



DEEPAK FERTILISERS  
AND PETROCHEMICALS  
CORPORATION LIMITED

Products to Solutions.  
Commodities to Brands.



INDUSTRIAL CHEMICALS



MINING CHEMICALS



CROP NUTRITION

Annual Report 2018-19

40  
a journey of 40 years

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Annual Report 2018-19

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#### Disclaimer

In this Annual Report, we have disclosed forward-looking information to enable investors to comprehend our prospects and take informed investment decisions. This report may contain forward-looking statements that set out anticipated results based on the management's plans and assumptions. We have tried, wherever possible, to identify such statements by using words such as 'anticipate', 'estimate', 'expects', 'projects', 'intends', 'plans', 'believes', and words of similar substance in connection with any discussion of future performance. We cannot guarantee that these forward-looking statements will be realised, although we believe we have been prudent in our assumptions. The achievement of results is subject to risks, uncertainties and even inaccurate assumptions. Should known or unknown risks or uncertainties materialise, or should underlying assumptions prove inaccurate, actual results could vary materially from those anticipated, estimated or projected. Readers should bear this in mind. We undertake no obligation to publicly update any forward-looking statements, whether as a result of new information, future events or otherwise.

# Products to Solutions. Commodities to Brands.



With a solid foundation in chemistry, DFPCL is transitioning into a holistic solutions provider by offering differentiated and value-added product offerings. Continuing our endeavour to go beyond customers' expectations and offer innovative solutions, we are committed to offering unique value propositions and enhance consumer experiences. At the same time, we are ensuring that our offerings are sustainable in today's rapidly transforming world of technology and aligns with the end user's requirement.

Inspired by four decades of our experience at product innovation and motivated by our contribution to the nation's growth, we are evolving as a one-stop solution provider. With a relentless focus, enduring our journey as an integrated specialty chemical manufacturing company, we are serving three of the most critical sectors of the economy namely mining, industrial chemicals and agriculture.

Strong brand recognition and customers' faith in our offerings is testament to our efforts of delivering unique products and

has enabled us to establish a leadership position with market share ranging from 20% to 80% across our key products.

We continue to transform with an objective of enhancing consumer experience and offering innovative solutions across all our business segments. In line with our long-established strategy to move from commodity to speciality products, we have introduced a number of differentiated products and services across all our business verticals.

With a focus on strengthening our core business, ramping up capacities, penetrating new geographies and process improvements to support our growth strategies, we are committed to work progressively to ensure we offer holistic solutions.

We believe that our journey from **Products to Solutions** and **Commodities to Brands** is steadily evolving despite challenging business environment. We have come a long way in our strategic path and will continue marching towards a brighter future...

# Company Overview



Deepak Fertilisers And Petrochemicals Corporation Limited (DFPCL) is one of the largest manufacturers of chemicals in India. With a strong presence in Technical Ammonium Nitrate (mining chemicals), Industrial Chemicals and Crop Nutrition, the Company supports more than three critical sectors of the economy namely infrastructure, mining, chemicals, pharmaceutical and agriculture.

## **TECHNICAL AMMONIUM NITRATE (TAN):**

Preferred partner for mining, infrastructure and explosives companies, DFPCL is the largest mining chemicals provider in India.

## **INDUSTRIAL CHEMICALS (IC):**

Produces various grades of Nitric Acid, Iso Propyl Alcohol (IPA), Methanol and Carbon Dioxide.

## **CROP NUTRITION BUSINESS (CNB):**

Produces Nitro Phosphate (NP) and Nitrogen Phosphorous Potassium (NPK) variants, differentiated NPK variants, water soluble fertilisers and Bentonite Sulphur.

DFPCL owns and operates India's first home lifestyle centre, Creaticity in Pune as part of its value added real estate (VARE) offerings. It is a first of its kind retail destination that focuses on fine home and interiors along with unique food & beverage and entertainment experiences.

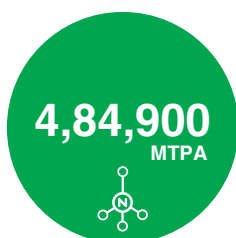
Since the start of its journey as a manufacturer of Ammonia, the Company has always focused on innovation and aligning its products to the consumer's needs. As a result, DFPCL has emerged as a multi-product manufacturing company today. The Company has been constantly refining its business strategies, optimizing competencies and focused on product development and differentiation to build leadership position across all its businesses. Today, the Company caters to sectors that are directly linked to the growth of the nation, manufacturing specific products required for multiple industries including mining, cement, infrastructure, pharmaceuticals, chemicals and agriculture.

DFPCL has plants located in four states, namely Maharashtra (Taloja), Gujarat (Dahej), Andhra Pradesh (Srikakulam) and Haryana (Panipat). DFPCL has adopted advanced global technologies that enables it to manufacture and supply superior quality products that meet international standards. The facilities across different states of India ensures its proximity to the consumers.

Focus of the Company is on customer satisfaction through value added products, shift from commodity to speciality and full capacity utilisation to drive economies of scale. Staying ahead of the curve with its strategy of anticipating the growth in demand and augmenting capacities in a timely manner with differentiated product portfolio has enabled the Company to maintain its leadership position.

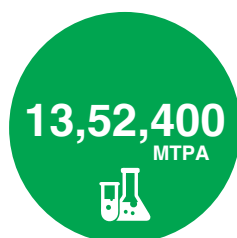


## Installed Capacity



### Technical Ammonium Nitrate (TAN)

(Low Density Ammonium Nitrate, High Density Ammonium Nitrate, Ammonium Nitrate Melt)



### Industrial Chemicals (IC)

(Nitric Acid - Weak and Concentrated, Methanol, Iso Propyl Alcohol & Liquid CO<sub>2</sub>)

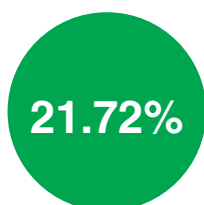


### Crop Nutrition Division (CNB)

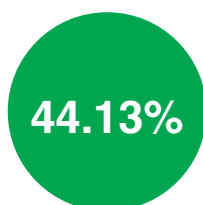
(Nitro Phosphate Fertiliser, NPK Fertiliser & Bentonite Sulphur)

## Contribution to Total Revenues (in %)

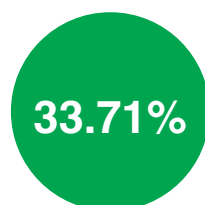
(Consolidated)



Technical Ammonium Nitrate (TAN)



Industrial Chemicals (IC)



Crop Nutrition Division (CNB)



VARE & Other

## Our Leadership Position

Only manufacturer of TAN Solids in India

Only producer of the merchant Iso Propyl Alcohol (IPA) in India

Largest manufacturer of Nitric Acid in India

Only manufacturer of NP prill 24:24:0 fertiliser in India

Largest manufacturer of Bentonite Sulphur in India

Market leaders in Speciality and Water Soluble Fertilisers in India

# Manufacturing Capacity (MT/Year)\*

## Ammonia

Installed (Taloja)

1,28,700

Planned Additional Capacity (Taloja)

5,00,000

## Technical Ammonium Nitrate

Installed (Taloja)

4,84,900

Planned Additional Capacity (Odisha)

3,76,000

## Concentrated Nitric Acid

Installed (Taloja & Dahej)

2,31,000

## Diluted Nitric Acid

Installed (Taloja, Dahej & Srikakulam)

8,85,000

## Methanol

Installed (Taloja)

1,00,000

## Iso Propyl Alcohol

Installed (Taloja)

70,000

Planned Additional Capacity (Taloja)

1,00,000

## Liquid CO<sub>2</sub>

Installed (Taloja)

66,000

## Nitro Phosphate Fertiliser

Installed (Taloja)

3,00,000

## Nitrogen Phosphorous Potassium Fertiliser

Installed (Taloja)

6,00,000

Planned Additional Capacity (Taloja)

2,00,000

## Bentonite Sulphur

Installed (Taloja & Panipat)

57,000

\*As on 30<sup>th</sup> May 2019.

# Sectors Served



## Technical Ammonium Nitrate

Mining  
Infrastructure  
Explosives  
Pharmaceuticals  
Electronics



## Industrial Chemicals

Pharmaceuticals	Explosives
Nitro Aromatics	Dyes
Paints & Coatings	Agrochemicals
Steel	Cosmetics
Inks	Adhesives



## Crop Nutrition Division

Agriculture



## Value Added Real Estate

Home Makers and Interior Solution Seekers  
Architects and Interior Designers  
Food and Entertainment Patrons  
Art and Culture Enthusiasts



# Geographical Presence

## DAHEJ, GUJARAT

### Capacity (KTPA)

- DNA : 149
- CNA : 92

### Geographic advantage

- Major customers of nitroaromatics and nitrocellulose are located in Gujarat

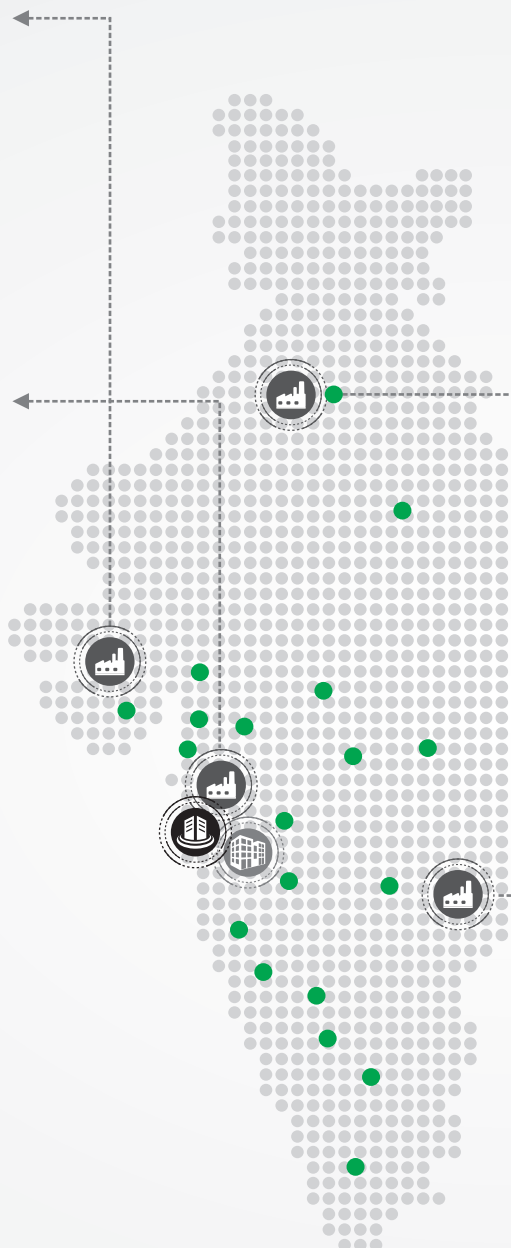
## TALOJA, MAHARASHTRA

### Capacity (KTPA)

- TAN: 445
- DNA: 703
- CNA: 139
- IPA: 70
- Liquid CO<sub>2</sub>: 66
- Methanol: 100
- NP: 300
- NPK: 600
- Ammonia: 129
- Bensulf: 25
- IPA: 100
- Ammonia: 500

### Geographic advantage

- Located in Maharashtra, horticulture capital of India with highest consumption of NPKs and specialties
- Caters to IPA demand of North as well as South India
- Proximate to NA consuming belt of Gujarat-Maharashtra
- Strategically located near explosives manufacturers in Central India

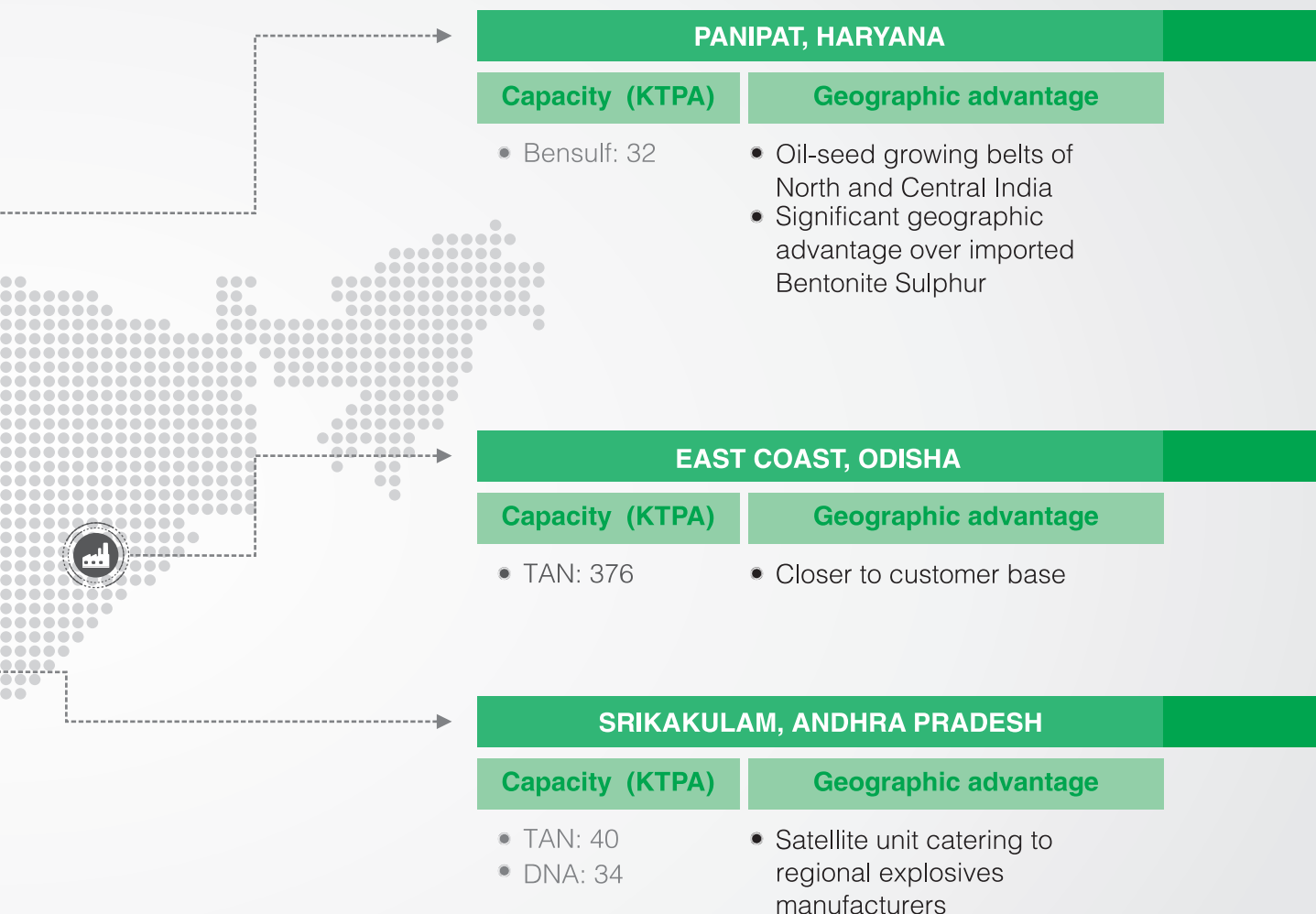


Installed Capacity



Planned Additional Capacity





Corporate Office



Production Facilities



Area Sales Offices



Value Added Real Estate

## Recent Strategic Initiatives

- To strategically support the downstream sectors already in operations, a world scale Ammonia facility of 1,500 TPD is being planned as a backward integration at Taloja
- Planning capacity expansion of Iso Propyl Alcohol (IPA) at Taloja
- Planning capacity expansion of TAN in Odisha
- Developing new grades of nitric acid (e.g. electronic grade and steel grade) to further enhance product offerings
- Focussed ramp up of recently launched differentiated fertiliser products
- Continuously develop and launch value added nutrient products
- Forward integration of TAN through down the hole (DTH) and blasting services

## Operational Highlights

### **TAN**

- Plants capacity utilisation crossed 100% during the year
- Achieved the highest sales volumes in FY19 of 506 KT, an increase of 20% year on year

### **Industrial Chemicals**

- Started commercial production of Nitric Acid at Dahej, Gujarat in April 2019
- Highest production of CNA from Taloja plant during the year

### **CNB**

- First full year of commercial roll out of differentiated products like Smartek NPK, Bensulf (FRT) and crop specific grades in WSF
- Smartek NPK sales of 123 KT accounting for 43% of total NPK production
- Highest ever sales of Bentonite Sulphur of 24 KT

### **VARE**

- 45% increase in footfall year on year
- Half a million focused visitors visited the campus
- 80% occupancy, up by 40% year on year