

# NACL Industries Limited

(formerly known as 'Nagarjuna Agrichem Limited')



Ref: NACL/SE/2020-21

04<sup>th</sup> November, 2020

**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, 5<sup>th</sup> Floor,  
Plot No.C/1 G Block,  
Bandra- Kurla Complex, Bandra(E),  
**MUMBAI – 400051**  
Script ID: NACLIND

Dear Sir,

**Sub: Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 – Un-audited Financial Results of the Company for the second quarter and half year ended 30<sup>th</sup> September, 2020 - reg.**

We wish to inform that the Board of Directors in its meeting held today i.e. Wednesday, the 04<sup>th</sup> Day of November, 2020 has inter-alia approved the Un-Audited (Standalone and Consolidated) Financial Results for the second quarter and half year ended 30<sup>th</sup> September, 2020. The copy of the said results together with Auditor's Limited Review report are enclosed herewith.

The said Board Meeting was commenced at 9.30 a.m. and concluded at 5.45 p.m.

Kindly take the same into records.

Thanking you,

for **NACL Industries Limited**

**Satish Kumar Subudhi**

Company Secretary & Head- Legal

Encl: As above

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 : +91-40-33185100, Fax : +91-40-23358062 E-mail : [info@naclind.com](mailto:info@naclind.com) Website : [www.naclind.com](http://www.naclind.com)  
CIN : L24219TG1986PLC016607

**Factory-Technical :**

Plot # 177, Arinama Akkivalasa Village, Allinagaram  
Post, Etcherla Mandal, Srikakulam - 532403, A.P.  
Phone : +91-08942-231172, 300400 / 401  
Fax : +91-08942-231171

**Factory-Formulation :**

Unit - I, Unit - II  
Ethakota-533238, Ravulapalem Mandal  
East Godavari Dist., A.P.  
Phone : +91-8855-305617 / 627

**R&D Centre :**

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

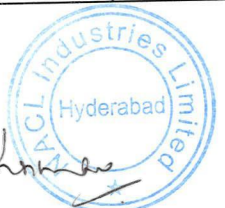
**NACL Industries Limited**  
 Regd. Office: Plot No. 12-A, 'C' Block, Lakshmi Towers, No.8-2-248/1/7/78, Nagarjuna Hills, Punjagutta, Hyderabad 500 082, Telangana, India  
 Phone:040-24405100, Fax:040-23358062, E-mail:info@naciind.com,Website:www.naciind.com  
 CIN:L24219TG1986PLC016607

**Statement of Unaudited Standalone and Consolidated Financial Results for the Quarter and Half-year Ended September 30, 2020**

(₹ in Lakhs)

| Sl. No | Particulars   | Standalone    |             |             |                 |             |            | Consolidated  |             |             |                 |             |            |
|--------|---|---------------|-------------|-------------|-----------------|-------------|------------|---------------|-------------|-------------|-----------------|-------------|------------|
|        |   | Quarter ended |             |             | Half-year ended |             | Year ended | Quarter ended |             |             | Half-year ended |             | Year ended |
|        |   | 30.09.2020    | 30.06.2020  | 30.09.2019  | 30.09.2020      | 30.09.2019  | 31.03.2020 | 30.09.2020    | 30.06.2020  | 30.09.2019  | 30.09.2020      | 30.09.2019  | 31.03.2020 |
|        |   | (Unaudited)   | (Unaudited) | (Unaudited) | (Unaudited)     | (Unaudited) | (Audited)  | (Unaudited)   | (Unaudited) | (Unaudited) | (Unaudited)     | (Unaudited) | (Audited)  |
|        |   | 34,417        | 25,202      | 30,172      | 59,619          | 49,271      | 1,01,489   | 34,417        | 25,202      | 30,172      | 59,619          | 49,271      | 1,01,489   |
| 1      | Revenue from operations   | 258           | 322         | 393         | 580             | 1,123       | 749        | 259           | 322         | 393         | 581             | 1,123       | 750        |
| 2      | Other income  | 34,675        | 25,524      | 30,565      | 60,199          | 50,394      | 1,02,238   | 34,676        | 25,524      | 30,565      | 60,200          | 50,394      | 1,02,239   |
| 3      | Total Income (1+2)  |               |             |             |                 |             |            |               |             |             |                 |             |            |
| 4      | Expenses  | 24,262        | 18,213      | 15,896      | 42,475          | 30,722      | 60,450     | 24,262        | 18,213      | 15,896      | 42,475          | 30,722      | 60,450     |
|        | (a) Cost of materials consumed  | 1,373         | 993         | 909         | 2,366           | 1,150       | 4,564      | 1,373         | 993         | 909         | 2,366           | 1,150       | 4,564      |
|        | (b) Purchase of stock-in-trade  | (1,335)       | (1,491)     | 5,435       | (2,826)         | 3,177       | 6,319      | (1,335)       | (1,491)     | 5,435       | (2,826)         | 3,177       | 6,319      |
|        | (c) Changes in inventories of finished goods, work-in-progress and stock-in-trade                 | 2,236         | 2,170       | 2,278       | 4,406           | 4,170       | 8,627      | 2,244         | 2,178       | 2,286       | 4,422           | 4,188       | 8,664      |
|        | (d) Employee benefits expense   | 686           | 679         | 739         | 1,365           | 1,393       | 2,916      | 686           | 679         | 739         | 1,365           | 1,393       | 2,916      |
|        | (e) Finance costs   | 652           | 655         | 619         | 1,307           | 1,210       | 2,397      | 652           | 655         | 619         | 1,307           | 1,210       | 2,397      |
|        | (f) Depreciation and amortisation expense   | 3,880         | 3,501       | 3,664       | 7,381           | 7,404       | 14,671     | 3,874         | 3,493       | 3,654       | 7,367           | 7,384       | 14,633     |
|        | (g) Other expenses  | 31,754        | 24,720      | 29,540      | 56,474          | 49,226      | 99,944     | 31,756        | 24,720      | 29,538      | 56,476          | 49,224      | 99,943     |
|        | Total Expenses  | 2,921         | 804         | 1,025       | 3,725           | 1,168       | 2,294      | 2,920         | 804         | 1,027       | 3,724           | 1,170       | 2,296      |
| 5      | Profit before share of profit of associate (3-4)  |               |             |             |                 |             |            | 3             | 23          | 21          | 26              | 39          | 95         |
| 6      | Share of profit from Associate  | 2,921         | 804         | 1,025       | 3,725           | 1,168       | 2,294      | 2,923         | 827         | 1,048       | 3,750           | 1,209       | 2,391      |
| 7      | Profit before tax (5+6)   |               |             |             |                 |             |            |               |             |             |                 |             |            |
| 8      | Tax expense   | 1,065         | 310         | 167         | 1,375           | 198         | 423        | 1,065         | 310         | 167         | 1,375           | 198         | 423        |
|        | (a) Current tax   | (13)          | (42)        | 214         | (55)            | 202         | 294        | (13)          | (42)        | 214         | (55)            | 202         | 294        |
|        | (b) Deferred tax (net)  | 1,052         | 268         | 381         | 1,320           | 400         | 717        | 1,052         | 268         | 381         | 1,320           | 400         | 717        |
|        | Total Tax Expense   | 1,869         | 536         | 644         | 2,405           | 768         | 1,577      | 1,871         | 559         | 667         | 2,430           | 809         | 1,674      |
| 9      | Profit for the period (7-8)   |               |             |             |                 |             |            |               |             |             |                 |             |            |
| 10     | Other Comprehensive Income  |               |             |             |                 |             |            |               |             |             |                 |             |            |
|        | Items that will not be reclassified subsequently to statement of profit or loss                   | (53)          | (22)        | (37)        | (75)            | (32)        | (28)       | (54)          | (23)        | (38)        | (77)            | (35)        | (31)       |
|        | Re-measurement of the defined benefit obligation  | 19            | 7           | 13          | 26              | 11          | 10         | 19            | 7           | 13          | 26              | 11          | 11         |
|        | Income tax expense on the above   |               |             |             |                 |             |            |               |             |             |                 |             |            |
|        | Items that will be reclassified subsequently to statement of profit or loss                       | 22            | 4           | (50)        | 26              | (124)       | (174)      | 22            | 4           | (50)        | 26              | (124)       | (174)      |
|        | Effective portion of gain/(loss) on designated portion of hedging instrument in a cash flow hedge | (8)           | (1)         | 27          | (9)             | 43          | 60         | (8)           | (1)         | 27          | (9)             | 43          | 60         |
|        | Income tax expense on the above   | (20)          | (12)        | (47)        | (32)            | (102)       | (132)      | (21)          | (13)        | (48)        | (34)            | (105)       | (134)      |
|        | Total Other Comprehensive Income/(Loss) for the period  | 1,849         | 524         | 597         | 2,373           | 666         | 1,445      | 1,850         | 546         | 619         | 2,396           | 704         | 1,540      |
| 11     | Total Comprehensive Income for the period (9+10)  | 1,926         | 1,926       | 1,674       | 1,926           | 1,674       | 1,926      | 1,926         | 1,926       | 1,674       | 1,926           | 1,674       | 1,926      |
| 12     | Paid-up equity share capital (Face value of ₹ 1 per equity share)                                 |               |             |             |                 |             | 33,127     |               |             |             |                 |             | 33,770     |
| 13     | Other Equity  |               |             |             |                 |             |            |               |             |             |                 |             |            |
| 14     | Earnings Per Share  |               |             |             |                 |             |            |               |             |             |                 |             |            |
|        | (a) Basic (in ₹)  | 0.97          | 0.28        | 0.38        | 1.25            | 0.46        | 0.94       | 0.97          | 0.29        | 0.40        | 1.26            | 0.48        | 1.00       |
|        | (b) Diluted (in ₹)  | 0.97          | 0.28        | 0.38        | 1.25            | 0.46        | 0.94       | 0.97          | 0.29        | 0.40        | 1.26            | 0.48        | 1.00       |

See accompanying notes to the financial results



Standalone and Consolidated Balance Sheet

(₹ in Lakhs)

| Sl. No. | Particulars  | Standalone    |               | Consolidated    |               |
|---------|--|---------------|---------------|-----------------|---------------|
|         |  | As at         | As at         | As at           | As at         |
|         |  | 30.09.2020    | 31.03.2020    | 30.09.2020      | 31.03.2020    |
|         |  | (Unaudited)   | (Audited)     | (Unaudited)     | (Audited)     |
| I       | <b>ASSETS</b>  |               |               |                 |               |
| 1       | <b>Non-current assets</b>  |               |               |                 |               |
|         | (a) Property, plant and equipment  | 17,477        | 18,291        | 17,477          | 18,291        |
|         | (b) Right-to-use assets  | 419           | 597           | 419             | 597           |
|         | (c) Capital work-in-progress   | 4,090         | 3,482         | 4,090           | 3,482         |
|         | (d) Intangible assets  | 164           | 174           | 164             | 174           |
|         | (e) Intangible assets under development  | 713           | 751           | 713             | 751           |
|         | (f) Financial assets   |               |               |                 |               |
|         | (i) Investments  | 1,059         | 858           | 1,527           | 1,503         |
|         | (ii) Other financial assets  | 388           | 482           | 388             | 482           |
|         | (g) Other non-current assets   | 294           | 663           | 394             | 663           |
|         | (h) Income tax assets  | 407           | 407           | 407             | 407           |
|         | <b>Total non-current assets</b>  | <b>25,011</b> | <b>25,705</b> | <b>25,579</b>   | <b>26,350</b> |
| 2       | <b>Current assets</b>  |               |               |                 |               |
|         | (a) Inventories  | 23,116        | 16,450        | 23,116          | 16,450        |
|         | (b) Financial assets   |               |               |                 |               |
|         | (i) Trade receivables  | 33,102        | 35,939        | 33,102          | 35,939        |
|         | (ii) Cash and cash equivalents   | 11,599        | 8,353         | 11,701          | 8,358         |
|         | (iii) Other bank balances  | 899           | 3,415         | 899             | 3,415         |
|         | (iv) Other financial assets  | 355           | 394           | 355             | 394           |
|         | (c) Income tax assets (net)  | 267           | 267           | 267             | 267           |
|         | (d) Other current assets   | 5,353         | 4,278         | 5,350           | 4,278         |
|         | <b>Total current assets</b>  | <b>74,691</b> | <b>69,096</b> | <b>74,790</b>   | <b>69,101</b> |
|         | <b>Total Assets</b>  | <b>99,702</b> | <b>94,801</b> | <b>1,00,369</b> | <b>95,451</b> |
| II      | <b>EQUITY AND LIABILITIES</b>  |               |               |                 |               |
| 1       | <b>Equity</b>  |               |               |                 |               |
|         | (a) Equity share capital   | 1,926         | 1,926         | 1,926           | 1,926         |
|         | (b) Other equity   | 35,995        | 33,127        | 36,661          | 33,770        |
|         | <b>Total equity</b>  | <b>37,921</b> | <b>35,053</b> | <b>38,587</b>   | <b>35,696</b> |
| 2       | <b>Non-current liabilities</b>   |               |               |                 |               |
|         | (a) Financial liabilities  |               |               |                 |               |
|         | (i) Borrowings   | 1,800         | 2,175         | 1,800           | 2,175         |
|         | (ii) Lease liabilities   | 226           | 316           | 226             | 316           |
|         | (iii) Other financial liabilities  | 1,260         | 1,264         | 1,260           | 1,264         |
|         | (b) Provisions   | 661           | 563           | 661             | 563           |
|         | (c) Deferred tax liabilities (net)   | 753           | 101           | 753             | 101           |
|         | <b>Total non-current liabilities</b>   | <b>4,700</b>  | <b>4,419</b>  | <b>4,700</b>    | <b>4,419</b>  |
| 3       | <b>Current Liabilities</b>   |               |               |                 |               |
|         | (a) Financial liabilities  |               |               |                 |               |
|         | (i) Borrowings   | 17,466        | 22,724        | 17,466          | 22,724        |
|         | (ii) Lease liabilities   | 265           | 379           | 265             | 379           |
|         | (iii) Trade payables   |               |               |                 |               |
|         | (a) total outstanding dues of micro enterprises and small enterprises          | 850           | 533           | 850             | 533           |
|         | (b) total outstanding dues of creditors other than micro enterprises and small | 31,781        | 26,284        | 31,786          | 26,293        |
|         | (iii) Other financial liabilities  | 3,663         | 3,767         | 3,663           | 3,767         |
|         | (b) Provisions   | 229           | 154           | 229             | 154           |
|         | (c) Income tax liabilities (net)   | 536           | 248           | 531             | 245           |
|         | (d) Other current liabilities  | 2,291         | 1,240         | 2,292           | 1,241         |
|         | <b>Total current liabilities</b>   | <b>57,081</b> | <b>55,329</b> | <b>57,082</b>   | <b>55,336</b> |
|         | <b>Total equity and liabilities</b>  | <b>99,702</b> | <b>94,801</b> | <b>1,00,369</b> | <b>95,451</b> |





**Notes:**

- 1 The above Unaudited Standalone and Consolidated Financial Results of NACL Industries Limited ("the Company") were reviewed by the Audit Committee at its meeting held on November 3, 2020 and has been approved by the Board of Directors at its meeting held on November 4, 2020. The Statutory Auditors have carried out a limited review of these Financial Results for the Quarter and Half-year ended September 30, 2020 and have issued an unmodified report on these results.
- 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 Company has incorporated NACL Spec-Chem Limited and NACL Multichem Private Limited, as Wholly Owned Subsidiaries on April 27, 2020 and May 18, 2020 respectively. The Company subscribed share capital ₹ 200 lakhs (comprising 2,00,00,000 number of equity shares of ₹ 1 each) of NACL Spec-chem Limited and ₹ 1 lakh (comprising 1,00,000 number of equity shares of ₹ 1 each) of NACL Multichem Private Limited during the half year ended September 30, 2020.
- 6 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
- 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 The Board of Directors and the Shareholders, in their meetings held on August 12, 2020 and September 07, 2020 respectively, approved the issuance of 50,00,000 Warrants at an issue price of ₹ 39 per warrant (each warrant convertible into an equity share of ₹ 1 each) on preferential basis to Mrs.K.Lakshmi Raju, Promoter of the Company in terms of Section 42 and 62(1)(c) of the Companies Act, 2013 read with Chapter V of SEBI (Issue of Capital and Disclosure Requirement) Regulations, 2018. Upon receipt of the subscription amount of ₹ 488 lakhs (representing 25% of the Issue Price of ₹ 39 each i.e. ₹ 9.75 per Warrant) from Mrs.K.Lakshmi Raju, the Stakeholders Relationship Committee (authorized by the Board of Directors in this regard) in its meeting held on September 30, 2020 has allotted the said 50,00,000 Warrants.
- 9 Statement of cash flows for the half year ended September 30, 2020

| Particulars   | (₹ in Lakhs)                  |                               |                               |                               |
|---|-------------------------------|-------------------------------|-------------------------------|-------------------------------|
|   | Standalone                    |                               | Consolidated                  |                               |
|   | Half year ended<br>30.09.2020 | Half year ended<br>30.09.2019 | Half year ended<br>30.09.2020 | Half year ended<br>30.09.2019 |
| A. Cash flow from operating activities                  |                               |                               |                               |                               |
| Profit before tax                                       | 3,725                         | 1,168                         | 3,750                         | 1,209                         |
| Operating profit before working capital changes         | 6,947                         | 4,136                         | 6,944                         | 4,137                         |
| Net cash generated from operating activities            | 8,224                         | 2,681                         | 8,217                         | 2,684                         |
| B. Cash flow from / (used in) investing activities      | 1,884                         | (6,363)                       | 1,988                         | (6,363)                       |
| C. Cash (used in) / generated from financing activities | (6,862)                       | 4,711                         | (6,862)                       | 4,711                         |
| Net cash inflow / (outflow) during the period           | 3,246                         | 1,029                         | 3,343                         | 1,032                         |

- 10 In March, 2020, COVID-19, an infectious disease caused by the recently discovered 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 Company resumed activities in its production facilities. The Company 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 Company 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 Company will continue to monitor closely any material changes in the emerging economic conditions.
- 11 The Board of Directors in their meeting held on November 4, 2020 approved an interim dividend of ₹ 0.10 per Equity Share of ₹ 1 each.

Place : Hyderabad  
Date : November 4, 2020



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

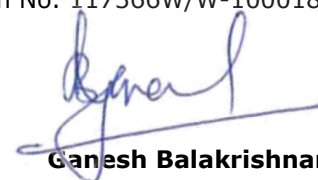
**INDEPENDENT AUDITOR'S REVIEW REPORT ON REVIEW OF INTERIM STANDALONE  
FINANCIAL RESULTS**

**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 and half year ended September 30, 2020 ("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. This 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 Statement based on our review.
3. We conducted our review of 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 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: 20201193AAAAFT6068)

Place: Hyderabad

Date: November 04, 2020

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

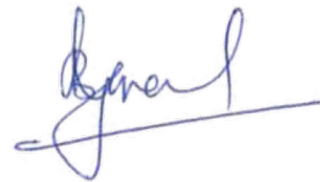
**TO THE BOARD OF DIRECTORS OF  
NACL INDUSTRIES LIMITED**

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 and half year ended September 30, 2020 ("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 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 the Statement based on our review.
3. We conducted our review of 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 Statement includes the results of the following entities:  
Parent:
  - a. NACL Industries Limited, India  
Subsidiaries:
  - a. LR Research Laboratories Private Limited, India
  - b. Nagarjuna Agrichem (Australia) Pty Limited, Australia
  - c. NACL Spec-Chem Limited, India and
  - d. NACL Multichem Private Limited, India  
Associate:
  - a. 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 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 financial results of four subsidiaries which have not been reviewed by their auditors, whose interim financial information reflect total assets of ₹ 217 lakhs as at September 30, 2020, total revenue of ₹ 11 lakhs and ₹ 23 lakhs for the quarter and half year ended September 30, 2020 respectively, total loss after tax of ₹ 1 lakh and ₹ 1 lakh for the quarter and half year ended September 30, 2020 respectively and Total comprehensive loss of ₹ 1 lakh and ₹ 1 lakh for the quarter and half year ended September 30, 2020 respectively and net cash inflow of ₹ 97 lakhs for the half year ended September 30, 2020, as considered in the Statement. The consolidated unaudited financial results also includes the Group's share of profit after tax of ₹ 3 lakhs and ₹ 26 lakhs for the quarter and half year ended September 30, 2020 respectively and total comprehensive income of ₹ 2 lakhs and ₹ 24 lakhs for the quarter and half year ended September 30, 2020 respectively, as considered in the Statement, in respect of one associate, based on their interim financial information 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 Statement is not modified in respect of our reliance on the interim 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:20201193AAAAFU5668)

Place: Hyderabad  
Date: November 04, 2020