

DNL/140/NSE/393/2017
February 20, 2017

To,
Listing Department
National Stock Exchange of India Limited
'Exchange Plaza', C-1, Block-G,
Bandra Kurla Complex, Bandra - East,
Mumbai - 400 051

Dear Sir,

Sub: Intimation of Meetings with Analysts/ Institutional Investors

Re.: Stock Code: DEEPAKNTR

As required under the provisions of Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015, we would like to inform you that representatives of the Company shall meet various Analysts/Institutional Investors during the fortnight starting today.

This is to further inform you that a copy of presentation to be made at such meetings is enclosed herewith for your records and the same has been uploaded on the website of the Company, i.e. www.deepaknitrite.com.

Kindly take the same on your record.

Thanking you,

For **DEEPAK NITRITE LIMITED**



ARVIND BAJPAI
Company Secretary

Encl.: as above.



Deepak Nitrite Limited

CORPORATE PRESENTATION



This presentation has been prepared by Deepak Nitrite Limited (the “Company”) based upon information available in the public domain solely for information purposes without regard to any specific objectives, financial situations or informational needs of any particular person. This presentation should not be construed as legal, tax, investment or other advice. This presentation is confidential, being given solely for your information and for your use, and may not be copied, distributed or disseminated, directly or indirectly, in any manner. Furthermore, no person is authorized to give any information or make any representation which is not contained in, or is inconsistent with, this presentation. Any such extraneous or inconsistent information or representation, if given or made, should not be relied upon as having been authorized by or on behalf of the Company. The distribution of this presentation in certain jurisdictions may be restricted by law. Accordingly, any persons in possession of this presentation should inform themselves about and observe any such restrictions. Furthermore, by reviewing this presentation, you agree to be bound by the trailing restrictions regarding the information disclosed in these materials.

This presentation contains statements that constitute forward-looking statements. These statements include descriptions regarding the intent, belief or current expectations of the Company or its directors and officers with respect to the results of operations and financial condition of the Company. These statements can be recognized by the use of words such as “expects,” “plans,” “will,” “estimates,” “projects,” or other words of similar meaning. Such forward-looking statements are not guarantees of future performance and involve risks and uncertainties, and actual results may differ from those specified in such forward-looking statements as a result of various factors and assumptions. The risks and uncertainties relating to these statements include, but are not limited to, (i) fluctuations in earnings, (ii) the Company’s ability to manage growth, (iii) competition, (iv) government policies and regulations, and (v) political, economic, legal and social conditions in India. The Company does not undertake any obligation to revise or update any forward-looking statement that may be made from time to time by or on behalf of the Company. Given these risks, uncertainties and other factors, viewers of this presentation are cautioned not to place undue reliance on these forward-looking statements.

The information contained in this presentation is only current as of its date and has not been independently verified. The Company may alter, modify or otherwise change in any manner the contents of this presentation, without obligation to notify any person of such revision or changes. No representation, warranty, guarantee or undertaking, express or implied, is or will be made as to, and no reliance should be placed on, the accuracy, completeness, correctness or fairness of the information, estimates, projections and opinions contained in this presentation. None of the Company or any of its affiliates, advisers or representatives accept any liability whatsoever for any loss howsoever arising from any information presented or contained in this presentation. Please note that the past performance of the Company is not, and should not be considered as, indicative of future results. Potential investors must make their own assessment of the relevance, accuracy and adequacy of the information contained in this presentation and must make such independent investigation as they may consider necessary or appropriate for such purpose. Such information and opinions are in all events not current after the date of this presentation.

None of the Company, any placement agent or any other persons that may participate in the offering of any securities of the Company shall have any responsibility or liability whatsoever for any loss howsoever arising from this presentation or its contents or otherwise arising in connection therewith.

This presentation does not constitute or form part of and should not be construed as, directly or indirectly, any offer or invitation or inducement to sell or issue, or any solicitation of any offer to purchase or subscribe for, any securities of the Company by any person in any jurisdiction, including in India or the United States, nor shall it or any part of it or the fact of its distribution form the basis of, or be relied on in connection with, any investment decision or any contract or commitment therefore.

Securities of the Company may not be offered, sold or transferred in to or within the United States. The Company’s securities have not been and will not be registered under the Securities Act.

This presentation is not a prospectus, a statement in lieu of a prospectus, an offering circular, an advertisement or an offer document under the Companies Act, 2013, as amended, the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, as amended, or any other applicable law in India.

Contents

About Deepak Nitrite Limited

5

Value Proposition

13

Financials

20

Phenol Project

23

Deepak Nitrite at a glance

A producer

of organic, inorganic and fine chemicals with specialization in Hydrogenation, Nitration, customized products as per client specifications and Toluene derivatives amongst others

A market leader

for Inorganic intermediates and Nitro Toluenes in India

Among top global players

for products like Xylidines, Color intermediates, Cumidines and Oximes

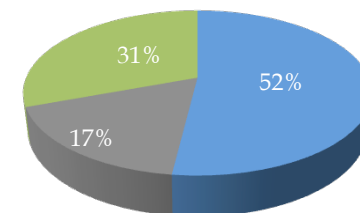


About Deepak Nitrite Limited

Company Overview

- Established in 1970s by Mr. Chimanlal K. Mehta (Founder & Chairman Emirates), Deepak Nitrite Limited ("DNL") is an Indian chemical manufacturing company
- Product Portfolio: Basic Chemicals (BC) | Fine & Specialty Chemicals (FSC) | Performance Products (PP)
- Enjoys a leading market position in most of its products in the domestic as well as global markets
- Leading global player for several niche chemical products like Xylidines, Cumidines, Oximes & Colour Intermediates
- Caters to several industries - Colorants, Petrochemicals, Agrochemicals, Rubber, Pharmaceuticals, Paper, Textile, Detergents, Fine & Specialty Chemicals, etc. & includes some multinational corporations amongst its clientele
- ISO certified manufacturing facilities located at Nandesari, Dahej (Gujarat), Roha, Taloja (Maharashtra) & Hyderabad (Telangana) & an R & D facility at Vadodara
- Strong R&D focus has led to in-house development of new product applications and understanding customer preferences
- Accredited with "Responsible Care" certification
- Wide distribution network across the globe with footprints in over 30 countries
- Consistent track record of dividend payment & shareholder wealth creation
- DNL has undertaken a greenfield expansion plan at Dahej through its wholly owned subsidiary Deepak Phenolics Ltd (DPL), Dahej, Gujarat for manufacturing Phenol and Acetone

Shareholding Pattern – Dec 31, 2016



■ Promoter & Promoter Group
 ■ Institutions
 ■ Non Institutions

Standalone Key Financials (INR mn)

Particulars	FY15	FY16	9M FY17
Revenues	13,272	13,357	8,961
EBITDA	1,402	1,682	1,094
<i>margin (%)</i>	<i>10.6%</i>	<i>12.6%</i>	<i>12.2%</i>
PAT	534	652	368 [^]
<i>margin (%)</i>	<i>4.0%</i>	<i>4.6%</i>	<i>4.6%</i>
Particulars	FY15	FY16	H1 FY17*
Net worth	3,468	4,759	5,592
Debt**	5,445	4,952	4,769
Net Block	5,867	6,074	6,061

* Balance Sheet items as on H1 FY17

** Debt = Long term + Short term borrowings + Current maturities of long term borrowings

[^] Normalized PAT

www.deepaknitrite.com

Milestones



- Corporate Events
- M & A
- New Manufacturing Facility/ Diversification
- Others

2011-Present

- 2016 -2016 – Raised INR 83.3 cr via QIP to fund the phenol project
- 2015 – Promoted Deepak Phenolics Ltd for manufacturing of Phenol & Acetone
- 2015 – Received Supplier Excellence Award from Bayer CropScience
- 2014 - Dahej facility for OBA fully commissioned
- 2013 - Brownfield expansion for manufacturing inorganic salts at Nandesari
- 2013 - Turnover crosses INR 1,000 Crores
- 2012 – Awarded by FICCI with “Businessworld FICCI CSR Award (Large Enterprises)”
- 2012 – Accredited with “Responsible Care”
- 2011 - Listing on NSE

2001-2010

- 2010 - Entry into Fuel Additives business
- 2009 - Turnover crosses INR 500 Cr
- 2007 - Acquisition of business of DASDA Division from Vasant Chemicals at Telangana
- 2006 - Rights Issue of Equity Shares

1991 -2000

- 2000 – Acquisition of management and control of Aryan Pesticides Limited
- 1995 - Commissioning of full fledged Hydrogenation Plant at Taloja
- 1992 - Commissioned Nitro Aromatic Plant at Nandesari

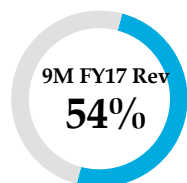
1981 -1990

- 1984 - Acquisition of Sahyadri Dyestuffs & Chemicals unit from Mafatlal Industries
- 1982 - Promoted Deepak Fertilisers & Petrochemicals

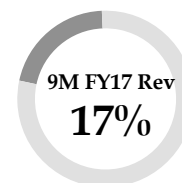
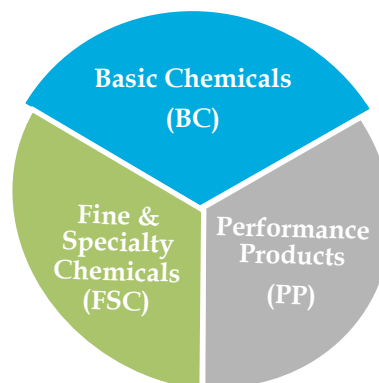
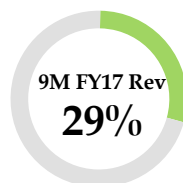
1970 -1980

- 1972 – Sodium Nitrite Plant commissioned at Nandesari
- 1971 – Listed on BSE
- 1970 – Incorporation of DNL as a private company

Business Segments



- High volume segment consisting of Basic Chemicals that are made to standard specifications thus is characterized by moderate margins
- Manufacturing of both organic & inorganic chemicals
- This SBU can be further classified under Organic Chemicals such as Nitro Toluene, Ortho Toluene and Inorganic Chemicals such as Sodium Nitrites & Sodium Nitrates
- DNL plans to leverage on Company's cost leadership to enhance volumes & drive profits



- Includes niche products that require greater value addition
- It is segregated into Specialty Chemicals, Xylidines, Oximes, Cumidines, Nitro Oxylene amongst others
- These products are customised as per customer specifications
- These products find application in the manufacture of agrochemicals, pharmaceuticals, pigments, paper, hair colour, etc

- PP is an application chemical and is commonly known as Optical Brightening Agent (OBA)
- DNL is a fully integrated manufacturer of OBA also known as Fluorescent Whitening Agent (FWA)
- OBA has wide applications in varied industries - Paper, Detergents, Textiles, Coating Applications in Printing & Photographic Paper
- The products in this segment can be customised into liquid or powdered form, as per the customer's requirements.

Manufacturing Facilities

1 NANDESARI, Gujarat

- Bulk and commodity product manufacturing with on site Nitration & Specialty Agrochemicals

2 DAHEJ, Gujarat

- Full spectrum stilbenic Optical Brightening Agents production
- Phenol & Acetone Project through wholly owned subsidiary DPL

3 TALOJA, Maharashtra

- Hydrogenation & noble metal catalysis specialty

4 ROHA, Maharashtra

- Multispecialty manufacturing facility specializing in pilot plants and scaling up activities Nitration & Specialty Agrochemicals

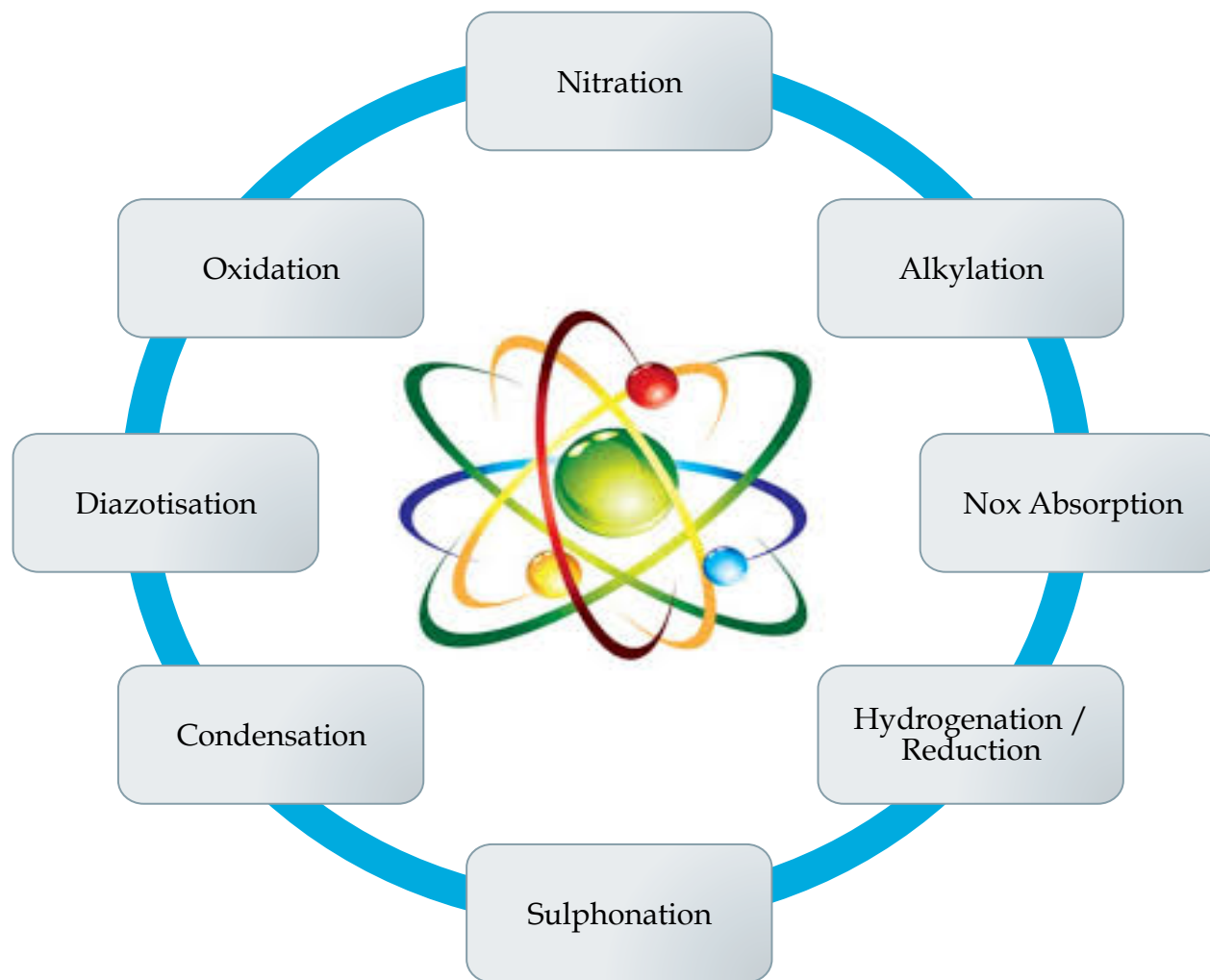
5 HYDERABAD, Telangana

- Manufactures DASDA for captive use and for commercial sales



Technical Capabilities

Expertise in multiple chemical processes



Global Reach

Exporting products to over 30 countries across 6 continents



Business Segments

Fine & Specialty Chemicals

Specialty



Colourants

Xylidines



Pigment



Pharma Interim.



Agrochemicals

Oximes



Agrochemicals

Cumidines



Agrochemicals

Basic Chemicals

Nitro Tolunes



Colourants



Specialty Chemicals



Rubber Chemicals



Pharmaceuticals



Explosives



Dyes



Agrochemicals

Fuel Additives



Refinery

Sodium Nitrite



Dyes / Pigments



Pharma Interim.



Food colours



Electroplating



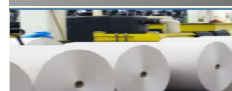
Specialty Chemicals



Colourants

Performance Products

DASDA / FWA



Paper



Textiles



Detergents



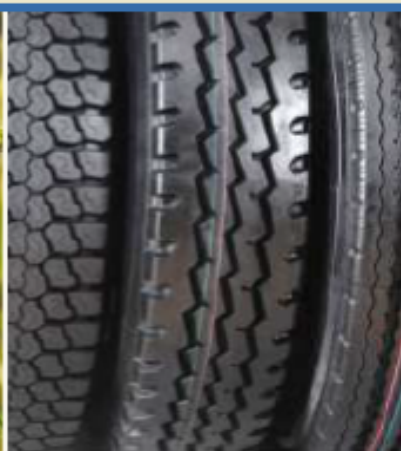
DASDA

Value Proposition

Product Profile having varied applications



Agrochemicals



Rubber



Pharmaceuticals



Paper



Textile

A P P L I C A T I O N D I V E R S I T Y



Detergent



Colourants

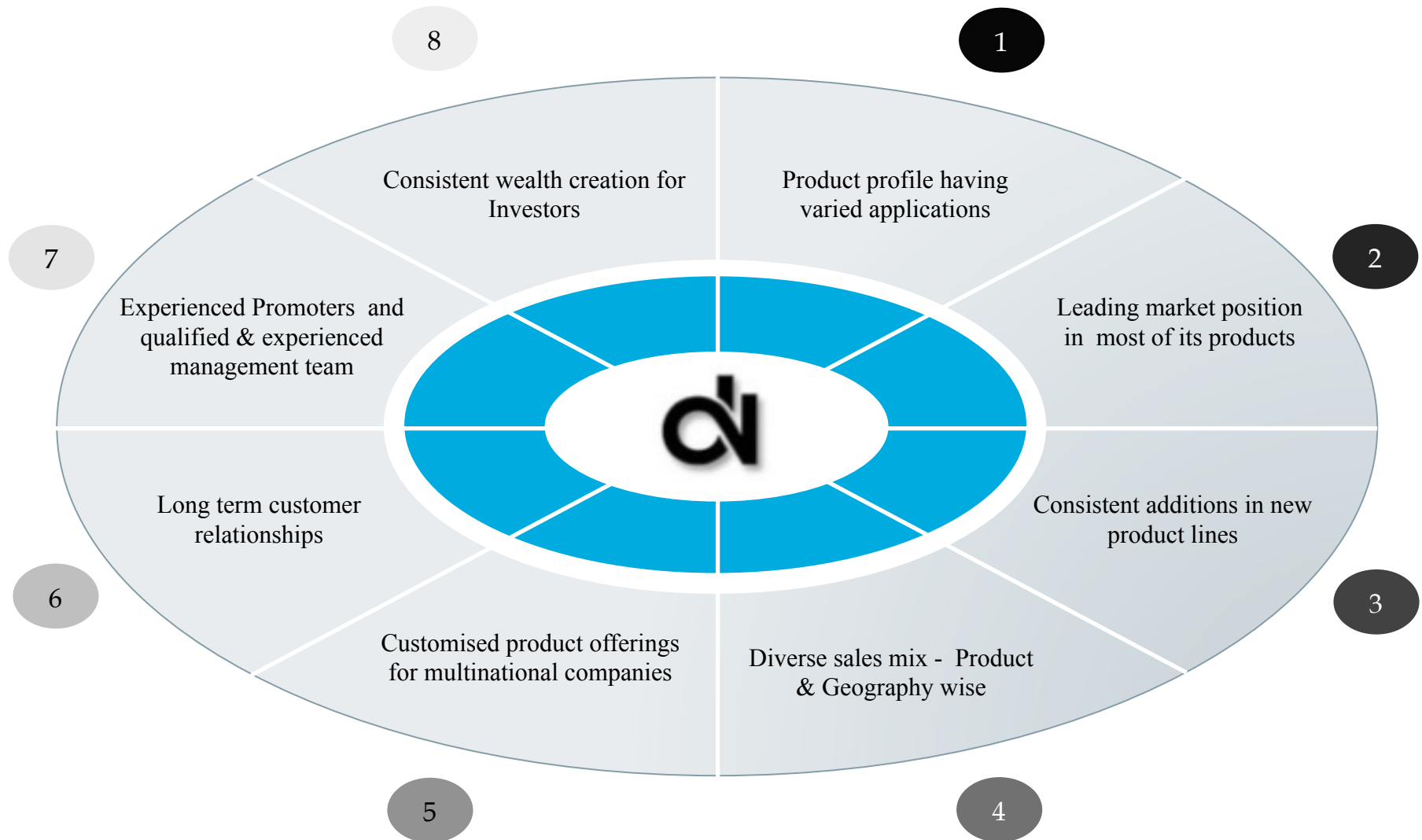


Petrochemicals



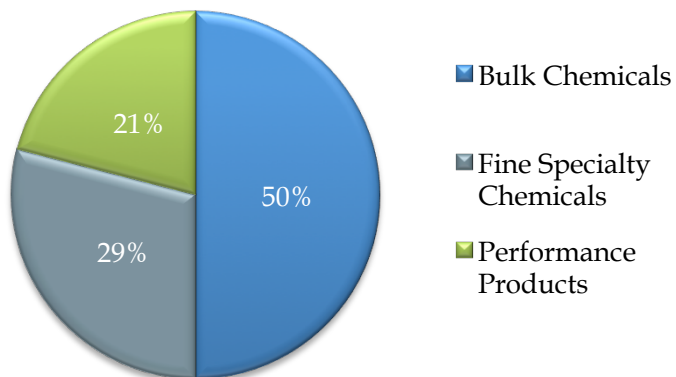
Fine & Specialty Chemicals

Value Proposition

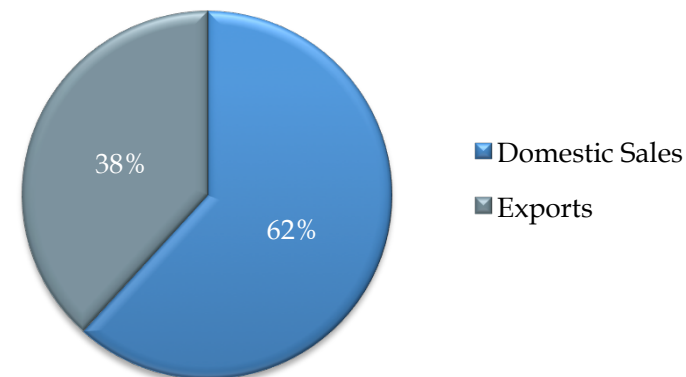


Diverse sales mix - Product & geography wise

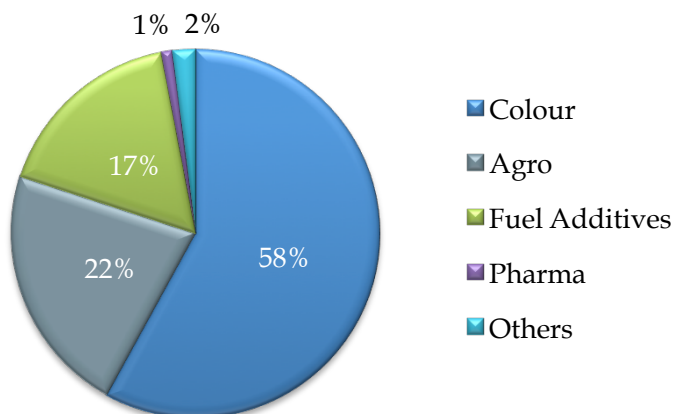
Product-wise segmentation (FY16)



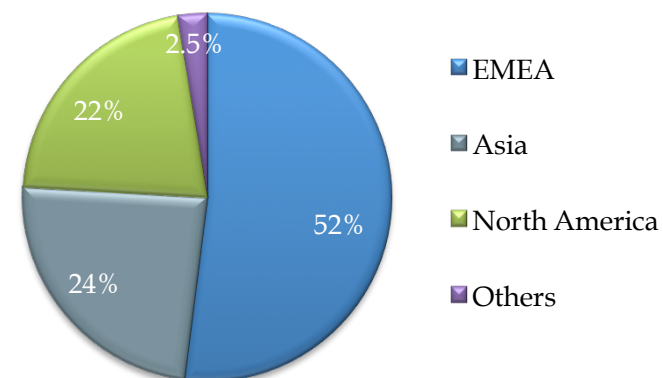
Export v/s Domestic Sales (FY16)



Revenue Segmentation on End Use Industry (FY16)



Key Markets (FY16)



Marquee Customer Relationships



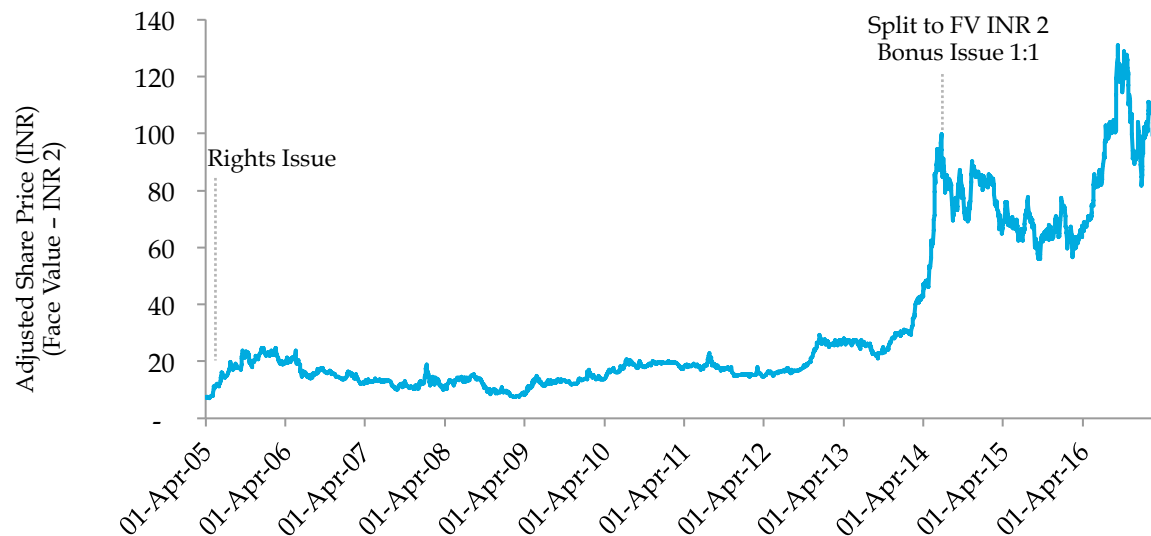
Professional Board of Directors backed by Strong Team

Name of Director	Designation
Mr. Chimanlal K. Mehta	Chairman Emirates
Mr. Deepak C. Mehta	Chairman & Managing Director
Mr. Ajay C. Mehta	Managing Director
Mr. Umesh Asaikar	Executive Director & CEO
Mr. Maulik Mehta	Whole time Director
Mr. Nimesh Kampani	Independent Director
Mr. Sudhin Choksey	Independent Director
Dr. Richard H. Rupp	Independent Director
Mr. Sudhir Mankad	Independent Director
Mr. Sandesh Kumar Anand	Independent Director
Dr. Swaminathan Sivaram	Independent Director
Prof. Indira Parikh	Independent Director

Name of Senior Management Personnel	Designation
Mr. Sanjay Upadhyay	Chief Financial Officer
Dr. Pramod Garg	President, BC
Mr. Suresh Manerikar	President, F & S
Mr. Girish Satarkar	President, PP
Mr. Vijay Deshpande	Vice President, HR
Mr. Arvind Bajpai	Company Secretary

Wealth Creator for Investors

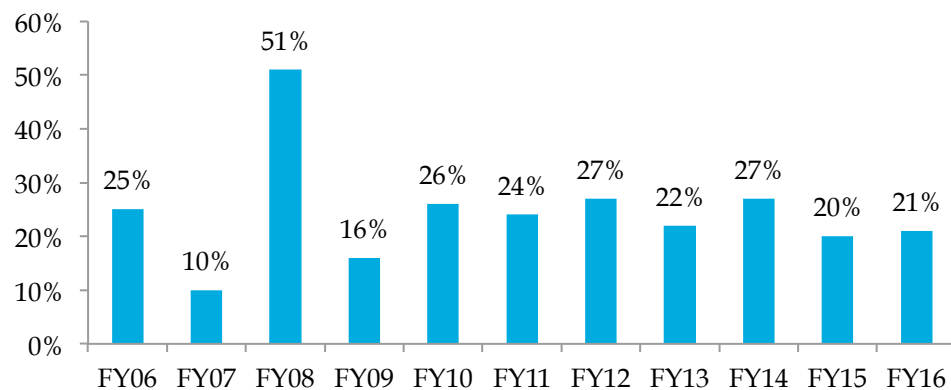
DNL Share Price Performance - Adjusted



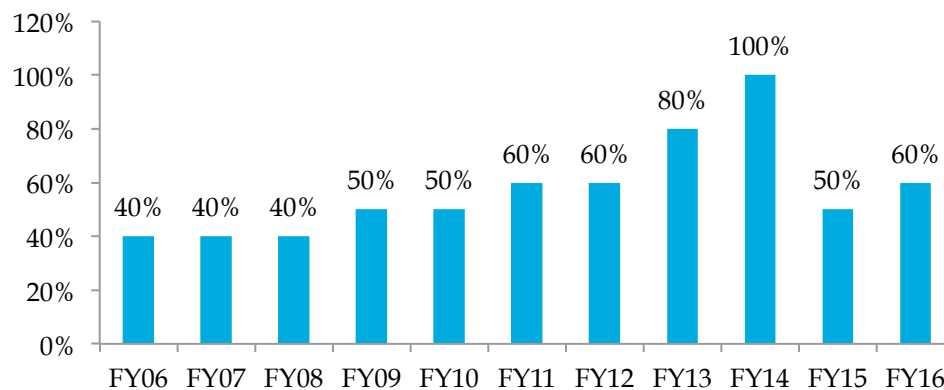
Summary of Returns on 1 DNL Share

Price of 1 Share in Apr, 2005	88
Further Inv in Rights Issue (2006)	75
Total Investment	163
Dividend Recd from 2005-16	111
Current Value of the Holding	1,560
Total Value Derived from Investment	1,671

Dividend Payout Ratio (% of PAT)



Declared Dividend (% of FV)



Financials

Standalone Financials

INR mn

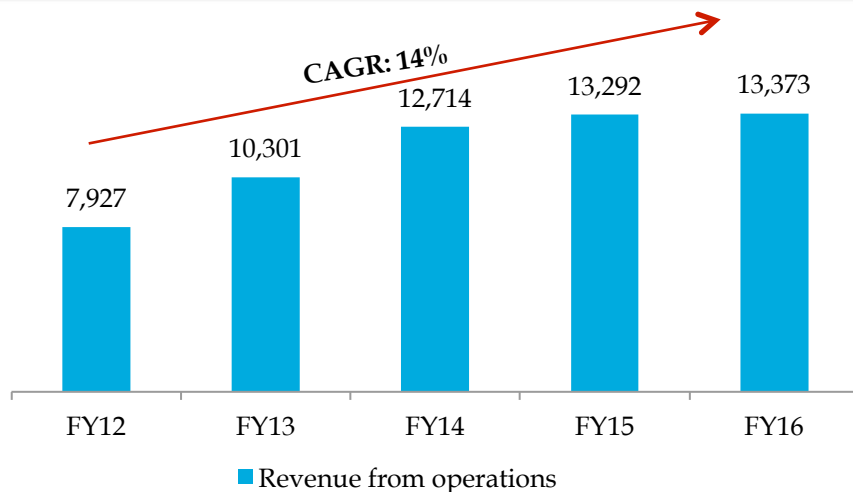
Income Statement	FY15	FY16	9M FY17
Revenue from Operations	13,271.6	13,357.3	8,961.2
RM Consumed	8,570.5	7,897.5	5,103.5
<i>as a % of sales</i>	<i>64.6%</i>	<i>59.1%</i>	<i>56.9%</i>
Employee benefit Expense	1,001.0	1,160.8	931.5
<i>as a % of sales</i>	<i>7.5%</i>	<i>8.7%</i>	<i>10.4%</i>
Other Expenses	2,319.0	2,632.2	1,868.7
<i>as a % of sales</i>	<i>17.5%</i>	<i>19.7%</i>	<i>20.9%</i>
EBITDA	1,417.6	1,682.2	1,094.4
<i>Margin %</i>	<i>10.7%</i>	<i>12.6%</i>	<i>12.2%</i>
Finance costs	364.1	374.5	226.0
Depreciation	360.2	394.5	316.2
PAT	534.4	651.5	912.8*
<i>Margin %</i>	<i>4.0%</i>	<i>4.6%</i>	<i>10.2%</i>

* Includes gain of INR 707.7 mn on sale of land

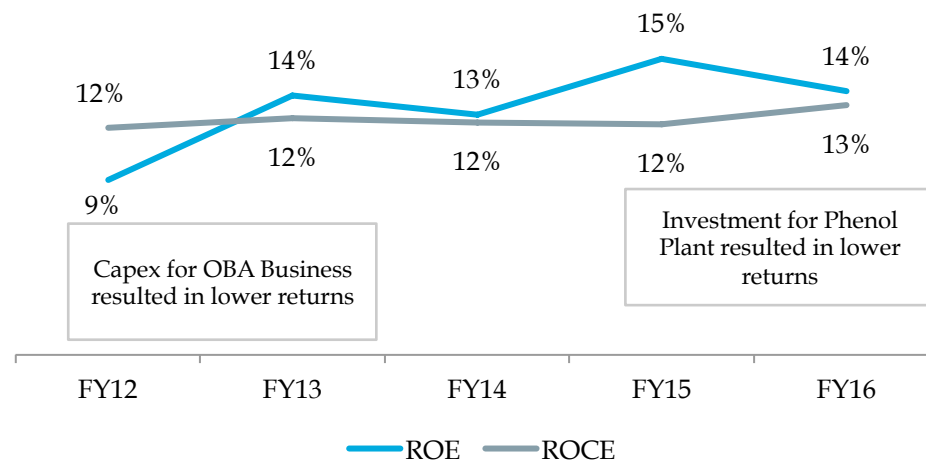
Balance Sheet	FY15	FY16	H1 FY17
Share Capital	209.1	232.6	232.6
Reserves & Surplus	3,259.2	4,526.3	5,359.0
Networth	3,468.3	4,758.9	5,591.6
<u>Debt</u>			
Long Term Borrowings	2,386.0	1,589.3	1,105.8
Short Term Borrowings	2,310.1	2,349.0	2,645.3
Other Non Current Liabilities	542.5	642.4	719.8
Current Liabilities & Provisions	2,528.6	3,247.3	2,745.9
TOTAL LIABILITIES	11,235.5	12,586.9	12,808.4
Net Block (Incl. CWIP)	5,867.1	6,074.2	6,061.4
Other Non Current Assets	584.9	1,059.4	1,990.3
Current Assets	4,783.6	5,453.3	4,756.7
TOTAL ASSETS	11,235.5	12,586.9	12,808.4

Financial Snapshot – Standalone

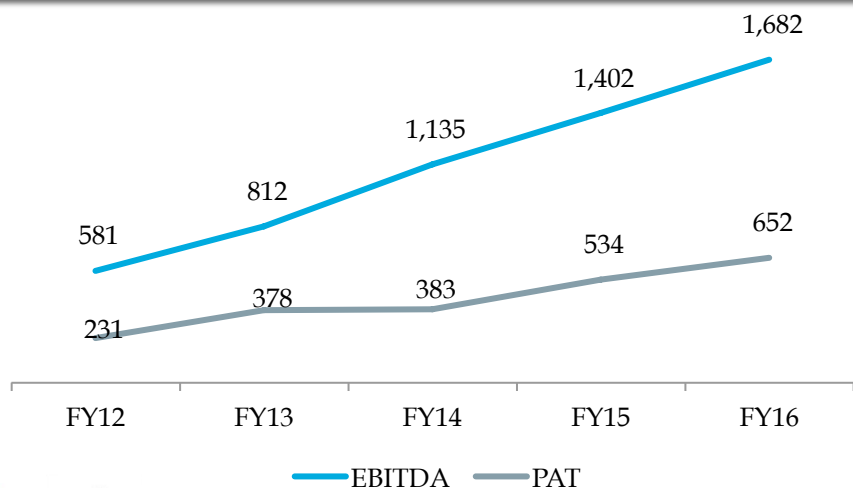
Total Income (INR mn)



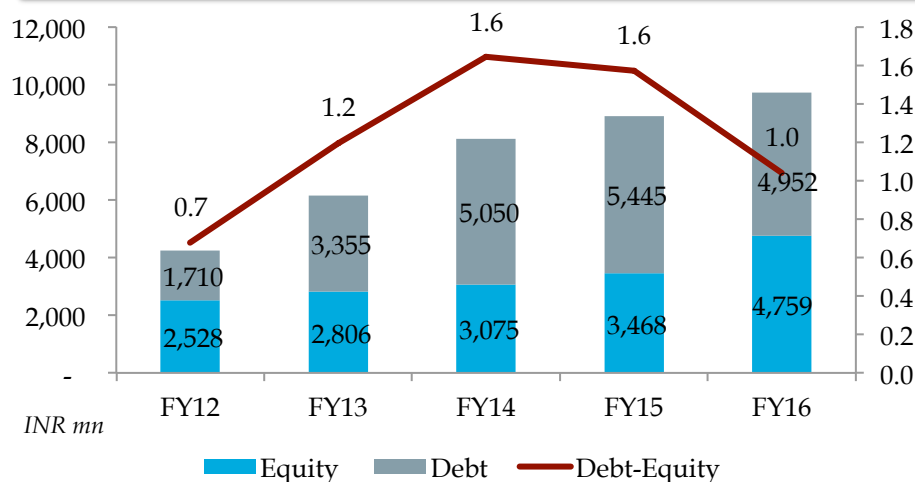
ROE v/s ROCE



EBITDA v/s PAT (INR mn)



Debt - Equity



Phenol Project

Phenol & Acetone Facility at Dahej - Snapshot

Manufacturing Capacity

200,000 MTPA

Total manufacturing capacity for Phenol

120,000 MTPA

Total manufacturing capacity for Acetone

260,000 MTPA

Total manufacturing capacity for Cumene

Fund Requirements

INR 14,000 mn

Total capital outlay for the project

INR 8,400 mn

Total Debt raised by DPL for the project
Financial closure achieved

Technology Tie-up

KBR

UOP
A Honeywell Company

Technology tie-up with KBR (USA) & UOP Honeywell

- KBR is a licensor of phenol capacity
- UOP is a licensor of Cumene capacity

Project Progress Status

Overall project progress 57.3%

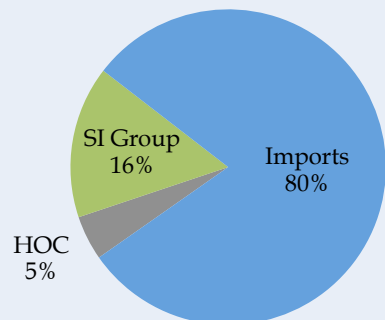
- Order to the tune of Rs. 8,300 mn placed with supplier
- All major contractors are already mobilized at Project site

Market Opportunity

Phenol Demand Supply in India

Phenol Demand - 2014

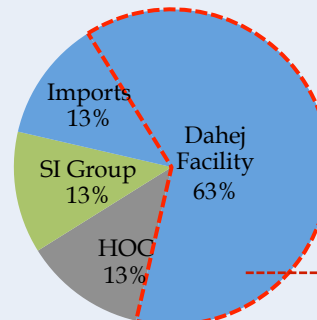
250,100 MT



DNL's facility
(200,000MT) will start
operations in 2017 -18

Estimated Demand for Phenol in 2017-18

320,000 MT

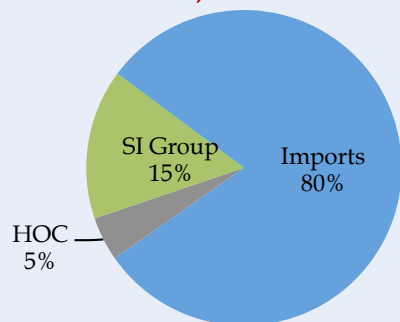


This plant at Dahej, the largest of Phenol & Acetone, will help substitute the imports and enable country to save foreign exchange and give us a market leadership position for phenol & acetone in India

Acetone Demand Supply in India

Acetone Demand - 2014

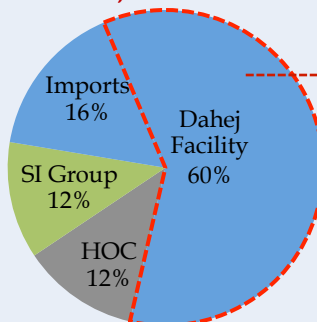
156,734 MT



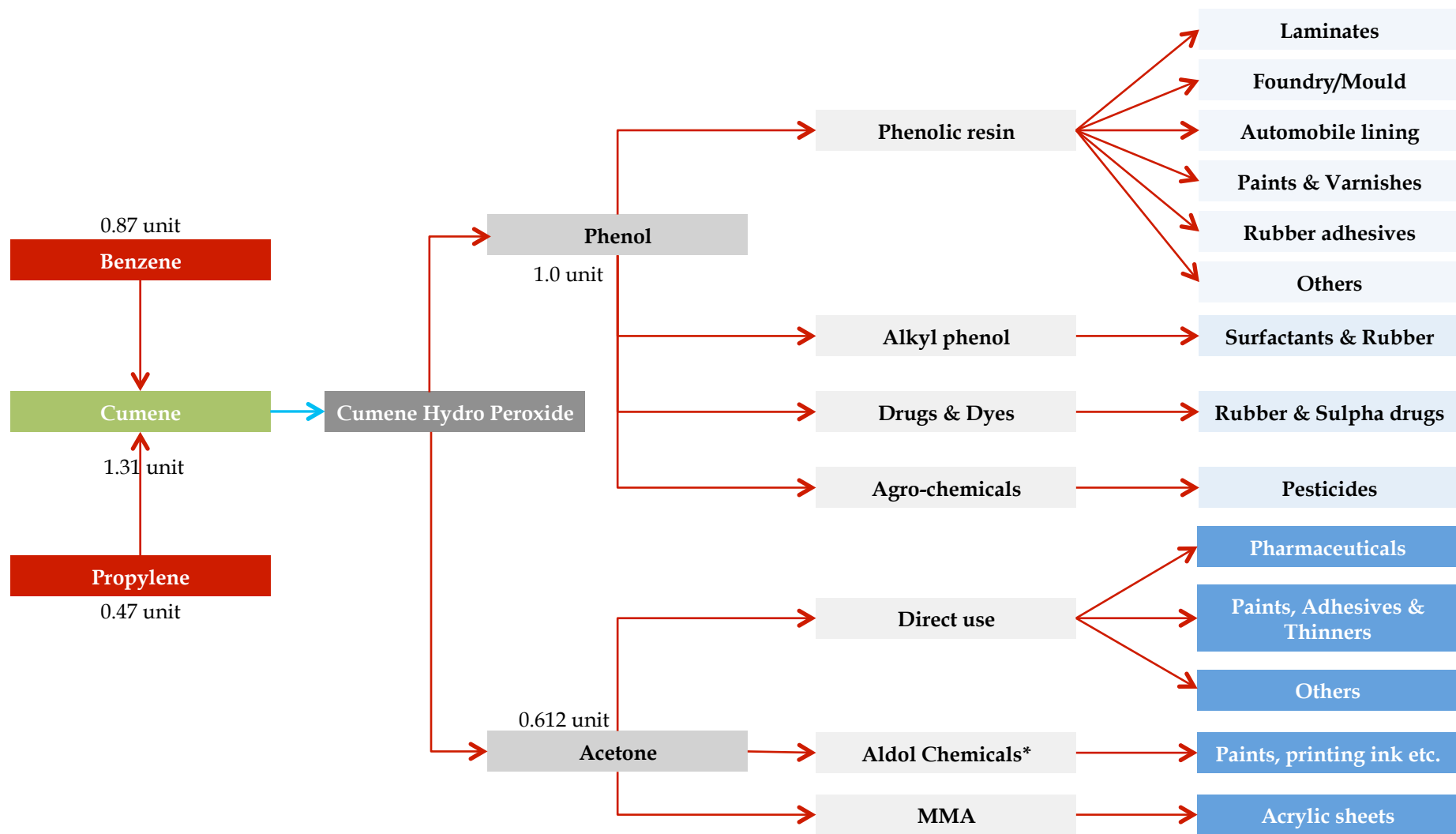
DNL's facility
(120,000MT) will start
operations in 2017 -18

Estimated Demand for Acetone in 2017-18

200,000 MT



Acetone & Phenol Value Chain in India



Source: CRISIL

Thank You



Deepak Nitrite Limited



Deepak Nitrite Limited

Corporate Office

Aaditya-I, National Highway No. 8, Chhani Road, Vadodara - 390 024 India

Tel: +91-265-276 5200 | Fax: +91-265-234 0506