

**DEEPAK NITRITE LIMITED**

Registered Office : 9/10, Kunj Society, Alkapuri, Vadodara - 390 007

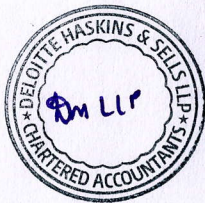
Web Site : www.deepaknitrite.com, Investors Relation Contact : investor@deepaknitrite.com

Corporate Identification Number: L24110GJ1970PLC001735, Tel. : +91-265-2334481/82, Fax: +91-265-2330994

**STAND-ALONE UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND HALF YEAR ENDED 30TH SEPTEMBER 2017**

Rs. in Lakhs

Sr. No.	Particulars	Quarter Ended			Half Year Ended	
		30.09.2017 (Unaudited)	30.09.2016 (Refer Note 3)	30.06.2017 (Unaudited)	30.09.2017 (Unaudited)	30.09.2016 (Refer Note 3)
1	<b>Income</b>					
	(a) Revenue from operations	35,497.43	32,585.29	36,162.59	71,660.02	66,524.08
	(b) Other income	132.18	119.66	197.23	329.41	369.96
	<b>Total Income</b>	<b>35,629.61</b>	<b>32,704.95</b>	<b>36,359.82</b>	<b>71,989.43</b>	<b>66,894.04</b>
2	<b>Expenses</b>					
	(a) Cost of materials consumed	19,597.66	17,348.36	19,427.38	39,025.04	36,361.77
	(b) Changes in inventories of finished goods and Work-in-progress	486.86	(511.85)	(399.44)	87.42	(1,475.46)
	(c) Excise Duty	(1.08)	1,993.92	2,426.32	2,425.24	4,141.72
	(d) Employee benefits expense	3,299.02	2,894.65	3,146.34	6,445.36	6,020.48
	(e) Finance Costs	1,073.78	489.97	945.69	2,019.47	1,327.32
	(f) Depreciation and amortisation expense	1,326.41	1,172.96	1,233.79	2,560.20	2,402.35
	(g) Power & Fuel Expenses	2,977.06	2,830.07	2,876.26	5,853.32	5,506.22
	(h) Other expenses	3,894.02	4,398.65	3,632.82	7,526.84	8,349.83
	<b>Total expenses</b>	<b>32,653.73</b>	<b>30,616.73</b>	<b>33,289.16</b>	<b>65,942.89</b>	<b>62,634.23</b>
3	Profit before Exceptional Items and Tax (1 ± 2)	2,975.88	2,088.22	3,070.66	6,046.54	4,259.81
4	Exceptional items (Refer Note 8)	-	-	-	-	7,077.18
5	Profit before Tax (3 ± 4)	2,975.88	2,088.22	3,070.66	6,046.54	11,336.99
6	<b>Tax Expense</b>					
	(a) Current Tax	958.14	429.71	864.64	1,822.78	2,415.71
	(b) Deferred Tax	37.58	178.78	195.58	233.16	703.24
	(c) Prior Period Tax adjustment	(288.51)	-	-	(288.51)	-
	<b>Total Tax Expenses</b>	<b>707.21</b>	<b>608.49</b>	<b>1,060.22</b>	<b>1,767.43</b>	<b>3,118.95</b>
7	Net Profit for the period (5±6)	2,268.67	1,479.73	2,010.44	4,279.11	8,218.04
8	<b>Other Comprehensive Income</b>					
	Items that will not be reclassified to profit and loss					
	i. Equity Instruments through Other Comprehensive Income	-	-	-	-	-
	ii. Remeasurements of the defined benefit plans	2.50	(40.83)	(54.05)	(51.55)	(120.50)
	iii. Income tax related to items above	(0.81)	5.52	18.34	17.53	33.09
	<b>Other Comprehensive Income (net of tax)</b>	<b>1.69</b>	<b>(35.31)</b>	<b>(35.71)</b>	<b>(34.02)</b>	<b>(87.41)</b>
9	Total comprehensive income for the period (7±8)	2,270.36	1,444.42	1,974.73	4,245.09	8,130.63
10	Paid-up Equity Share Capital (Face Value of Rs. 2/- each)	2,614.23	2,325.76	2,614.23	2,614.23	2,325.76
11.i	Basic & Diluted Earning per share (before exceptional items) (of Rs. 2/- each) (not annualised) :	1.74	1.24	1.51	3.25	2.53
11.ii	Basic & Diluted Earning per share (after exceptional items) (of Rs. 2/- each) (not annualised) :	1.74	1.24	1.51	3.25	6.99





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**SEGMENT-WISE REVENUE, RESULTS, SEGMENT ASSETS AND SEGMENT LIABILITIES**

Rs. in Lakhs

Sr. No.	Particulars	Quarter Ended			Half Year Ended	
		30.09.2017 (Unaudited)	30.09.2016 (Refer Note 3)	30.06.2017 (Unaudited)	30.09.2017 (Unaudited)	30.09.2016 (Refer Note 3)
1	<b>Segment Revenue (Revenue from operations):</b>					
	a) Basic Chemicals	16,632.91	16,998.64	19,395.28	36,028.19	34,210.11
	b) Fine & Speciality Chemicals	11,285.51	9,034.77	10,681.01	21,966.52	19,190.92
	c) Performance Products	8,420.55	6,847.72	6,577.83	14,998.38	13,584.42
	d) Others un-allocable	138.31	138.07	15.23	153.54	307.72
	Total	36,477.28	33,019.20	36,669.35	73,146.63	67,293.17
	Less : Inter segment revenue	979.85	433.91	506.76	1,486.61	769.09
	<b>Total Revenue from Operations</b>	<b>35,497.43</b>	<b>32,585.29</b>	<b>36,162.59</b>	<b>71,660.02</b>	<b>66,524.08</b>
2	<b>Segment Results before Tax &amp; Interest:</b>					
	a) Basic Chemicals	2,620.53	2,119.97	2,360.64	4,981.17	3,827.27
	b) Fine & Speciality Chemicals	2,620.58	2,216.28	3,143.22	5,763.80	4,945.51
	c) Performance Products	4.61	(438.05)	(400.57)	(395.96)	(718.57)
	Total	5,245.72	3,898.20	5,103.29	10,349.01	8,054.21
	Less: i) Interest	1,073.78	489.97	945.69	2,019.47	1,327.32
	ii) Other un-allocable expenditure (Net of un-allocable Income)	1,196.06	1,320.01	1,086.94	2,283.00	(4,610.10)
	<b>Total Profit Before Tax</b>	<b>2,975.88</b>	<b>2,088.22</b>	<b>3,070.66</b>	<b>6,046.54</b>	<b>11,336.99</b>
3	<b>Segment Assets</b>					
	a) Basic Chemicals	38,529.44	31,578.98	39,185.61	38,529.44	31,578.98
	b) Fine & Speciality Chemicals	40,289.85	32,625.38	37,142.79	40,289.85	32,625.38
	c) Performance Products	38,008.25	40,108.43	34,674.31	38,008.25	40,108.43
	d) Other un-allocable	44,106.75	22,223.11	46,004.43	44,106.75	22,223.11
	<b>Total Segment Assets</b>	<b>160,934.29</b>	<b>126,535.90</b>	<b>157,007.14</b>	<b>160,934.29</b>	<b>126,535.90</b>
4	<b>Segment Liabilities</b>					
	a) Basic Chemicals	7,288.54	7,460.09	8,162.93	7,288.54	7,460.09
	b) Fine & Speciality Chemicals	5,555.18	3,239.09	4,524.98	5,555.18	3,239.09
	c) Performance Products	6,177.68	5,542.85	6,045.01	6,177.68	5,542.85
	d) Other un-allocable	6,692.78	6,807.60	7,022.46	6,692.78	6,807.60
	<b>Total Segment Liabilities</b>	<b>25,714.18</b>	<b>23,049.63</b>	<b>25,755.38</b>	<b>25,714.18</b>	<b>23,049.63</b>

**NOTES:**

- The Company has adopted Indian Accounting Standards (Ind AS) from 1st April 2017 with transition date of 1st April 2016. The financial results have been prepared in accordance with Ind AS as prescribed under Section 133 of the Companies Act, 2013, read with Rule 3 of the Companies (Indian Accounting Standard) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016. The financial results for the quarter and half year ended 30th September 2016 are Ind AS compliant.
- Reconciliation of Net Profit for the quarter and half year ended 30th September 2016 as previously reported (referred to as 'Indian GAAP') vis-a-vis Ind AS is given below:

Particulars	Quarter ended 30.09.2016 (Rs. in Lakhs)	Half Year ended 30.09.2016 (Rs. in Lakhs)
Net Profit as per Previous Indian GAAP	1,541.22	8,327.08
Effect of Fair Valuation as Deemed Cost on depreciation for Plant & Machinery (Net of Tax)	(100.21)	(216.56)
Actuarial loss on gratuity recognized in Other Comprehensive Income (Net of Tax)	33.65	85.75
Others (Net of Tax)	3.41	20.11
<b>Net profit before Other Comprehensive Income (OCI) as per Ind AS</b>	<b>1,478.07</b>	<b>8,216.38</b>
Other Comprehensive income (OCI) (net of tax)	(33.65)	(85.75)
<b>Total comprehensive income under Ind AS</b>	<b>1,444.42</b>	<b>8,130.63</b>

- The Ind AS compliant financial results pertaining to the quarter and half year ended 30th September 2016 have not been subjected to Audit/Limited Review.
- During the current quarter, the Company has further invested Rs. 7,500.00 Lakhs in its wholly owned subsidiary Deepak Phenolics Limited.
- Out of issue proceeds of Rs. 15,000.00 Lakhs from the Qualified Institutions Placements, Rs. 356.77 Lakhs were utilised towards share issue expenses and Rs. 13,900.00 Lakhs has been utilised for the object stated in the offer document. Pending utilisation, Rs. 743.13 Lakhs have been invested in Liquid Mutual Funds.





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- 6 According to the requirements of Ind AS and SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, revenue for the corresponding previous quarters ended 30th June 2017 and 30th September 2016, for the half year ended 30th September 2016 were reported inclusive of Excise Duty. The Government of India has implemented Goods and Service Tax ("GST") from 1st July 2017 replacing Excise Duty, Service Tax and various other indirect taxes. As per Ind AS 18, the revenue for the quarter ended 30th September 2017, is reported net of GST. Had the previously reported revenue shown net of excise duty, comparative revenue of the Company would have been as follow:

Particulars	Quarter Ended			Half Year Ended	
	30.09.2017	30.09.2016	30.06.2017	30.09.2017	30.09.2016
	Revenue from operations (Net of Excise duty)	35,498.51	30,591.37	33,736.27	69,234.78

Rs. in Lakhs

- 7 With respect to fire incident in October 2016, the Company has lodged insurance claims, both for replacement value of the damaged facilities and loss of profits due to business interruption. The above financial results include Rs. 1,832.90 Lakhs (Net of loss on account of fire) against expected settlement under Fine & Speciality Chemicals Segment which was recognised during quarter ended 30th June 2017. Remaining balance shall be accounted upon final settlement of claims. The Company received Rs. 750.00 Lakhs as an interim payment against the above claims during quarter ended 30th June 2017.
- 8 The exceptional item for the half year ended 30th September 2016 of Rs. 7,077.18 Lakhs pertains to profit on sale of land and surrender/ assignment of leasehold rights in land at Pune.
- 9 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 10th November 2017.
- 10 Statement of Assets and Liabilities

Particulars		Rs. in Lakhs
		Standalone Results
		As at 30.09.2017 (Unaudited)
A)	<b>ASSETS</b>	
I	<b>Non-current assets</b>	
	Property, Plant and Equipment	56,778.92
	Capital Work-in-Progress	3,210.39
	Other Intangible assets	494.16
	Financial Assets:	
	Investments	34,393.68
	Loans	1,218.01
	Other Non-Current Assets	132.50
	<b>Total Non-Current Assets</b>	<b>96,227.66</b>
II	<b>Current assets</b>	
	Inventories	14,137.14
	Financial Assets:	
	Investments	1,020.13
	Trade Receivables	36,996.01
	Cash and Cash Equivalents	129.53
	Other Financial Assets	5,834.07
	Other Current Assets	6,589.75
	<b>Total Current Assets</b>	<b>64,706.63</b>
	<b>TOTAL ASSETS</b>	<b>160,934.29</b>
B)	<b>EQUITY AND LIABILITIES</b>	
I	<b>EQUITY</b>	
	Equity Share Capital	2,614.23
	Other Equity	72,982.31
	<b>Total Equity</b>	<b>75,596.54</b>
II	<b>LIABILITIES</b>	
1	<b>Non-current liabilities</b>	
	Financial Liabilities:	
	Borrowings	9,162.46
	Provisions	760.41
	Deferred Tax Liabilities (Net)	4,341.79
	<b>Total Non-Current Liabilities</b>	<b>14,264.66</b>
2	<b>Current liabilities</b>	
	Financial Liabilities:	
	Borrowings	39,743.57
	Trade Payables	18,349.22
	Other Financial Liabilities	11,268.06
	Provisions	510.42
	Current Tax Liabilities (Net)	205.28
	Other Current Liabilities	996.54
	<b>Total Current Liabilities</b>	<b>71,073.09</b>
	<b>Total Liabilities</b>	<b>85,337.75</b>
	<b>TOTAL EQUITY AND LIABILITIES</b>	<b>160,934.29</b>

For DEEPAK NITRITE LIMITED.

D. C. MEHTA

Chairman & Managing Director

Vadodara, November 10, 2017

