

DNL/140/NSE/384/2016

October 26, 2016

Listing Department  
National Stock Exchange of India Limited,  
Exchange Plaza  
Bandra Kurla Complex  
Bandra (E)  
**MUMBAI – 400 051**

Dear Sir,

Stock Symbol: DEEPAKNTR

Re: Un-audited Financial Results for the Second Quarter and Half Year ended  
30<sup>th</sup> September, 2016

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We wish to inform you that the Board of Directors of the Company at their meeting held today i.e. 26<sup>th</sup> October, 2016 has considered and approved the Un-audited Financial Results for the Second Quarter and Half Year ended 30<sup>th</sup> September, 2016.

Pursuant to Regulation 33 of SEBI (Listing obligation and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), we are sending herewith Un-audited Financial Results for the Second Quarter and Half Year ended 30<sup>th</sup> September, 2016, duly signed by the Chairman and Managing Director of the Company.

Further, we also enclose herewith Limited Review Report of M/s B. K. Khare & Co., Chartered Accountants, Statutory Auditors of the Company as required under Regulation 33 of the Listing Regulations.

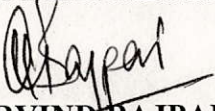
The Board Meeting commenced at 11:30 A.M. and concluded at 3:30 P.M.

Please take the same on your record.

Thanking you,

Yours faithfully

For **DEEPAK NITRITE LIMITED**



**ARVIND BAJPAI**  
Company Secretary

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Encl: as above

Corporate Office : Aaditya - I, National Highway No. 8, Chhani Road, Vadodara - 390 024.

Tel. : +91 - 265 - 2765200, 3960200 Fax : +91 - 265 - 2340300 Website : [www.deepaknitrite.com](http://www.deepaknitrite.com)

Regd. Office : 9/10, Kunj Society, Alkapuri, Vadodara - 390 007. Tel. : +91 - 265 - 233 4481 / 82 Fax : +91 - 265 - 233 0994

Investor Relation Contact : [investor@deepaknitrite.com](mailto:investor@deepaknitrite.com) Corporate Identity Number : L24110GJ1970PLC001735

**STAND-ALONE UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND HALF YEAR ENDED 30TH SEPTEMBER, 2016**

| Sr. No. | Particulars                                                                                            | Quarter Ended             |                           |                           | Half Year Ended           |                           | Rs. In Lacs                           |
|---------|--------------------------------------------------------------------------------------------------------|---------------------------|---------------------------|---------------------------|---------------------------|---------------------------|---------------------------------------|
|         |                                                                                                        | 30.09.2016<br>(Unaudited) | 30.09.2015<br>(Unaudited) | 30.06.2016<br>(Unaudited) | 30.09.2016<br>(Unaudited) | 30.09.2015<br>(Unaudited) | Year Ended<br>31.03.2016<br>(Audited) |
| 1       | <b>Income from operations</b>                                                                          |                           |                           |                           |                           |                           |                                       |
|         | (a) Net Sales/Income from operations (Net of excise duty)                                              | 29,907.19                 | 33,444.79                 | 31,013.04                 | 60,920.23                 | 67,081.95                 | 1,32,035.28                           |
|         | (b) Other operating income                                                                             | 349.50                    | 353.05                    | 356.52                    | 706.02                    | 548.06                    | 1,537.24                              |
|         | <b>Total income from operations (net)</b>                                                              | <b>30,256.69</b>          | <b>33,797.84</b>          | <b>31,369.56</b>          | <b>61,626.25</b>          | <b>67,630.01</b>          | <b>1,33,572.52</b>                    |
| 2       | <b>Expenses</b>                                                                                        |                           |                           |                           |                           |                           |                                       |
|         | (a) Cost of materials consumed                                                                         | 17,348.36                 | 20,405.82                 | 19,013.41                 | 36,361.77                 | 42,132.72                 | 79,629.03                             |
|         | (b) Purchases of stock-in-trade                                                                        |                           |                           |                           |                           |                           |                                       |
|         | (c) Changes in inventories of finished goods, Work-in-progress and stock-in-trade                      | (511.35)                  | 56.11                     | (963.61)                  | (1,475.46)                | (1,065.96)                | (654.33)                              |
|         | (d) Employee benefits expense                                                                          | 2,932.06                  | 2,964.77                  | 3,202.00                  | 6,134.06                  | 5,745.34                  | 11,607.95                             |
|         | (e) Depreciation and amortisation expense                                                              | 1,046.55                  | 980.16                    | 1,051.47                  | 2,098.02                  | 1,928.90                  | 3,945.04                              |
|         | (f) Power & Fuel expense                                                                               | 2,830.08                  | 3,155.11                  | 2,676.15                  | 5,506.22                  | 6,273.77                  | 11,814.94                             |
|         | (g) Other expenses                                                                                     | 4,055.51                  | 3,133.44                  | 3,537.42                  | 7,592.93                  | 6,664.02                  | 14,507.08                             |
|         | <b>Total expenses</b>                                                                                  | <b>27,700.71</b>          | <b>30,695.41</b>          | <b>28,516.84</b>          | <b>56,217.35</b>          | <b>61,678.79</b>          | <b>1,20,849.71</b>                    |
| 3       | <b>Profit/(Loss) from Operations before Other income, Finance costs and Exceptional items (1-2)</b>    | <b>2,555.98</b>           | <b>3,102.43</b>           | <b>2,852.72</b>           | <b>5,408.70</b>           | <b>5,951.22</b>           | <b>12,722.81</b>                      |
| 4       | <b>Other Income</b>                                                                                    | <b>99.79</b>              | <b>29.90</b>              | <b>228.95</b>             | <b>328.74</b>             | <b>49.92</b>              | <b>154.33</b>                         |
| 5       | <b>Profit/(Loss) from ordinary activities before Finance costs and Exceptional items (3 + 4)</b>       | <b>2,655.77</b>           | <b>3,132.33</b>           | <b>3,081.67</b>           | <b>5,737.44</b>           | <b>6,001.14</b>           | <b>12,877.14</b>                      |
| 6       | <b>Finance Costs</b>                                                                                   | <b>489.97</b>             | <b>1,058.21</b>           | <b>837.35</b>             | <b>1,327.32</b>           | <b>2,060.23</b>           | <b>3,744.63</b>                       |
| 7       | <b>Profit/(Loss) from Ordinary activities after Finance costs but before Exceptional Items (5 + 6)</b> | <b>2,165.80</b>           | <b>2,074.12</b>           | <b>2,244.32</b>           | <b>4,410.12</b>           | <b>3,940.91</b>           | <b>9,132.51</b>                       |
| 8       | <b>Exceptional items</b>                                                                               |                           |                           |                           |                           |                           |                                       |
| 9       | <b>Profit/(Loss) from Ordinary activities before Tax (7+8)</b>                                         | <b>2,165.80</b>           | <b>2,074.12</b>           | <b>9,321.50</b>           | <b>11,487.30</b>          | <b>3,940.91</b>           | <b>9,132.51</b>                       |
| 10      | <b>Tax Expense</b>                                                                                     | <b>624.60</b>             | <b>596.45</b>             | <b>2,535.63</b>           | <b>3,160.23</b>           | <b>1,127.49</b>           | <b>2,617.60</b>                       |
| 11      | <b>Net Profit/(Loss) from Ordinary activities after Tax (9+10)</b>                                     | <b>1,541.20</b>           | <b>1,477.67</b>           | <b>6,785.87</b>           | <b>8,327.07</b>           | <b>2,813.42</b>           | <b>6,514.91</b>                       |
| 12      | <b>Extraordinary Items (Net of Tax expenses)</b>                                                       |                           |                           |                           |                           |                           |                                       |
| 13      | <b>Net Profit/(Loss) for the period (11+12)</b>                                                        | <b>1,541.20</b>           | <b>1,477.67</b>           | <b>6,785.87</b>           | <b>8,327.07</b>           | <b>2,813.42</b>           | <b>6,514.91</b>                       |
| 14      | <b>Paid-up Equity Share Capital (Face Value of Rs. 2/- each)</b>                                       | <b>2,325.76</b>           | <b>2,090.76</b>           | <b>2,325.76</b>           | <b>2,325.76</b>           | <b>2,090.76</b>           | <b>2,325.76</b>                       |
| 15      | <b>Reserve excluding Revaluation Reserves as per Balance Sheet of previous accounting year</b>         |                           |                           |                           |                           |                           | <b>45,186.62</b>                      |
| 16.i.   | <b>Earnings per share (before exceptional item) (of Rs. 2/- each) (not annualised) :</b>               |                           |                           |                           |                           |                           |                                       |
|         | a) Basic                                                                                               | 1.33                      | 1.41                      | 1.35                      | 2.70                      | 2.69                      | 6.07                                  |
|         | b) Diluted                                                                                             | 1.33                      | 1.41                      | 1.35                      | 2.70                      | 2.69                      | 6.07                                  |
| 16.ii.  | <b>Earnings per share (after exceptional item) (of Rs. 2/- each) (not annualised) :</b>                |                           |                           |                           |                           |                           |                                       |
|         | a) Basic                                                                                               | 1.33                      | 1.41                      | 5.84                      | 7.16                      | 2.69                      | 6.07                                  |
|         | b) Diluted                                                                                             | 1.33                      | 1.41                      | 5.84                      | 7.16                      | 2.69                      | 6.07                                  |

\* Exceptional item for the quarter ended June 30, 2016 pertains to profit of Rs. 7,077.18 lacs on sale of land and surrender / assignment of leasehold rights in land at Pune.



**DEEPAK NITRITE LIMITED**

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Web Site : www.deepaknitrite.com, Investors Relation Contact : investor@deepaknitrite.com  
Corporate Identification Number: L24110G1970PLC001735, Tel. : +91-265-233481/82, Fax: +91-265-2330994

**SEGMENT-WISE REVENUE, RESULTS AND CAPITAL EMPLOYED**

| Sr. No. | Particulars                            | Quarter Ended             |                           |                           | Half Year Ended           |                           | Rs. in Lacs                           |
|---------|----------------------------------------|---------------------------|---------------------------|---------------------------|---------------------------|---------------------------|---------------------------------------|
|         |                                        | 30.09.2016<br>(Unaudited) | 30.09.2015<br>(Unaudited) | 30.06.2016<br>(Unaudited) | 30.09.2016<br>(Unaudited) | 30.09.2015<br>(Unaudited) | Year Ended<br>31.03.2016<br>(Audited) |
| 1       | Segment Revenue :                      |                           |                           |                           |                           |                           |                                       |
|         | a) Basic Chemicals                     | 15,627.16                 | 18,139.30                 | 15,501.49                 | 31,128.66                 | 36,328.34                 | 67,455.64                             |
|         | b) Fine & Speciality Chemicals         | 8,628.84                  | 8,562.54                  | 9,877.34                  | 18,706.18                 | 18,087.76                 | 39,336.81                             |
|         | c) Performance Products                | 6,095.66                  | 7,219.97                  | 6,171.52                  | 12,267.18                 | 13,433.96                 | 27,368.25                             |
|         | d) Others un-allocable                 | 138.93                    | 165.08                    | 154.39                    | 293.32                    | 258.43                    | 578.38                                |
|         | Total                                  | 30,690.60                 | 34,086.89                 | 31,704.74                 | 62,395.34                 | 68,108.49                 | 1,34,739.08                           |
|         | Less : Inter segment revenue           | 433.91                    | 289.09                    | 335.18                    | 769.09                    | 478.48                    | 1,166.56                              |
|         | Net Sales/Income from operations       | 30,256.69                 | 33,797.84                 | 31,369.56                 | 61,626.25                 | 67,630.01                 | 1,33,572.52                           |
| 2       | Segment Results before Tax & Interest: |                           |                           |                           |                           |                           |                                       |
|         | a) Basic Chemicals                     | 2,199.76                  | 2,049.94                  | 1,778.96                  | 3,978.72                  | 4,034.03                  | 7,958.84                              |
|         | b) Fine & Speciality Chemicals         | 2,278.49                  | 2,188.08                  | 2,834.07                  | 5,112.56                  | 4,339.57                  | 9,718.63                              |
|         | c) Performance Products                | (448.36)                  | (169.10)                  | (283.70)                  | (732.06)                  | (383.27)                  | (870.59)                              |
|         | Total                                  | 4,029.89                  | 4,068.92                  | 4,329.33                  | 8,359.22                  | 7,990.33                  | 16,806.88                             |
|         | Less: i) Interest                      | 489.97                    | 1,058.21                  | 837.35                    | 1,327.32                  | 2,060.23                  | 3,744.63                              |
|         | ii) Other un-allocable expenditure     | 1,374.12                  | 936.59                    | (5,829.52)                | (4,455.40)                | 1,989.19                  | 3,929.74                              |
|         | Net of un-allocable income             |                           |                           |                           |                           |                           |                                       |
|         | Total Profit Before Tax                | 2,165.80                  | 2,074.12                  | 9,321.50                  | 11,487.30                 | 3,940.91                  | 9,132.51                              |
| 3       | Capital Employed :                     |                           |                           |                           |                           |                           |                                       |
|         | a) Basic Chemicals                     | 21,738.61                 | 25,233.96                 | 25,084.02                 | 21,738.61                 | 25,233.96                 | 20,944.39                             |
|         | b) Fine & Speciality Chemicals         | 27,666.62                 | 24,527.39                 | 27,779.73                 | 27,666.62                 | 24,527.39                 | 29,309.37                             |
|         | c) Performance Products                | 38,870.70                 | 39,311.11                 | 35,970.44                 | 38,870.70                 | 39,311.11                 | 37,084.19                             |
|         | d) Other un-allocable                  | 21,710.40                 | 7,101.15                  | 17,941.50                 | 21,710.40                 | 7,101.15                  | 15,246.22                             |
|         | Total                                  | 1,09,986.33               | 96,173.61                 | 1,06,775.69               | 1,09,986.33               | 96,173.61                 | 1,02,584.17                           |

**NOTES:**

- The above Unaudited financial results were reviewed by the Audit Committee and have been considered and approved by the Board of Directors at their meeting held on October 26, 2016.
- The Statutory Auditors of the Company have conducted a Limited Review of the results for the quarter ended September 30, 2016.
- During the current quarter, the company has further invested Rs. 5,296.98 Lacs in its wholly owned subsidiary Deepak Phenolics Limited.
- Out of the proceeds of Rs. 8,330.75 Lacs from the Qualified Institutional Placement, Rs. 260.07 Lacs were utilised towards Share Issue Expenses and Rs. 7,190.32 Lacs has been utilised for the object stated in the offer document. Pending utilisation, Rs. 880.36 Lacs have been invested in Liquid Mutual Funds.
- There was an incident of fire at one of the distillation columns of the Company's manufacturing facilities situated at Roha Industrial Estate, in the State of Maharashtra ("Plant") on 21st October, 2016. This has resulted into temporary stoppage of production. The Company is having multipurpose facility at Roha site and this incident has affected only one of the intermediates and not the rest of the intermediates / products manufactured at the Roha location. While the detailed impact of the incident is being calculated, management does not expect to have any material impact on the performance of the Company.
- The Company has received an Order from Telangana State Pollution Control Board for closure of one of the Company's three units situated at Hyderabad. The Company is taking all the necessary effective steps to correct the anomalies pointed out by the authorities in the manufacturing system and to get the said Closure Order revoked. This incident is not expected to have any material impact on the performance of the Company.
- Previous period/year's figures have been regrouped/reclassified, where necessary, to make them comparable with the current figures.



**DEEPAK NITRITE LIMITED**

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**8 A Statement of Assets and Liabilities as required under Clause 41 (V) (h) of Listing Agreement:-**

|          |                                          | Rs. in Lacs               |                         |
|----------|------------------------------------------|---------------------------|-------------------------|
|          | Particulars                              | STANDALONE RESULTS        |                         |
|          |                                          | 30.09.2016<br>(Unaudited) | 31.03.2016<br>(Audited) |
| <b>A</b> | <b>EQUITY AND LIABILITIES</b>            |                           |                         |
| <b>1</b> | <b>Shareholders Funds</b>                |                           |                         |
|          | (a) Share Capital                        | 2,325.76                  | 2,325.76                |
|          | (b) Reserves and Surplus                 | 53,590.14                 | 49,263.07               |
|          | <b>Sub-total - Shareholders funds</b>    | <b>55,915.90</b>          | <b>47,588.83</b>        |
| <b>2</b> | <b>Non-current liabilities</b>           |                           |                         |
|          | (a) Long-term borrowings                 | 11,058.59                 | 15,892.61               |
|          | (b) Deferred tax liabilities (net)       | 6,390.52                  | 5,664.71                |
|          | (c) Other long-term liabilities          | 276.82                    | 290.80                  |
|          | (d) Long-term provisions                 | 530.85                    | 468.51                  |
|          | <b>Sub-total-Non-Current liabilities</b> | <b>18,256.78</b>          | <b>22,316.63</b>        |
| <b>3</b> | <b>Current Liabilities</b>               |                           |                         |
|          | (a) Short-term borrowings                | 26,453.20                 | 23,490.49               |
|          | (b) Trade payables                       | 11,299.63                 | 13,025.77               |
|          | (c) Other current liabilities            | 15,771.53                 | 17,424.25               |
|          | (d) Short-term provisions                | 388.03                    | 2,022.60                |
|          | <b>Sub-total-Current liabilities</b>     | <b>53,912.39</b>          | <b>55,963.11</b>        |
|          | <b>TOTAL EQUITY AND LIABILITIES</b>      | <b>1,28,085.07</b>        | <b>1,25,868.57</b>      |
| <b>B</b> | <b>ASSETS</b>                            |                           |                         |
| <b>1</b> | <b>Non-current assets</b>                |                           |                         |
|          | (a) Fixed assets                         | 60,614.08                 | 60,741.87               |
|          | (b) Non-current investments              | 15,620.65                 | 6,544.31                |
|          | (c) Deferred tax assets (net)            | -                         | -                       |
|          | (d) Long-term loans and advances         | 4,282.41                  | 4,049.34                |
|          | (e) Other non-current assets             | -                         | -                       |
|          | <b>Sub-total-Non-current assets</b>      | <b>80,517.14</b>          | <b>71,335.52</b>        |
| <b>2</b> | <b>Current assets</b>                    |                           |                         |
|          | (a) Current investments                  | 1,189.44                  | 6,751.50                |
|          | (b) Inventories                          | 15,219.55                 | 12,085.11               |
|          | (c) Trade receivables                    | 25,235.80                 | 29,633.78               |
|          | (d) Cash and cash equivalents            | 171.10                    | 388.41                  |
|          | (e) Short-term loans and advances        | 5,438.77                  | 5,354.69                |
|          | (f) Other current assets                 | 313.27                    | 219.56                  |
|          | <b>Sub-total-Current assets</b>          | <b>47,567.93</b>          | <b>54,533.05</b>        |
|          | <b>TOTAL - ASSETS</b>                    | <b>1,28,085.07</b>        | <b>1,25,868.57</b>      |

For DEEPAK NITRITE LIMITED.

*(Signature)*

D. C. MEHTA

Chairman & Managing Director

Mumbai, October 26, 2016



**B. K. KHARE & Co.**

CHARTERED ACCOUNTANTS

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**Limited Review Report**

The Board of Directors  
Deepak Nitrite Limited.  
Mumbai

We have reviewed the accompanying Statement of Unaudited Financial Results of Deepak Nitrite Limited ("the Company") for the quarter ended September 30, 2016 ("the Statement"), attached herewith, being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. This Statement is the responsibility of the Company's management and has been approved by the Board of Directors. Our responsibility is to issue a report on these financial statements based on our review.

We conducted our review in accordance with the Standard on Review Engagement (SRE) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the financial statements are free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provide less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.

Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying Statement prepared in accordance with generally accepted accounting standards in India and other recognized accounting practices and policies has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 including the manner in which it is to be disclosed, or that it contains any material misstatement.

For B. K. Khare & Co.  
Chartered Accountants  
Firm Registration No. 105102W



Himanshu Chapsey  
Partner  
Membership No. 105731



Place: Mumbai  
Date: October 26, 2016

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