

**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 NINE MONTHS ENDED 31ST DECEMBER 2017**

Rs. in Lakhs

Sr. No.	Particulars	Quarter Ended			Nine Months Ended	
		31.12.2017 (Unaudited)	31.12.2016 (Unaudited)	30.09.2017 (Unaudited)	31.12.2017 (Unaudited)	31.12.2016 (Unaudited)
1	<b>Income</b>					
	(a) Revenue from operations	37,114.45	30,278.34	35,497.43	108,774.47	96,802.42
	(b) Other income	63.15	39.02	132.18	392.56	408.98
	<b>Total Income</b>	<b>37,177.60</b>	<b>30,317.36</b>	<b>35,629.61</b>	<b>109,167.03</b>	<b>97,211.40</b>
2	<b>Expenses</b>					
	(a) Cost of materials consumed	21,444.07	15,819.30	19,597.66	60,469.11	52,181.07
	(b) Changes in inventories of finished goods and Work-in-progress	428.90	324.74	486.86	516.32	(1,150.72)
	(c) Excise Duty	-	1,886.45	(1.08)	2,425.24	6,028.17
	(d) Employee benefits expense	3,461.62	3,074.44	3,299.02	9,906.98	9,094.93
	(e) Finance Costs	901.87	932.39	1,073.78	2,921.34	2,259.71
	(f) Depreciation and amortisation expense	1,297.04	1,187.14	1,326.41	3,857.24	3,589.49
	(g) Power & Fuel Expenses	3,000.84	1,923.83	2,977.06	8,854.16	7,430.05
	(h) Other expenses	3,571.56	4,147.30	3,894.02	11,098.40	12,497.13
	<b>Total expenses</b>	<b>34,105.90</b>	<b>29,295.59</b>	<b>32,653.73</b>	<b>100,048.79</b>	<b>91,929.83</b>
3	Profit before Exceptional Items and Tax (1 - 2)	3,071.70	1,021.77	2,975.88	9,118.24	5,281.57
4	Exceptional items (Refer Note 7)	-	-	-	-	7,077.18
5	Profit before Tax (3 + 4)	3,071.70	1,021.77	2,975.88	9,118.24	12,358.75
6	<b>Tax Expense</b>					
	(a) Current Tax	645.61	221.14	958.14	2,468.39	2,636.85
	(b) Deferred Tax	391.73	64.87	37.58	624.89	768.11
	(c) Prior Period Tax adjustment	-	-	(288.51)	(288.51)	-
	<b>Total Tax Expenses</b>	<b>1,037.34</b>	<b>286.01</b>	<b>707.21</b>	<b>2,804.77</b>	<b>3,404.96</b>
7	Net Profit for the period (5 - 6)	2,034.36	735.76	2,268.67	6,313.47	8,953.79
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	(60.00)	(108.71)	2.50	(111.55)	(229.21)
	iii. Income tax related to items above	20.31	29.97	(0.81)	37.84	63.06
	<b>Other Comprehensive Income (net of tax)</b>	<b>(39.69)</b>	<b>(78.74)</b>	<b>1.69</b>	<b>(73.71)</b>	<b>(166.15)</b>
9	Total comprehensive income for the period (7 + 8)	1,994.67	657.02	2,270.36	6,239.76	8,787.64
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) :	1.56	0.63	1.74	4.83	3.29
11.ii	Basic & Diluted Earning per share (after exceptional items) (of Rs. 2/- each) (not annualised) :	1.56	0.63	1.74	4.83	7.70



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

Rs. in Lakhs

Sr. No.	Particulars	Quarter Ended			Nine Months Ended	
		31.12.2017 (Unaudited)	31.12.2016 (Unaudited)	30.09.2017 (Unaudited)	31.12.2017 (Unaudited)	31.12.2016 (Unaudited)
1	<b>Segment Revenue (Revenue from operations):</b>					
	a) Basic Chemicals	18,924.06	17,014.70	16,632.91	54,952.25	51,224.81
	b) Fine & Speciality Chemicals	12,238.94	8,404.76	11,285.51	34,205.46	27,595.68
	c) Performance Products	6,735.69	5,090.20	8,420.55	21,734.07	18,674.62
	d) Others un-allocable	-	113.03	138.31	153.54	420.75
	<b>Total</b>	<b>37,898.69</b>	<b>30,622.69</b>	<b>36,477.28</b>	<b>111,045.32</b>	<b>97,915.86</b>
	Less : Inter segment revenue	784.24	344.35	979.85	2,270.85	1,113.44
	<b>Total Revenue from Operations</b>	<b>37,114.45</b>	<b>30,278.34</b>	<b>35,497.43</b>	<b>108,774.47</b>	<b>96,802.42</b>
2	<b>Segment Results before Tax &amp; Interest:</b>					
	a) Basic Chemicals	2,834.80	2,134.65	2,620.53	7,815.98	5,961.92
	b) Fine & Speciality Chemicals	2,708.93	1,834.81	2,620.58	8,472.72	6,780.32
	c) Performance Products	(129.18)	(603.67)	4.61	(525.14)	(1,322.24)
	<b>Total</b>	<b>5,414.55</b>	<b>3,365.79</b>	<b>5,245.72</b>	<b>15,763.56</b>	<b>11,420.00</b>
	Less: i) Interest	901.87	932.40	1,073.78	2,921.34	2,259.72
	ii) Other un-allocable expenditure (Net of un-allocable Income)	1,440.98	1,411.62	1,196.06	3,723.98	(3,198.47)
	<b>Total Profit Before Tax</b>	<b>3,071.70</b>	<b>1,021.77</b>	<b>2,975.88</b>	<b>9,118.24</b>	<b>12,358.75</b>
3	<b>Segment Assets</b>					
	a) Basic Chemicals	39,251.74	36,986.88	38,529.44	39,251.74	36,986.88
	b) Fine & Speciality Chemicals	42,689.61	32,923.16	40,289.85	42,689.61	32,923.16
	c) Performance Products	37,954.28	36,617.38	38,008.25	37,954.28	36,617.38
	d) Other un-allocable	44,481.65	22,434.56	44,106.75	44,481.65	22,434.56
	<b>Total Segment Assets</b>	<b>164,377.28</b>	<b>128,961.98</b>	<b>160,934.29</b>	<b>164,377.28</b>	<b>128,961.98</b>
4	<b>Segment Liabilities</b>					
	a) Basic Chemicals	10,420.88	9,618.59	7,288.54	10,420.88	9,618.59
	b) Fine & Speciality Chemicals	6,291.30	2,363.72	5,555.18	6,291.30	2,363.72
	c) Performance Products	6,161.81	4,607.20	6,177.68	6,161.81	4,607.20
	d) Other un-allocable	63,937.06	55,853.30	66,316.35	63,937.06	55,853.30
	<b>Total Segment Liabilities</b>	<b>86,811.05</b>	<b>72,442.81</b>	<b>85,337.75</b>	<b>86,811.05</b>	<b>72,442.81</b>

**NOTES:**

- The Company has adopted Indian Accounting Standards (Ind AS) from April 01, 2017 with transition date of April 01, 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 nine months ended December 31, 2016 are Ind AS compliant.
- Reconciliation of Net Profit for the quarter and nine months ended December 31, 2016 as previously reported (referred to as 'Indian GAAP') vis-a-vis Ind AS is given below:

Particulars	Quarter ended 31.12.2016 (Rs. in Lakhs)	Nine months ended 31.12.2016 (Rs. in Lakhs)
Net Profit as per Previous Indian GAAP	801.09	9,128.17
Effect of Fair Valuation as Deemed Cost on depreciation for Plant & Machinery (Net of Tax)	(93.42)	(309.98)
Actuarial loss on gratuity recognized in Other Comprehensive Income (Net of Tax)	78.74	166.15
Others (Net of Tax)	(50.65)	(30.55)
Net profit before Other Comprehensive Income (OCI) as per Ind AS	735.76	8,953.79
Other Comprehensive income (OCI) (net of tax)	(78.74)	(166.15)
<b>Total comprehensive income under Ind AS</b>	<b>657.02</b>	<b>8,787.64</b>

- Out of issue proceeds of Rs. 15,000.00 Lakhs from the Qualified Institutions Placements, Rs. 356.87 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.
- Board of Directors, at their meeting held on December 11, 2017 has approved raising of funds by way of Qualified Institutions Placement of equity shares in accordance with the provisions of Chapter VIII of Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 as amended from time to time and other applicable laws, up to an amount not exceeding Rs. 15,000.00 Lakhs.



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- 5 According to the requirements of Ind AS and SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, revenue for the corresponding previous quarters ended December 31, 2016 and for the nine months ended December 31, 2016 were reported inclusive of Excise Duty. The Government of India has implemented Goods and Service Tax ("GST") from July 1, 2017 replacing Excise Duty, Service Tax and various other indirect taxes. As per Ind AS 18, the revenue for the quarter ended December 31, 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			Rs. in Lakhs Nine Months Ended	
	31.12.2017	31.12.2016	30.09.2017	31.12.2017	31.12.2016
Revenue from operations (Net of Excise duty)	37,114.45	28,391.89	35,498.51	106,349.23	90,774.25

- 6 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 June 30, 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 June 30, 2017.
- 7 The exceptional item for the nine months ended December 31, 2016 of Rs. 7,077.18 Lakhs pertains to profit on sale of land and surrender/ assignment of leasehold rights in land at Pune.
- 8 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 January 18, 2018.

For DEEPAK NITRITE LIMITED.

  
D. C. MEHTA  
Chairman & Managing Director

Vadodara, January 18, 2018

