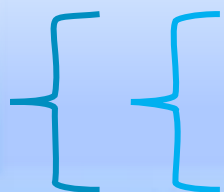


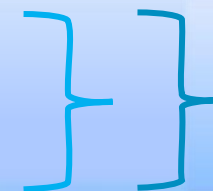


www.paradeepphosphates.com

Paradeep Phosphates Limited



Nourishing the Future - Feeding the Nation



Earnings Presentation

Q3 and 9M FY2024

Business Overview



Paradeep Phosphates Limited

- Paradeep Phosphates Limited (PPL) is India's second largest private sector phosphatic company with a capacity of **3.0 MMTPA** finished fertilizers (NPKs, DAP and Urea)
- Diverse consumer product portfolio of phosphatic grades of fertilizer:
 - **Core Products** : DAP, NPK-20:20:0:13, NPK-12:32:16, NPK-10:26:26, NPK-19:19:19, NPK-28:28:0
 - **Recent Launched** : NPK-14:28:14, NPK-14:28:0, NPK-14:35:14, NPK-24:24:00, NPK-15:15:15:09
- Industrial supplier of **Phospho-gypsum, Zypmite, Sulphuric Acid and Hydrofluorosilicic Acid (HFSA)**
- PPL also trades in **Muriate of Potash (MOP)**
- Two manufacturing plants in **Paradeep** (1.8 MMTPA) and **Goa** (1.2 MMTPA) with ISO 9001, ISO 14001, ISO 45001 and ISO 50001
- PPL's recently **acquired Goa plant** has co-located facilities manufacturing both phosphatic fertilizers and urea
- Well-diversified customer market across India covering **15 states with 21 regional offices, 529 stock points and 5,600 dealers**
- Zuari Agro Chemicals (ZACL) and OCP Group hold **56.1% of PPL** post IPO on 27th May 2022

Key Metrics

3.0 MMTPA Installed Capacity	+8 Mn Farmer Connect	ICRA A-1 Stable Credit Rating
15 States Geographical Presence	+1,500 Employees	

Financial Strength (FY 23)

Revenue	ROCE	Net Debt / Equity
Rs. 133,407 Mn	20.9%	1.3 x



Q3 FY24 Performance Highlights

(in Rupees Million)

Total Income

Rs. 26,037

(40.9)% Y-o-Y

EBITDA

Rs. 2,911

(22.8)% Y-o-Y

Margins : 11.2 %

PBT

Rs. 1,535

(36.7)% Y-o-Y

Margins : 5.9%

Net Profit

Rs. 1,089

(39.6)% Y-o-Y

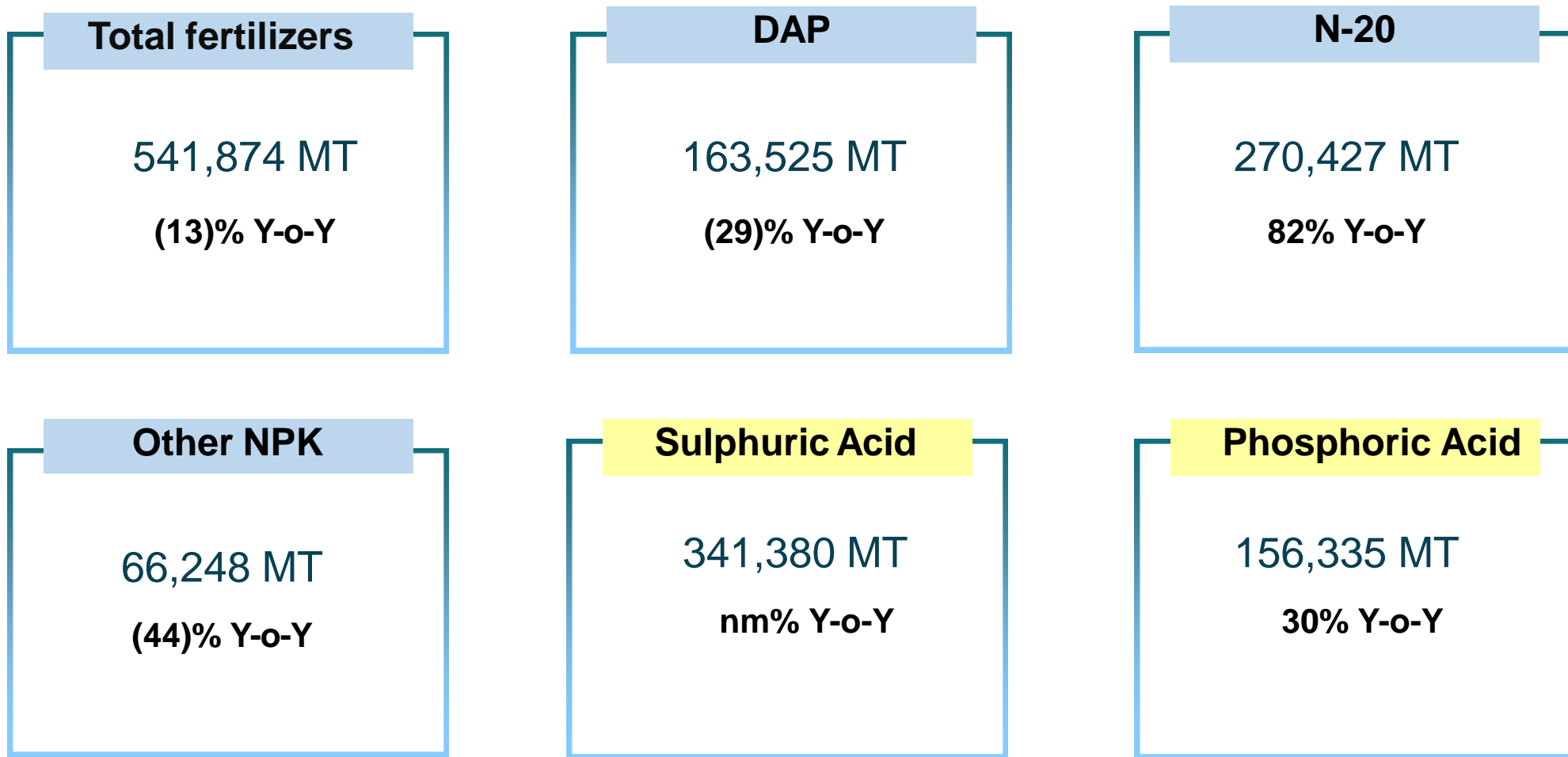
Margins : 4.2 %

Quarterly Developments

- Profit margins improved led by backward integration , softening raw material prices and our ability to store raw-materials at plant sites
- Phosphoric acid capacity ramp-up from 03 to 05 lakh is now fully functional
- Higher mix of NPKs produced during this quarter. N-20 production jumped by 82%
- Debt has further decreased leading to improved debt-equity ratio
- Production at Paradeep site increased in Q3 by 06 % YoY. The urea plant at Goa site went through a planned energy improvement initiative for 02 months during Q3

Q3 FY24 PPL Operational Highlights

(Production Volumes)



Q3 FY24 PPL Operational Highlights

(Sales Volumes)

Total fertilizers

591,162 MT

(6)% Y-o-Y

DAP

207,955 MT

(2)% Y-o-Y

N-20

240,589 MT

51% Y-o-Y

Other NPK

93,065 MT

(32)% Y-o-Y

Urea Sales: **49,553 MT**

Fertilizer Products

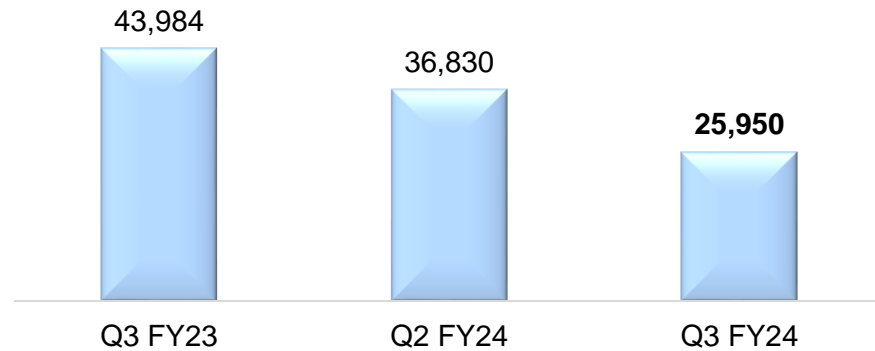
Total sales volumes exceed total production volumes in the quarter

Q3 FY24 Performance Trends

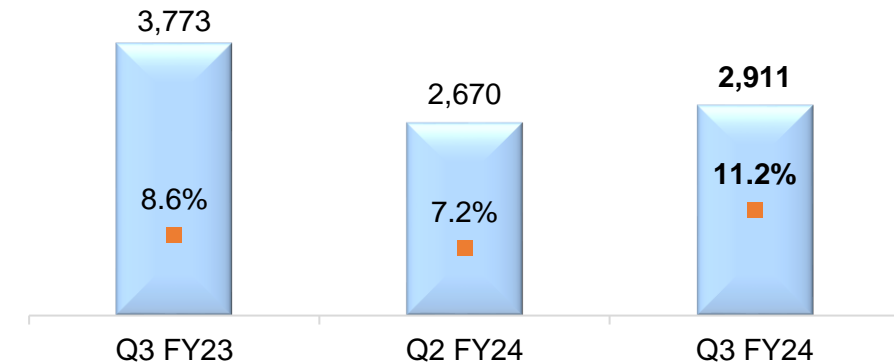
Profit margins have improved primarily led by our backward integration capacity ramp-up and softening of raw material prices including our ability to store raw-materials at plant sites

(in Rupees Million)

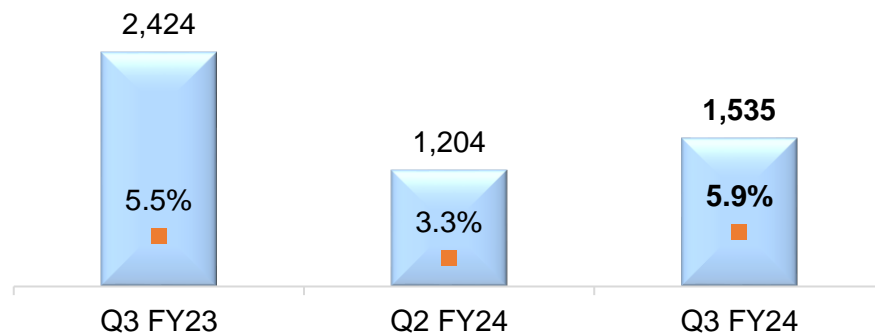
Revenue from Operations



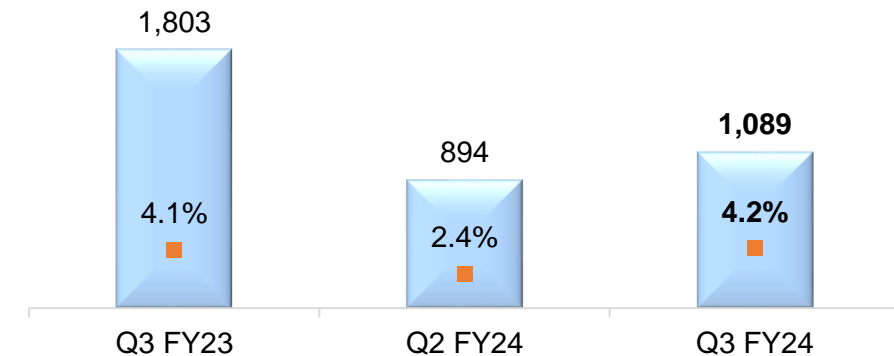
EBITDA and Margins



PBT and Margins



Net Profit and Margins





Commenting on the performance, Mr. N Suresh Krishnan, Managing Director, said:

“Notwithstanding a lesser than expected rainfall and lower reservoir levels this fiscal, we have striven to do well. Our performance in NPKs, particularly N-20, has been good for Q3 as well as for 09 months of FY24 at both primary and secondary levels. With an improvement seen in the raw material prices, our reliance on working capital needs has also come down leading to an improved debt-equity ratio.

Our newly expanded captive capacity of phosphoric acid is fully operational now and the cumulative 05 lakh tons of backward integration capacity has aided in driving better margins in Q3. Our energy saving project at Goa is also expected to aid the bottomline going forward. I am also pleased to share with you the recent release of our second Sustainability Report, which comprehensively details our non-financial and ESG performance for the fiscal year 22-23. This latest report aligns with global frameworks of GRI, SASB and UN-SDGs and discusses many new elements like ESG policies, enterprise risk, water stress and biodiversity assessment, and responsible supply chain, amongst other initiatives implemented in the organization. We shall continue to remain focused on our existing strategies around product mix, farmers and channel initiatives, lower working capital and faster receivable cycles to attain the best in this fiscal.”

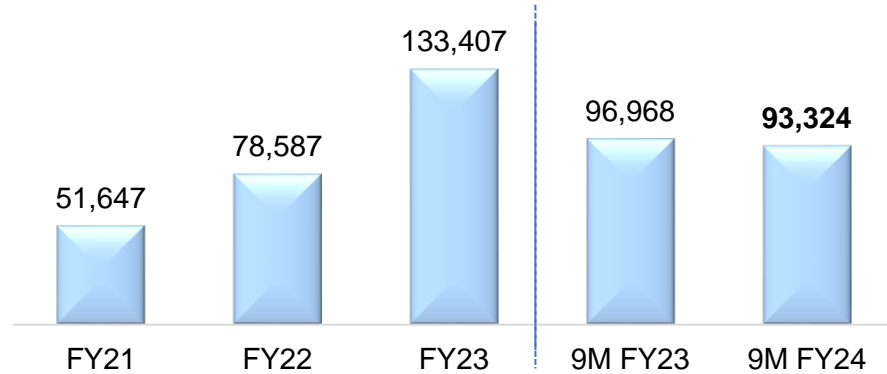
Annual Performance Trends



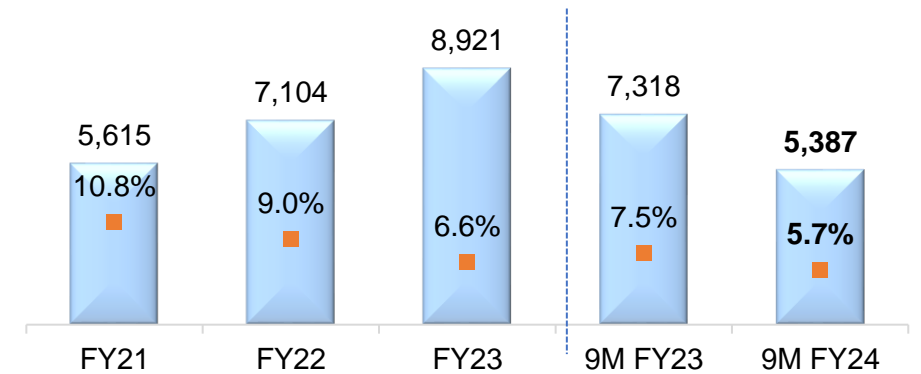
Paradeep Phosphates Limited

(in Rupees Million)

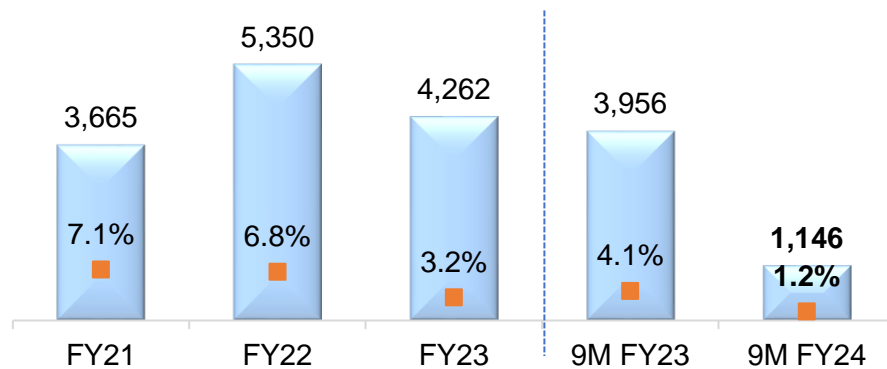
Revenue from Operations



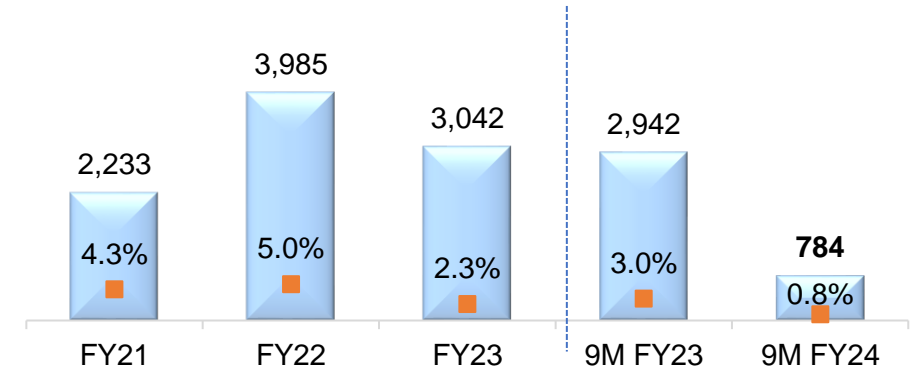
EBITDA and Margins



PBT and Margins



Net Profit and Margins



Consolidated Financial Performance Summary



Paradeep Phosphates Limited

(in Rupees Million)

(Rs. Million)	Q3		Y-o-Y	Q2		Q-o-Q	9M		Y-o-Y
	FY2024	FY2023	Growth(%)	FY2024	Growth(%)		FY2024	FY2023	Growth(%)
Revenue from Operations	25,950	43,984	(41.0)%	36,830	(29.5)%		93,324	96,968	(3.8)%
Other Income	86	55	56.0%	110	(21.4)%		388	214	81.4%
Total Income	26,037	44,040	(40.9)%	36,940	(29.5)%		93,712	97,182	(3.6)%
Cost of Material Consumed	16,110	33,679	(52.2)%	20,177	(20.2)%		60,715	75,421	(19.5)%
Purchase of Trading goods	2,077	700	196.9%	1,548	34.2%		10,396	1,393	646.3%
Changes in Inventories of Finished Goods, W-I-P & Stock in Trade	523	648	(19.4)%	7,340	(92.9)%		2,377	(520)	(557.4)%
Employee benefits expense	559	576	(3.1)%	578	(3.4)%		1,719	1,585	8.4%
Other expenses	3,857	4,663	(17.3)%	4,627	(16.6)%		13,117	11,985	9.4%
EBITDA	2,911	3,773	(22.8)%	2,670	9.0%		5,387	7,318	(26.4)%
Margin	11.2%	8.6%		7.2%			5.7%	7.5%	
EBIT	2,360	3,302	(28.5)%	2,163	9.1%		3,859	6,071	(36.4)%
Margin	9.1%	7.5%		5.9%			4.1%	6.2%	
PBT	1,535	2,424	(36.7)%	1,204	27.5%		1,146	3,956	(71.0)%
Margin	5.9%	5.5%		3.3%			1.2%	4.1%	
Reported Profit After Tax	1,089	1,803	(39.6)%	894	21.8%		784	2,942	(73.3)%
Margin	4.2%	4.1%		2.4%			0.8%	3.0%	
Basic EPS	1.34	2.21	(39.4)%	1.10	21.8%		0.96	3.83	(74.9)%

Notes:

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

Farmer Engagement: 9M 2024

Fostering continuous engagement with farmers, retailers and channel partners across our wide distribution network

4,884+

Farmer Meetings



Retailer Meetings

274+

Crop Seminars



Crop Seminars



Field Demonstrations

162+

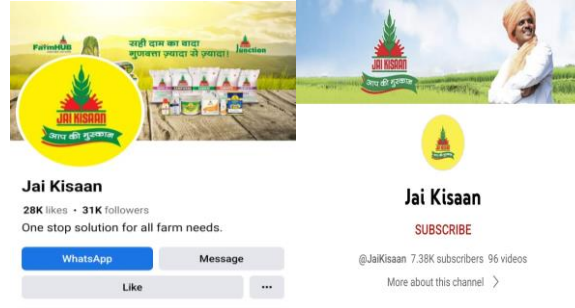
Retailer Meetings



Mobile Soil Testing Labs –
Odisha

803+

Demonstrations



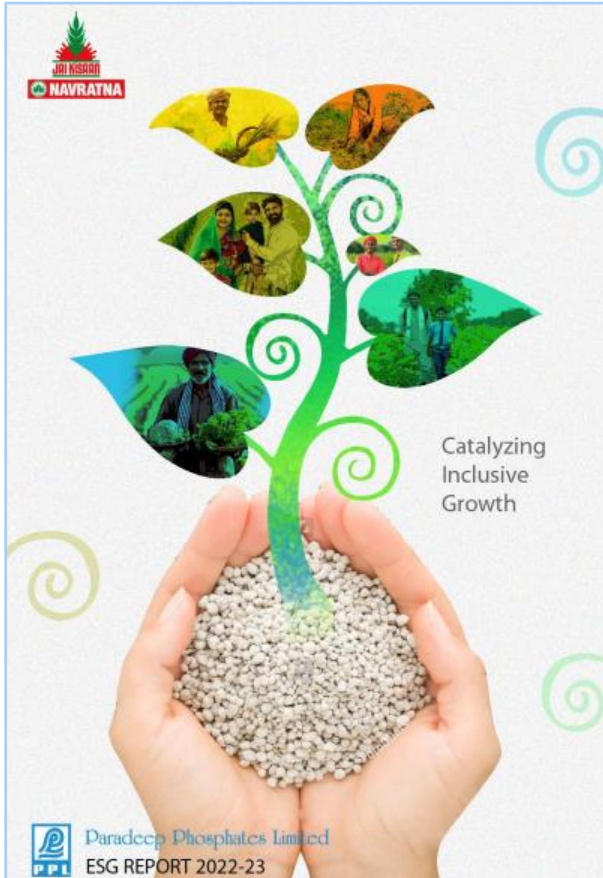
Digitalisation of Agri Services



Farmer Meetings

3,202+

Campaigns



PPL has recently published its **second ESG Report**. The ESG report comprehensively details PPL's sustainability-oriented performance and initiatives implemented across its operations during **fiscal year 22-23**. This report is a significant milestone that builds upon our inaugural report of last year and our voluntary BRSR report of FY 22-23.

In this latest ESG report, we have expanded our coverage to include key elements such as ESG policies, enterprise risk, water stress, product stewardship, biodiversity assessment, and responsible supply chain practices, amongst other on-going initiatives.

This report stands as a testament to PPL's unwavering commitment and goals toward a sustainable future, offering insights into our endeavors, actions, and advancements.



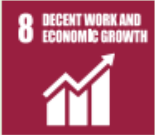




To ensure transparency and adherence to global standards, we have aligned the report with the Global Reporting Initiative, the Sustainability Accounting Standards Board (SASB), and the United Nations Sustainable Development Goals (SDGs).

Read the full ESG report at : [Click Here](#)

Our Sustainability Strategy



Paradeep Phosphates Limited

Purpose	Healthier Soil, Healthier People						
	Vision - To be the one-stop solution for the farm economy.			Mission - To create value for farmers and stakeholders by providing integrated agri-solutions to all farm needs.			
Values	Integrity		Sustainability		Customer First		Agility
Enablers	Accountability and Transparency	Empowering our Employees	Environmental Protection and Sustainability	Product Stewardship	Farmers Centric approach	Strategic Collaborations	Social Impact
Objective	Build trust through transparent and ethical business practices.	Create an inclusive and empowered workplace that support personal and professional growth.	Design a decarbonisation and climate change strategy and manage environmental impacts.	Optimize manufacturing processes, minimize environmental footprint, and ensure responsible product lifecycle management.	Provide high quality, soil and crop specific fertilizers with an unparalleled experience.	Partner responsibly with stakeholders and promote sustainability and agricultural outcomes	Invest in strategic social impact projects and advocate for improving communities awareness
Aligning with UN SDG							
Material Topics	<ol style="list-style-type: none"> Corporate Governance Risk Management Data Privacy, Cybersecurity Stakeholder Management Digitalization 	<ol style="list-style-type: none"> Diversity & Inclusion Human Capital Development Labor Management Occupational H&S Chemical Safety 	<ol style="list-style-type: none"> Energy Efficiency GHG emission and Climate Change Air Pollution Opportunity in Clean Tech. Waste Management Water Management Biodiversity and land use 	<ol style="list-style-type: none"> Product Stewardship Soil Health Circularity Community Relations 	<ol style="list-style-type: none"> Community Relations Stakeholder management Soil Health 	<ol style="list-style-type: none"> Responsible supply chain Stakeholder management 	<ol style="list-style-type: none"> Community Relations



CSR Highlights
FY 22-23

75.4
CSR Spends
Rupees Million

50,000+
Beneficiaries
From our CSR initiatives

25
Anganwadi
Centres

Navratna Balygruha Initiative

19
High Schools
Developed

In Jagatsinghpur District

7000
Students
benefited
from Digital Classrooms

Education
Primary school,
STEM based learning

Healthcare
(WàSH – Water,
Sanitation and Hygiene)

Key CSR
Themes

Skill-Development
Youth, SHGs, Women,
Farmers

Environment
Biodiversity, Mangroves,
Community Development

Recent Developments

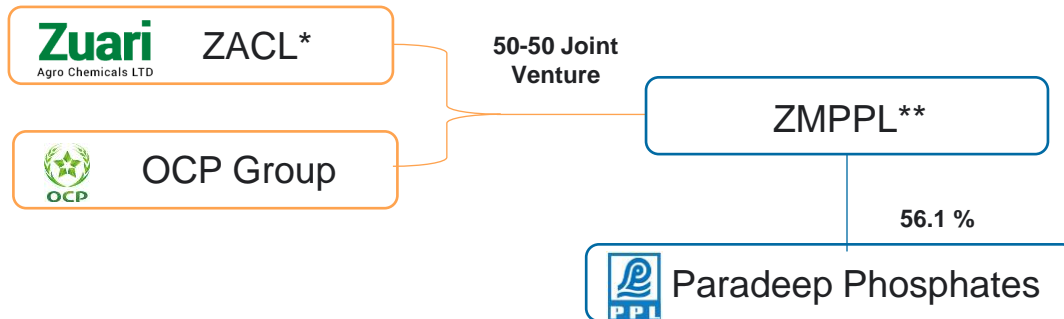
- Recent reduction of NBS rates coupled with lesser rainfall and lower reservoir levels may create short-term headwinds
- Key raw material prices in Q3 for the industry have remained steady since Q2 of FY 24. Certain raw materials like Ammonia witnessed an upward spike during Q3 of FY 24
- The Price Capping Formula introduced recently for P&K fertilizers aims to enhance transparency fair pricing in the fertilizer sector detailing guidelines on profit percentages importers, manufacturers and integrated manufacturers

Growing Demand

- Increasing awareness pertaining to soil profile and nutrition management of soil is expected to spur the market growth over the next few years
- Rise in per capita incomes and ease of access to credit to farmers are expected to boost the growth of the fertilizer industry
- Farmers are increasingly adopting modern farming practices. These technological advancements are expected to boost the growth of the Indian fertilizer industry

Share Holding Pattern Top Shareholders - December 2023

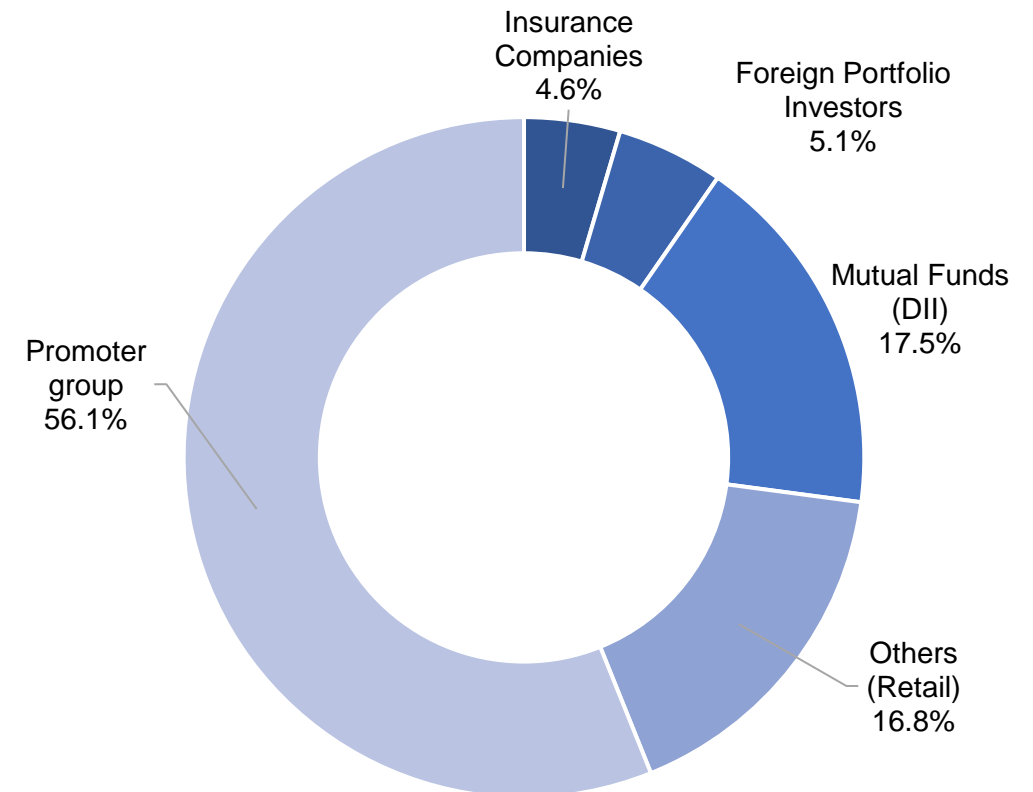
Promoters Group



Top Shareholders# in DII, FII and Insurance

SBI MF Total	7.23%	Domestic
Life Insurance Corporation Of India	4.28%	Insurance
Nippon Life India	3.60%	Domestic
DSP Small Cap Fund	2.91%	Domestic
Goldman Sachs Total	2.78%	Foreign
HDFC MF Total	1.63%	Domestic
Mirae Asset Total	1.50%	Domestic
Tata Mutual Fund Total	0.50%	Domestic

% PPL Shareholdings



About PPL



Backward integration and 3 MMTPA fungible capacity resulting in competitive EBITDA / tonne and market-oriented product mix



India's 2nd largest private sector phosphatic fertilizer manufacturer with pan-India distribution capability

- Total finished fertilizer capacity of 3.0 Million Metric Tons Per Annum (MMTPA) across two sites – Paradeep and Goa
- Paradeep site can produce 1.8 MMTPA of DAP / NPK and Goa site can produce 0.8 MMTPA of DAP / NPK and 0.4 MMTPA of Urea. All DAP / NPK capacities are fungible in nature
- The Goa site is capable of producing unique value-added NPKs (NPK 19, NPK 14, NPK 28) and services agriculturally developed states of Maharashtra, Karnataka and others
- PPL sells in 15+ states across 75,000+ retail points to 8+ Million farmers



Competitive EBITDA per tonne in the industry led by backward integration

- Paradeep site is backward integrated in phosphate while Goa site is backward integrated in ammonia
- PPL sources rock phosphate from OCP and manufactures phosphoric acid in-house leading to huge bottom-line gains
- The OCP Group (Morocco) owns 70% of known global rock phosphate reserves and is a promotor in PPL
- PPL sources all raw materials through long term contracts ensuring quality and guaranteed availability



Well-positioned to capture favorable Indian fertilizer market with enabling and conducive government regulations

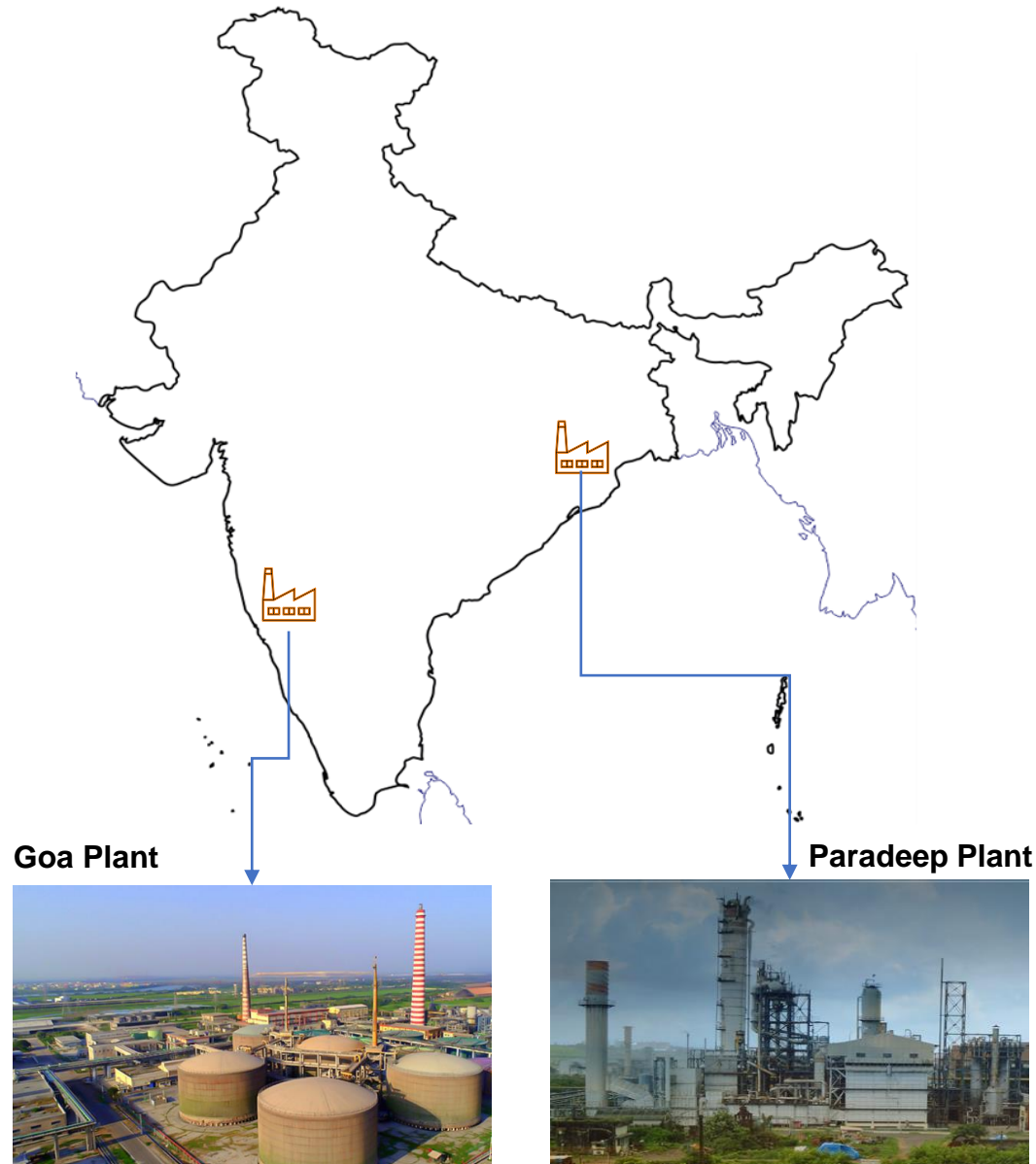
- PPL will be able to capture a major share of growth in DAP / NPK arising out of higher demand of balanced fertilization with a crop and soil specific application
- The Indian government's subsidies in the fertilizer industry have created favorable conditions for growth and development by increasing the availability of affordable fertilizers to farmers, ultimately improving the demand



Secure and certified manufacturing facility and infrastructure and unutilized land available for expansion

- Both plants at Paradeep and Goa are strategically located close to the ports and the agriculturally fertile states
- PPL owns large parcels of land of 2,282 acres in Paradeep and the only 33% of the land is being utilized leaving room for expansion
- Both sites have the ability to store raw materials at its own facility enables it to withstand disruptions in supply

Manufacturing Locations



Location	Paradeep, Odisha	Zuarinagar, Goa
Area (Acres)	2,282	260
Target Market	East, Central and South	West, Central and South
Fertiliser Products	DAP, NPK-20, N-12, N-10, N-14	NPK-10, N-12, N-14, N-19, N-28, DAP, Urea
Installed fertilizer Capacity (MMTPA)	NPK / DAP: 1.8	NPK / DAP: 0.8 Urea: 0.4
Strategic Position	<ul style="list-style-type: none"> • Backward integration of phosphoric acid • Captive berth at Paradeep port • Land available for future expansion 	<ul style="list-style-type: none"> • Backward integration of ammonia • Diversified product portfolio • Access to developed markets

Sales and Distribution Network: 9M FY24



Market Presence	PPL
States Covered	15
Regional Marketing Offices	21
Stock Points	529
No. of Dealers	5,600+
No. of Retailers	75,000+
Farmers Covered	~ 8+ Mn

- Our pan-India distribution network enables wide reach and access to farmers, retailers and channel partners
- Our continuous engagement programmes further strengthens our brand equity and enhances customer loyalty

Core PPL Product Portfolio

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



DAP 18:46:0



NPK 20:20:0:13



NPK 12:32:16



NPK 28:28:0



NPK 19:19:19



NPK 10:26:26

- Leadership position in the non-urea fertilizer market with diversified product portfolio ensuring that farmers have access to the right products to improve their yields
- The product portfolio of PPL makes it possible for the farmers to provide balanced fertilization to the crops, with a supply of essential plant nutrients for optimum plant growth, yield and quality
- This diversified product portfolio enables PPL to address the varied requirements of farmers and increase market share

Newer NPK Products



Paradeep Phosphates Limited



NPK 14:28:14

- Contains Nitrogen, Phosphorus and Potassium in the ratio of **1:2:1**
- Suitable for basal application across different crop segments like cereals, pulses, oilseeds, vegetables, commercial crops



NPK 24:24:00

- It contains two major plant nutrients, Nitrogen and Phosphorous in the ratio of **1:1**
- Suitable fertilizer to meet nutritional requirements of all crops, as they require an equal amount of nitrogen and phosphorus in the initial stages of plant growth



NPK 14:28:0

- Contains a minimum of 24.0% Nitrogen and 24.0% Phosphorous as P205 by weight
- The increased root mass helps the plant in making better use of nutrients and soil moisture
- Enhanced root growth, increased nutrient and water uptake and healthy plant growth resulting higher yield



NPK 14:35:14

- Complex fertilizer containing all major nutrients with scientific NPK ratio **1:2.5:1**
- Suitable for all soils as it is neutral in nature and does not leave any acidity or alkalinity in soil
- Ideal and suitable complex for all crops for basal application



NPK 15:15:15:09

- Complex fertilizer having NPK ratio of **1:1:1** making it ideal fertilizer for basal application across different crop segments like Plantation crops, Cereals, Vegetables, commercial Crops
- Improves water use efficiency of plants and resistance to diseases and pests



Backward integration of rock phosphate, NH³

Raw Material:

- Competitive edge in stable source of raw materials via long-term agreements with suppliers
- Operational volatility hedge with backward integration of facilities and leveraging cost efficiencies



Logistics Advantage

Paradeep Plant:

- Proximity to Paradeep port and seamless access to waterways, railways and highways
- Ability to expand facilities given one third of land currently utilized

Goa Plant:

- Strategically located close to the Mormugao port with captive power plant



Manufacturing Capabilities

Paradeep Capacity 1.8 MTPA:

- NPK / DAP – 1.8 MTPA

Goa Capacity 1.2 MTPA:

- NPK / DAP – 0.80 MTPA
- Urea – 0.40 MTPA
- More than 78% reduction in power cost from Sulphuric Acid production



Comprehensive Product Portfolio

Consumer Product Portfolio:

- Ten grades of NPK
- DAP

Industrial Product Portfolio:

- Phospho-gypsum, Zypmite, Sulphuric Acid and HFSA
- Availability of extensive storage area for raw materials and finished goods



Well Established Sales and Distribution Network

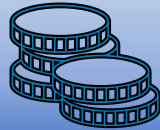
Consolidated Pan India Network:

- 21 regional marketing offices
- 520 plus stock points across India
- 5,600 plus dealers
- 75,000 plus retailers



Capacity Utilization and Product Diversification

- Expand into allied areas such as crop protection and specialty plant nutrition
- To achieve best capacity utilization for 3 MMTPA capacity across two sites
- To have the product mix aligned to market need and to have more NPK mix in our overall portfolio compared to DAP and expanding portfolio with nano urea and DAP



Productivity and Cost Improvement Programs

- Enhanced the captive Phosphoric Acid capacity from 0.3 to 0.5 MMTPA in Q2 FY 24 to further improve earning potential
- Enhance the captive Sulphuric Acid capacity from 1.39 to 2 MMTPA to backward integrate in line with phosphoric acid and to generate captive green power at 78% reduced cost compared to the grid



Market Expansion through New Channels

- Extending market presence in Odisha, West Bengal, Chhattisgarh, central and eastern parts of Uttar Pradesh, Andhra Pradesh, Telangana and Madhya Pradesh
- Relationship building with retailers, select dealers and institutions through the Jai Kisaan Sambandh reward program



Identify Inorganic Growth Opportunities

- Completed the acquisition of Goa facility from ZACL in June 2022
- Continue to explore potential inorganic growth opportunities in the future

Key Highlights of the Sustainability Report of FY 23

Social



1,476
Total Employees



166
New hires



43
Average training hours



₹20,105
Average training spend



Zero
Fatalities



₹75.4 million
CSR spend



50,000+
Beneficiaries



8+ million
Farmers outreach

Environment



23%
Energy from process
waste heat recovery



14%
Reduction in freshwater intensity



25%
Reduction in Energy
consumption intensity



45%
Waste recycled



100%
Operations ZLD



235 MG
of rainwater
harvesting capacity



100.5 MT
Waste to landfill

Economic & Governance



3 million MT
Annual capacity of fertilizer



₹133,407 million
Revenue



₹8,921 million
EBITDA



50%
Independent Directors



Zero cases
Discrimination or harassment



Zero cases
Money laundering or
insider trading



Zero cases
Conflict of Interest



Zero cases
Cybersecurity
breaches or threats

Additional ESG Initiatives



Paradeep Phosphates Limited



Voluntarily published our first BRSR report for FY 22-23 in line with SEBI guidelines.



ESG related policies have been formulated and implemented organization-wide in line with our ESG strategy.



Formed an ESG steering committee of senior management personnel to formulate, implement and monitor key ESG initiatives.



Conducting water-stress assessments to identify and prioritize water-related risks.



Conducted a baseline bio-diversity impact assessment covering a 10 km radius in and around our Paradeep site.



Aiming to participate in S&P's DJSI, one of the most esteemed ESG rating indices globally, to further our steadfast commitment to ESG standards

Awards & Recognitions



Paradeep Phosphates Limited

Recent Awards



Energy Conservation
Award - 2023



FAI Best Plant and Environment
Management - 2023

Industry Recognition



CIDC Vishwakarma Award
Best Professionally Managed Co.



Accolades by CII for
Energy Conservation Initiatives

Awards and Accolades



CSR Golden Peacock
Award - 2022



Excellence Award by
Odisha CSR Forum - 2022



Exceed Award 2022 on
OSH
in Platinum category,
Goa



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



PAP Best
Performance Award,
FAI - 2022

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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Churchgate Partners

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Thank You

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