

Independent Auditor's review report on Unaudited Quarterly and Year to Date Standalone Financial Results of Deep Industries Limited (Formerly known as Deep CH4 Limited) under Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended)

To

The Board of Directors of

Deep Industries Limited (Formerly known as Deep CH4 Limited)

1. We have reviewed the accompanying statement of unaudited standalone financial results of **Deep Industries Limited (Formerly known as Deep CH4 Limited)** ("the company") for the quarter and nine months ended December 31, 2022 ("the Statement") being submitted by the company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the "Listing Regulations").
2. This statement, which is the responsibility of the Company's management and approved by the Company's Board of Directors, has prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34") prescribed under Section 133 of the Companies Act, 2013, as amended, read with relevant rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review in accordance with the Standard on Review Engagement (SRE) 2410, "Review of interim Financial information Performed by the independent Auditor of the Entity" issued by the Institute of Chartered Accountants of India ("ICAI"). This Standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review of interim financial information consists of making inquiries, primarily of the Company's personnel responsible for financial and accounting matters and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with standards on Auditing specified under Section 143(10) of the Companies Act, 2013 and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.
4. Based on our review conducted as stated in paragraph 3 above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in the aforesaid Indian Accounting Standards and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, including the manner in which it is to be disclosed or that it contains any material misstatement.
5. **Other Matter**
Attention is drawn to the fact that the figures for the quarter & nine months ended December 31, 2021 and year ended March 31, 2022 are based on previously issued financial results and annual financial statements that were reviewed/audited by the predecessor auditor (vide their unmodified limited review report dated February 03, 2022 and audit report dated May 27, 2022, respectively). Our conclusion is not modified in respect of this matter.

For, Mahendra N Shah & Co.

Chartered Accountants

FRN : 105775W



Chirag M Shah
CA Chirag M Shah

Partner

Membership No. 045706

UDIN : 23045706BGUVKM1168

Date : February 06, 2023

Place : Ahmedabad

Independent Auditor's review report on Unaudited Quarterly and Year to Date Consolidated Financial Results of Deep Industries Limited (Formerly known as Deep CH4 Limited) under Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

To

The Board of Directors of

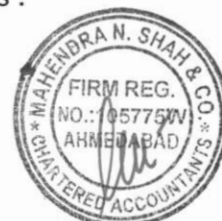
Deep Industries Limited (Formerly known as Deep CH4 Limited)

1. We have reviewed the accompanying statement of unaudited consolidated financial results of **Deep Industries Limited (Formerly known as Deep CH4 Limited)** ("the Parent Company") and its subsidiaries (the Parent and its subsidiaries together referred to as "the Group") for the quarter and nine months ended December 31, 2022 ("the Statement") being submitted by the Parent pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the "Listing Regulations").
2. This statement, which is the responsibility of the Parent Company's management and approved by the Parent Company's Board of Directors, has prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34") prescribed under Section 133 of the Companies Act, 2013, as amended, read with relevant rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review in accordance with the Standard on Review Engagement (SRE) 2410, "Review of interim Financial information Performed by the independent Auditor of the Entity" issued by the Institute of Chartered Accountants of India ("ICAI"). This Standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review of interim financial information consists of making inquiries, primarily of the Company's personnel responsible for financial and accounting matters and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with standards on Auditing specified under Section 143(10) of the Companies Act, 2013 and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

We also performed procedures in accordance with the circular issued by the SEBI under Regulation 33(8) of the Listing Regulations, as amended, to the extent applicable.

4. The Statement includes the results of following subsidiaries :

- Deep International DMCC, Dubai
- Raas Equipment Private Limited
- Deep Onshore Services Private Limited
- Deep Onshore Drilling Services Private Limited



5. Based on our review conducted as stated in paragraph 3 above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in the aforesaid Indian Accounting Standards and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, including the manner in which it is to be disclosed or that it contains any material misstatement.

Other Matters

6. We did not review interim financial information of one foreign subsidiary included in the consolidated unaudited financial results, whose financial statements reflects [the figures reported below are before giving effect to consolidation adjustments] total revenue of Rs. 318.64 lakhs and Rs. 3,249.12 lakhs for the quarter and nine months ended respectively and net profit of Rs. 100.25 lakhs and Rs. 628.02 lakhs for the quarter and nine months ended respectively, as considered in financial results. This interim financial information has been reviewed by other auditors whose reports have been furnished to us by the Management and our conclusion on the statement, in so far it relates to the amount and disclosures included in respect of this subsidiary, is based solely on the reports of other auditor and the procedures performed by us as stated in paragraph 3 above.
7. Attention is drawn to the fact that the figures for the quarter & nine months ended December 31, 2021 and year ended March 31, 2022 are based on previously issued financial results and annual financial statements that were reviewed/audited by the predecessor auditor (vide their unmodified limited review report dated February 03, 2022 and audit report dated May 27, 2022, respectively). Our conclusion is not modified in respect of this matter.



For, Mahendra N Shah & Co.

Chartered Accountants

FRN : 105775W



CA Chirag M Shah

Partner

Membership No. 045706

UDIN : 23045706BGUVKN5945

Date: February 06, 2023

Place : Ahmedabad



DEEP INDUSTRIES LIMITED

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STATEMENT OF FINANCIAL RESULTS FOR THE QUARTER AND PERIOD ENDED ON 31ST DECEMBER, 2022

(Rs. In Lakhs except per share data)

Sr. No.	Particulars	Standalone						Consolidated					
		Quarter ended			Nine Months Ended		Year ended	Quarter ended			Nine Months Ended		Year ended
		31-12-2022	30-09-2022	31-12-2021	31-12-2022	31-12-2021	31-03-2022	31-12-2022	30-09-2022	31-12-2021	31-12-2022	31-12-2021	31-03-2022
	(Refer Notes below)	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
1	Income from Revenue												
	(a) Revenue from operations	9,270.89	6,053.99	6,108.96	21,341.23	19,521.01	27,156.68	9,805.96	6,666.78	7,538.34	23,787.64	23,766.14	32,162.90
	(b) Other Income	193.49	976.75	529.42	1,402.17	767.01	1,036.39	195.77	978.55	31.19	1,406.96	266.43	463.77
	Total Income	9,464.38	7,030.74	6,638.38	22,743.40	20,288.02	28,193.07	10,001.73	7,645.33	7,569.52	25,194.59	24,032.57	32,626.67
2	Expenses												
	a Cost of materials consumed	4,423.96	3,070.83	2,654.55	9,839.21	8,489.55	12,150.90	4,772.25	3,265.39	3,138.08	10,939.79	11,213.60	15,400.10
	b Purchase of stock-in-trade	-	-	-	-	-	-	-	-	-	-	-	-
	c Changes in inventories of Finished goods, work-in-progress and	-	-	-	-	-	-	(200.86)	111.30	68.68	(89.56)	(407.62)	(469.33)
	d Employee benefits expenses	640.33	559.80	562.13	1,755.61	1,627.47	2,208.10	845.95	772.89	700.10	2,343.75	2,032.62	2,766.94
	e Finance cost	91.07	19.43	64.11	173.57	337.47	423.20	111.28	47.58	81.66	237.67	375.42	476.85
	f Depreciation and amortization expenses	770.78	620.63	577.26	2,006.33	1,726.19	2,326.31	790.69	640.34	595.99	2,065.02	1,772.87	2,392.11
	g Other expenses	534.53	483.59	657.00	1,619.96	1,757.73	2,347.55	415.27	593.52	718.32	1,736.42	2,306.27	2,989.77
	Total Expenses	6,460.67	4,754.28	4,515.04	15,394.68	13,938.41	19,456.06	6,734.58	5,431.02	5,302.82	17,233.09	17,293.15	23,556.44
3	Profit / (Loss) from ordinary activities before exceptional items and tax	3,003.71	2,276.44	2,123.34	7,348.72	6,349.61	8,737.01	3,267.15	2,214.31	2,266.70	7,961.51	6,739.41	9,070.23
4	Exceptional items	-	-	-	-	-	-	-	-	-	-	-	-
5	Profit / (Loss) from ordinary activities before tax	3,003.71	2,276.44	2,123.34	7,348.72	6,349.61	8,737.01	3,267.15	2,214.31	2,266.70	7,961.51	6,739.41	9,070.23
6	Tax Expense												
	a Provision for taxation (net)	660.18	184.98	533.32	845.16	-	-	660.18	185.03	12.12	847.18	19.37	15.13
	b Earlier year tax provision (written back)	-	-	-	-	-	-	-	-	-	-	-	-
	c Provision for Deferred tax liability/(asset)	113.67	370.08	-	1,008.70	1,185.82	1,802.86	113.67	372.06	537.25	1,012.68	1,197.91	1,815.29
7	Net Profit / (Loss) for the period	2,229.85	1,721.38	1,590.03	5,494.85	5,163.79	6,934.15	2,493.30	1,657.22	1,717.34	6,101.65	5,522.13	7,239.81
	Net Profit attributable to:												
	a. Owners	-	-	-	-	-	-	2,460.66	1,655.27	1,701.85	6,063.27	5,491.44	7,212.80
	b. Non-controlling interest	-	-	-	-	-	-	32.64	1.95	15.49	38.39	30.69	27.01
8	Other comprehensive income / (expenses)												
	a. Items that will not be reclassified to profit or loss(net of tax)	-	-	-	-	-	3.39	-	-	-	-	-	3.39
	b. Items that will be reclassified to profit or loss(net of tax)	-	-	(0.22)	-	1.33	1.10	-	-	(0.22)	-	1.33	1.10
9	Total comprehensive income for the period	2,229.85	1,721.38	1,589.80	5,494.85	5,165.11	6,938.64	2,493.30	1,657.22	1,717.12	6,101.65	5,523.45	7,244.29
	Total comprehensive income attributable to:												
	a Owners	-	-	-	-	-	-	2,460.66	1,655.27	1,701.62	6,063.26	5,492.76	7,217.29
	b Non-controlling interest	-	-	-	-	-	-	32.64	1.95	15.49	38.39	30.69	27.01
10	Paid-up equity share capital (face value of Rs.10/-)	3,200.00	3,200.00	3,200.00	3,200.00	3,200.00	3,200.00	3,200.00	3,200.00	3,200.00	3,200.00	3,200.00	3,200.00
11	Other Equity	-	-	-	-	-	1,05,949.49	-	-	-	-	-	1,09,804.92
12	Earnings per equity of Rs. 10/- each (not annualized)												
	a. Basic (in Rs.)	6.97	5.38	4.97	17.17	16.14	21.67	7.79	5.18	5.37	19.07	17.26	22.62
	b. Diluted (in Rs.)	6.97	5.38	4.97	17.17	16.14	21.67	7.79	5.18	5.37	19.07	17.26	22.62





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CIN:L14292GJ2006PLC049371

NOTES

- 1 These financial results were reviewed by the Audit Committee, and were approved by the Board of Directors, in their respective meetings held on February 06, 2023.
- 2 The above results for the quarter and nine months ended on December 31, 2022 has been prepared in accordance with the Companies (Indian Accounting Standards) Rules, 2015 (Ind AS), prescribed under Section 133 of the Companies Act, 2013, and other recognised accounting practices and policies to the extent applicable.
- 3 The Statutory Auditors of the Company have carried out a "Limited Review" of the above results as per Regulation 33 of the SEBI [Listing Obligation and Disclosure Requirements] Regulations, 2015.
- 4 The Company is not required to give segment wise revenue details and capital employed as the Company operates in single business segment namely "Oil and Gas Field Services".
- 5 The Indian Parliament has approved the Code on Social Security, 2020. This has also received consent of the Hon'ble President of India. The code when implemented will impact the contribution by the company towards benefits such as Provident Fund, Gratuity etc. The effective date(s) of implementation of this code is yet to be notified. In view of this, any financial impact due to the change will be assessed and accounted for in the period of notification.
- 6 The Consolidated Financial Results includes financial results of the following subsidiary companies for the quarter and nine months ended 31st December, 2022
 - (i) Deep International DMCC, Dubai
 - (ii) Raas Equipment Private Limited
 - (iii) Deep Onshore Services Private Limited
 - (iv) Deep Onshore Drilling Services Private Limited
- 7 Pursuant to clause 9.13.1 of the approved resolution plan, Deep Industries Limited (the Company) through its Wholly owned subsidiary Deep Onshore Services Private Limited has made full and final payment in terms of approved resolution plan on 2nd January, 2023 and acquired management control over Dolphin Offshore Enterprise India Limited. Since the control was acquired after 31st December, 2022, the consolidation of the financial statements of Dolphin Offshore Enterprise India Limited as on 31st December, 2022 has not been made in the financial statements of the Company.
- 8 The figures for the quarter ended December 31, 2022 are the balancing figures between unaudited figures in respect of the nine months ended December 31, 2022 and the published figures of the half year ended September 30, 2022 of the relevant financial year.
- 9 Figures of previous reporting periods have been regrouped/ reclassified wherever necessary to correspond with the figures of the current reporting period.

Date: 06/02/2023
Place: Ahmedabad

For, DEEP INDUSTRIES LIMITED
(Formerly Known as Deep CH4 Limited)



Paras Savla

Chairman & Managing Director

DIN: 00145639