



DEEPAK FERTILISERS  
AND PETROCHEMICALS  
CORPORATION LIMITED

# Corporate Presentation June 2018



# Financials for FY2017-18

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# Financial Results - Profit & Loss (Consolidated)

STATEMENT OF AUDITED FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED MARCH 31, 2018						
Sr. No.	Particulars	Consolidated (Rs. Lakhs)				
		Quarter Ended			Year Ended	
		31 March 2018	31 December 2017	31 March 2017 Restated - refer note 12 and 15	31 March 2018	31 March 2017 Restated - refer note 12
(Refer Notes Below)		(Audited)	(Unaudited)	(Audited)	(Audited)	(Audited)
1	Income					
	(a) Revenue from operations	190,008	164,129	124,137	604,450	435,062
	(b) Other income from operations (including realty income)	492	363	753	1,704	2,750
	(c) Other income	1,133	665	737	2,409	1,586
	Total income	191,633	165,157	125,627	608,563	439,398
2	Expenses					
	(a) Cost of materials consumed	63,820	70,112	40,183	237,317	147,401
	(b) Purchases of stock-in-trade	80,294	73,313	41,184	227,716	135,019
	(c) Changes in inventories of finished goods and stock-in-trade	9,932	(17,866)	5,177	(9,539)	11,899
	(d) Excise duty	-	-	6,109	6,668	22,801
	(e) Employee benefits expense	6,829	6,556	5,826	24,580	21,017
	(f) Finance costs	5,763	3,527	2,816	17,316	12,147
	(g) Depreciation and amortisation expense	4,008	4,327	3,748	16,323	13,502
	(h) Other expenses	16,649	17,477	13,530	64,894	52,336
	Total expenses	187,295	157,446	118,573	585,275	416,122
3	Profit before tax (1-2)	4,338	7,711	7,054	23,288	23,276
4	(a) Current tax	(291)	1,328	211	2,349	3,889
	(b) Deferred tax	731	1,124	3,597	4,290	3,694
	Total tax expense	440	2,452	3,808	6,639	7,583
5	Net Profit after tax (3-4)	3,898	5,259	3,246	16,649	15,693



# Segment Results (Consolidated)

SEGMENT-WISE REVENUE, RESULTS, ASSETS AND LIABILITIES						
Consolidated (Rs. Lakhs)						
Sr. No.	Particulars	Quarter Ended			Year Ended	
		31 March 2018	31 December 2017	31 March 2017 Restated - refer note 12 and 14	31 March 2018	31 March 2017 Restated - refer note 12
		(Audited)	(Unaudited)	(Audited)	(Audited)	(Audited)
1	Segment revenue					
	(a) Chemicals					
	Manufactured	63,642	59,860	52,354	220,638	203,077
	Traded	81,769	59,301	37,951	202,410	114,998
	<b>Total</b>	<b>145,411</b>	<b>119,161</b>	<b>90,305</b>	<b>423,048</b>	<b>318,075</b>
	(b) Fertilisers					
	Manufactured	39,458	38,292	27,194	148,664	60,360
	Traded	5,134	6,611	7,033	32,046	57,628
	<b>Total</b>	<b>44,592</b>	<b>44,903</b>	<b>34,227</b>	<b>180,710</b>	<b>117,988</b>
	(c) Realty	451	399	285	1,685	988
	(d) Others	48	29	74	711	761
	<b>Total income from operations</b>	<b>190,502</b>	<b>164,492</b>	<b>124,891</b>	<b>606,154</b>	<b>437,812</b>
2	Segment results [profit / (loss) before tax and finance costs from Each segment]					
	(a) Chemicals	14,026	16,065	11,143	51,335	50,629
	(b) Fertilisers	(1,826)	989	1,185	3,674	(792)
	(c) Realty	(396)	(332)	(495)	(1,596)	(1,835)
	(d) Others	(67)	(72)	(15)	323	381
	<b>Total</b>	<b>11,737</b>	<b>16,650</b>	<b>11,818</b>	<b>53,736</b>	<b>48,383</b>
	Less: i) Finance costs	5,763	3,527	2,816	17,316	12,147
	ii) Other unallocable expenditure net of unallocable income	1,636	5,412	1,949	13,132	12,960
	<b>Total profit before tax</b>	<b>4,338</b>	<b>7,711</b>	<b>7,053</b>	<b>23,288</b>	<b>23,276</b>



# Financial Results – Balance Sheet (Consolidated)

Sr. No.	STATEMENT OF ASSETS AND LIABILITIES Particulars	Consolidated (Rs. Lakhs)		
		31 March 2018	31 March 2017	1 April 2016
		Audited	Audited	Audited
<b>A</b>	<b>ASSETS</b>			
<b>1</b>	<b>Non-current assets</b>			
	(a) Property, plant and equipment	214,383	201,910	132,399
	(b) Capital work in progress	65,384	38,527	39,620
	(c) Investment property	511	511	511
	(d) Goodwill	2,666	1,460	1,498
	(e) Intangible assets	1,322	1,742	511
	(f) Financial assets			
	(i) Investments	1,001	1,244	1,472
	(ii) Loans	7	-	-
	(iii) Other financial assets	1,682	2,814	4,291
	(g) Advance income taxes (net of provisions)	8,832	6,765	5,776
	(h) Deferred tax assets (net)	7,847	15,847	26,801
	(i) Other non-current assets	42,755	15,640	11,686
	<b>Total non-current assets</b>	<b>346,390</b>	<b>286,460</b>	<b>224,565</b>
<b>2</b>	<b>Current assets</b>			
	(a) Inventories	76,849	50,453	60,592
	(b) Financial assets			
	(i) Investments	37,773	14,161	3,585
	(ii) Trade receivables	196,537	131,133	151,953
	(iii) Cash and cash equivalents	9,184	9,279	21,774
	(iv) Other bank balances	847	523	793
	(v) Loans	446	554	265
	(vi) Other financial assets	1,855	700	1,122
	(c) Current tax assets (net)			
	(d) Deferred tax asset (Net)	-	-	-
	(c) Other current assets	29,265	11,550	7,192
	<b>Total current assets</b>	<b>352,756</b>	<b>218,353</b>	<b>247,276</b>
	<b>TOTAL ASSETS</b>	<b>699,146</b>	<b>504,813</b>	<b>471,841</b>



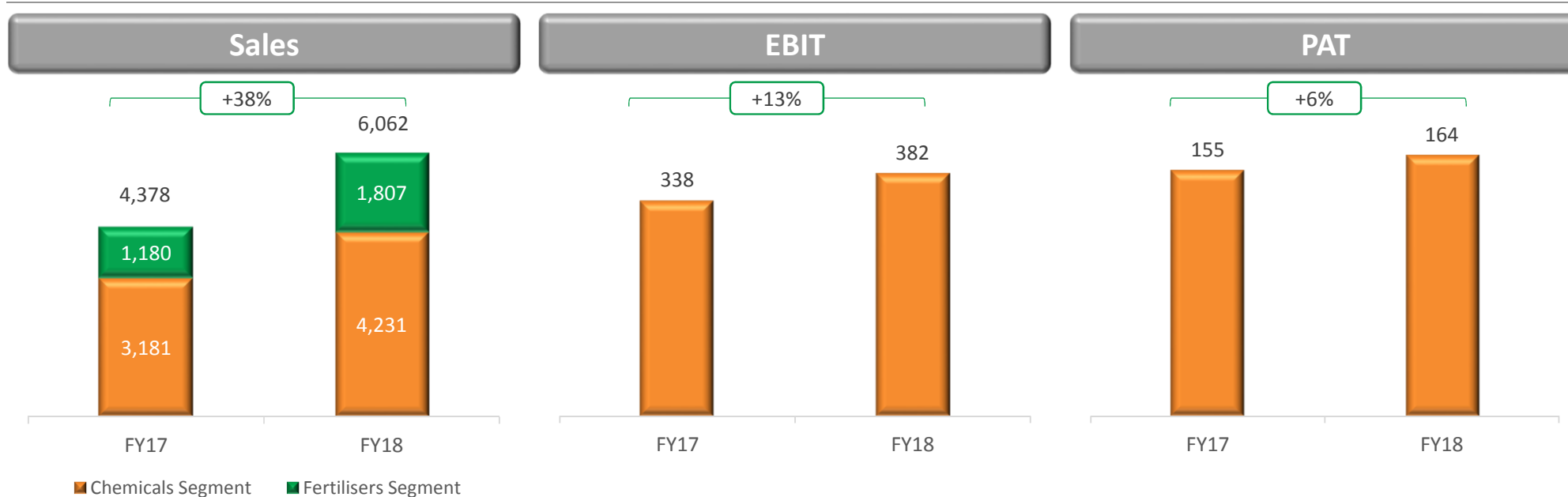
# Financial Results – Balance Sheet (Consolidated)

Sr. No.	STATEMENT OF ASSETS AND LIABILITIES Particulars	Consolidated (Rs. Lakhs)		
		31 March 2018	31 March 2017	1 April 2016
		Audited	Audited	Audited
<b>B</b>	<b>EQUITY &amp; LIABILITIES</b>			
<b>1</b>	<b>Equity</b>			
	(a) Equity share capital	8,820	8,820	8,820
	(b) Other equity	195,797	192,797	185,629
	<b>Equity attributable to owners of the Company</b>	<b>204,617</b>	<b>201,617</b>	<b>194,449</b>
	(c) Non-controlling Interests	4,033	790	774
	<b>Total equity</b>	<b>208,650</b>	<b>202,407</b>	<b>195,223</b>
<b>2</b>	<b>Liabilities</b>			
	<b>Non-current liabilities</b>			
	(a) Financial liabilities			
	(i) Borrowings	62,552	47,150	48,843
	(ii) Other financial liabilities	-	129	183
	(b) Provisions	4,839	4,092	3,777
	(c) Deferred tax liabilities (net)	-	-	-
	<b>Total non-current liabilities</b>	<b>67,391</b>	<b>51,371</b>	<b>52,803</b>
	<b>Current liabilities</b>			
	(a) Financial liabilities			
	(i) Borrowings	283,922	119,771	140,712
	(ii) Trade payables	90,898	43,861	47,730
	(iii) Other financial liabilities	33,852	72,867	21,991
	(b) Provisions	956	786	708
	(c) Current tax liabilities (net of advance income taxes)	578	1,277	892
	(d) Other current liabilities	12,899	12,473	11,782
	<b>Total current liabilities</b>	<b>423,105</b>	<b>251,035</b>	<b>223,815</b>
	<b>Total liabilities</b>	<b>490,496</b>	<b>302,406</b>	<b>276,618</b>
	<b>TOTAL EQUITY AND LIABILITIES</b>	<b>699,146</b>	<b>504,813</b>	<b>471,841</b>



# Annual Financial Performance

Amount In Rs. Cr



- Total sales increased 38% YoY, primarily driven by increase in NPK volumes and enhanced trading volumes of solvents
- Increase in raw material costs, especially natural gas and propylene, Increase in forex loss and Increase in interest charge due to capitalization of NPK plant and Chemicals Trading working capital resulted in flat profitability



# Debt Profile

## Management Commentary

- Net debt increased by Rs 1,280 Crore during the year. Increase is mainly due to working capital borrowings for increased chemicals trading
- The company will continue to do strategic trading in solvents however opportunistic trading will be reduced in coming quarters to reduce the working capital borrowings
- Increase in debt is also on account of increase in sales from new NPK capacity, and other projects & routine capex

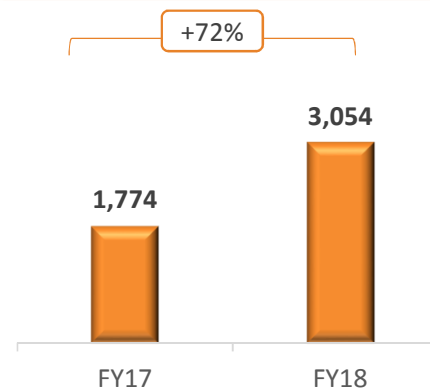
## Credit Ratings

Bank Facilities	CARE	ICRA
Long Term Bank Facilities	AA-	AA-
Short Term Bank Facilities	A1+	A1+

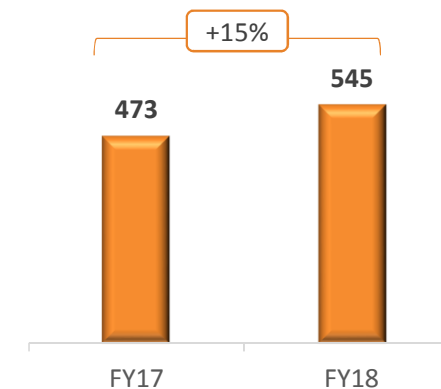
Note:

1. Consolidated numbers
2. ROCE - EBIT / Avg. Capital Employed

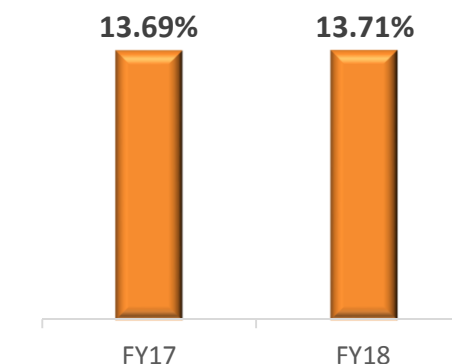
## Net Debt (Rs. Cr)



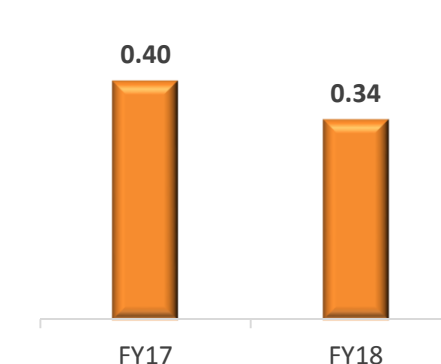
## EBITDA (Rs. Cr)



## ROCE (%)



## LT Debt/ Net Worth (x)



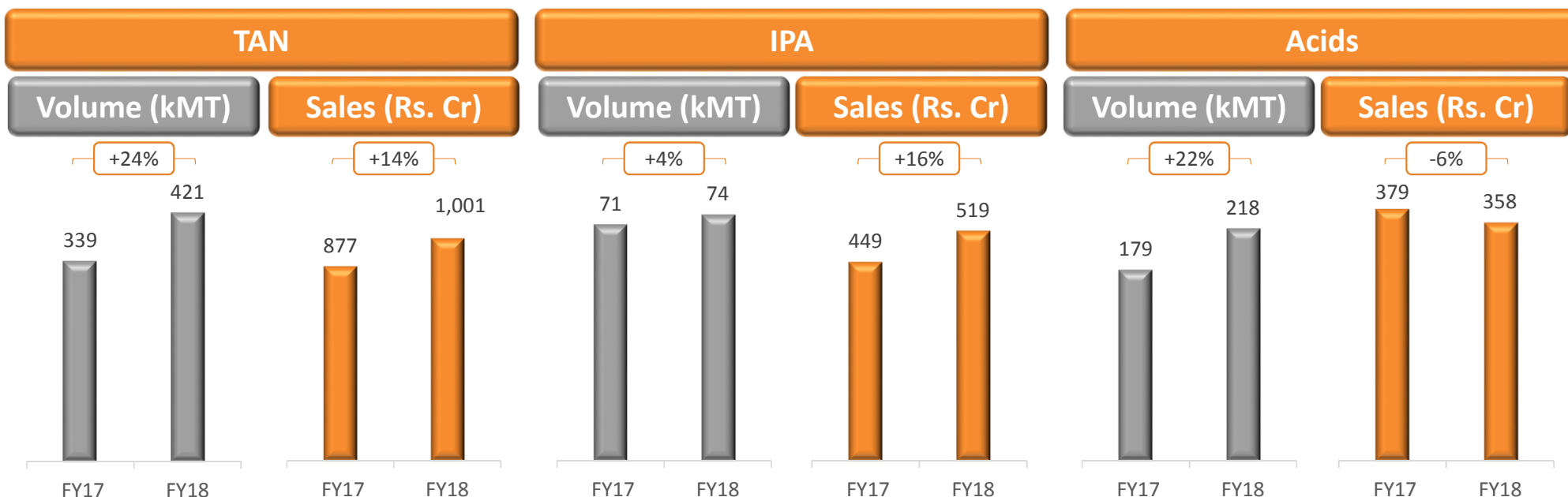


## Segment Update

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# Industrial Chemicals Manufactured



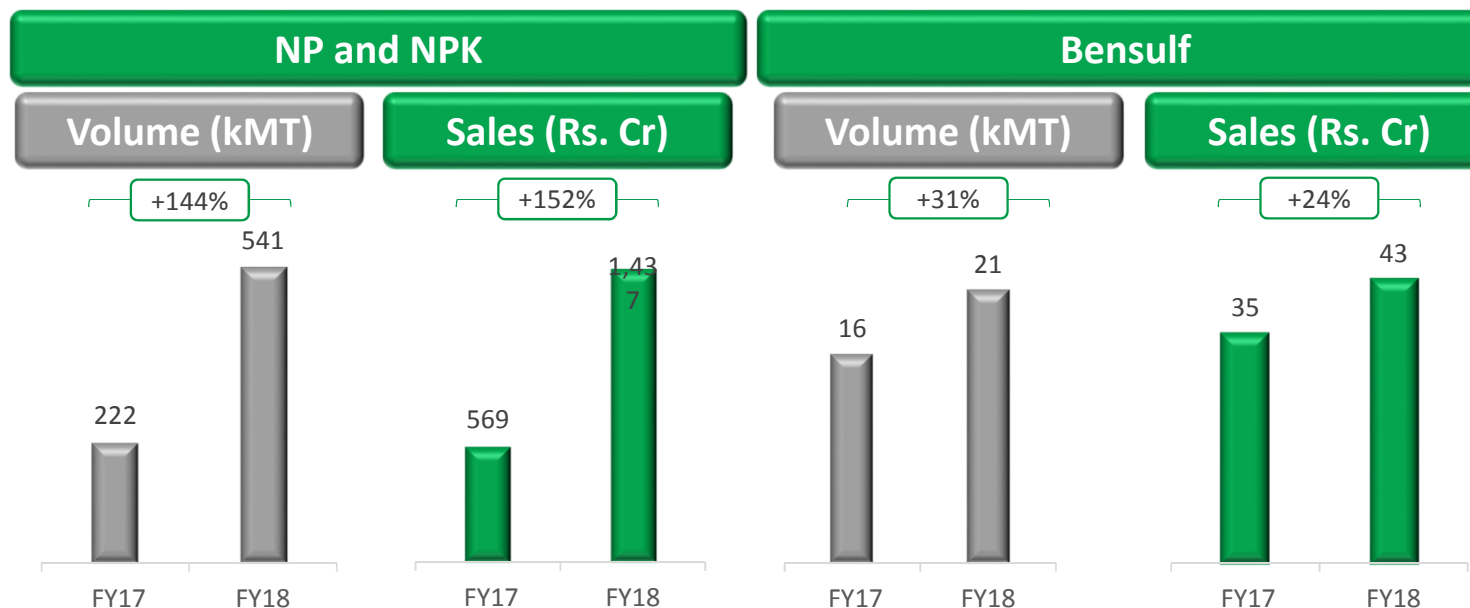
- Better capacity utilizations
- Strong market demand

- Continued full capacity utilizations
- Increase in revenue due to Increase in NSP

- Better capacity utilizations
- Sales prices dropped from exceptionally high prices of last FY



# Fertilizers Manufactured

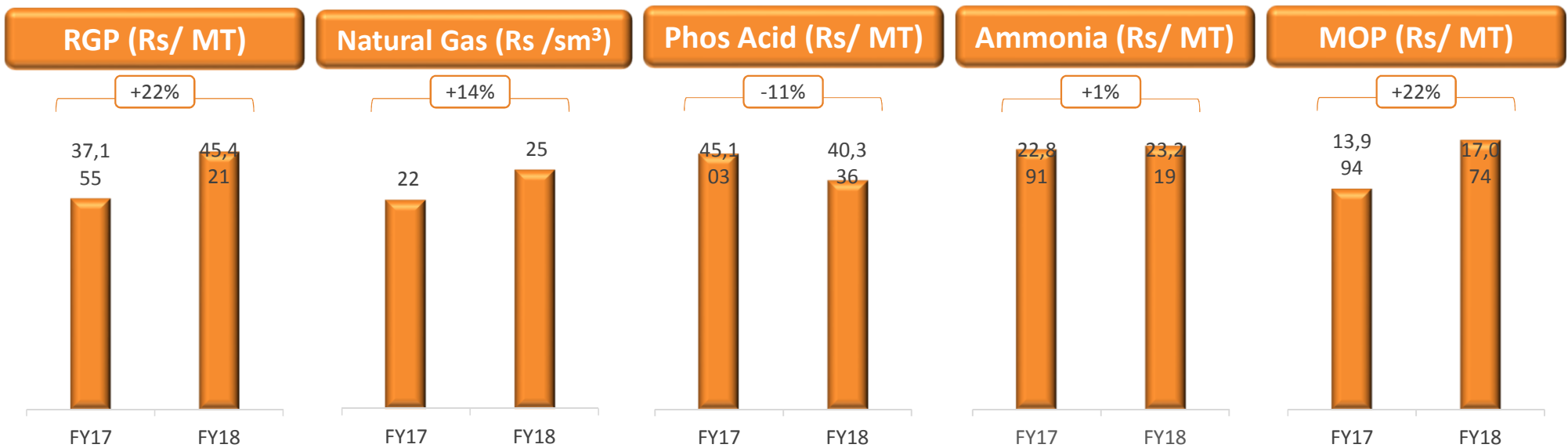


- First full year of operations of new NPK plant with capacity of 600 kMT
- Current EC approval is for 600 kMT. ( Current bulk fertilizers manufacturing capacity is 900 kMT )
- Lower volumes due to bagging plant limitation, grade stabilization and higher Sales & marketing costs and high Raw material prices in Q4 impacted the overall margins of the segment

- Better capacity utilizations from Taloja Plant
- Due to bagging plant limitations and other technical difficulties production at Panipat plant could not be reached to the normal capacity



# Key Raw Material Movement



- RGP & Natural gas prices increased due to increase in Crude Prices
- MOP Prices increased due to global Demand & Supply gaps

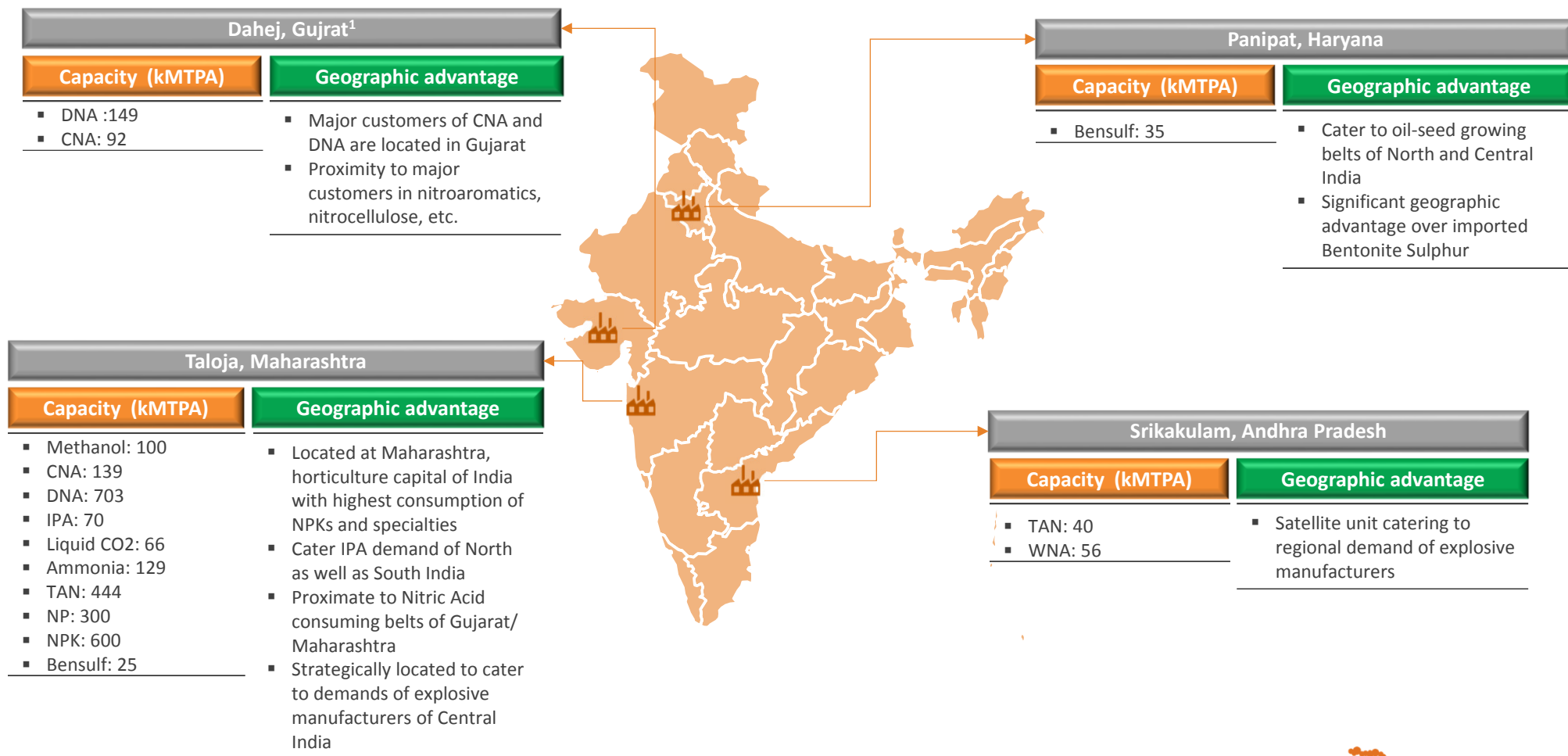


## Current Capacities and Expansion

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# Geographic Footprint



Note:

1. Gujarat plant will be operational by Q4 FY2019

Deepak Fertilisers & Petrochemicals Ltd: Corporate Presentation, June 2018



# Project Update

	Taloja , Maharashtra – IPA -II	Dahej , Gujrat – Nitric Acid	Other Projects
<b>Expansion (Product wise) (KMTPA)</b>	<ul style="list-style-type: none"> <li>IPA: 100</li> <li>DIPE: 7</li> </ul>	<ul style="list-style-type: none"> <li>Weak Nitric Acid: 149</li> <li>Concentrated Nitric Acid: 92</li> </ul>	-
<b>Capex</b>	<ul style="list-style-type: none"> <li>Rs. 840 Cr ( Initial estimate )</li> </ul>	<ul style="list-style-type: none"> <li>Rs. 550 Cr</li> </ul>	-
<b>Key Highlights and Current Status</b>	<ul style="list-style-type: none"> <li>Technology tie up being done</li> <li>Land Available at existing Facility</li> </ul>	<ul style="list-style-type: none"> <li>Most of the volumes tied up with near by customers</li> </ul>	<ul style="list-style-type: none"> <li>TAN &amp; Ammonia currently under evaluation stage</li> </ul>
<b>Scheduled Commissioning</b>	<ul style="list-style-type: none"> <li>33 Months from environmental clearance</li> </ul>	<ul style="list-style-type: none"> <li>Q4 FY2019</li> </ul>	-
<b>Investment Rational</b>	<ul style="list-style-type: none"> <li>Current demand supply gap being filled with traded volumes</li> </ul>	<ul style="list-style-type: none"> <li>Increased Demand from Existing Customers</li> </ul>	-

