



**DEEPAK FERTILISERS
AND PETROCHEMICALS
CORPORATION LIMITED**

Corporate Presentation Q4 FY 15



DEEPAK FERTILISERS
AND PETROCHEMICALS
CORPORATION LIMITED



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ABOUT US



**DEEPAK FERTILISERS
AND PETROCHEMICALS
CORPORATION LIMITED**



DFPCL

- ❑ Over three decades of technology depth, financial prudence and human motivation
- ❑ Listing: The Stock Exchange, Mumbai (BSE), and the National Stock Exchange (NSE)
- ❑ Multi-product portfolio spanning a variety of sectors – built in resilience against economic downturns
- ❑ Plants at Talaja, Western Maharashtra, India
- ❑ 100% Subsidiary – Smartchem Technologies at Srikakulam, Andhra Pradesh
- ❑ Ranked Fourth among chemicals manufacturers in India by Dun & Bradstreet
- ❑ The only IPA and TAN manufacturer in India & the largest Nitric Acid and AN producer in SEA
- ❑ Assimilated world's finest technologies available for products
- ❑ Certifications—ISO 9001:2000, ISO 14001:2004, OHSAS 18001:2007





PRODUCT INFORMATION





Product Information

❑ Industrial Chemicals

- Iso Propyl Alcohol, Methanol, Ammonium Nitrate (AN), Dilute Nitric Acid (DNA), Strong Nitric Acid (SNA), Concentrated Nitric Acid (CNA), Propane, Carbon-di-oxide (CO₂), Hydrogen (H₂)

❑ Agri-business (Fertilisers)

- Fertilisers : Nitro Phosphate (NP) 24:24:0, Bentonite Sulphur, bio-fertilisers, water soluble fertilisers, soil nutrients and select mixtures
- DFPCL's Saarthie initiative linking nutrient management to product output management

❑ Mining Services and Consultation

- The only manufacturer of Technical Ammonium Nitrate – a key ingredient to the emergent mining and explosives industry
- Holistic mining services provider of end to end solution in geology, mine consulting and contract mining

❑ Value Added Real Estate (VARE)

- Ishanya – India's first true Lifestyle Centre. Located in Pune, Western Maharashtra





PLANT CAPACITIES & TECHNOLOGY





Plant Capacities

Installed Capacity	Unit (MTPA)
Ammonia	1,28,700
CNA	1,38,600
DNA	7,02,900
Methanol	1,00,000
Iso Propyl Alcohol	70,000
TAN (across Taloja & Srikakulam)	4,69,000
CO ₂	33,000
Nitro Phosphate	2,29,500
Bentonite Sulphur	25,000





Technology

Products	Technology
Ammonia	Fish International Engrs. (U.S.A.)
Methanol	Davy McKee (U.K.)
Dilute Nitric Acid (DNA)	Weatherly Inc. (U.S.A.)
Concentrated Nitric Acid (CNA)	Plinke (Germany)
Low Density Ammonium Nitrate (LDAN)	Stamicarbon (The Netherlands)
Nitro Phosphate (Fertilisers)	Stamicarbon (The Netherlands)
Iso Propyl Alcohol (IPA)	British Petroleum
Technical Ammonium Nitrate	Stamicarbon (Netherlands)
	Grande Paroisse (France)
	Norsk Hydro (Sweden)
	Uhde (Germany)





COMPANY STRENGTHS





STRENGTHS – AGRI-BUSINESS





Agri-Business

DFPCL's Business Model

Identify growth platforms at each level of the agri-value chain where value can be maximised-- from farm nutrient inputs, to services and fresh produce management

- ❑ Farm nutrient inputs: Complexes, Fortified and Specialty fertilisers
 - Key Task: Augment capacity, build deeper market penetration and brand strengths.

- ❑ Services: Enhance critical last-mile connectivity to farmers
 - Key Task: Create effective farm advisory and nutrient input delivery mechanism to the farmer's doorstep, for better yields and profitability - The Saarrthie model in operation

- ❑ Fresh produce management: Focus on select fresh fruits and vegetables for global and Indian markets
 - Key Task: Gestational business in India, therefore need to acquire scale, market access and capability – DFV acquisition the first step towards developing these

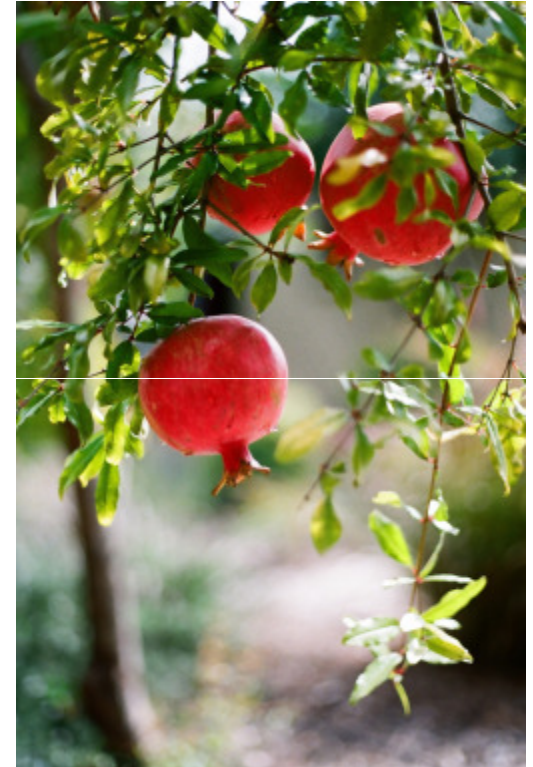




Agri-Business

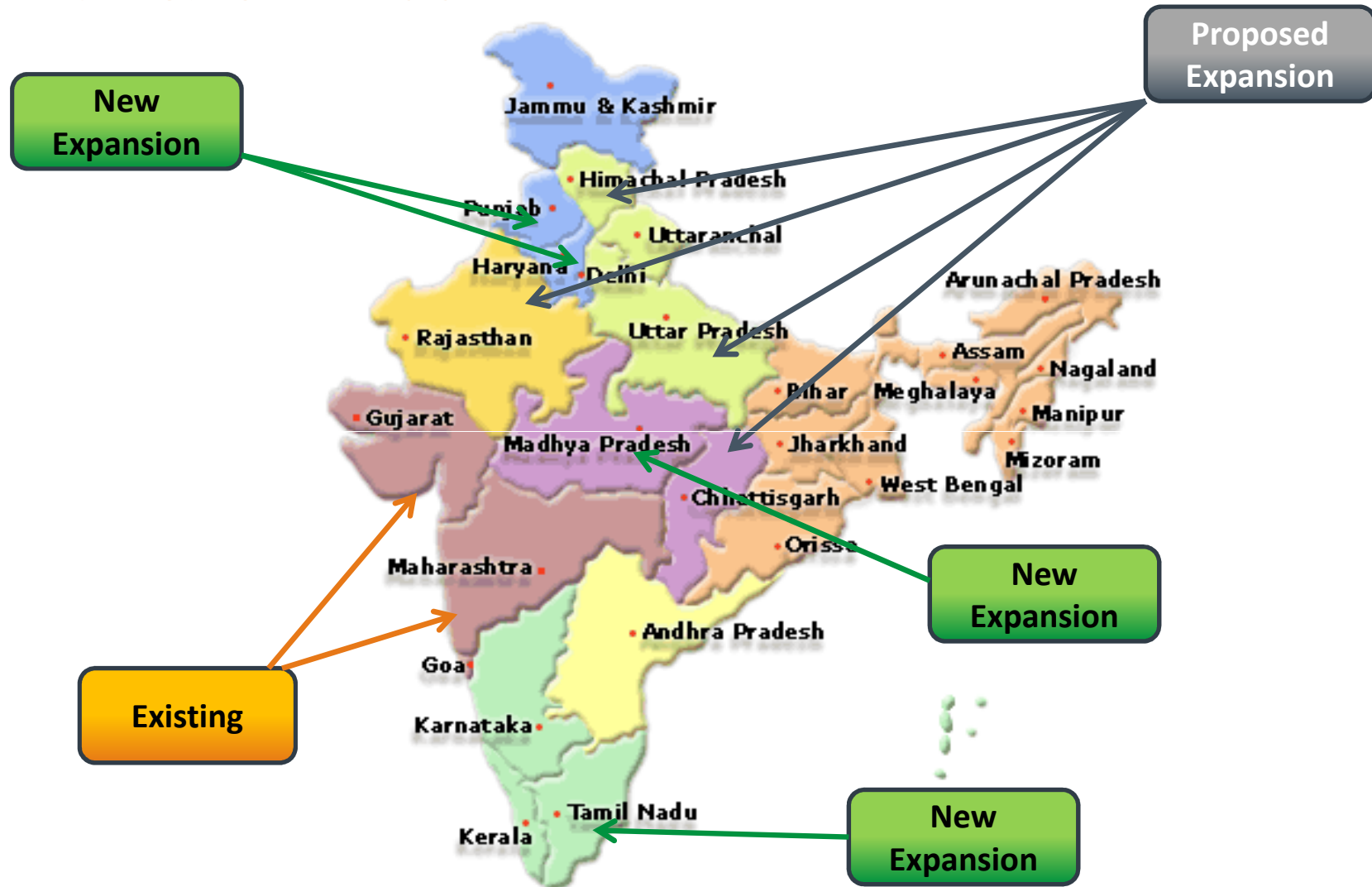
DFPCL's Strengths (Fertiliser Marketing)

- ❑ Only manufacturer of 24:24:0 in India
- ❑ Amongst market leaders in India for specialty products, water solubles, specialty fertilisers and Sulphur Bentonite
- ❑ Among the best recognised brands in the industry—Mahadhan and Bhoodan— drawn across a wide range of fertiliser products
- ❑ Network of 4,500 dealers and sub-dealers to ensure penetration across 7 states – Maharashtra, Karnataka, Gujarat, Madhya Pradesh, Punjab & Haryana
- ❑ Strong farmer relationships through 12 Saarthie centres serving 11,500 farmers
- ❑ DeepakGap Certifications for agri-produce accepted as global standard
- ❑ ISO 17025 accredited laboratory for agri-research





DFPCL Network in India

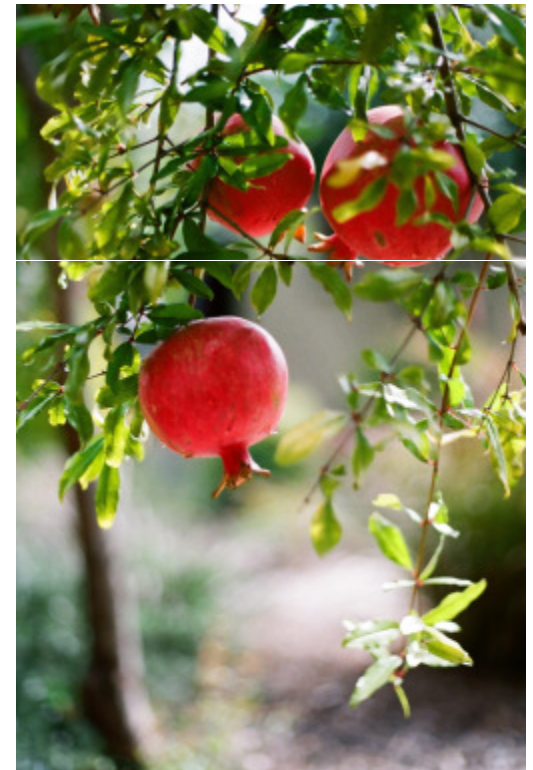




Agri-Business

DFPCL's Strengths

- ❑ DFPCL has invested resources in India for production of major fruits such as grapes & banana. The advantages of these two major crops in India are:
 - Large acreage under these two crops therefore good quantity of fruit is available for marketing
 - Quality and supply chain is fairly streamlined with packing facilities.
- ❑ DFPCL's next mandate crop is Pomegranate
 - Pomegranate is grown almost round the year with 90% of the area in Maharashtra – our current location
 - DFPCL's agronomists will supervise for production and quality.
- ❑ DFPCL's outreach to major cities for domestic sale of fruits & vegetables
 - Supply to major super markets as well as into whole sale trade
 - Proximity to the Middle-East markets as well.





Agri-Business

NEW PROJECTS

- ❑ Recently announced two new projects in Agri-business at a total investment of Rs. 415 crores

- ❑ Capacity augmentation project at Taloja
 - Project will more than double the existing capacity at the integrated fertiliser complex
 - Will enhance capacity of NPK grades complex fertilisers from 2,29,000 MTPA to 6,00,000 MTPA
 - Company will gain additional flexibility to produce all NP / NPK grades with fortification of micro-nutrients

- ❑ Greenfield Bentonite Sulphur plant
 - New BenSulf plant at Panipat in Haryana – Northern India
 - Plant will produce 32,000 MTPA of BenSulf

- ❑ Both projects are expected to be completed in 30-months from commencement





STRENGTHS – MINING CHEMICALS





Mining Chemicals

DFPCL's Business Drivers

- ❑ Critical need for power and infrastructure drives overall demand for coal, limestone and iron ore
- ❑ India possesses globally significant mineral resources. Mining industry to grow at 7% p.a. for the next 7-10 years
- ❑ Demand for coal is projected to increase to 980.5 Mn. tonnes in India's 12th Plan, from around 650 Mn. tonnes currently
- ❑ Coal sector growth therefore at 7-8% p.a. for the next 10 years. Need to enhance coal production to reduce dependence on import
- ❑ 12th Five Year Plan (2012-17) envisages nearly \$1 trillion investment in infrastructure – a key to GDP growth





Mining Chemicals

DFPCL's Business Model

- ❑ TAN is a relatively specialised product with customers requiring a high level of service from suppliers
- ❑ DFPCL's key competitive advantages are based on scale, market penetration and technical services - Therefore a value chain based on value extraction at every key link required:
 - Essential Just-In-Time services delivered through strategically placed warehouses and channel partners
 - Technical services like down-the-hole technologies
 - Bulk Mixing and Delivery equipment based trucks to provide on the spot service
- ❑ Growth path:
 - Build technology capabilities to enhance technical services and customer value
 - Target gaps in global markets viz. East Asia, Australia, Africa
 - Augment scale with capacity expansion close to Indian mining centres





Mining Chemicals

DFPCL's Strengths

- ❑ One of the largest producers of TAN in the world and the only producer of explosive grade low density prilled AN
- ❑ India's largest TAN complex producing AN Melt, High-density Ammonium Nitrate and Low-Density Ammonium Nitrate
- ❑ Strong brands and well-entrenched distribution system
- ❑ World-class quality with domestic scale
- ❑ Proximity advantage with high competence and ability to provide Just-In-Time technical service knowledge





STRENGTHS – INDUSTRIAL CHEMICALS





Industrial Chemicals

DFPCL's Business Model

- ❑ The primary focus of the Industrial Chemicals business is currently solvents
- ❑ Opportunities arising in high value petrochemical downstream products with similarity to solvents business
- ❑ Diversify its raw material base from ammonia towards petrochemicals with an ultimate focus on high value downstream products





Industrial Chemicals

DFPCL's Strengths

- ❑ FDA-licensed products—Iso Propyl Alcohol and Nitric Acid with advantages of scale
- ❑ Strong and direct relationship with over 600 Industrial customers in India and globally
- ❑ Strong distribution network – over 50 channel partners across India and exports to 30+ countries globally
- ❑ Sales Teams comprising chemical engineers committed to technical support
- ❑ Strong entry barriers to business derived from scale and services
- ❑ One of the few global players with Nitric Acid supply facility in carbuoys and drums





PEOPLE AT THE HELM





People at the Helm



□ **Mr. Sailesh C. Mehta, Chairman and Managing Director - DFPCL**

Under his leadership, the Company has emerged among the world's top five manufacturers of Technical Ammonium Nitrate, Asia's leading manufacturer of Nitric Acid and a domestic market leader in several fertilisers and crop nutrients, and chemicals including Iso-Propyl Alcohol (IPA), Ammonium Nitro Phosphate and Bentonite sulphur. DFPCL is ranked no. 3 among chemical companies in India by Dun & Bradstreet.

DFPCL is now foraying into marketing fruits and vegetables globally through a carefully managed vertically integrated business model that links the farm productivity, product quality and consumer needs intimately.

Mr. Mehta took over as the Company's Managing Director in 2002, was appointed Vice Chairman in 2005 and elevated as Chairman in October 2012. His involvement with the Company extends over two decades when he first started work on its manufacturing operations following his management degree from Texas, USA. He then oversaw the expansion of the Company from an ammonia manufacturer to a multi-product market leader spanning fertilisers and petrochemicals from natural gas.

Mr. Mehta is reckoned among the thought leaders in the Indian Agri-business sector with his focus on improving nutrient management and farm economics in India. He has for several years been among the top-office bearers of the Fertilisers Association of India and has been keenly associated with the International Fertiliser Association.





People at the Helm



□ **Mr. Partha Bhattacharyya**, *Executive Director – DFPCL*

With over 35 years of experience across some of the most challenging industrial sectors in the nation, Mr. Partha Bhattacharyya brings with him extensive business knowledge, global financial insight and management expertise, which will be leveraged to drive efficiency and growth across all the key sectors at DFPCL.

Mr. Bhattacharyya joined Coal India Ltd. (CIL) as a Management Trainee in 1977 and ascended to become Chairman and Managing Director in 2006 and continued till February 2011. During his tenure, CIL became Miniratna in 2007, Navratna in 2008 and Maharatna in 2011. He spearheaded the CIL IPO, the largest IPO in Indian Capital Market so far. Prior to joining DFPCL, Mr. Bhattacharyya led the Haldia Petrochemicals Ltd. team as Managing Director and will now lead all operations and growth teams at DFPCL.

Having graduated with a Masters (Physics) from Jadavpur University, Mr. Bhattacharyya has also completed a programme on Investment Appraisal and Management from the Harvard University and Advanced Management Program from Cambridge University. He is an FCMA and fellow of World Academy of Productivity Sciences. He has been recognized by Forbes Magazine as the 'High Achiever of the Year 2010' and has received numerous awards from the Govt. of India. He is also the recipient of the CEPM-PMA Honorary Fellowship Award.





People at the Helm

The day-to-day activities and decision making at DFPCL is managed by a competent group of Internal Board members, who bring with them a multi-faceted storehouse of knowledge and expertise. The Internal Board Members include:

- ❑ Mr. Somnath Patil, *President and CFO*
- ❑ Mr. Guy Goves, *President – Agri-business & Farming Solutions*
- ❑ Mr. Carl Anders Lindgren, *President & Technical Advisor - TAN*
- ❑ Mr. Paresh Trivedi,, *President – Chemicals*
- ❑ Mr. Pandurang Landge, *President – Projects*
- ❑ Mr. Naresh Piniseti, *President – HR*





COMPANY FINANCIALS



DEEPAK FERTILISERS
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Income from Operations Q4FY15



INR in Crores

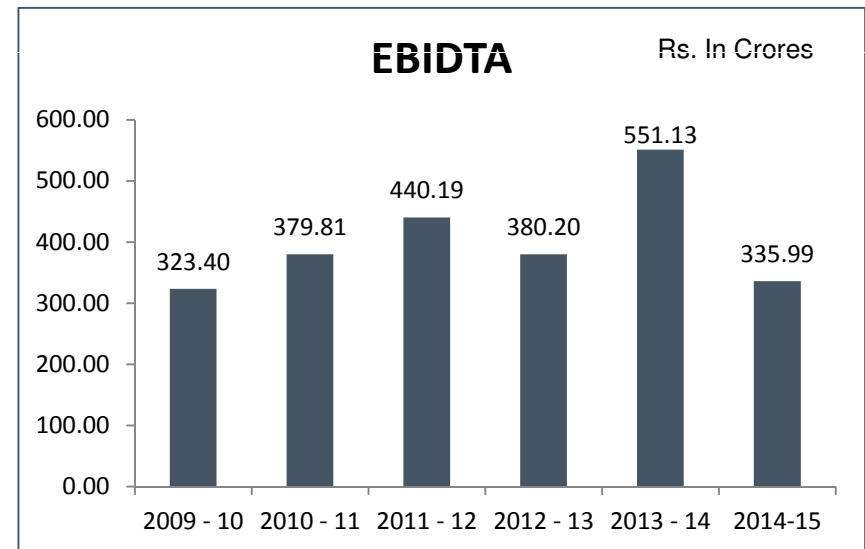
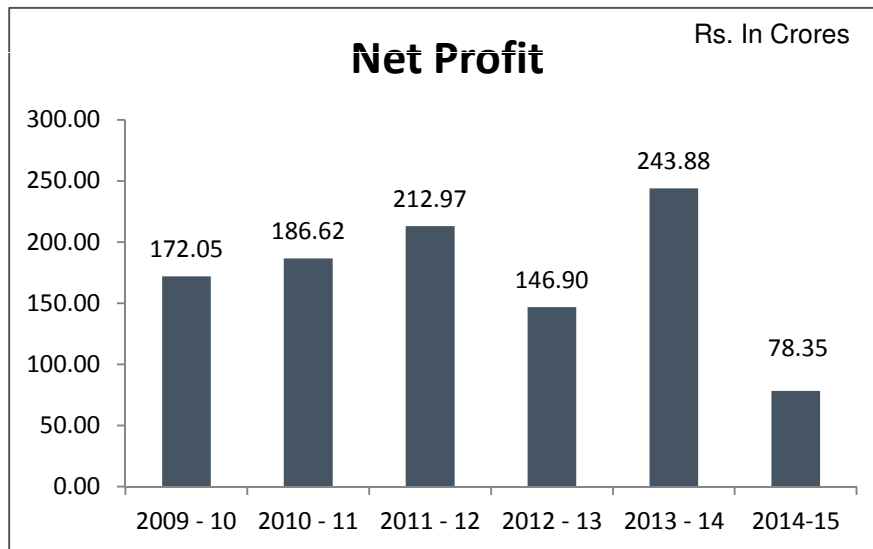
	Q4 FY15	Q4 FY 14	Year Ended 2015	Year Ended 2014
Income From Operations	930.95	1063.75	3711.77	3810.44
Profit Before Tax	37.94	122.59	108.22	336.39
Profit After Tax	27.23	91.44	78.35	243.88





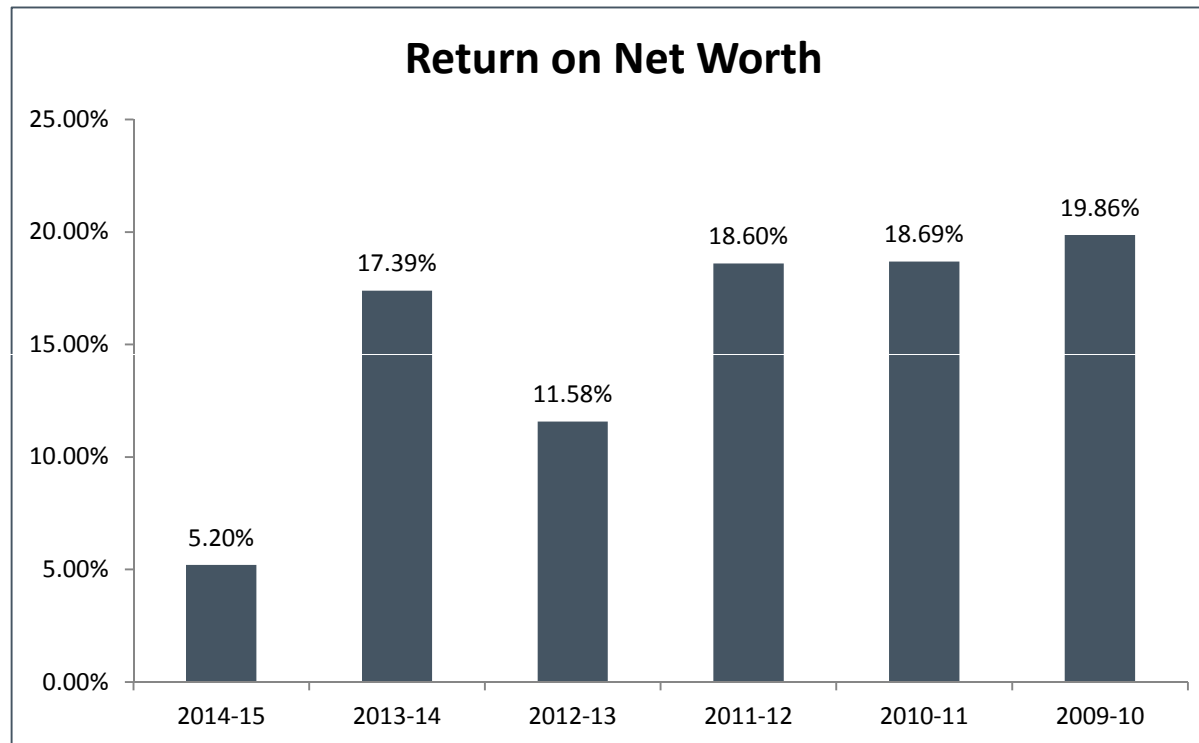
Financial Snapshot

The strength of our business model is reflected in our year-on-year growth despite growing global competition, the strength to withstand and rebound with resilience.



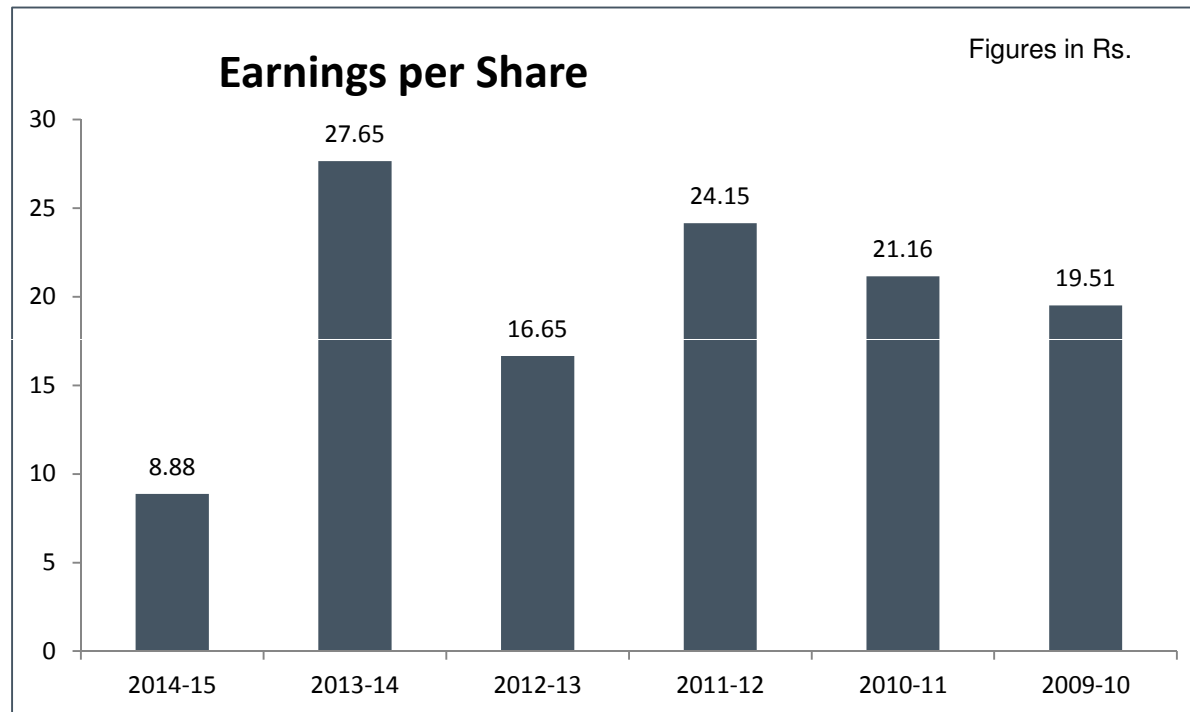


Financial Snapshot



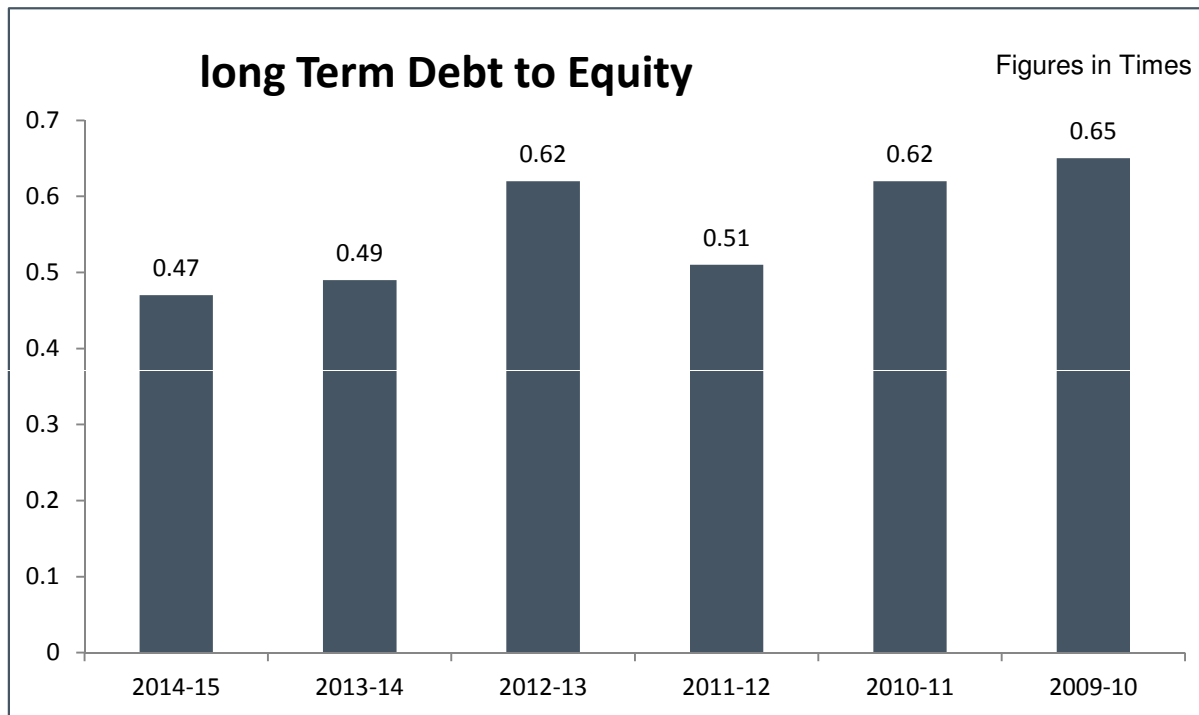


Financial Snapshot





Financial Snapshot





Thank You

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www.dfocl.com



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