



NACL Industries Limited

Ref: NACL/SE/2021-22

05th August, 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 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015- reg.

We wish to inform that the Board of Directors in its meeting held today i.e., on Thursday, the 05th day of August, 2021, has considered and approved inter-alia;

- a) Un-audited Standalone and Consolidated Financial Results for the first quarter ended 30th June, 2021. The Un-audited Standalone and Consolidated Financial Results in forms prescribed under aforesaid Regulation along with Auditor's Limited Review Report are enclosed herewith;
- b) draft Notice and Directors Report to be sent to the shareholders for the 34th Annual General Meeting of the Company, scheduled to be held on Friday, the 24th day of September, 2021;
- c) the Register of Member and Share Transfer Books of the Company will remain closed from Saturday, 18th September, 2021 to Friday, 24th September, 2021 (both days inclusive) for the purpose of Annual General Meeting;
- d) declared first Interim Dividend of Re.0.10/- per equity share (i.e. 10% on equity shares of face value of Rs.1/- each) for the financial year 2021-22. The record date for the purpose of determining the entitlement of shareholders for the Interim Dividend has been fixed as Friday, 13th August, 2021 and said dividend shall be paid within 30 days from the date of declaration;
- e) the amendment to the Clause 3.13 (Exercise Period) of NACL Employee Stock Scheme-2020 (ESOS-2020), keeping in view the factors such as current performance



and future outlook of the Company, the categories of Eligible Employees, eligibility criteria (such as length of service, grade etc.) and to enable the employees to further align with the long-term interests of the Company.

The exercise period of the stock options under the ESOS-2020 be reduced from two years to one year from the date of Vesting and the definition of Exercise period in the Clause 3.13 of ESOS-2020 be replaced with the following:

“Exercise Period:

3.13 “Exercise Period” means a period within which the Participant exercises his right to apply for shares against vested options in pursuance of this ESOS-2020. The exercise period shall commence from the date of vesting and shall expire on completion of one year from the date of vesting.

The aforesaid amendment approved is based on the recommendation of the Compensation Committee and the same shall be subject to the approval of the shareholders at the ensuing Annual General Meeting and other statutory approvals (including the approval of stock exchanges), as may be required in this regard. All other terms of ESOS-2020 shall however remain unchanged /unaltered. We further confirm that the said revised amendment is not in detrimental to the interest of Grantee/Participants covered under the ESOS-2020 and is in accordance with the provisions of the SEBI (SBEB) Regulations, 2014.

The meeting commenced at 10.00 a.m. and concluded at 7.15 p.m.

Kindly take the same on record.

Thanking you,

for **NACL Industries Limited**



Satish Kumar Subudhi

Company Secretary & Head-Legal

Encl: As above

Statement of Standalone and Consolidated Financial Results for the Quarter ended June 30, 2021

(₹ in Lakhs)

Sl. No	Particulars	Standalone				Consolidated			
		Quarter ended		Year ended		Quarter ended		Year ended	
		30.06.2021	31.03.2021	30.06.2020	31.03.2021	30.06.2021	31.03.2021	30.06.2020	31.03.2021
		(Unaudited)	(Unaudited) (Refer note 11)	(Unaudited)	(Audited)	(Unaudited)	(Unaudited) (Refer note 11)	(Unaudited)	(Audited)
1	Revenue from operations	32,468	33,043	25,202	1,19,137	32,468	33,043	25,202	1,19,137
2	Other income	315	649	322	1,536	267	584	322	1,466
3	Total Income (1+2)	32,783	33,692	25,524	1,20,673	32,735	33,627	25,524	1,20,603
4	Expenses								
	(a) Cost of materials consumed	26,424	20,479	18,213	81,479	26,424	20,479	18,213	81,479
	(b) Purchase of stock-in-trade	1,450	1,254	993	4,719	1,450	1,254	993	4,719
	(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	(4,156)	1,668	(1,491)	(2,708)	(4,156)	1,668	(1,491)	(2,708)
	(d) Employee benefits expense	2,327	2,722	2,170	9,394	2,335	2,732	2,178	9,428
	(e) Finance costs	638	686	679	2,880	580	598	679	2,792
	(f) Depreciation and amortisation expense	611	596	655	2,530	611	596	655	2,530
	(g) Other expenses	3,584	4,048	3,501	14,983	3,574	4,042	3,493	14,954
	Total Expenses	30,878	31,453	24,720	1,13,277	30,818	31,369	24,720	1,13,194
5	Profit before share of profit of associate (3-4)	1,905	2,239	804	7,396	1,917	2,258	804	7,409
6	Share of (loss) / profit from Associate					(18)	16	23	57
7	Profit before tax (5+6)	1,905	2,239	804	7,396	1,899	2,274	827	7,466
8	Tax expense:								
	(a) Current tax	526	727	310	2,606	526	727	310	2,606
	(b) Deferred tax (net)	(52)	(202)	(42)	(239)	(52)	(202)	(42)	(239)
	Tax Expense	474	525	268	2,367	474	525	268	2,367
9	Profit for the period (7-8)	1,431	1,714	536	5,029	1,425	1,749	559	5,099
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	(40)	(26)	(22)	(92)	(40)	(24)	(23)	(93)
	Income tax expense on the above	10	-	7	23	10	-	7	23
	Items that will be reclassified subsequently to statement of profit or loss								
	Effective portion of gain on designated portion of hedging instrument in a cash flow hedge	15	25	4	64	15	25	4	64
	Income tax expense on the above	(4)	(2)	(1)	(16)	(4)	(2)	(1)	(16)
	Total Other Comprehensive Loss net of tax	(19)	(3)	(12)	(21)	(19)	(1)	(13)	(22)
11	Total Comprehensive Income (9+10)	1,412	1,711	524	5,008	1,406	1,748	546	5,077
12	Paid-up equity share capital (Face value of ₹ 1 per equity share)	1,978	1,962	1,926	1,962	1,978	1,962	1,926	1,962
13	Other Equity				39,186				39,898
14	Earnings Per Share (for the period not annualized)								
	(a) Basic (in ₹)	0.72	0.89	0.28	2.60	0.72	0.90	0.29	2.63
	(b) Diluted (in ₹)	0.72	0.88	0.28	2.60	0.72	0.90	0.29	2.63

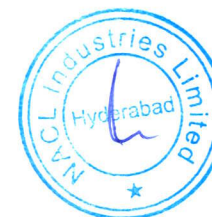



Notes :

- 1 The above Standalone and Consolidated Financial results were reviewed and recommended by the Audit Committee in their meeting held on August 4, 2021 and approved by the Board of Directors in their meeting held on August 5, 2021. The Statutory Auditors have issued an unmodified conclusion in respect of the Limited Review for the quarter ended June 30, 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 Stakeholders Relationship Committee (authorised by the Board of Directors), in its meeting held on April 8, 2021, has allotted 1,580,000 equity shares of face value of ₹ 1 each to Mrs. K. Lakshmi Raju, Promoter of the Company upon exercise of option for conversion of Warrants and payment of the balance 75% (i.e. ₹ 29.25) of the issue price of ₹ 39 per share.
- 7 The Compensation Committee, in its meeting held on June 25, 2021, has allotted 14,000 equity shares, at an exercise price of ₹ 8 per share, to eligible employees upon exercise of 14,000 stock options, granted and vested under Nagarjuna Agrichem Ltd. – Employee Stock Option Scheme 2015 (ESOS 2015). None of the employees is in receipt of equity shares exceeding 1% of the equity share capital of the Company against the vested options exercised by them under ESOS 2015.
- 8 Upon the aforesaid allotments, the paid up share capital of the Company stand increased to ₹ 1.978 lakhs consisting of 197,811,758 equity shares of ₹ 1 each.
- 9 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.
- 10 The Group conducted its operations in Q1 as permitted with the required safety measures through the resurgent phase of the COVID-19 pandemic with attendant lock-downs and disruptions. 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.
- 11 The figures for the quarter ended March 31, 2021 are the balancing figures between the audited figures in respect of the full financial year ended March 31, 2021 and published year to date figures up to third quarter ended December 31, 2020.
- 12 The Board of Directors in their meeting held on August 5, 2021 approved an interim dividend of ₹ 0.10 per Equity Share of ₹ 1 each.

Place : Hyderabad

Date : August 5, 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 ended June 30, 2021

(₹ in Lakhs)

Sl. No.	Particulars	Standalone			Consolidated		
		Quarter ended 30.06.2021	Quarter ended 30.06.2020	Year ended 31.03.2021	Quarter ended 30.06.2021	Quarter ended 30.06.2020	Year ended 31.03.2021
		(Unaudited)	(Unaudited)	(Audited)	(Unaudited)	(Unaudited)	(Audited)
1	Total Income from Operations	32,783	25,524	1,20,673	32,735	25,524	1,20,603
2	Net Profit for the period (before Tax & Exceptional and/or Extraordinary items)	1,905	804	7,396	1,899	827	7,466
3	Net Profit for the period before Tax, (after Exceptional and/or Extraordinary items)	1,905	804	7,396	1,899	827	7,466
4	Net Profit for the period after Tax, (after Exceptional and/or Extraordinary items)	1,431	536	5,029	1,425	559	5,099
5	Total Comprehensive Income for the period [Comprising (Loss)/Profit for the period (after tax) and Other Comprehensive Income (after tax)]	1,412	524	5,008	1,406	546	5,077
6	Paid-up Equity Share Capital	1,978	1,926	1,962	1,978	1,926	1,962
7	Earnings per Share (of ₹ 1 each)						
a)	Basic	0.72	0.28	2.60	0.72	0.29	2.63
b)	Diluted	0.72	0.28	2.60	0.72	0.29	2.63

Notes:

- These results were reviewed and recommended by the Audit Committee in their meeting held on August 4, 2021 and approved by the Board of Directors in their meeting held on August 5, 2021. The Statutory Auditors have issued an unmodified conclusion in respect of the Limited Review for the quarter ended June 30, 2021.
- The Board of Directors in its meeting held on August 5, 2021 have approved interim dividend of ₹ 0.10 per Equity Share of ₹ 1 each.
- The above is an extract of the detailed format of Statement of Standalone and Consolidated Financial Results for the Quarter ended June 30, 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 ended June 30, 2021 is available on the website of BSE & NSE Limited and Company's website at www.naclind.com

Place : Hyderabad

Date : August 5, 2021



M. Pavan Kumar
Managing Director & CEO

**INDEPENDENT AUDITOR'S REVIEW REPORT ON REVIEW OF
INTERIM STANDALONE FINANCIAL RESULTS**

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

1. We have reviewed the accompanying Statement of Unaudited Standalone Financial Results of **NACL Industries Limited** (the "Company"), for the quarter ended June 30, 2021 ("Results"), included in the accompanying Statement of Unaudited Standalone and Consolidated Financial Results for the quarter ended June 30, 2021 (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.
2. The Results included in the Statement, which is the responsibility of the Company's Management and approved by the Company's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in the Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to express a conclusion on the Results included in the Statement, based on our review.
3. We conducted our review of the results included in the Statement 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 Institute of Chartered Accountants of India (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 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 results included in the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in the aforesaid Indian Accounting Standard 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.

For **DELOITTE HASKINS & SELLS LLP**

Chartered Accountants
(Firm's Registration No. 117366W/W-100018)


Ganesh Balakrishnan
(Partner)
(Membership No. 201193)
UDIN:21201193AAAAFU2823

Place: Hyderabad
Date: August 5, 2021

INDEPENDENT AUDITOR'S REVIEW REPORT ON REVIEW OF INTERIM CONSOLIDATED FINANCIAL RESULTS

TO THE BOARD OF DIRECTORS OF NACL Industries Limited

1. We have reviewed the accompanying Statement of Unaudited Consolidated Financial Results 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 its associate for the quarter ended June 30, 2021 ("Consolidated Results") included in the accompanying Statement of Unaudited Standalone and Consolidated Financial Results for the quarter ended June 30, 2021 (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.
2. This e Consolidated Results included in the Statement, which is the responsibility of the Parent's Management and approved by the Parent's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in the Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to express a conclusion on Consolidated Results included in the Statement based on our review.
3. We conducted our review of the Consolidated Results included in the Statement 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 Institute of Chartered Accountants of India (ICAI). A review of interim financial information consists of making inquiries, primarily of Parent'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. The Consolidated Results includes the results of the following entities:
 - a. Parent: NACL Industries Limited, India
 - b. Subsidiaries:
 - (i) LR Research Laboratories Private Limited, India
 - (ii) Nagarjuna Agrichem (Australia) Pty Limited, Australia and
 - (iii) NACL Spec-Chem Limited, India
 - (iv) NACL Multichem Private Limited, India
 - c. Associate: Nasense Labs Private Limited, India
5. Based on our review conducted and procedures performed as stated in paragraph 3 above, nothing has come to our attention that causes us to believe that the Consolidated Results included in the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in the aforesaid Indian Accounting Standard 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.



6. The consolidated unaudited financial results includes the interim financial information / financial results of four subsidiaries which have not been reviewed by their auditors, whose interim financial information / financial results reflect total revenue of ₹ 12 lakhs, total profit after tax of ₹ 1 lakhs and total comprehensive income of ₹ 1 lakhs for the quarter ended June 30, 2021, as considered in the Statement. The consolidated unaudited financial results also includes the Group's share of loss after tax of ₹ 18 lakhs and total comprehensive loss of ₹ 18 lakhs for the quarter ended June 30, 2021, as considered in the Statement, in respect of one associate, based on their interim financial information / financial results which have not been reviewed by their auditors. According to the information and explanations given to us by the Management, these interim financial results are not material to the Group.

Our Conclusion on the Consolidated Results included in the Statement is not modified in respect of our reliance on the interim financial information / financial results certified by the Management.

For **DELOITTE HASKINS & SELLS LLP**

Chartered Accountants

(Firm's Registration No. 117366W/W-100018)


Ganesh Balakrishnan

(Partner)

(Membership No. 201193)

UDIN: 21201193AAAAFV1512

Place: Hyderabad

Date: August 5, 2021