

Deepak Fertilisers and Petrochemicals Corporation Limited

February 12, 2019

Ratings

Facilities	Amount (Rs. crore)	Rating ¹	Rating Action
Commercial Paper Issue	-	-	Withdrawn
Total Facilities	-		

*Details in Annexure I.

Detailed Rationale, Key Rating Drivers and Detailed description of the key rating drivers

CARE has withdrawn the outstanding rating assigned to the Commercial Paper Issue of Deepak Fertilisers and Petrochemicals Corporation Limited (DFPCL) with immediate effect as the company has repaid the aforementioned CP issue in full and there is no amount outstanding under the issue as on date.

Analytical approach: Not Applicable

Applicable Criteria

[Policy on Withdrawal of ratings](#)

About the Company – DFPCL

Incorporated on May 31, 1979 Deepak Fertilizers and Petrochemicals Limited (DFPCL) is one of the leading manufacturers of industrial chemicals and fertilizers in India. The company operates in three business segments – Industrial Chemicals, Fertilizers and Realty. DFPCL is one of the leading producers of industrial chemicals like Iso Propyl Alcohol (IPA) (70,000 metric tonne per annum (MTPA)), various grades of Nitric Acids (NA) (8,41,500 MTPA), Methanol (100,000 MTPA), Propane, Liquid Carbon Dioxide and Hydrogen in India.

The company is one of the world's largest producers of Technical Ammonium Nitrate (TAN) with a capacity of 469,000 MTPA and various grades of Nitric Acid (8,41,500 MTPA, to be increased to 10,82,400 MTPA). It also manufactures bulk fertilisers like Nitro-Phosphate (NP) (229,500 MTPA, to be increased to 11,00,000 MTPA in a phased manner) and specialty fertilisers like Bentonite Sulphur (Bensulf) (57,000 MTPA). Besides manufacturing, the company also trades in bulk fertilizers such as Diammonium Phosphate (DAP), Ammonium Sulfate, Single Super Phosphate (SSP) etc.

Brief Financials ((Consolidated) Rs. crore)	FY17 (A)	FY18 (A)	H1FY18(UA)	H1FY19(UA)
Total operating income	4393.98	6000.96	2517.73	4016.22
PBILDT	489.25	550.60	275.15	284.45
PAT	154.62	164.10	76.21	84.13
Overall gearing (times)	1.04	1.73	1.51	1.63
Interest coverage (times)	7.64	3.18	3.43	2.48

A: Audited; UA: Unaudited

Status of non-cooperation with previous CRA: None

Any other information: NA

Rating History for last three years: Please refer Annexure-2

Note on complexity levels of the rated instrument: CARE has classified instruments rated by it on the basis of complexity. This classification is available at www.careratings.com. Investors/market intermediaries/regulators or others are welcome to write to care@careratings.com for any clarifications.

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In case of partnership/proprietary concerns, the rating /outlook assigned by CARE is based on the capital deployed by the partners/proprietor and the financial strength of the firm at present. The rating/outlook may undergo change in case of withdrawal of capital or the unsecured loans brought in by the partners/proprietor in addition to the financial performance and other relevant factors.

Annexure-1: Details of Instruments/Facilities

Name of the Instrument	Date of Issuance	Coupon Rate	Maturity Date	Size of the Issue (Rs. crore)	Rating assigned along with Rating Outlook
Commercial Paper	-	-	-	0.00	Withdrawn
Commercial Paper	-	-	-	0.00	Withdrawn
Commercial Paper- Commercial Paper (Standalone)	-	-	-	0.00	Withdrawn

Annexure-2: Rating History of last three years

Sr. No.	Name of the Instrument/Bank Facilities	Current Ratings			Rating history			
		Type	Amount Outstanding (Rs. crore)	Rating	Date(s) & Rating(s) assigned in 2018-2019	Date(s) & Rating(s) assigned in 2017-2018	Date(s) & Rating(s) assigned in 2016-2017	Date(s) & Rating(s) assigned in 2015-2016
1.	Debentures-Non Convertible Debentures	LT	-	-	-	1)Withdrawn (21-Mar-18) 2)CARE AA-; Stable (05-Jan-18) 3)CARE AA-; Stable (19-Sep-17)	1)CARE AA-(Under Credit Watch) (16-Nov-16)	1)CARE AA-(Under Credit Watch) (20-Oct-15)
2.	Debentures-Non Convertible Debentures	LT	-	-	-	-	1)Withdrawn (14-Nov-16)	1)CARE AA-(Under Credit Watch) (20-Oct-15)
3.	Commercial Paper	ST	-	-	1)CARE A1+ (04-Jan-19) 2)CARE A1+ (21-Aug-18)	1)CARE A1+ (05-Jan-18)	1)CARE A1+ (16-Nov-16)	1)CARE A1+ (20-Oct-15)
4.	Debentures-Non Convertible Debentures	LT	-	-	-	1)Withdrawn (21-Mar-18) 2)CARE AA-; Stable (05-Jan-18) 3)CARE AA-; Stable (19-Sep-17)	1)CARE AA-(Under Credit Watch) (16-Nov-16)	1)CARE AA-(Under Credit Watch) (20-Oct-15)
5.	Debentures-Non Convertible Debentures	LT	-	-	-	-	1)Withdrawn (14-Nov-16)	1)CARE AA-(Under Credit Watch) (20-Oct-15)
6.	Commercial Paper	ST	-	-	1)CARE A1+ (04-Jan-19) 2)CARE A1+ (22-Nov-18) 3)CARE A1+ (21-Aug-18)	1)CARE A1+ (05-Jan-18)	1)CARE A1+ (16-Nov-16)	1)CARE A1+ (20-Oct-15)
7.	Commercial Paper-Commercial Paper (Standalone)	ST	-	-	1)CARE A1+ (04-Jan-19) 2)CARE A1+ (22-Nov-18) 3)CARE A1+ (21-Aug-18)	1)CARE A1+ (05-Jan-18)	1)CARE A1+ (16-Nov-16)	1)CARE A1+ (20-Oct-15)

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