

**DEEP  
Industries  
Limited**

**Oil & Gas Exploration  
Production & Services**

05<sup>th</sup> December, 2016

To,  
Corporate Relations Department  
Bombay Stock Exchange Limited  
2<sup>nd</sup> Floor, P.J. Towers,  
Dalal Street,  
Mumbai – 400 001

Company Code : 532760

To,  
Corporate Relations Department  
National Stock Exchange of India Limited  
Exchange Plaza,  
Plot No, C/1, G-Block,  
Bandra Kurla Complex,  
Bandra (E),  
Mumbai - 400051

Company Code : DEEPIND

Dear Sir/Madam,

**Sub.: Investors/ Analysts Presentation – December, 2016.**


With Reference to regulation 30 of SEBI (LODR) Regulation, 2015, please find herewith attached presentation made for December-2016.

Please take note of the same.

Thanking You.

Yours faithfully,

**For, DEEP INDUSTRIES LIMITED**

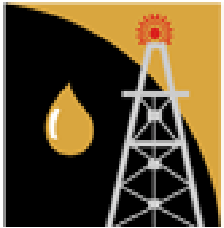
  
**Akshit Soni**  
Company Secretary



**Registered Office:**

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Email: [info@deepindustries.com](mailto:info@deepindustries.com) | Website: <http://www.deepindustries.com>  
CIN : L63090GJ1991PLC014833





**DEEP Industries Limited**  
Investor Presentation December 2016

# Safe Harbor



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Q2/H1 FY17 Financial  
Snapshot



# Profit & Loss



Rs. Cr	Q2FY17	Q2FY16	YoY	H1FY17	H1FY16	YoY	Consolidated FY16
Revenue	68	34	97.1%	132	61	114%	169
Direct Expenses	18	9		38	16		40
Employee Expenses	5	4		10	7		14
Other Expenses	4	3		7	4		18
<b>EBITDA</b>	<b>41</b>	<b>19</b>	<b>117%</b>	<b>77</b>	<b>34</b>	<b>124%</b>	<b>97</b>
<i>EBITDA Margin</i>	60.2%	54.8%	+540bps	58.6%	56.1%	+250bps	57.40%
Other Income	0	0		0	1		1
Depreciation	8	4		15	7		21
<b>EBIT</b>	<b>33</b>	<b>16</b>	<b>112%</b>	<b>63</b>	<b>28</b>	<b>124%</b>	<b>77</b>
<i>EBIT Margin</i>	49.0%	45.5%		47.9%	45.9%	+200bps	45.56%
Finance costs	6	4		13	6		15
<b>PBT</b>	<b>27</b>	<b>12</b>	<b>127%</b>	<b>50</b>	<b>22</b>	<b>129%</b>	<b>62</b>
Tax	10	4		17	7		21
<b>PAT</b>	<b>17</b>	<b>8</b>	<b>109%</b>	<b>33</b>	<b>15</b>	<b>124%</b>	<b>41</b>
<i>PAT Margin</i>	24.8%	23.4%		25.1%	23.9%		24.26%

# Consolidated Historical Profit & Loss

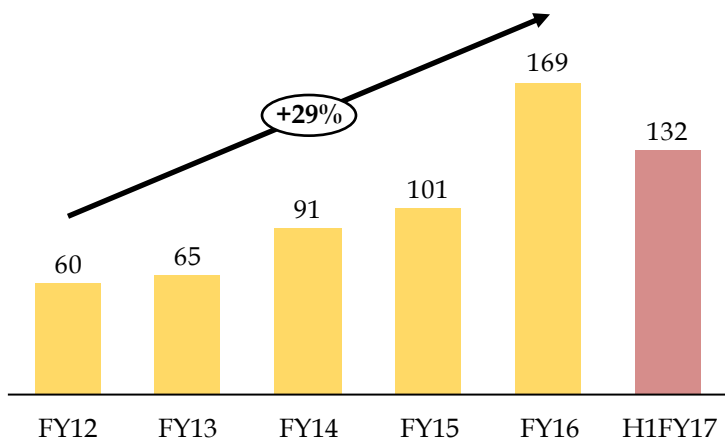


Rs. Cr	FY12	FY13	FY14	FY15	FY16
Revenue	60	65	91	101	169
Direct Expenses	20	16	22	24	40
Employee Expenses	7	7	9	13	14
Other Expenses	5	6	7	9	18
<b>EBITDA</b>	<b>29</b>	<b>36</b>	<b>53</b>	<b>55</b>	<b>96</b>
<i>EBITDA Margin</i>	48.3%	55.4%	58.2%	54.4%	56.9%
Other Income	1	2	1	1	1
Depreciation	7	10	12	12	20
<b>EBIT</b>	<b>23</b>	<b>28</b>	<b>42</b>	<b>44</b>	<b>77</b>
<i>EBIT Margin</i>	38.3%	43.1%	46.2%	43.6%	45.6%
Finance costs	4	7	9	11	15
<b>PBT</b>	<b>18</b>	<b>21</b>	<b>33</b>	<b>33</b>	<b>62</b>
Tax	6	9	13	12	21
<b>PAT</b>	<b>12</b>	<b>12</b>	<b>20</b>	<b>21</b>	<b>41</b>
<i>PAT Margin</i>	20%	18.5%	22%	21.0%	24.2%

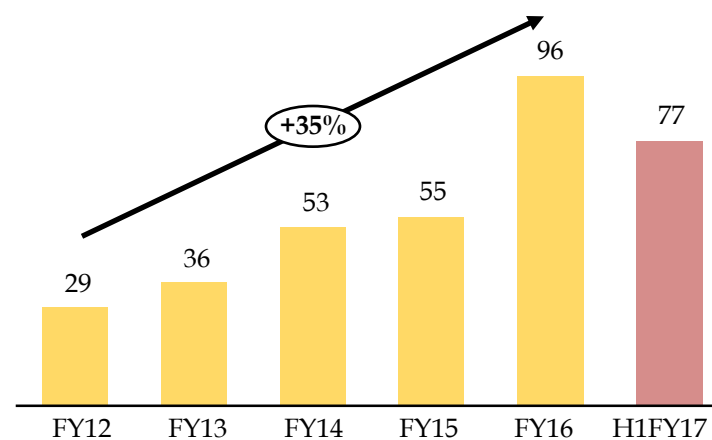
# Consolidated-Growth over the Years



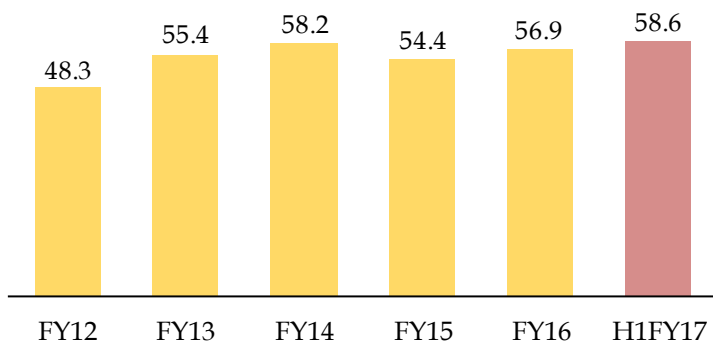
### Revenue (Rs Crs)



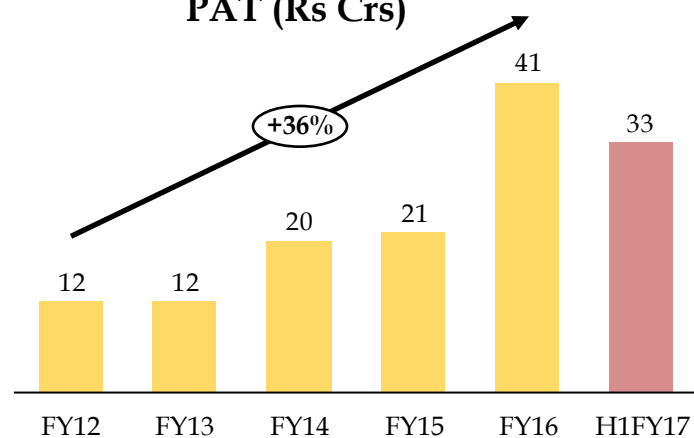
### EBITDA (Rs Crs)



### EBITDA Margin (%)



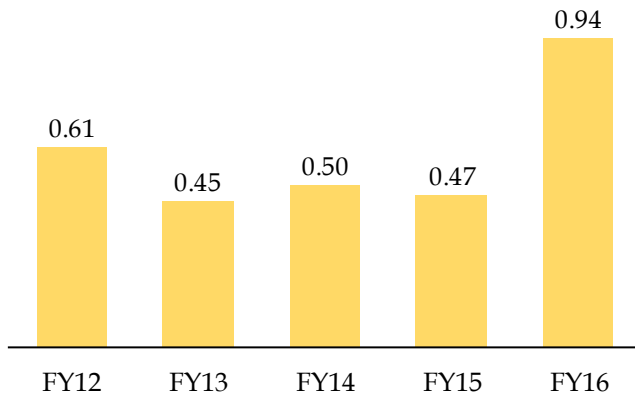
### PAT (Rs Crs)



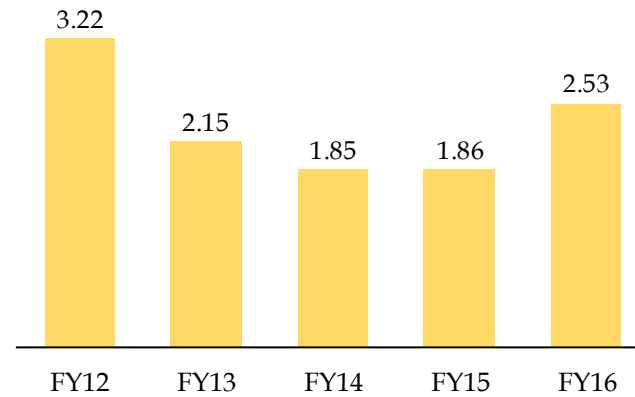
# Strong Balance Sheet



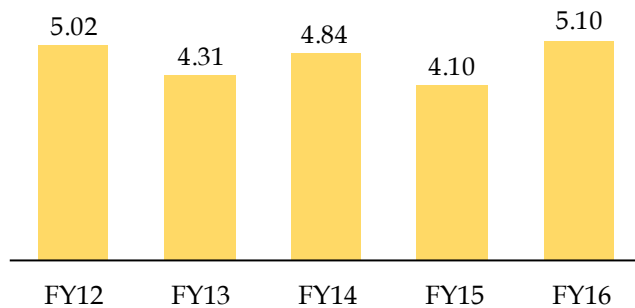
### Net Debt/Equity



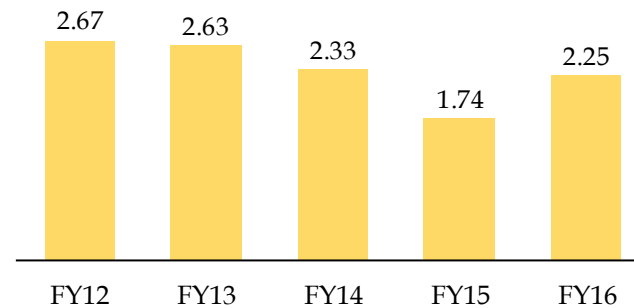
### Net Debt/EBITDA



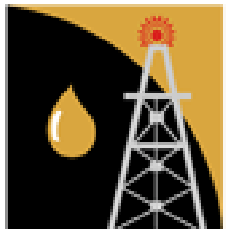
### Interest Coverage Ratio



### Debt Service Coverage Ratio







About Us



## Deep Industries



**Focused on Deploying Fuel Efficient, latest Equipment in the Oil and GAS Industry with a Vision to become an Integrated Solution Provider with a focus on Domestic and International Market**

- » Diversified Oil & Gas company with presence in Oil Field Services and Exploration & Production
- » More than 2 decades of experience in Oil & Gas Services with large clients in Public and Private space
- » Long term association with US based Equipment vendors providing competitive edge
- » 1st Mover advantage in Gas Compression and De – hydration segment in India
- » Technically sound team with vast experience in the industry
- » Care A-/Crisil A- and Care A2+/Crisil A2+ rated for Long term & Short term bank loans

# Management Team



**Paras Savla**  
Chairman & MD

First generation promoter with over 20 years experience in Oil & Gas industry.



**Rupesh Savla**  
Managing Director

MBA from Bentley College, USA, has over 17 years of experience in execution of projects in the oil and gas sector



**Dharen Savla**  
Executive Director

MBA from Swinburne University of Technology, Australia, is instrumental in the Work Over Rig and Drilling Rig Activities



**Preamsingh Sawhney**  
ED & CEO for E&P

Over 20 years of experience in exploration and development of conventional & unconventional hydro carbon resources. Past assignments include ONGC, Essar & Reliance Industries



**Rohan Shah**  
CFO

Holds CA degree from The Institute of Chartered Accounts of India. He has over 10 years of work experience of which he has been associated with our company for over 6 years .

# Well Diversified Portfolio



## Gas Compression

01

One of First Companies in India to provide high pressure Natural Gas Compression Services

## Workover & Drilling Rigs

02

One of the few Player in India providing Onshore Workover and Drilling Rigs Services

## Gas Dehydration

03

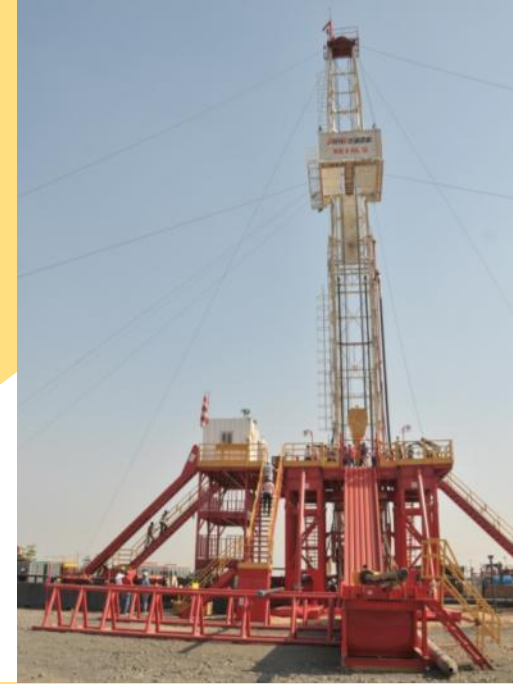
One of the First Companies in India to provide Natural Gas Dehydration Services.

## Exploration & Production

04

Oil & Gas Exploration & Production from conventional and unconventional resources in India and Indonesia

## Service Business



Service Business



# Customized Solution Provider in Oil & Gas Value Chain



## Gas Compression

## Workover & Drilling Rigs

## Gas Dehydration

**01**

Customised End to End solutions on turnkey basis  
Equipment + Installation + O&M

**End use/Application**  
Gas Gathering Stations, Gas Lift, Gas Power Plants, National Grids and LNG Terminals

**02**

Solution provider for Drilling and Workover jobs

**End use/Application**  
Oil Producers

**03**

First Mover in Onshore Gas Dehydration Business

**End use/Application**  
Onshore Exploration Companies



# Gas Compression Division



# Leadership in Gas Compression Business...



## Pioneer

We are one of the first Companies in India to provide Natural Gas Compression Services

## High Revenue Visibility

Contract period for Gas Compression ranges from 3 to 5 years

## Market Leader

We are the market leaders in gas compression business in India with an estimated market share of 90.12%

## Technology Tie-Ups

Tie-ups with reputed and experienced compressor packagers in USA for the supply of Gas Compression Packages

## Turnkey Contracts

Compression contracts on turnkey basis. Includes supply of Equipment, Installation, Commissioning, Operation & Maintenance

## Capacity

59 Gas compression packages ranging from 180HP to 1,680HP  
Compression capability of more than 5.00 MMSCMD of natural gas.





# ...Barriers to Sustainable Growth



## Technical Expertise

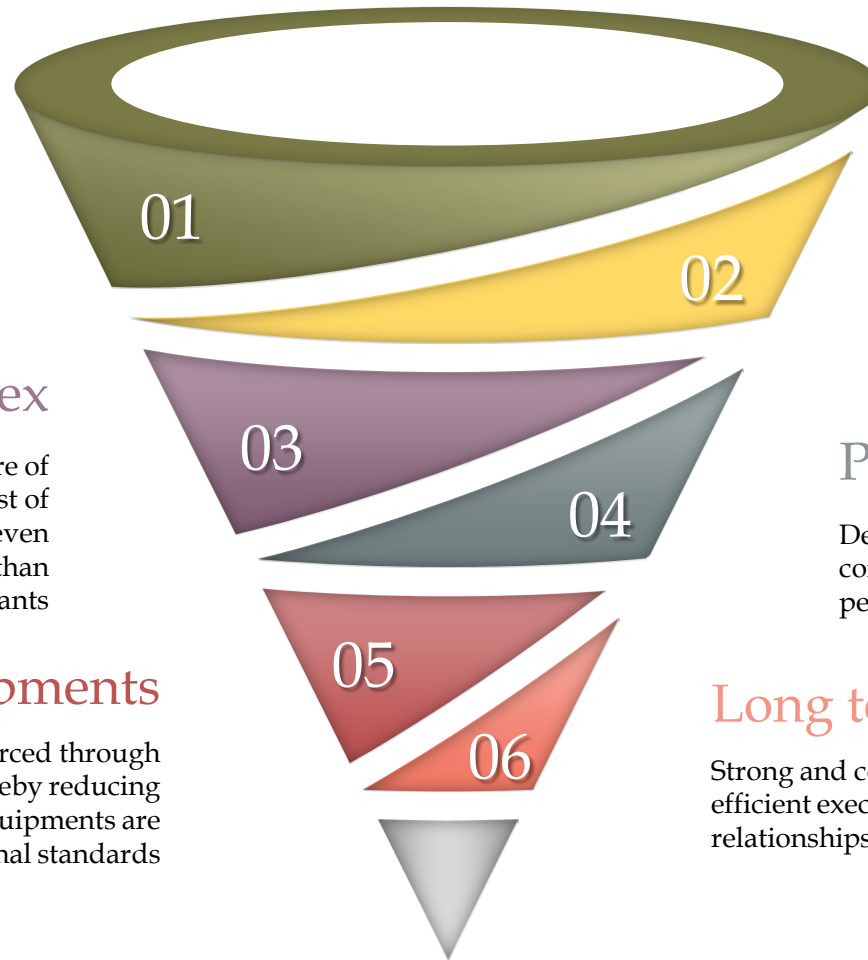
Skilled engineers are required to install, mobilize and operate equipments

## Capex

Capex required is high due to nature of equipments and size of projects. Most of our equipments have achieved breakeven ensuring us a favorable position than relatively newer entrants

## High Quality Equipments

Our fleet of equipments are sourced through tie-ups in USA thereby reducing commissioning timelines. Equipments are designed as per international standards



## Customization

Expertise and Technical tie ups enables us to provide customized solutions in quickest possible timelines

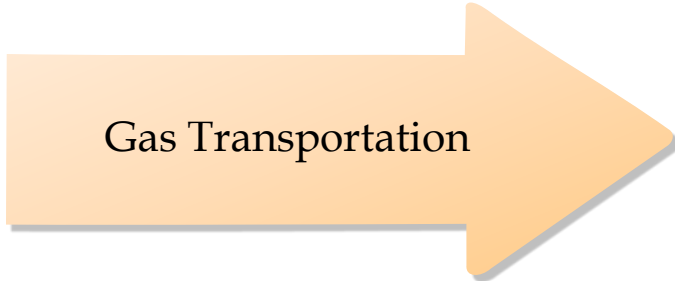
## Penalties

Delay in installation, lower than contractual output result in high penalties

## Long term Relationships

Strong and consistent track record of efficient execution leads to long term relationships with customers

# ...In A Growing Market with Varied Applications...



## Reduce Loss of Evaporation

Due to heat entering the cryogenic tank during storage and transportation, a part of the LNG in the tank continuously evaporates creating a gas called Boil-Off Gas (BOG). We compress the said Natural Gas to ensure recovery of same.

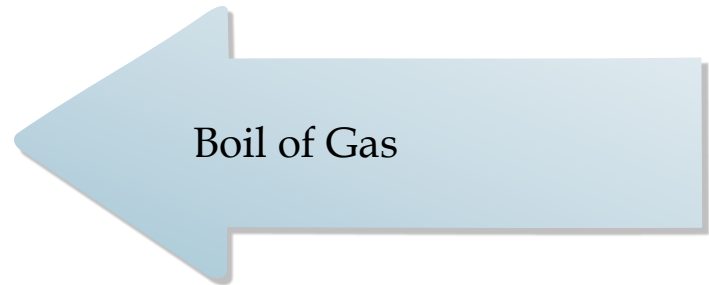


## Power Generation

In gas-turbine power plants, Natural Gas is used as fuel to drive turbines. These turbines are in turn connected to generators which actually produce the electricity. Gas Compression is used to boost pressure of Natural Gas which is used as fuel.

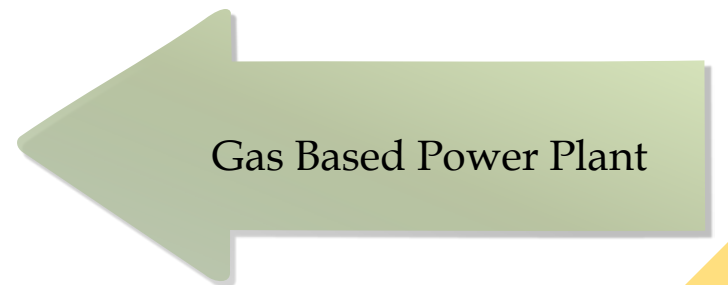
## Distribution

During transportation of Gas through pipeline, there is pressure loss. Compression of Natural Gas is required to boost the pressure to ensure that Natural Gas flows through pipeline



## Enhanced Oil Recovery

Artificial gas lift is used so that Oil production from Well can be enhanced. Can be used in mature, depleted fields, where the reservoir can no longer produce under its natural energy. Gas compression is used to inject gas into Wells.



# Rigs Division



# Solution provider for Coring, Air Drilling, Work over and Drilling Rig Services to Oil & Gas companies in India



## Assets & Capacities

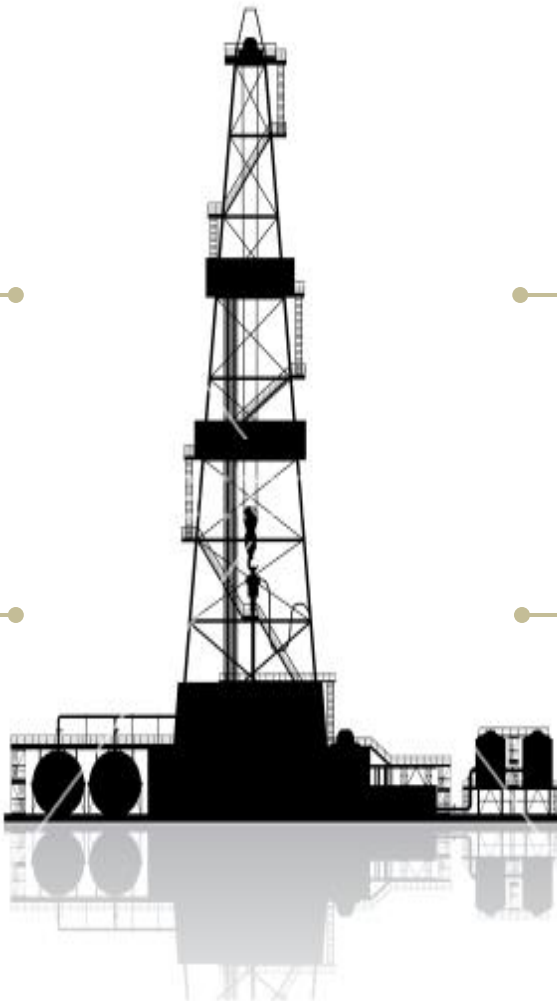
- Owns & Operates 9 Workover Rigs with capacity ranging from 30T to 100T, 2 Drilling Rig with capacity of 1000Hp & 1 coring rig.

## Clients

- Successfully served long term contracts with Companies with PSUs since last decade.

## Capabilities

- Build a diversified team which has required skill set to carry out planning and execution of large size projects



## Expertise

- Provides solutions related to Exploration & Production of hydrocarbons

## Focus

- Focus will be to expand in Onshore Drilling Business as there is a significant opportunity in the industry.



# Gas Dehydration Division



# Leveraging Technical Capabilities to Grab Opportunities



Blast at the GAIL site increased scrutiny on the processes followed by the producers and transporters of Gas and resulted in regulations being made more stringent

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This necessitated Gas Producers to get dehydration units installed at the site before selling Gas through pipeline, as needed by the stricter implementation of regulations

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We are one of the first companies in India to provide Gas Dehydration on chartered hire basis.

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We have 3 contracts for 11 locations in the states of Andhra Pradesh & Tripura for 3.2 MMSCMD

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# Exploration & Production



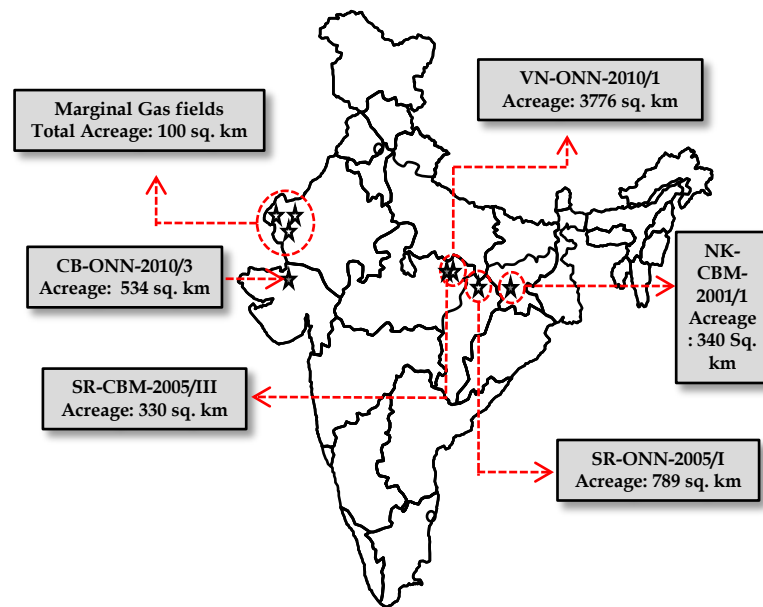
# Exploration & Production Portfolio



Diversified into Oil & Gas exploration in 2006-07 seeing the opportunity in the space and unconventional energy being the future and thus is in the league of producers, service providers and technology providers

Out of 9 blocks - 4 blocks are in development phase, 1 block in appraisal phase and rest in exploration phase. These includes 1 CBM block acquired by our subsidiary company

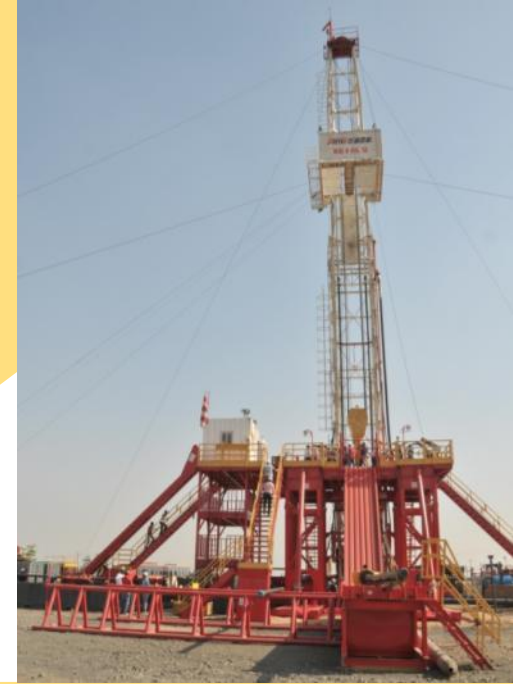
The total acreage operated by the company is over 6,865 sq km.



## Total Acreage holding:

Reservoir Type	India	Indonesia	Total
Oil & Gas	5,199 sq. km	-	5,199 sq. km
CBM	670 sq. km	996 sq. km	1,666 sq. km





Business Potential

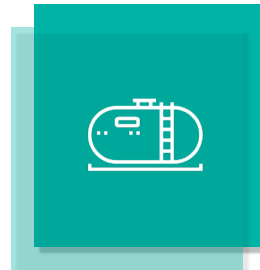


# Growing Market Potential



## Gas Compression

In 2015, India natural gas compression services market was valued at USD88.51 million and this is projected to reach USD139.29 million by 2021



## Gas Dehydration

Government has made it mandatory to have the Gas dehydrated before they can be mounted to the gas pipelines  
We are one of the first companies to enter the gas dehydration services business



## Workover & Drilling Rigs

There lies a opportunity in onshore rigs business with few players in the market  
The Company has been aggressively growing its Rigs business



## Exploration and Production

The North Karanpura CBM block which has been awarded to our subsidiary, PEPL, is in the development phase and, as per our expectations gas production will start in the next 2 years.

# Certificates....





For further information, please contact:

**Company :**

**Deep Industries Ltd**

CIN: L63090GJ1991PLC014833

Mr. Rohan Shah, CFO

[rohan@deepindustries.com](mailto:rohan@deepindustries.com)

[www.deepindustries.com](http://www.deepindustries.com)

**Investor Relations Advisors :**

**Strategic Growth Advisors Pvt. Ltd.**

CIN: U74140MH2010PTC204285

Mr. Shogun Jain / Ms. Payal Dave

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