

Deepak Nitrite Limited

About Deepak Nitrite Limited (DNL)

Deepak Nitrite Limited [NSE - DEEPAKNTR, BSE - 506401] Headquartered at Vadodara, Gujarat, DNL is a multi-division and multi-product, chemical intermediate with manufacturing facilities at Nandesari & Dahej in Gujarat, Roha and Taloja in Maharashtra, and at Hyderabad; having product portfolio of Basic Chemicals (BC), Fine & Speciality Chemicals (FSC) & Performance Products (PP). Further, it is also setting up a project for manufacture of Phenol and Acetone through its wholly owned subsidiary Deepak Phenolics. As a partner of choice for Domestic and Global Chemical majors, DNL is emerging as one of the fastest growing Company, adhering to Responsible Care.



Manufacturing Facilities

Fully integrated infrastructure equipped to manage a product right from design to dispatch lends DNL a strong competitive advantage. Its state-of-the-art, environment compliant facilities located at Dahej, Nandesari, Roha, Taloja, Hyderabad and Dahej enjoy clear logistical advantages and are equipped to handle even the bulk hazardous raw materials like Benzene, Toluene, Xylene, Ammonia, concentrated Nitric Acid, concentrated Sulphuric Acid, Chlorine and Sulphur Trioxide.

Cutting edge monitoring IoT systems have been deployed in-house to study man and material movement and increase efficiency and productivity. Phenol state-of-the-art plant powered by KBR, Honeywell and Thyssen krupp is second to none in India having lowest thermal footprint.

Nandesari

The first and the flagship manufacturing facility of Deepak Nitrite Limited, Nandesari facility is located near Vadodara, the chemical hub of India. The facility has dedicated streams for manufacturing of bulk & commodities and fine & specialty chemicals. It offers the advantage of proximity to the feed stocks and critical raw materials. Located in Gujarat Industrial Development Corporation (GIDC) - the chemical complex of Nandesari, the facility is equipped with best-in-class utilities like Effluent Treatment Plants (ETPs). All of its operations are controlled by DCS and it was conferred with the Sir P.C. Ray award for 'Best Chemical Industry Unit' developed with indigenous endeavor.

Roha

The facility produces a range of intermediates for its agrochemical portfolio. New streams have been added for manufacturing of related products for dyes and specialty chemicals. It is located at the western coast and is strategically connected to Nhava Sheva port. It was conferred Greentech Award – Gold, for excellence in safety standards for the year 2013.

Taloja

Taloja manufacturing facility used for the Synthetic Organic chemicals exists since last 20 years. The unit is certified for ISO9001-2008, ISO 14001-2004 (on environment aspects), ISO 18001-2007 (Occupational health and safety) and Accredited with Responsible Care Certification towards global environment, safety and health management. Taloja plant does not use any ACIDS (Nitric, Sulphuric and Hydrochloric) and largely responsible for Hydrogenation Process.

Hyderabad

Hyderabad Specialty Division manufactures DASDA that is used in the manufacture of Optical Brightening Agents (OBA). The global quality standards and competitive manufacturing capabilities of the plant have helped us achieve almost 20% of world's market share of DASDA business.

Dahej

The Optical Brightening Agents plant is set up with integrated infrastructure to produce in fully automatic batch processes with a central well-equipped control room for attending emergencies in case they arise. With the ability to manufacture up to 200 million lb, it serves all three segments namely paper, detergent and textile. Located at Dahej, Gujarat's new island of excellence, the facility prides on being the largest in the industry.





R&D and Patents

Innovation is embedded in the DNA of Deepak Nitrite. The Company has a dedicated R&D facility which is recognized by Dept. of Science and Technology, Government of India. DNL has filed 7 patents.

- Government-recognised R&D facility at Nandesari
- Driven by a strong team of 40 qualified professionals including PhDs
- ~3% of annual revenues spent on R&D

Products and Services

DNL has wide spectrum of products under its portfolio with diverse applications ranging from **Agrochemicals, Rubber, Pharmaceuticals, Paper, Textile, Detergent, Colourants, Petrochemicals to Speciality and Fine Chemicals**. The Company also specialises in customized intermediates to suit specific client needs. The Company's business is divided into the following Strategic Business Units:

- **Basic Chemicals** - Commodity chemicals which are supplied in bulk volumes – Key products include Nitro Tolunes, Fuel Additives, Sodium Nitrite
- **Fine & Speciality Chemicals** - Niche products which are required in low volumes – Key products include Speciality, Xylidines, Oximes, Cumidines
- **Performance Products** - DNL is the world's first fully integrated manufacturer of FWA (Toluene – PNT – DASDA – FWA) – Key products include DASDA / FWA

Deepak Nitrite has leveraged its technical expertise and process excellence to develop a diversified basket of products. It enjoys leadership position in several products – it is the leader in the Domestic Market for Sodium Nitrite, Sodium Nitrate and Nitro Toluenes. It is among the top 3 globally for Xylidines, Cumidines, Colour Intermediates and Oximes. DNL has evolved to be globally competitive supplier and a partner of choice for several global chemical majors and valued customers across the United States of America, the European Union, East European nations, Japan, Asean countries, South Korea, USA and China. The Company ventures into areas and chemistries which enjoy healthy demand after closely liaising with its customers.

DNL's product profile enjoys application diversity. Its products are used across varied industries namely Agrochemicals, Rubber, Pharmaceuticals, Paper, Textile, Detergent, Colourants, Petrochemicals, Fine & Speciality Chemicals, Pigment & Dyes and Explosives. All these industries are witnessing strong consumption trends which are contributing to growth in underlying demand.

As the company ambitiously increases its footprint from the existing 5 plants, it's growing family shares common traits: competence, concern for the company, and ethics.

Financial Summary

(Rs. Cr)	FY18	FY17	Y-o-Y
Sales	1,467	1,242	18%
EBITDA	214	152	41%
PBT	122	74	65%
PAT	83	52	60%
EPS (Rs. Per Share)	6.32	4.43	43%

Phenol & Acetone

In line with make-in-India and to make country import free from Phenol/Acetone DNL wholly owned subsidiary- Deepak Phenolics to start manufacture 200,000 MTPA of Phenol and 120,000 MTPA of the co-product Acetone, supported by capacity to manufacture 260,000 MT of Cumene, from July 2018.















This project with 1400 Investment is based at Dahej, Gujarat (spread over a total land area of 1,65,921m² with build area of 1,16,144.8m²), it is the largest, state-of-art and most efficient facility in India.

Deepak Phenolics state-of-the-art IoT enabled plant powered by KBR and EMCm adheres to strictest safety and environmental standards, boasting the lowest thermal footprint in India

Deepak Phenolics prides covers 3000 chemical consumers fulfilling nearly 60% of the Indian market demand for Phenol and 67% for Acetone. Promoting the Make-In-India initiative, DPL is dedicated to minimising India's import substitution, decreasing our Nation's foreign trade risk and increasing the chemical security of India.

Board of Directors

	SHRI D. C. MEHTA Chairman & Managing Director		SHRI MAULIK D. MEHTA Whole-Time Director		DR. RICHARD H. RUPP Independent Director
	SHRI A. C. MEHTA Non-Executive Director		SHRI NIMESH KAMPANI Independent Director		SHRI S. K. ANAND Independent Director
	SHRI UMESH ASAIKAR Executive Director & Chief Executive Officer		SHRI SUDHIN CHOKSEY Independent Director		DR. S. SIVARAM Independent Director
	SHRI SANJAY UPADHYAY Director - Finance & CFO		SHRI SUDHIR MANKAD Independent Director		PROF. INDIRA PARIKH Independent Director

Key Management Personnel

MR. DEEPAK C. MEHTA
Chairman & Managing Director

MR. UMESH ASAIKAR
Executive Director & CEO

MR. MAULIK MEHTA
Whole time Director

MR. SANJAY UPADHYAY
Director, Finance & Chief Financial Officer

People -

Deepak Nitrite is led by a competent and experienced management team with robust domain knowledge and a keen understanding of the trends and shifts in the industry landscape. Apart from possessing a proven track record in the chemical intermediates industry, **Team Deepak Nitrite has been instrumental in framing strategies to accelerate growth and improve market position.** The Company has inculcated best of talent from leading technical and management institutes as well as lateral hires from the best global and domestic firms in the industry. The senior management team has contributed to DNL's success, which has enabled the Company to be recognised for the quality of its products, while adhering to the Code of Responsible Care and to ethical values while also enhancing stakeholder value. Deepak Nitrite continues to train employees across several functions connected to technical, behavioural and health, safety and general environment and ISO certification standards among others. All these efforts are concentrated on attracting and retaining the best talent in the industry as people are at the center of DNL's growth.

Awards & Recognition

Tata - Most collaborative partner **2017**

FGI - Woman and Child Care **2018**

ICC- Social responsibility **2017**

ET NOW CSR Award **2018**

Gujarat Best Employer **2017**

Millennium Alliance Recognition **2017**

Deepak Foundation

Deepak Foundation has been serving the country for more than 40 years, with special focus on maternal and neonatal care and livelihood projects designed to uplift underprivileged communities. More than 2 million people are regularly affected by activities conducted by the Foundation.

- Improving last mile reach of Govt. programmes through supportive supervision of anganwadis
- Improving availability & accessibility of quality occupational health services in GIDC
- Delivering quality care in tribal areas
- Providing quality woman and neonatal healthcare through doorstep delivery of services
- Saving lives by facilitating access to timely medical intervention & services
- Combating tobacco & alcohol dependency through de-addiction & counselling services
- Demonstration of water harvesting structures in three villages of Roha block of Raigad district
- Promoting learning through mobile library services

- Increasing employability through wage employment trainings



Responsible Chemistry

Deepak Nitrite adheres to Responsible Chemistry and is signatory to 'Responsible Care'. The Company follows the highest standards of effluent treatment system and ensures ZERO discharge. Responsible Care Guiding Principles are at the heart of the Responsible Care commitment — through these principles, members and partners pledge to improve environmental, health, safety and security (EHS&S) performance for facilities, processes and products throughout the entire operating system. Deepak Nitrite is amongst the top 18 Companies to be RC compliant in India. Globally, there are 150 such companies.

Way Forward

Deepak Nitrite is positively placed to capture the growth opportunities **arising in the end-user industries**. All the Strategic Business Units (SBUs), i.e. Basic Chemicals, Fine & Speciality Chemicals, and Performance Products are expected to deliver accelerated growth in the forthcoming year owing to continued transformation in the product portfolio and steady recovery in demand.

The Company was awaiting regulatory consent for its backward integration facility at Roha which has now been received and the current financial year expects to see full capacity utilisation in the FSC segment and this is expected to further improve the margins. The profitability margin is expected to further improve in FY19 as the Company has planned brownfield expansion projects across all business segments entailing capital expenditure of Rs. 60 crore to take advantage of the extant situation in the Chinese Chemical Industry. In addition to the above, normal, debottlenecking and cost leadership programmes are also regularly undertaken by the Company.

In view of the above, the Company expects to see an even better performance in FY19.

Deepak Nitrite is well poised to pursue growth across multiple segments and product lines led by sizeable investments towards integration of existing products. This will be further supported by commissioning of its Phenol & Acetone project - opening up new frontiers of growth.