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Earnings Presentation

Q1 FY2025



Business Overview



- Paradeep Phosphates Limited (PPL) is India's second-largest private sector phosphatic fertilizer company with a capacity of **3.0 MMTPA**
- The Paradeep unit (1.8 MMTPA) can produce **DAP** and various **NPK grades**, while the Goa unit (1.2 MMTPA) can produce **unique NPK grades** (0.8 MMTPA) and **urea** (0.4 MMTPA)
- PPL's competencies are in sourcing critical raw materials, producing DAP and various NPK grades, and selling to more than **9 million farmers** through a wide distribution network of over **75,000 retailers** across **15 states** in India. PPL also has a small industrial portfolio
- PPL's brands, **Jai Kisaan** and **Navratna**, hold strong equity in the minds of farmers
- PPL is promoted by Zuari Agro Chemicals and OCP Group of Morocco, jointly holding 56.1% of the company through ZMPPL (Zuari Maroc Phosphates Pvt Ltd)

Key Metrics in FY 24

02 Manufacturing Plants	9+ Million Farmer Connect	ICRA A Stable Credit Rating
3.0 MMTPA Installed Capacity	1,500+ Employees	1.1 Debt to Equity
Rs. 115,751 Mn Revenue	15 States Geographical Presence	12% ROCE

Manufacturing Units	Location	Area in acres	Installed Capacity	Target Market	Key Products	ISO Certification	Backward Integration	Advantages
	Paradeep, Odisha	2280	NPK / DAP 1.8 MMTPA	East, Central and South of India	DAP, NPK-20, N-12, N-10, N-14	<ul style="list-style-type: none"> 9001 14001 45001 50001 17025 	Phosphoric Acid	Inbound logistics via a 3.4 km pipeline from the port Green power generated from sulphuric acid production
	Zuarinagar, Goa	260	NPK / DAP 0.8 MMTPA, Urea - 0.4 MMTPA	West, Central and South of India	NPK-10, N-12, N-14, N-19, N-28, Urea N-19 is unique to the Goa plant in India	<ul style="list-style-type: none"> 45001 14001 	Ammonia	Centrally located in agriculturally developed markets with high phosphate consumption



Raw Material Sourcing

- Competitive edge in sourcing raw materials via **long-term agreements** with suppliers
- **Supplier relationships** coupled with **backward integration** help hedge global price volatility
- Close proximity to ports enhances inbound logistics. PPL owns a **captive berth** at Paradeep port, using a 3.4 km conveyor pipeline for transport
- The Goa plant also benefits from its location near Mormugao Port



Manufacturing & Storage Capabilities

Paradeep Plant:

- Backward integration of P_2O_5
- Land for future expansion
- Green Power via making of captive sulphuric acid

Goa Plant:

- Backward integration of ammonia
- Diversified product portfolio
- Access to developed markets

Availability of **extensive storage area** for raw materials and finished goods at both plants



Wide product basket with unique grades

Consumer Product Portfolio:

• Core Products:

DAP-18:46:0, NPK-20:20:0:13, NPK-12:32:16, NPK-10:26:26, NPK-19:19:19, NPK-28:28:0

• Newer Products:

NPK-14:28:14, NPK-14:28:0, NPK-14:35:14, NPK-24:24:00, NPK-15:15:15:09, TSP-0:46:0, Nano DAP, Nano Urea

Industrial Product Portfolio:

Phospho-gypsum, Zypmite, Sulphuric Acid, NH_3 , HFSA



Pan India Sales Network and Strong Brand Equity

Two flagship brands

- Jai Kisaan and Navratna

Extensive Pan-India Network

- 15 plus States in India
- 22 regional marketing offices
- 520 plus stock points
- 5,000 plus dealers
- 75,000 plus retailers

Consumer Base

- 9 plus Million Farmers

Strong channel loyalty programme

Q1 FY25 Performance Highlights



(in Rupees Million)

Total Income

Rs. 23,774

(22.2)% Y-o-Y

EBITDA

Rs. 1,663

Margins : 6.9%

PBT

Rs. 142

Margins : 0.6%

Net Profit

Rs. 63

Margins : 0.3%

Quarterly Developments

- Total Income in the quarter was lower on account of a brief shut-down at the Paradeep unit in April 2024
- The company has introduced new products this quarter, including NPK 14, NPK 19, and TSP, which have been well received by farmers
- The company has launched its biogenic nano DAP and Urea products under the brand name **Jai Kisaan Navratna Nano Shakti**. The Nano Urea contains 8% Nitrogen, while the Nano DAP contains 6% Nitrogen and 16% P₂O₅
- The company sold ~30,000 and ~26,000 bottles of Nano DAP and Nano Urea during the quarter
- Our Q1 channel volumes are expected to support the Kharif season, bolstered by good monsoons in June

Q1 FY25 PPL Operational Highlights



(Production Volumes)

Total fertilizers

539,194 MT

(16)% Y-o-Y

DAP

141,665 MT

(44)% Y-o-Y

N-20

135,873 MT

(16)% Y-o-Y

Other NPK

141,622 MT

29% Y-o-Y

Sulphuric Acid

198,836 MT

(7)% Y-o-Y

Phosphoric Acid

92,360 MT

59% Y-o-Y

Urea Production: 120,034 MT

Ammonia: 73,212 MT

Q1 FY25 PPL Operational Highlights



(Manufactured Sales Volumes)

Total fertilizers

554,571 MT

(11)% Y-o-Y

DAP

102,918 MT

(64)% Y-o-Y

N-20

155,037 MT

21% Y-o-Y

Other NPK

115,531 MT

28% Y-o-Y

Urea Sales: **108,619 MT**

Traded Products: **72,532 MT (MOP, TSP, DAP)**

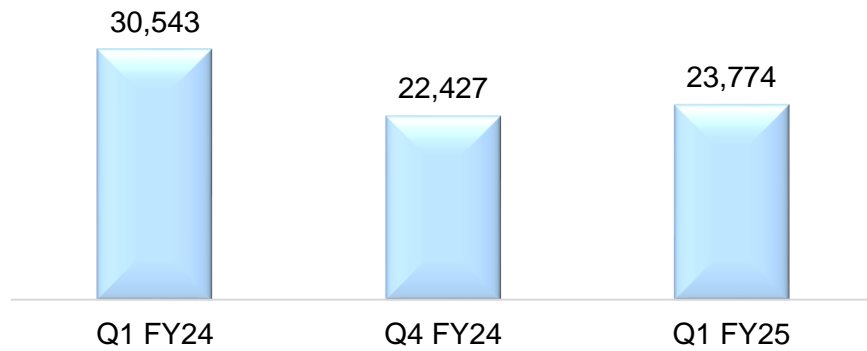
Q1 FY25 Performance Trends



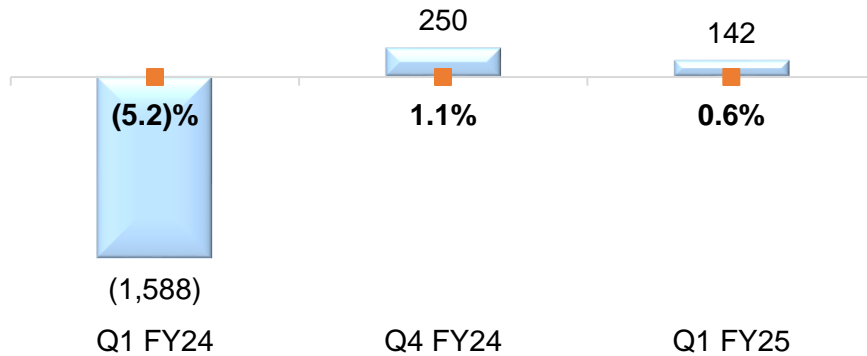
Quarterly profitability has improved Year-over-Year, Lower quarterly volumes led to a decrease in revenue

(in Rupees Million)

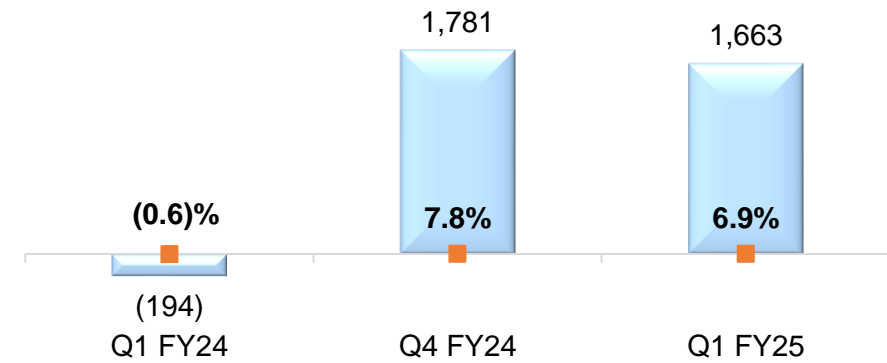
Revenue from Operations



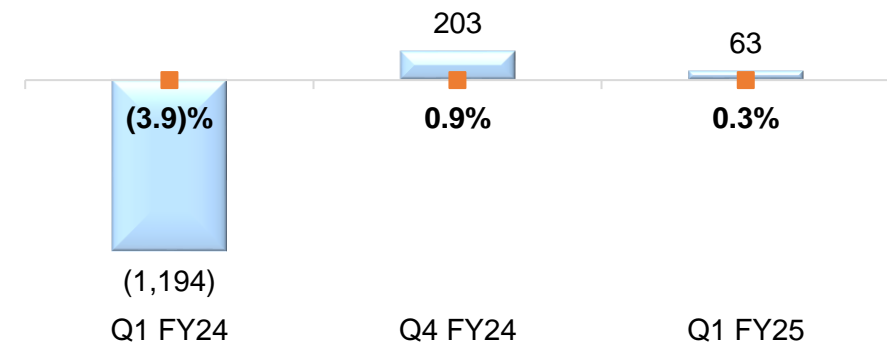
PBT and Margins

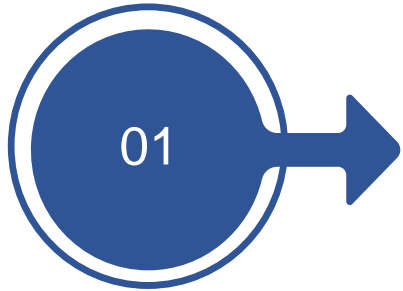


EBITDA and Margins



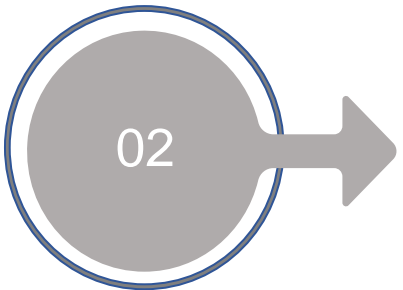
Net Profit and Margins





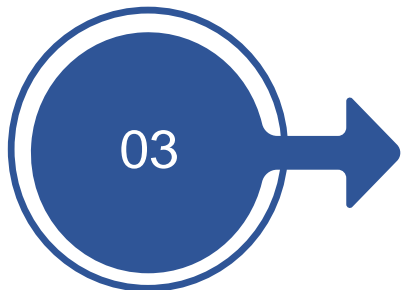
Capex projects to enhance profitability

- The newly expanded phosphoric acid capacity is now operational
- Increase in sulphuric acid production capacity from 1.4 to 2 MMTPA is ongoing



Product Stewardship

- Advancements in domestic R&D leading to the development of nano-urea and nano-DAP
- Introduction of new NPK variants viz. TSP



Merger Advantages

- The fructification of the merger of Paradeep Phosphates and Mangalore Chemicals and Fertilizers is expected to improve market reach

Q1 FY25 Update

- Phosphoric acid production increased by ~60% in this quarter compared to the same quarter last year

Q1 FY25 Update

- The company sold ~30,000 and ~26,000 bottles of Nano DAP and Nano Urea during the quarter
- The company sold 27,000 Metric Tons of TSP (Triple Super Phosphate) this quarter

Q1 FY25 Update

- The merger process has received approval from Competition Commission of India on 30 July 2024



Mr. N Suresh Krishnan
Managing Director

Our competency in sourcing raw materials, manufacturing a diverse range of fertilizer grades, and our extensive reach across 15 states positions us advantageously in the market.

Although we aimed for a stronger start to FY 25, a shutdown at the Paradeep unit in April resulted in a production loss of approximately one month. We will work to cover this shortfall throughout the year.

On a positive note, we have observed a good reception for the unique NPK grades we introduced this quarter, including our nano-products. The marginal benefits of our phosphoric acid backward integration are also beginning to materialize.

We remain optimistic about the Kharif demand, supported by favorable monsoon conditions. Our commitment to serving our markets with the best product mix for the upcoming season remains unwavering.

Standalone Financial Performance Summary



(in Rupees Million)

(Rs. Million)	Q1		Y-o-Y	Q4	Q-o-Q	Full Year		Y-o-Y
	FY2025	FY2024	Growth(%)	FY2024	Growth(%)	FY2024	FY2023	Growth(%)
Revenue from Operations	23,774	30,543	(22.2)%	22,427	6.0%	115,751	133,407	(13.2)%
Other Income	192	192	0.2%	300	(36.0)%	688	911	(24.4)%
Total Income	23,966	30,735	(22.0)%	22,728	5.5%	116,440	134,318	(13.3)%
Cost of Material Consumed	17,162	24,428	(29.7)%	15,376	11.6%	76,090	104,397	(27.1)%
Purchase of Trading goods	3,964	6,771	(41.5)%	155	<i>nm</i>	10,551	1,823	478.9%
Changes in Inventories of Finished Goods, W-I-P & Stock in Trade	(3,906)	(5,485)	<i>nm</i>	966	<i>nm</i>	3,343	(88)	<i>nm</i>
Employee benefits expense	580	582	(0.4)%	579	0.2%	2,298	2,132	7.8%
Other expenses	4,504	4,633	(2.8)%	3,871	16.4%	16,989	17,134	(0.8)%
EBITDA	1,663	(194)	<i>nm</i>	1,781	(6.6)%	7,169	8,921	(19.6)%
Margin	6.9%	(0.6)%		7.8%		6.2%	6.6%	
EBIT	1,051	(664)	<i>nm</i>	1,203	(12.7)%	5,062	7,169	(29.4)%
Margin	4.4%	(2.2)%		5.3%		4.3%	5.3%	
PBT	142	(1,588)	<i>nm</i>	250	(43.5)%	1,402	4,257	(67.1)%
Margin	0.6%	(5.2)%		1.1%		1.2%	3.2%	
Reported Profit After Tax	63	(1,194)	<i>nm</i>	203	(68.8)%	992	3,037	(67.3)%
Margin	0.3%	(3.9)%		0.9%		0.9%	2.3%	
Basic EPS	0.08	(1.47)	<i>nm</i>	0.25	(72.0)%	1.22	3.89	(68.6)%

Notes:

1. EBITDA includes Other Income
2. All Margins are calculated on Total Income

Well diversified product portfolio to cover the entire range of the non-urea fertilizer market

Core Products



DAP 18:46:0



NPK 20:20:0:13



NPK 12:32:16



NPK 15:15:15:09



NPK 0:46:0



NPK 24:24:00



NPK 28:28:0



NPK 19:19:19



NPK 10:26:26



NPK 14:35:14



Nano Urea



Nano DAP

Recently Launched Products

For more details of our products, please visit : <https://www.paradeepphosphates.com/brands-and-products>

PPL's Sales and Distribution Strength



PPL's distribution spans pan-India, while its continuous channel engagement strengthens brand equity and customer loyalty



Market Presence	PPL
States Covered	15
Regional Marketing Offices	22
Stock Points	345
No. of Dealers	5,000+
No. of Retailers	75,000+
Farmers Covered	9+ Mn

Farmer Engagement Activities For Q1 FY25 (1/2)



BTL Activities Organized

Activity	No.
Retailer Meetings	70
Farmer Meetings	1475
Mega Farmer Meetings	39
Demonstrations	47
Crop Seminar	42
FPO Farmer meetings	221

PMKSK Activities

- PPL has completed 9,353 PMKSK installations: 250 at the district level, 1,719 at the block level, and 7,335 at the village level.
- Organized 659 farmer programs on June 18, 2024, for the Hon'ble PM's webcast of the 17th PMKISAN installment.
- A total of 2,835 farmer programs have been conducted at PPL's PMKSKs to date.



- In Q1 FY25, brand development focused on launching Jai Kisan Navratna Nano Urea, Nano DAP, and Jai Kisan Navratna TSP 46% P across dealers, retailers, and farmers.



- Held 4 drone seminars and 60 farmer meetings to promote drone services.
- Collected orders for spraying 256 acres, with 41 acres already completed.

Farmer Engagement Activities For Q1 FY25 (2/2)



Glimpses from Retailer and Farmer Connects



During Q1 2024-25, the retailer and farmer-connect programs focused on introduction of high Nutrient Use Efficiency (NUE) products, including Jai Kisaan, Navratna, Nano Shakti, Nano DAP / Nano Urea and Jai Kisaan Navratna TSP 46% P

1. Union Budget 2024: Boost for Fertilizer Sector

- In the July 2024 Union Budget, the government has allocated ₹1.52 lakh crore to farming and allied sectors
- The fertilizer sector has received a total budget of ₹1.64 lakh crore, with ₹45,000 crore designated for products under nutrient-based subsidies

2. Government Increase in Minimum Support Prices (MSP) for Kharif Crops

- The Government has increased the Minimum Support Prices (MSP) for Kharif crops for the marketing season 2024-25 to ensure growers receive remunerative prices.
- This is expected to benefit fertilizer companies as higher MSPs may encourage farmers to cultivate more Kharif crops, leading to increased demand for fertilizers

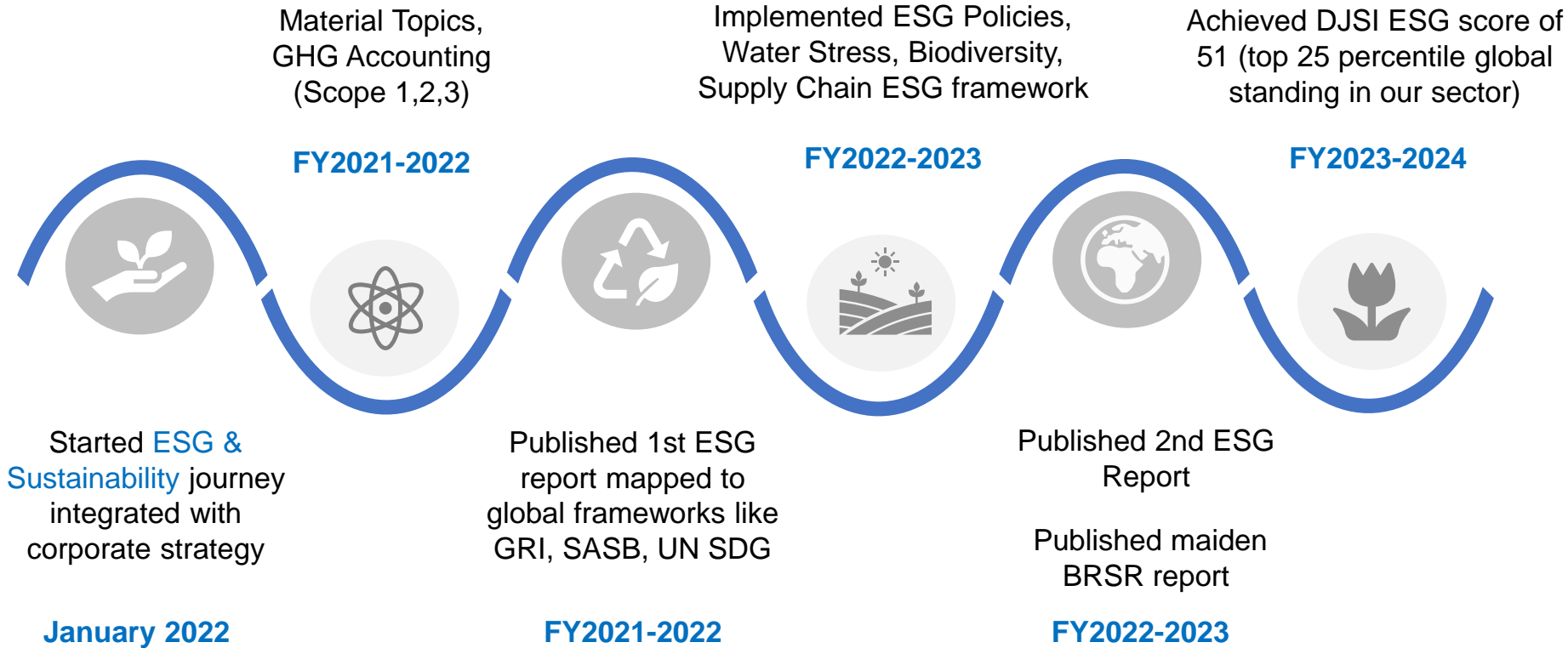
3. India's Progress Toward Urea Self-Sufficiency

- India's urea imports have recently decreased to less than 5 million tonnes due to the establishment of new production plants
- Domestic urea production is expected to increase by 2025, with four new plants operational, advancing India toward self-sufficiency (Atma Nirbhar Bharat)

4. Government Initiatives to Promote Nano Fertilizers

- The Government of India is promoting the use of nano fertilizers via a) awareness campaigns b) newer capacity building c) availability at PMKSKs d) SHGs e) field demonstrations
- The 'Namo Drone Didi' Scheme provides drones to 15,000 women SHGs for nano fertilizer application

Sustainability & ESG at PPL



Paradeep Site: A Crucial Habitat for Migratory Birds

The Paradeep site, spanning 2,280 acres, is a vital habitat for over 30,000 migratory birds from more than 50 species annually. It offers diverse habitats like wetlands, grasslands, and woodlands, supporting avian biodiversity and ecological research. These birds, traveling long distances from around the world, help maintain ecological balance through seed dispersal, pollination, and insect control.



DJSI, or Dow Jones Sustainability Index, is a globally renowned ESG rating index by S&P.

Links for reading: [ESG Report FY2021 - 2022](#) , [ESG Report FY2022 – 2023](#) , [BRSR Report FY2022-2023](#) , [PPL ESG Profile](#)

CSR Themes and Q1 FY 25 Update



PPL actively touches over 55,000 lives through its themed CSR programmes



Livelihood & Community Empowerment

3,545 lives touched

55 women provided Agriculture drones
1662 women underwent agriculture training



Healthcare

32,875 lives touched

50 TB and 34 Anaemic patient provided nutrition & Healthcare support and +300 elderly people supported with Geriatric kit, Eye care



Rural Sports Promotion

3,545 lives touched

•1 Girl selected for Khelo India National Championship Din Football and 8 boys secured place to participate in State level championship



Education

8,859 lives touched

•30 AWC centre developed as Navratna Balyagraha project over three years and 15 STEM Centre and 15 Library established



Environment & Biodiversity

7,044 lives touched

•47400 saplings planted
•1958 fruit bearing tree planted



Rural & Slum Development

1,925 lives touched

•Connectivity issues addressed in 4 villages
•Address power disruption through 4 solar power project making ease of life

CSR Update for Q1 FY25

Livelihood & Community Empowerment

74 youth have been skilled and certified in Sewing machine, Data Entry Operator and Junior Software Developer trade and got placement in industries like Foxconn, Aditya Birla Fashion, Shahi Export and Indo-Mim Ltd. With a salary range of Rs. 13,000 to Rs.19910

Environment & Biodiversity

LED Street Lighting has been taken up in Sansidha and Mangarajpur Giri Sahi villages of Aul block of Kendrapada district to ease of living and communication in night benefitting more than 2500 HHs

Awards & Recognitions



Recent Awards



Best Annual Report Award - 2023



Kalinga Safety Excellence Award



Best Performing Plant Award at FAI

Awards and Accolades



CSR Golden Peacock Award - 2022



Excellence Award by Odisha CSR Forum - 2022

Industry Recognition



CIDC Vishwakarma Award Best Professionally Managed Co.



Accolades by CII for Energy Conservation Initiatives



Exceed Award 2022 on OSH in Platinum category, Goa



Recognition for "Shared Vision for a Better World" by Bureau of Indian Standards

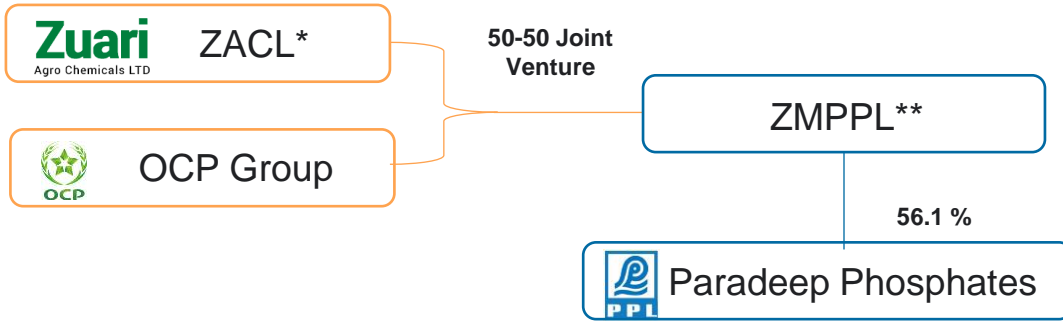


PAP Best Performance Award, FAI - 2022

Share Holding Pattern Top Shareholders



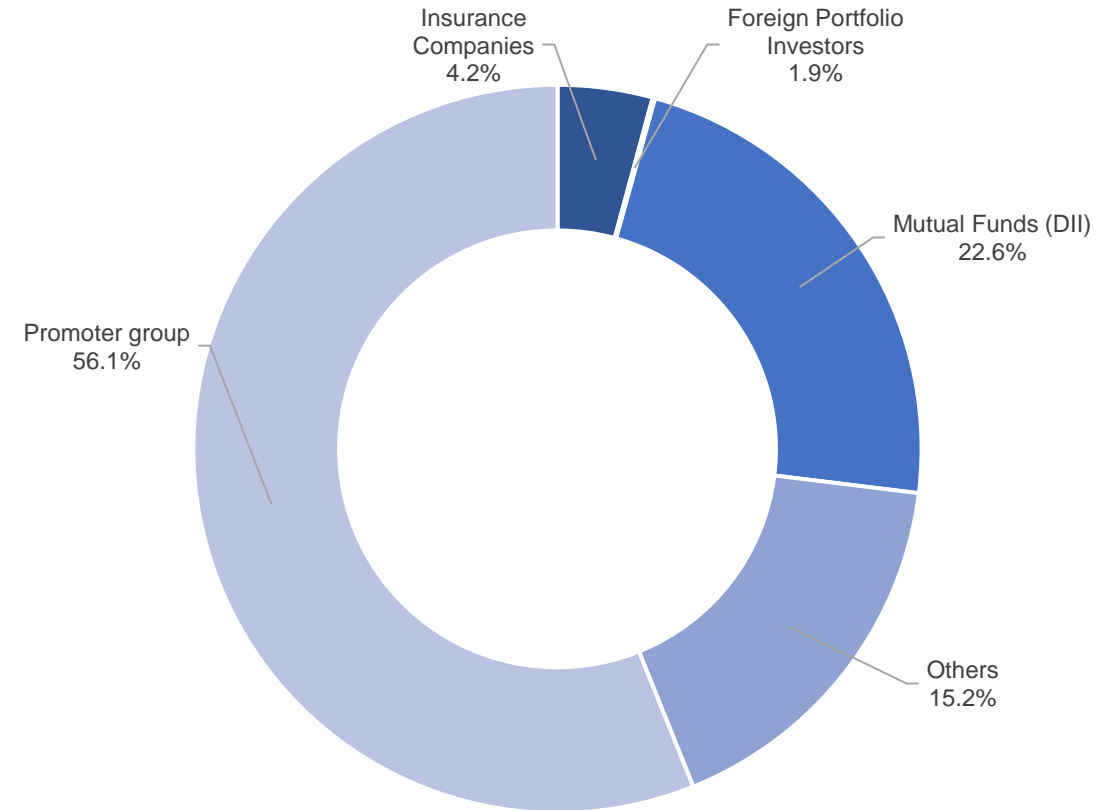
Promoter Group



Top Shareholders# in DII, FII and Insurance

SBI MF Total	8.54%	Domestic
Life Insurance Corporation of India	4.15%	Domestic
Nippon Life India	3.60%	Domestic
DSP Small Cap Fund	2.91%	Domestic
HSBC MF Total	2.39%	Domestic
HDFC MF Total	1.89%	Domestic
Mirae Asset Fund	1.44%	Domestic
Dovetail India Fund	0.61%	Foreign
Tata Mutual Fund Total	0.56%	Domestic

% PPL Shareholdings



* Zuari Agro Chemicals Limited, **Zuari Maroc Phosphates Pvt Ltd, # As on 30th June 2024

Disclaimer

This presentation contains statements that are “forward looking statements” including, but without limitation, statements relating to the implementation of strategic initiatives, and other statements relating to “Paradeep Phosphates” 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.

Paradeep Phosphates undertakes no obligation to publicly revise any forward-looking statements to reflect future / likely events or circumstances.

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Thank You

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