

Ref: NACL/SE/2021-22

28th May, 2021

1) BSE Limited

Phiroze Jeejeebhoy Tower,
Dalal Street, Fort,
Mumbai, Maharashtra,
MUMBAI – 400001
Company Code: 524709

2) National Stock Exchange of India Ltd.

Exchange Plaza, 5th Floor,
Plot No.C/1 G Block,
Bandra- Kurla Complex, Bandra (E),
MUMBAI - 400051.
Script ID: NACLIND

Dear Sir,

Sub: Outcome of Board Meeting.

Ref: Regulations 30 & 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

We wish to inform that the Board of Directors in its meeting held today i.e., on Friday, the 28th day of May, 2021, has inter-alia:

a) considered and approved the Audited Standalone and Consolidated Financial Results of the Company for the Year ended 31st March, 2021 and Limited Reviewed Financial Results of the Company for the quarter ended 31st March, 2021, which are enclosed herewith along with the Audit Reports (including Limited Review Reports) issued by M/s.Deloitte Haskins & Sells LLP, the Statutory Auditors of the Company.

Pursuant to Regulation 33(3)(d) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we would like to state that our Statutory Auditors, M/s.Deloitte Haskins & Sells LLP, have issued the Auditor's Report with unmodified opinion on the Audited Standalone and Consolidated Financial Results for the year ended 31st March, 2021. A declaration in this regard is enclosed;

b) recommended a Dividend of Re.0.15/- per equity share (i.e. 15% on equity shares of face value of Rs.1/- each) for the financial year ended 31st March,



Regd. Office: Plot No. 12-A, 'C' Block, Lakshmi Towers, No. 8-2-248/1/7/78, Nagarjuna Hills, Panjagutta, Hyderabad - 500 082, Telangana, INDIA.
Phone : +91-40-24405100, Fax : +91-40-23358062, E-mail : info@naclind.com Website : www.naclind.com
CIN : L24219TG1986PLC016607

Factory-Technical :

Plot # 177, Arinama Akkivalasa Village, Allinagaram
Post, Etcherla Mandal, Srikakulam - 532403, A.P.
Phone : +91-08942-231172, 256400 / 401
Fax : +91-08942-231171

Factory-Formulation :

Unit - I, Unit - II
Ethakota-533238, Ravulapalem Mandal
East Godavari Dist., A.P.
Phone : +91-08855-254600 / 617

R&D Centre :

Sy. No. 1710 & 1711, Anthireddyguda Road, Nandigaon
Village & Mandal, R.R.District, Telangana - 509228
Phone : +91-08548-305004
Fax : +91-08548-305801

2021, subject to approval of the shareholders at the ensuing Annual General Meeting. The dividend, if declared at the ensuing Annual General Meeting of the Company, will be paid to the shareholders within 30 days of the Annual General Meeting; and

- c) took note of CARE's re-affirmation of existing rating CARE A2+ (A Two Plus) for Short Term Bank Facilities and CARE A-; Positive (Single A Minus; Outlook: Positive) for Long Term Bank Facilities availed by the Company.

The meeting commenced at 10.30 a.m. and concluded at 10.15 p.m.

Kindly take the same on records.

Thanking you,

for **NACL Industries Limited**


Satish Kumar Subudhi

Company Secretary & Head-Legal

Encl: As above

NACL Industries Limited
 Regd. Office: Plot No. 12-A, 'C' Block, Lakshmi Towers, No.8-2-248/1/7/78, Nagarjuna Hills, Punjagutta, Hyderabad 500 082, Telangana, India
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 CIN:L24219TG1986PLC016607

Statement of Standalone and Consolidated Financial Results for the Quarter and Year ended March 31, 2021

(₹ in Lakhs)

Sl. No	Particulars	Standalone					Consolidated				
		Quarter ended		Year ended			Quarter ended		Year ended		
		31.03.2021	31.12.2020	31.03.2020	31.03.2021		31.03.2021	31.12.2020	31.03.2021	31.03.2020	
		(Unaudited) (Refer note 9)	(Unaudited)	(Unaudited) (Refer note 9)	(Audited)		(Unaudited) (Refer note 9)	(Unaudited)	(Unaudited) (Refer note 9)	(Audited)	
1	Revenue from operations	33,043	26,475	27,663	1,19,137	1,01,489	33,043	26,475	27,663	1,19,137	1,01,489
2	Other income	649	307	126	1,536	749	584	301	127	1,466	750
3	Total Income (1+2)	33,692	26,782	27,789	1,20,673	1,02,238	33,627	26,776	27,790	1,20,603	1,02,239
4	Expenses										
	(a) Cost of materials consumed	20,479	18,525	15,919	81,479	60,450	20,479	18,525	15,919	81,479	60,450
	(b) Purchase of stock-in-trade	1,254	1,099	1,903	4,719	4,564	1,254	1,099	1,903	4,719	4,564
	(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	1,668	(1,550)	1,524	(2,708)	6,319	1,668	(1,550)	1,524	(2,708)	6,319
	(d) Employee benefits expense	2,722	2,266	2,404	9,394	8,627	2,732	2,274	2,415	9,428	8,664
	(e) Finance costs	686	829	756	2,880	2,916	598	829	756	2,792	2,916
	(f) Depreciation and amortisation expense	596	627	586	2,530	2,397	596	627	586	2,530	2,397
	(g) Other expenses	4,048	3,554	3,995	14,983	14,671	4,042	3,545	3,986	14,954	14,633
	Total Expenses	31,453	25,350	27,087	1,13,277	99,944	31,369	25,349	27,089	1,13,194	99,943
5	Profit before share of profit of associate (3-4)	2,239	1,432	702	7,396	2,294	2,258	1,427	701	7,409	2,296
6	Share of profit / (loss) from Associate						16	15	(11)	57	95
7	Profit before tax (5+6)	2,239	1,432	702	7,396	2,294	2,274	1,442	690	7,466	2,391
8	Tax expense:										
	(a) Current tax	727	504	151	2,606	423	727	504	151	2,606	423
	(b) Deferred tax (net)	(202)	18	51	(239)	294	(202)	18	51	(239)	294
	Tax Expense	525	522	202	2,367	717	525	522	202	2,367	717
9	Profit for the period (7-8)	1,714	910	500	5,029	1,577	1,749	920	488	5,099	1,674
10	Other Comprehensive Income/(Loss)										
	Items that will not be reclassified subsequently to statement of profit or loss										
	Re-measurement of the defined benefit obligation	(26)	9	9	(92)	(28)	(24)	8	9	(93)	(31)
	Income tax expense on the above	-	(3)	(3)	23	10	-	(3)	(3)	23	11
	Items that will be reclassified subsequently to statement of profit or loss										
	Effective portion of gain/(loss) on designated portion of hedging instrument in a cash flow hedge	25	13	(64)	64	(174)	25	13	(64)	64	(174)
	Income tax expense on the above	(2)	(5)	22	(16)	60	(2)	(5)	22	(16)	60
	Total Other Comprehensive Income/(Loss) net of tax	(3)	14	(36)	(21)	(132)	(1)	13	(36)	(22)	(134)
11	Total Comprehensive Income (9+10)	1,711	924	464	5,008	1,445	1,748	933	452	5,077	1,540
12	Paid-up equity share capital (Face value of ₹ 1 per equity share)	1,962	1,962	1,926	1,962	1,926	1,962	1,962	1,926	1,962	1,926
13	Other Equity				39,186	33,127				39,898	33,770
14	Earnings Per Share (not annualized)										
	(a) Basic (in ₹)	0.89	0.47	0.30	2.60	0.94	0.90	0.48	0.29	2.63	1.00
	(b) Diluted (in ₹)	0.88	0.47	0.30	2.60	0.94	0.90	0.48	0.29	2.63	1.00



Standalone and Consolidated Balance Sheet

(₹ in Lakhs)

Sl. No.	Particulars	Standalone		Consolidated	
		As at	As at	As at	As at
		31.03.2021	31.03.2020	31.03.2021	31.03.2020
		(Audited)	(Audited)	(Audited)	(Audited)
I	ASSETS				
1	Non-current assets				
	(a) Property, plant and equipment	18,572	18,291	18,572	18,291
	(b) Right-to-use assets	349	597	3,249	597
	(c) Capital work-in-progress	2,748	3,482	2,846	3,482
	(d) Other Intangible assets	149	174	149	174
	(e) Intangible assets under development	799	751	799	751
	(f) Financial assets				
	(i) Investments	3,022	858	1,559	1,503
	(ii) Other financial assets	401	482	401	482
	(g) Income tax assets (net)	461	407	467	407
	(h) Other non-current assets	1,056	663	257	663
	Total non-current assets	27,557	25,705	28,299	26,350
2	Current assets				
	(a) Inventories	22,830	16,450	22,830	16,450
	(b) Financial assets				
	(i) Trade receivables	33,582	35,939	33,582	35,939
	(ii) Cash and cash equivalents	6,663	8,353	6,805	8,358
	(iii) Other bank balances	821	3,415	821	3,415
	(iv) Other financial assets	392	394	392	394
	(c) Income tax assets (net)	-	267	-	267
	(d) Other current assets	4,950	4,278	4,830	4,278
	Total current assets	69,238	69,096	69,260	69,101
	Total Assets	96,795	94,801	97,559	95,451
II	EQUITY AND LIABILITIES				
1	Equity				
	(a) Equity share capital	1,962	1,926	1,962	1,926
	(b) Other equity	39,186	33,127	39,898	33,770
	Total equity	41,148	35,053	41,860	35,696
2	Non-current liabilities				
	(a) Financial liabilities				
	(i) Borrowings	7,149	2,175	7,149	2,175
	(ii) Lease liabilities	226	316	226	316
	(iii) Other financial liabilities	1,176	1,264	1,176	1,264
	(b) Provisions	749	563	749	563
	(c) Deferred tax liabilities (net)	1,076	101	1,076	101
	Total non-current liabilities	10,376	4,419	10,376	4,419
3	Current Liabilities				
	(a) Financial liabilities				
	(i) Borrowings	11,263	22,724	11,263	22,724
	(ii) Lease liabilities	164	379	164	379
	(iii) Trade payables				
	(a) total outstanding dues of micro enterprises and small enterprises	1,108	533	1,108	533
	(b) total outstanding dues of creditors other than micro enterprises and small	26,298	26,284	26,343	26,293
	(iii) Other financial liabilities	4,405	3,767	4,405	3,767
	(b) Provisions	243	154	243	154
	(c) Income tax liabilities (net)	452	248	452	245
	(d) Other current liabilities	1,338	1,240	1,345	1,241
	Total current liabilities	45,271	55,329	45,323	55,336
	Total equity and liabilities	96,795	94,801	97,559	95,451



Standalone and Consolidated Cash Flow Statement for the year ended March 31, 2021

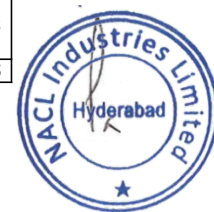
(₹ in lakhs)

Particulars	Standalone		Consolidated	
	For the year ended March 31, 2021	For the year ended March 31, 2020	For the year ended March 31, 2021	For the year ended March 31, 2020
A. CASH FLOW FROM OPERATING ACTIVITIES				
Profit before tax	7,396	2,294	7,466	2,391
Adjustments for:				
Depreciation and amortisation expense	2,530	2,397	2,530	2,397
Finance costs	2,880	2,916	2,792	2,916
Interest income	(352)	(52)	(282)	(53)
Unrealised forex gain	(182)	(43)	(182)	(43)
Share of profit from associate			(57)	(95)
Excess provisions, no longer required, written back	(99)	(68)	(99)	(68)
Provision for credit impaired trade receivables and advances	758	811	758	811
Loss on sale of property, plant and equipment (net)	54	28	54	28
Intangible assets and intangible assets under development written off	343	138	343	138
Share-based payments	71	44	71	44
Credit impaired trade receivables and advances written off (net)	933	583	933	583
Operating profit before working capital changes	14,332	9,048	14,327	9,049
Changes in working capital:				
Adjustment for (increase)/decrease in operating assets:				
Inventories	(6,380)	5,951	(6,380)	5,951
Trade receivables	1,097	(10,064)	1,097	(10,065)
Other financial assets	(165)	35	(165)	35
Other Current assets	(536)	86	(639)	79
Adjustment for increase/(decrease) in operating liabilities:				
Trade payables	676	5,697	712	5,696
Provisions	275	162	275	162
Other financial liabilities	(24)	137	(24)	137
Other current liabilities	98	(548)	104	(549)
Cash generated from operations	9,373	10,504	9,307	10,495
Income taxes paid (net)	(969)	(200)	(971)	(191)
Net cash flow from operating activities (A)	8,404	10,304	8,336	10,304
B. CASH FLOW FROM INVESTING ACTIVITIES				
Capital expenditure on property, plant and equipment including capital advances	(1,498)	(6,993)	(1,596)	(6,993)
Proceeds from sale of property, plant and equipment	9	4	9	4
Investments made in subsidiary, associate & others	(3,201)	(3)	-	(3)
Movement in other deposits and margin money (net)	2,704	(2,707)	2,704	(2,707)
Interest income received	286	45	288	46
Net cash (used in)/flow from investing activities (B)	(1,700)	(9,654)	1,405	(9,653)
C. CASH FLOW FROM FINANCING ACTIVITIES				
Proceeds from allotment of share warrants	154	-	154	-
Proceeds from allotment of shares under ESOP	15	15	15	15
Proceeds on conversion of share warrants to equity shares	1,334	6,000	1,334	6,000
Proceeds from non-current borrowings	6,439	2,971	6,439	2,971
Repayment of non-current borrowings	(1,159)	(2,353)	(1,159)	(2,353)
Movement in current borrowings (net)	(11,472)	3,985	(11,472)	3,985
Payment of lease liabilities	(450)	(543)	(3,350)	(543)
Dividend paid including tax thereon	(487)	(232)	(487)	(232)
Finance costs paid	(2,768)	(2,820)	(2,768)	(2,820)
Net cash (used in)/flow from financing activities (C)	(8,394)	7,023	(11,294)	7,023
Net (decrease)/increase in cash and cash equivalents (D) = (A+B+C)	(1,690)	7,673	(1,553)	7,674
Cash and cash equivalents at the beginning of the year (E)	8,353	680	8,358	684
Cash and cash equivalents at the end of the year (F) = (D)+(E)	6,663	8,353	6,805	8,358

Notes:

(₹ in lakhs)

Particulars	Standalone		Consolidated	
	For the year ended March 31, 2021	For the year ended March 31, 2020	For the year ended March 31, 2021	For the year ended March 31, 2020
1. Reconciliation of Long term borrowings (including current portions)				
Opening balance	3,350	2,517	3,350	2,517
Proceeds/Additions	6,439	2,971	6,439	2,971
Repayments	1,159	2,353	1,159	2,353
Foreign currency translation	(82)	215	(82)	215
Closing balance	8,548	3,350	8,548	3,350
2. Reconciliation of Short-term borrowings				
Opening balance	22,724	18,574	22,724	18,574
Proceeds/Additions	-	3,985	-	3,985
Repayments (net)	11,472	-	11,472	-
Foreign currency translation	11	165	11	165
Closing balance	11,263	22,724	11,263	22,724
3. Reconciliation of Lease liabilities				
Opening balance	695	-	695	-
Proceeds/Additions	145	1,238	3,045	1,238
Repayments	450	543	3,350	543
Closing balance	390	695	390	695



Notes :

- 1 The above Standalone and Consolidated Financial results were reviewed and recommended by the Audit Committee in their meeting held on May 27, 2021 and approved by the Board of Directors in their meetings held on May 28, 2021. The Statutory Auditors have issued an unmodified opinion on financial results for the year ended March 31, 2021 and have issued an unmodified conclusion in respect of the Limited Review for the quarter ended March 31, 2021.
- 2 The Standalone and Consolidated Financial results of the Company have been prepared in accordance with the Indian Accounting Standards ('Ind AS') prescribed under Section 133 of the Companies Act, 2013 ("the Act") read with relevant rules issued thereunder, other accounting principles generally accepted in India and guidelines issued by the Securities and Exchange Board of India ("SEBI").
- 3 The Company is primarily engaged in the Farm Inputs Business, which in the context of Ind AS 108 "Operating Segments" is considered the only significant business segment.
- 4 The Company's Business is seasonal in nature and the performance can be impacted by weather conditions.
- 5 The Consolidated Financial Results include the results of the following:
 - i) Parent:
 - a) NACL Industries Limited, India
 - ii) Wholly Owned Subsidiaries:
 - a) LR Research Laboratories Private Limited, India
 - b) Nagarjuna Agrichem (Australia) Pty Limited, Australia
 - c) NACL Spec-Chem Limited, India
 - d) NACL Multichem Private Limited, India
 - iii) Associate:
 - a) Nasense Labs Private Limited, India
- 6 The Board of Directors in its meeting held on May 28, 2021 have recommended a final dividend of ₹ 0.15 per Equity Share of ₹ 1 each. The Board had earlier in its meeting held on November 4, 2020 and on March 23, 2021 approved interim dividend of ₹ 0.10 and ₹ 0.15 per Equity Share of ₹ 1 each respectively. The total dividend is ₹ 0.40 per Equity Share of ₹ 1 each for the year ended March 31, 2021.
- 7 The Code on Social Security, 2020 ('Code') relating to employee benefits during employment and post-employment benefits received Presidential assent on September 28, 2020. The Code has been published in the Gazette of India. However, the date on which the Code will come into effect has not been notified. The Company will assess the impact of the Code when it comes into effect and will record any related impact in the period the Code becomes effective.
- 8 COVID-19, an infectious disease caused by the Coronavirus, SARS-CoV-2, was declared a pandemic by the World Health Organization. On March 24, 2020, the Indian Government announced a strict 21-day lockdown which was further extended across the country to contain the spread of virus. However, Government of India deemed agriculture related sectors including Pesticides as essential and permitted operations in a limited way, based on which the Group resumed activities in its production facilities. The Group adopted number of measures to protect the health of its employees while ensuring business continuity with minimal disruption. In assessing the recoverability of receivables, inventory and other financial assets, the Group has considered internal and external information up to the date of approval of these standalone and consolidated financial results. The impact of the global health pandemic may be different from that of estimates as at the date of approval of these standalone and consolidated financial results and the Group will continue to monitor closely any material changes in the emerging economic conditions.
- 9 The figures for the current quarter and quarter ended March 31, 2020 are the balancing figures between the audited figures in respect of the full financial year ended March 31, 2021 and March 31, 2020 respectively and published year to date figures up to third quarter ended December 31, 2020 and December 31, 2019 respectively.
- 10 The Company elected to exercise the option permitted under section 115BAA of the Income tax Act, 1961, w.e.f. April 1, 2021, as introduced by the Taxation Laws (Amendment) Ordinance, 2019. Accordingly, the Company has re-measured its Deferred tax liabilities (net) based on the rate prescribed in the said Ordinance. The full impact of this change has been recognised in the statement of profit and loss and other comprehensive income, during the quarter ended March 31, 2021.

Place : Hyderabad
Date : May 28, 2021




M. Pavan Kumar
Managing Director & CEO

NACL Industries Limited

Regd.Office:Plot No.12-A,'C' Block, Lakshmi Towers, No.8-2-248/1/7/78, Nagarjuna Hills, Punjagutta, Hyderabad 500 082, Telangana, India
Phone:040-24405100,Fax:040-23358062,E-mail:info@naclind.com,Website:www.naclind.com
CIN:L24219TG1986PLC016607

Extract of the Statement of Standalone and Consolidated Financial Results for the Quarter and Year ended March 31, 2021

Sl. No.	Particulars	Standalone				Consolidated			
		Quarter ended 31.03.2021	Quarter ended 31.03.2020	Year ended 31.03.2021	Year ended 31.03.2020	Quarter ended 31.03.2021	Quarter ended 31.03.2020	Year ended 31.03.2021	Year ended 31.03.2020
		(Unaudited)	(Unaudited)	(Audited)	(Audited)	(Unaudited)	(Unaudited)	(Audited)	(Audited)
1	Total Income from Operations	33,692	27,789	1,20,673	1,02,238	33,627	27,790	1,20,603	1,02,239
2	Net Profit for the period (before Tax & Exceptional and/or Extraordinary items)	2,239	702	7,396	2,294	2,274	690	7,466	2,391
3	Net Profit for the period before Tax, (after Exceptional and/or Extraordinary items)	2,239	702	7,396	2,294	2,274	690	7,466	2,391
4	Net Profit for the period after Tax, (after Exceptional and/or Extraordinary items)	1,714	500	5,029	1,577	1,749	488	5,099	1,674
5	Total Comprehensive Income for the period [Comprising (Loss)/Profit for the period (after tax) and Other Comprehensive Income (after tax)]	1,711	464	5,008	1,445	1,748	452	5,077	1,540
6	Paid-up Equity Share Capital	1,962	1,926	1,962	1,926	1,962	1,926	1,962	1,926
7	Earnings per Share (of ₹ 1 each)								
a)	Basic	0.89	0.30	2.60	0.94	0.90	0.29	2.63	1.00
b)	Diluted	0.88	0.30	2.60	0.94	0.90	0.29	2.63	1.00

Notes:

- These results were reviewed and recommended by the Audit Committee in their meeting held on May 27, 2021 and approved by the Board of Directors in their meetings held on May 28, 2021. The Statutory Auditors have issued an unmodified opinion on financial results for the year ended March 31, 2021 and have issued an unmodified conclusion in respect of the Limited Review for the quarter ended March 31, 2021.
- The Board of Directors in its meeting held on May 28, 2021 have recommended a final dividend of ₹ 0.15 per Equity Share of ₹ 1 each. The Board had earlier in its meeting held on November 4, 2020 and on March 23, 2021 approved interim dividend of ₹ 0.10 and ₹ 0.15 per Equity Share of ₹ 1 each respectively. The total dividend is ₹ 0.40 per Equity Share of ₹ 1 each for the year ended March 31, 2021.
- The above is an extract of the detailed format of Statement of Standalone and Consolidated Financial Results for the Quarter and Year ended March 31, 2021 filed with BSE Limited & NSE Limited under Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. The full format of Statement of Standalone and Consolidated Financial Results for the Quarter and Year ended March 31, 2021 is available on the website of BSE & NSE Limited and Company's website at www.naclind.com

Place : Hyderabad
Date : May 28, 2021



M. Pavan Kumar
M. Pavan Kumar
Managing Director & CEO

INDEPENDENT AUDITOR'S REPORT ON AUDIT OF ANNUAL STANDALONE FINANCIAL RESULTS AND REVIEW OF QUARTERLY FINANCIAL RESULTS

**TO THE BOARD OF DIRECTORS OF
NACL Industries Limited**

Opinion and Conclusion

We have (a) audited the Annual Standalone Financial Results for the year ended March 31, 2021 and (b) reviewed the Standalone Financial Results for the quarter ended March 31, 2021 (refer 'Other Matters' section below), which were subject to limited review by us, both included in the accompanying "Statement of Standalone and Consolidated Financial Results for the Quarter and Year ended March 31, 2021" of **NACL Industries Limited** ("the Company"), ("the Statement"), being submitted by the Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("the Listing Regulations").

(a) Opinion on Annual Financial Results for the year ended March 31, 2021

In our opinion and to the best of our information and according to the explanations given to us, the Annual Standalone Financial Results for the year ended March 31, 2021:

- i. is presented in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended; and
- ii. gives a true and fair view in conformity with the recognition and measurement principles laid down in the Indian Accounting Standards and other accounting principles generally accepted in India of the net profit and total comprehensive income and other financial information of the Company for the year then ended.

(b) Conclusion on Unaudited Standalone Financial Results for the quarter ended March 31, 2021

With respect to the Standalone Financial Results for the quarter ended March 31, 2021, based on our review conducted as stated in paragraph (b) of Auditor's Responsibilities section below, nothing has come to our attention that causes us to believe that the Standalone Financial Results for the quarter ended March 31, 2021, prepared in accordance with the recognition and measurement principles laid down in the 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.

Basis for Opinion on the Audited Standalone Financial Results for the year ended March 31, 2021

We conducted our audit in accordance with the Standards on Auditing ("SAs") specified under Section 143(10) of the Companies Act, 2013 ("the Act"). Our responsibilities under those Standards are further described in paragraph (a) of Auditor's Responsibilities section below. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("the ICAI") together with the ethical requirements that are relevant to our audit of the Annual Standalone Financial Results for the year ended March 31, 2021 under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion.

Management's Responsibilities for the Statement

This Statement which includes the Annual Standalone Financial Results is the responsibility of the Company's Board of Directors and has been approved by them for the issuance. The Annual Standalone Financial Results for the year ended March 31, 2021 has been compiled from the related audited standalone financial statements. This responsibility includes the preparation and presentation of the Standalone Financial Results for the quarter and year ended March 31, 2021 that give a true and fair view of the net profit and other comprehensive income and other financial information in accordance with the recognition and measurement principles laid down in the Indian Accounting Standards prescribed under Section 133 of the Act read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Standalone Financial Results that give a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the Standalone Financial Results, the Board of Directors are responsible for assessing the Company's ability, to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are also responsible for overseeing the financial reporting process of the Company.

Auditor's Responsibilities

(a) Audit of the Annual Standalone Financial Results for the year ended March 31, 2021

Our objectives are to obtain reasonable assurance about whether the Annual Standalone Financial Results for the year ended March 31, 2021 as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this Standalone Financial Results.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Annual Standalone Financial Results, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Board of Directors.
- Evaluate the appropriateness and reasonableness of disclosures made by the Board of Directors in terms of the requirements specified under Regulation 33 of the Listing Regulations.

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- Conclude on the appropriateness of the Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Company to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Statement or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Annual Standalone Financial Results, including the disclosures, and whether the Annual Standalone Financial Results represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the Annual Standalone Financial Results of the Company to express an opinion on the Annual Standalone Financial Results.

Materiality is the magnitude of misstatements in the Annual Standalone Financial Results that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Annual Standalone Financial Results may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the Annual Standalone Financial Results.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

(b) Review of the Standalone Financial Results for the quarter ended March 31, 2021

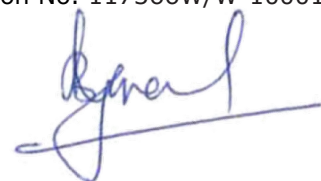
We conducted our review of the Standalone Financial Results for the quarter ended March 31, 2021 in accordance with the Standard on Review Engagements ("SRE") 2410 'Review of Interim Financial Information Performed by the Independent Auditor of the Entity', issued by the ICAI. A review of interim financial 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 SAs specified under section 143(10) of the Act 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.

Other Matters

The Statement includes the results for the Quarter ended March 31, 2021 being the balancing figure between audited figures in respect of the full financial year and the published year to date figures up to the third quarter of the current financial year which were subject to limited review by us (refer Note 9 to the statement).

Our report on the Statement is not modified in respect of this matter.

For **DELOITTE HASKINS & SELLS LLP**
Chartered Accountants
(Firm's Registration No. 117366W/W-100018)



Ganesh Balakrishnan
(Partner)
(Membership No. 201193)
UDIN: 21201193AAAADT2744

INDEPENDENT AUDITOR'S REPORT ON AUDIT OF ANNUAL CONSOLIDATED FINANCIAL RESULTS AND REVIEW OF QUARTERLY FINANCIAL RESULTS

**TO THE BOARD OF DIRECTORS OF
NACL Industries Limited**

Opinion and Conclusion

We have (a) audited the Annual Consolidated Financial Results for the year ended March 31, 2021 and; (b) reviewed the Consolidated Financial Results for the quarter ended March 31, 2021 (refer 'Other Matters' section below), which were subject to limited review by us, both included in the accompanying "Statement of Standalone and Consolidated Financial Results for the Quarter and Year ended March 31, 2021" of **NACL Industries Limited** ("the Parent") and its subsidiaries (the Parent and its subsidiaries together referred to as "the Group"), and its share of the net profit after tax and total comprehensive income of associate for the quarter and year ended March 31, 2021, ("the Statement"), being submitted by the Parent pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("the Listing Regulations").

(a) Opinion on Annual Consolidated Financial Results for the year ended March 31, 2021

In our opinion and to the best of our information and according to the explanations given to us, and based on consideration of the separate financial statements / financial information of subsidiaries and associate referred to in Other Matters section below, the Annual Consolidated Financial Results for the year ended March 31, 2021:

- i. includes the results of the following entities:
 - a. NACL Industries Limited, the Parent.
 - b. Nagarjuna Agrichem (Australia) Pty Limited, Australia, wholly-owned subsidiary
 - c. LR Research Laboratories Private Limited, India, wholly-owned subsidiary
 - d. NACL Spec-Chem Limited, India, wholly-owned subsidiary
 - e. NACL Multi-Chem Private Limited, India, wholly-owned subsidiary
 - f. Nasense Labs Private Limited, India, associate
- ii. is presented in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended; and
- iii. gives a true and fair view in conformity with the recognition and measurement principles laid down in the Indian Accounting Standards and other accounting principles generally accepted in India of the consolidated net profit and consolidated total comprehensive income and other financial information of the Group for the year ended March 31, 2021.

(b) Conclusion on Unaudited Consolidated Financial Results for the quarter ended March 31, 2021

With respect to the Consolidated Financial Results for the quarter ended March 31, 2021, based on our review conducted and procedures performed as stated in paragraph (b) of Auditor's Responsibilities section below, nothing has come to our attention that causes us to believe that the Consolidated Financial Results for the quarter ended March 31, 2021, prepared in accordance with the recognition and measurement principles laid down in the 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.

Deloitte Haskins & Sells LLP

Basis for Opinion on the Audited Annual Consolidated Financial Results for the year ended March 31, 2021

We conducted our audit in accordance with the Standards on Auditing ("SAs") specified under Section 143(10) of the Companies Act, 2013 ("the Act"). Our responsibilities under those Standards are further described in paragraph (a) of Auditor's Responsibilities section below. We are independent of the Group and its associate in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("ICAI") together with the ethical requirements that are relevant to our audit of the Annual Consolidated Financial Results for the year ended March 31, 2021 under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us, is sufficient and appropriate to provide a basis for our audit opinion.

Management's Responsibilities for the Statement

This Statement, which includes the Annual Consolidated Financial Results is the responsibility of the Parent's Board of Directors and has been approved by them for the issuance. The Annual Consolidated Financial Results for the year ended March 31, 2021, has been compiled from the related audited consolidated financial statements. This responsibility includes the preparation and presentation of the Consolidated Financial Results for the quarter and year ended March 31, 2021 that give a true and fair view of the consolidated net profit and consolidated other comprehensive income and other financial information of the Group including its associate in accordance with the recognition and measurement principles laid down in the Indian Accounting Standards, prescribed under Section 133 of the Act, read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations.

The respective Board of Directors of the companies included in the Group and of its associate are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and its associate and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the respective financial results that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of this Annual Consolidated Financial Results by the Directors of the Parent, as aforesaid.

In preparing the Annual Consolidated Financial Results, the respective Board of Directors of the companies included in the Group and of its associate are responsible for assessing the ability of the respective entities to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Board of Directors either intends to liquidate their respective entities or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group and of its associate are responsible for overseeing the financial reporting process of the Group and of its associate.

Auditor's Responsibilities

(a) Audit of the Annual Consolidated Financial Results for the year ended March 31, 2021

Our objectives are to obtain reasonable assurance about whether the Annual Consolidated Financial Results for the year ended March 31, 2021 as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this Annual Consolidated Financial Results.

Deloitte Haskins & Sells LLP

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Annual Consolidated Financial Results, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Board of Directors.
- Evaluate the appropriateness and reasonableness of disclosures made by the Board of Directors in terms of the requirements specified under Regulation 33 of the Listing Regulations.
- Conclude on the appropriateness of the Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group and its associate to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Annual Consolidated Financial Results or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and its associate to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Annual Consolidated Financial Results, including the disclosures, and whether the Annual Consolidated Financial Results represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the Annual Standalone Financial Results/ Financial Information of the entities within the Group and its associate to express an opinion on the Annual Consolidated Financial Results. We are responsible for the direction, supervision and performance of the audit of financial information of such entity included in the Annual Consolidated Financial Results of which we are the independent auditors. We remain solely responsible for our audit opinion.

Materiality is the magnitude of misstatements in the Annual Consolidated Financial Results that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Annual Consolidated Financial Results may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the Annual Consolidated Financial Results.

We communicate with those charged with governance of the Parent and such other entities included in the Annual Consolidated Financial Results of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

(b) Review of the Consolidated Financial Results for the quarter ended March 31, 2021

We conducted our review of the Consolidated Financial Results for the quarter ended March 31, 2021 in accordance with the Standard on Review Engagements (SRE) 2410 'Review of Interim Financial Information Performed by the Independent Auditor of the Entity', issued by the ICAI. 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 SA specified under section 143(10) of the Act 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.

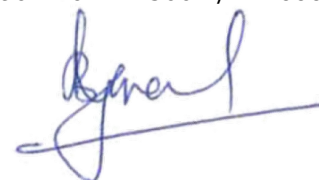
The Statement includes the results of the entities as listed under paragraph (a)(i) of Opinion and Conclusion section above.

Other Matters

- The Statement includes the results for the Quarter ended March 31, 2021 being the balancing figure between audited figures in respect of the full financial year and the published year to date figures up to the third quarter of the current financial year which were subject to limited review by us (Refer Note 9 of the Statement). Our report is not modified in respect of this matter.
- The consolidated financial results includes the unaudited financial statements / financial information of four subsidiaries, whose financial statements / financial information reflect total assets of Rs. 3,271 lakhs as at March 31, 2021 and total revenues of Rs. 12 lakhs and Rs. 48 lakhs for the quarter and year ended March 31, 2021 respectively, total net profit after tax of Rs. 3 lakhs and net loss of Rs. 3 lakhs for the quarter and year ended March 31, 2021 respectively and total comprehensive income of Rs. 3 lakhs and loss of Rs. 3 lakhs for the quarter and year ended March 31, 2021 respectively and net cash flows (net) of Rs. 137 lakh for the year ended March 31, 2021, as considered in the Statement. The consolidated financial results also includes the Group's share of profit after tax of Rs. 16 lakhs and Rs. 57 lakhs for the quarter and year ended March 31, 2021 and total comprehensive income Rs. 18 lakhs and Rs. 56 lakhs respectively, as considered in the Statement, in respect of one associate, whose financial statements have not been audited by us. These financial statements / financial information are unaudited and have been furnished to us by the Management and our opinion and conclusion on the Statement, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and associate, is based solely on such unaudited financial statements / financial information. In our opinion and according to the information and explanations given to us by the Board of Directors, these financial statements / financial information are not material to the Group.

Our report on the Statement is not modified in respect of the above matter with respect to our reliance on the financial statements / financial information certified by the Board of the Directors.

For **Deloitte Haskins & Sells LLP**
Chartered Accountants
(Firm's Registration No. 117366W/W-100018)



Ganesh Balakrishnan
(Partner)
(Membership No. 201193)
UDIN: 21201193AAAADS4592

DECLARATION

*Pursuant to Regulation 33 (3) (d) of SEBI (Listing Obligations and Disclosure Requirements)
Regulations, 2015*

Pursuant to Regulation 33 (3)(d) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as notified on 25th May, 2016, we hereby declare and confirm that Auditors' Report on the Standalone and Consolidated Financial Results for the year ended 31st March, 2021 are with an "unmodified opinions".

for **NACL Industries Limited**



Satish Kumar Subudhi

Company Secretary & Head-Legal

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R&D Centre :

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