability

Chemicals (Volumes MT 00)	Q4 FY21	Q4 FY20	*Y-o-Y growth*	Q3 FY21	*Q-o-Q growth*	FY21	FY20	*Y-o-Y growth*
Nitric Acid	697	492	*41.5%*	588	*18.5%*	2,252	2,337	*(3.6)%*
IPA	110	205	*(46.3)%*	139	*(20.7)%*	550	616	*(10.6)%*
TAN	1,328	1,111	*19.6%*	1,137	*16.8%*	4,278	4,362	*(1.9)%*
Total	**2,135**	**1,809**	***18.0%***	**1,864**	***14.5%***	**7,080**	**7,314**	***(3.2)%***

Fertilisers (Volumes MT 00)	Q4 FY21	Q4 FY20	*Y-o-Y growth*	Q3 FY21	*Q-o-Q growth*	FY21	FY20	*Y-o-Y growth*
Bulk Fertilisers	1,818	1,385	*31.3%*	1,736	*4.8%*	6,858	5,062	*35.5%*
Bensulf	72	37	*94.1%*	80	*(9.9)%*	301	235	*28.1%*
Total	**1,891**	**1,424**	***32.8%***	**1,818**	***4.1%***	**7,163**	**5,304**	***35.0%***

*TAN Solid: LDAN + HDAN

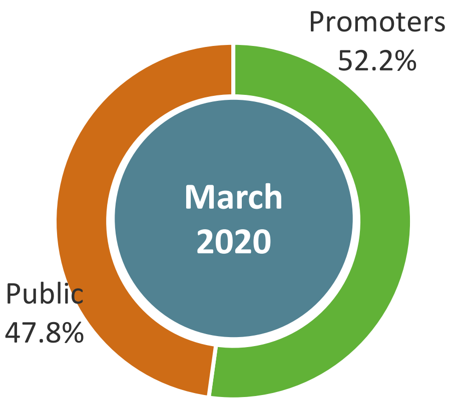
Investment Case

Shareholding Disclosure – 15.3 % of Shares Pledged

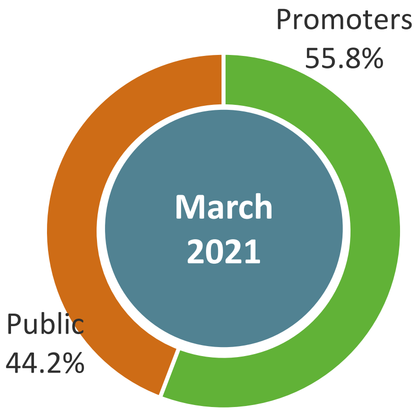
DEEPAK FERTILISERS AND PETROCHEMICALS CORPORATION LIMITED

Only 8.7 million shares pledged out of total 57.3 million shares held by promoters – 15.3% of promoter holding

89,284,425 Shares



102,677,088 Shares



- Promoters increased their equity stake from 52.2% (46.6 mn shares) to 55.8% (57.3 mn shares)

Promoters	Type	Total No. of Shares	Shares Pledged	% Holding
Mr. C. K. Mehta	No Pledge	8,78,913	-	0.86%
Mr. S. C. Mehta	No Pledge	1,731	-	0.00%
Ms. P. S. Mehta	No Pledge	1,409	-	0.00%
Mr. Y. S. Mehta	No Pledge	115,000	-	0.11%
Nova Synthetic	Non-Disposal Undertaking	43,592,875 (NDU 35,281,977)	-	42.46%
Robust Marketing Services Private	Pledge	10,759,301	**87,57,947**	10.48%
Sofotel Infra Private Limited	No Pledge	1,941,546		1.89%
Total Promoter Holding		**57,290,775**	**15.3%**	**55.80%**
Total no of shares		**102,677,088**		

- Non-Disposal Undertaking (NDU) was provided by Promoter of DFPCL to IFC for CCDs issued by Smartchem Technologies Ltd (100% owned)
- As per the undertaking, the Promoters undertook not to dispose the shares (as distinct from a pledge). These shares are infact prohibited from mortgage, pledge, transfer or assignment
- The NDU ensures that the Promoters will continue to own the shares

Ammonia Plant (Taloja) - Status

DEEPAK FERTILISERS AND PETROCHEMICALS CORPORATION LIMITED

Project cost per tonne of ammonia (~Rs. 85,300 / MT) is in line with similar capacity ammonia projects globally

Location
Taloja (Maharashtra)

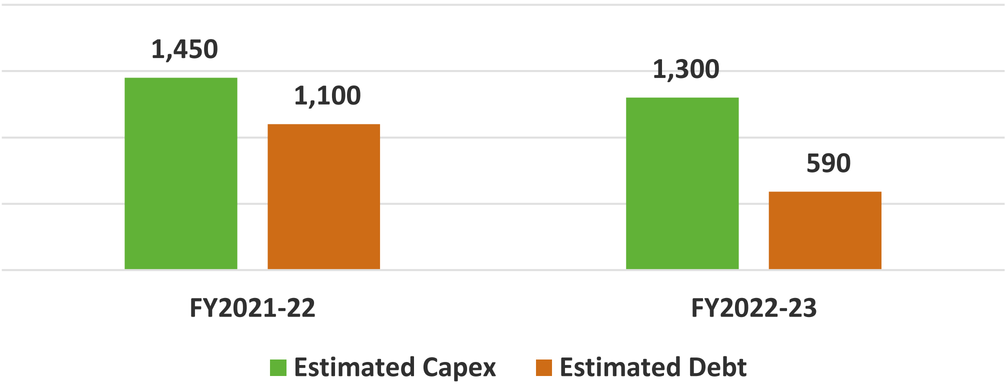
Capacity
510 KTPA

Expected Mechanical Completion
Q4 FY23

Ammonia Site Developments

- Total project cost incurred as of March 2021: Rs. 1,572 Crores
- Debt Financing: Sanction of Rs. 2,044 Cr from Bank of Baroda and EXIM Bank
  - Loan drawn as of 31st March 2021: Rs. 930 Cr (included in Debt as of 31st March 2021)
- Financially attractive: Project IRR estimates - High Teens

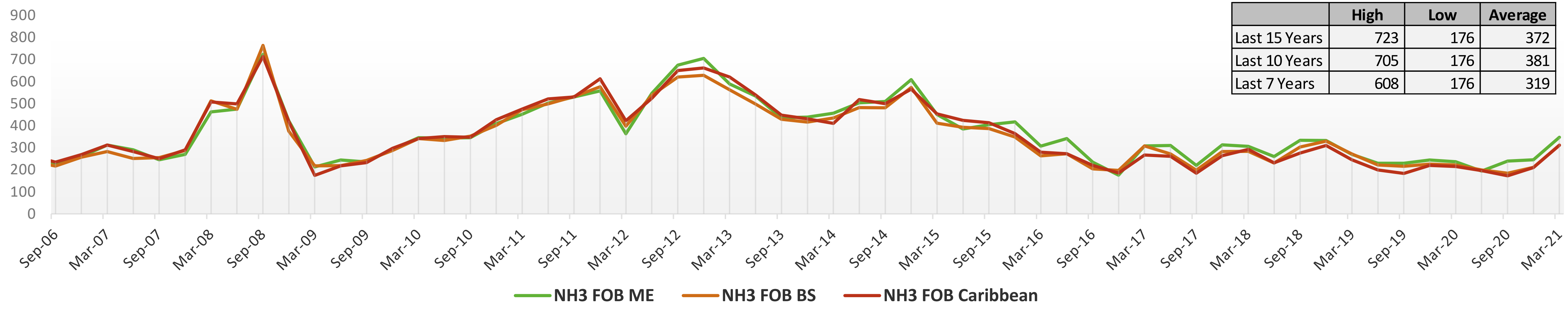
Ammonia - Capex Phasing (Rs. Cr)



Ammonia Plant (Taloja) - Strategic Rationale

In addition to greater margin stability for the group, logistics savings of $75-90/MT for downstream products

Ammonia FOB ($/MT)



	High	Low	Average
Last 15 Years	723	176	372
Last 10 Years	705	176	381
Last 7 Years	608	176	319

- 68%-70% of DFPCL consolidated turnover depends on ammonia as a key raw material; 70%+ of the project capacity has in-house ready demand at Taloja – no offtake risk
- Land Acquired, Consent To Establish (CTE) received, 95% of P&M arrived and EPC moved at site. Project execution risks minimized
- Provides greater margin stability for the group by mitigating the impact of volatile ammonia pricing
- Long term LNG/Gas pricing in a favourable phase to help lower key raw material cost
- Addresses complex logistics challenges as entire production will be for captive use
- Zero dependence on imports or domestic third-party ammonia suppliers at Taloja
- Logistics cost saving along with fiscal benefits granted by state government for the project tantamount to $3-4/mmbtu saving in landed price of natural gas, making it a globally competitive Ammonia project

Strategic Plans

TAN Plant (East Coast)

DEEPAK FERTILISERS AND PETROCHEMICALS CORPORATION LIMITED

Location
Gopalpur (Odisha)

Capacity
377 KTPA

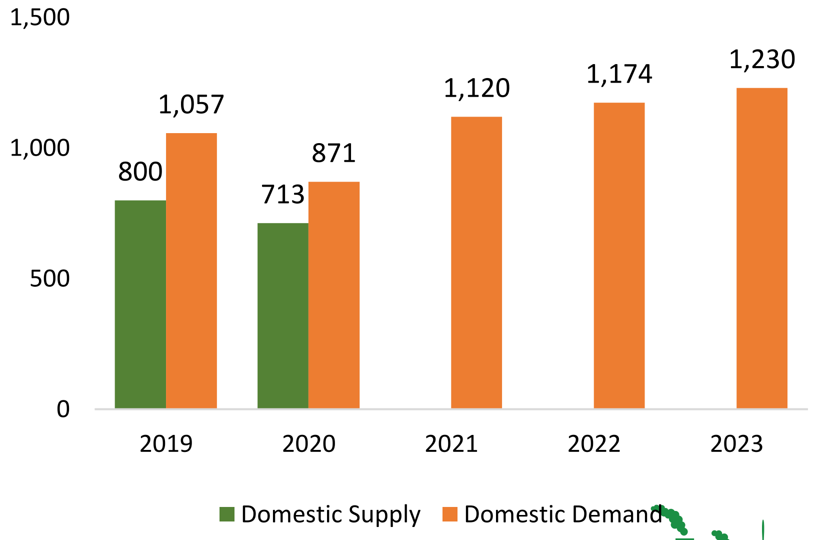
Expected Completion
Q4 FY24

Soil Load Testing at TAN Gopalpur Site

Strategic location provides just-in-time delivery and response to customer needs

- Taloja plant insufficient to meet the demand-supply gap, given high-capacity utilization
- Strategically located near the major mining hubs to capture domestic demands, and the Gopalpur port for export opportunities
- Provides first mover advantage enabling enhanced market position
- Regulatory approvals in advanced stages; Finalized equipment supplier and EPC contractor
- Existing TAN market share of approx. 42% in a total TAN market of 1,050 KT
- Financially attractive: Project IRR estimates - High Teens

Supply-Demand Gap to Double in 5 Years (MTPA)



Platform for Sustainable Growth

Fundamental Industry Dynamics Along With Government Of India Policies And Budgets Drive Future Growth

Strategic Outlook

- Global Specialty chemical intermediates value chains shifting from China to India boosting Nitric Acid demand and prices in India
- Limestone Mining is likely to increase driven by the thrust on Infrastructure segment announced in the India's Union Budget for FY22
- Cement plants are likely to improve their capacity utilizations; large Cement producers have already announced expansion plans (both greenfield & brownfield)
- Sky Met and IMD both projected normal monsoon in coming season. With current reservoir level, Kharif season is expected to be good
- Considering Company's focus crops are Cotton, Soybean, Paddy etc, with differentiated product strategy and its salience, DFPCL expect good demand for Mahadhan brand in Kharif season
- The recent increase in fixed subsidies shall help neutralize the RM Cost hikes, the farmer affordability and thus the demand; allowing reasonable margins to continue
- Better capacity utilization should further improve the operating performance

Product Market Positioning

DEEPAK FERTILISERS AND PETROCHEMICALS CORPORATION LIMITED

Maintained Leadership Position And Market Shares Across Product Offerings

TAN

42%

Largest producer of TAN and only producer in solid TAN in India

CNA

71%

2nd largest manufacturer of Nitric Acid in South East Asia and the largest in India

IPA

65%

Leading manufacturer and marketer of Iso Propyl Alcohol (IPA)

CNB#

19%

Only manufacturer of High Efficiency Fertiliser (NPK Complex & Bensulf)

Market leader in specialty and water-soluble fertilisers in India

Largest manufacturer of Bentonite Sulphur in India

 # Core command market share

Key Messages

DEEPAK FERTILISERS AND PETROCHEMICALS CORPORATION LIMITED

DFPCL caters to strategic sectors of the Indian economy, which enabled the Company to deliver during a difficult year …

- FY21 Revenue growth +24%, EBITDA doubled and Net Profit > 4.6x
- Profitable growth across all business units with Chemicals 81% of operating profits
- Net Debt reduced by Rs 840 crore and Net Debt / EBITDA of 1.91x
- Embedded operating leverage with manufacturing capacity headroom 20 - 25%
- Strategic ammonia and TAN expansion projects plans IRR in High Teens
- The continued and validated shift from Commodity to Speciality will help further upsides
- With all the three sectors: Industrial Chemicals, Mining Chemicals and Fertilisers, strongly aligned to India Growth story, positive tailwinds will continue

… As the Indian economy steps up in the next 2-3 years, DFPCL to continue growth momentum...

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

DEEPAK FERTILISERS AND
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