

NACL Industries Limited

(formerly known as 'Nagarjuna Agrichem Limited')



Ref: NACL/SE/BSE/2017-18/

03rd February, 2018

1) BSE Limited

Phiroze Jeejeebhoy Towers
Dalal Street,
Fort, Mumbai,
Mumbai - 400001

2) National Stock Exchange of India Ltd

Exchange Plaza, 5th Floor
Plot No.C/1 G Block,
Bandra -Kurla Complex, Bandra (E)
Mumbai-400051.

Dear Sir,

Sub: Outcome of Board Meeting - reg.

Ref: Stock Code: 524709 - Trading Symbol: NACLIND

We wish to inform that the Board of Directors in its meeting held today i.e. Saturday, the 03rd day of February, 2018 has inter-alia, approved the Unaudited Financial Results for the third quarter and nine months ended 31st December, 2017 and Statutory Auditor's Limited Review Report thereon. The copy of the said results together with Auditor's Limited Review report is enclosed herewith.

The said Board Meeting was commenced at 2:35 p.m. and concluded at 5:45 p.m.

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 : +91-40-33605100/123, 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, 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

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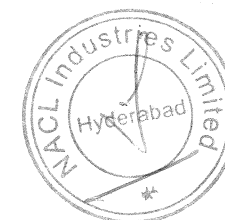
Phone:040-33605123/124,Fax:040-23350234/23358062,E-mail:info@naclind.com,Website:www.naclind.com

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Unaudited Financial Results for the quarter and nine months ended 31 December, 2017

₹ in Lakhs

Sl. No	Particulars	Quarter ended	Quarter ended	Quarter ended	Nine months ended	Nine months ended
		31.12.2017	30.09.2017	31.12.2016	31.12.2017	31.12.2016
		(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
1	Revenue from operations (Refer Note 4)	18,669	30,684	17,912	67,504	65,562
2	Other income	528	42	283	1,039	843
3	Total income (1+2)	19,197	30,726	18,195	68,543	66,405
4	Expenses					
	(a) Cost of materials consumed	7,690	15,833	8,380	35,997	35,756
	(b) Purchase of stock-in-trade	1,564	1,888	1,071	4,119	3,372
	(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	2,943	3,621	512	3,137	(3,564)
	(d) Excise duty	-	-	2,011	1,911	8,233
	(e) Employee benefits expense	1,663	1,870	1,507	5,082	4,398
	(f) Finance costs	779	795	1,007	2,378	2,922
	(g) Depreciation and amortisation	696	704	703	2,095	2,103
	(h) Other expenses	3,615	4,965	3,072	12,492	12,608
	Total expenses	18,950	29,676	18,263	67,211	65,828
5	Profit before exceptional items and tax (3-4)	247	1,050	(68)	1,332	577
6	Exceptional items	-	-	-	-	-
7	Profit before tax (5-6)	247	1,050	(68)	1,332	577
8	Tax expense:					
	(a) Current tax	(126)	588	152	639	349
	(b) Deferred tax	236	(254)	(195)	(343)	(517)
	Tax expense	110	334	(43)	296	(168)
9	Profit for the period (7-8)	137	716	(25)	1,036	745
10	Other Comprehensive Income					
	Items that will not be reclassified to profit and loss					
	Remeasurement of defined benefit obligation	7	-	(10)	29	(22)
	Income tax expense on remeasurement	(2)	-	4	(10)	8
	Other Comprehensive Income for the period, net of tax	5	-	(6)	19	(14)
11	Total Comprehensive Income for the period (9+10)	142	716	(31)	1,055	731
12	Paid-up Equity Share Capital (Face value of ₹ 1/- each)	1,563	1,561	1,559	1,563	1,559
13	Earnings Per Share					
	(a) Basic (in ₹)	0.09	0.46	(0.02)	0.66	0.48
	(b) Diluted (in ₹)	0.09	0.46	(0.02)	0.66	0.48



Notes :

- 1 These unaudited financial results were reviewed and recommended by the Audit Committee and approved by the Board of Directors at their respective meetings held on February 3, 2018. The statutory auditors have carried out a limited review of the financial results.
- 2 (a) NACL Industries Limited (formerly Nagarjuna Agrichem Limited) ("the Company") adopted Indian Accounting Standards ("Ind AS") from April 01, 2017 with transition date of April 01, 2016 and accordingly these financial results have been prepared in accordance with the recognition and measurement principles laid down in the Indian Accounting Standard (Ind AS) - 34 - Interim financial reporting prescribed under Section 133 of the Companies Act, 2013 read with the relevant rules issued thereunder and other accounting principles generally accepted in India.
(b) Pursuant to the SEBI circular CIR/CFD/FAC/62/2016 dated July 05, 2016, the published figures for the quarter and nine months ended December 31, 2016 have been recast to Ind AS to the extent applicable to the Company.
(c) A reconciliation between the profits as reported earlier and the Ind AS recast profits for the quarter and nine months ended December 31, 2016 is given below.

₹ in Lakhs

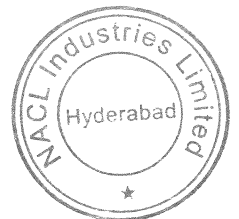
Particulars	Quarter ended 31.12.2016	Nine months ended 31.12.2016
Profit after tax as reported under previous GAAP	138	1,065
Finance costs on Fair valuation of deferred sales tax liability	(2)	(12)
Transaction costs relating to borrowings	(3)	-
Provision for bad and doubtful debts	(244)	(487)
Actuarial (gains) / losses in respect of employee benefit expenses	10	22
Deferred Tax adjustments	76	15/
Profit after tax as reported under Ind AS	(25)	745
Other Comprehensive Income (net of tax)	(6)	(14)
Total Comprehensive Income as reported under Ind AS	(31)	731

- (d) Submission of Ind AS compliant financial results for the year ended March 31, 2017 not being mandatory, Unaudited Financial Results for the year ended March 31, 2017 are not disclosed.
- 3 Pursuant to exercise of stock options by certain employees, the Company allotted 135,126 equity shares of ₹ 1 each at the respective exercise price during the quarter ended December 31, 2017.
- 4 The Government of India introduced the Goods and Services tax (GST) with effect from July 01, 2017. Accordingly, in compliance with Indian Accounting Standard (Ind AS) 18 'Revenue', Revenue from operations for the period beginning July 01, 2017 to December 31, 2017 is presented net of GST. Revenue from operations of earlier periods included Excise duty which now is subsumed in GST. Hence, the revenues of the quarter and nine months ended December 31, 2017 and December 31, 2016 are not strictly comparable.
- 5 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.
- 6 The Company's Business is seasonal in nature and the performance can be impacted by weather conditions.
- 7 These quarterly financial results may require adjustments before constituting the final Ind AS financial statements as of and for the year ending March 31, 2018 due to changes in financial reporting requirements arising from new or revised standards or interpretations issued by MCA/ICAI or changes in the use of one or more optional exemptions from full retrospective application of certain Ind AS as permitted under Ind AS 101.
- 8 In accordance with clause 33(3)(b)(i) of the Securities and Exchange Board of India (Listing obligations and disclosure requirements) Regulation, 2015, the Company has opted to submit the quarterly financial results on Standalone basis.
- 9 Comparative figures have been re-grouped and recast wherever necessary, to make them comparable.



Place : Hyderabad
Date : 03 February, 2018


V. Vijay Shankar
Managing Director



NACL Industries Limited

(formerly Nagarjuna Agrichem Limited)

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Extract of the Unaudited Financial Results for the quarter and nine months ended 31 December, 2017

₹ in Lakhs

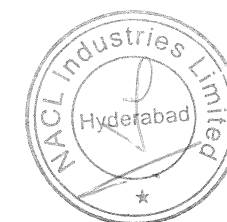
Sl. No.	Particulars	Quarter ended 31.12.2017	Nine months ended 31.12.2017	Quarter ended 31.12.2016
		(Unaudited)	(Unaudited)	(Unaudited)
1	Total Income from Operations	19,197	68,543	18,195
2	Net Profit / (Loss) for the period (before Tax & Exceptional and/or Extraordinary items)	247	1,332	(68)
3	Net Profit / (Loss) for the period before Tax, (after Exceptional and/or Extraordinary items)	247	1,332	(68)
4	Net Profit / (Loss) for the period after Tax, (after Exceptional and/or Extraordinary items)	137	1,036	(25)
5	Total Comprehensive Income for the period (Comprising Profit/(Loss) for the period (after tax) and Other Comprehensive Income (after tax))	142	1,055	(31)
6	Equity Share Capital	1,563	1,563	1,559
7	Earnings per Share (of ₹ 1 each)			
a)	Basic	0.09	0.66	(0.02)
b)	Diluted	0.09	0.66	(0.02)

Notes:

- The Government of India introduced the Goods and Services tax (GST) with effect from July 01, 2017. Accordingly, in compliance with Indian Accounting Standard (Ind AS) 18 'Revenue', Revenue from operations for the period beginning July 01, 2017 to December 31, 2017 is presented net of GST. Revenue from operations of earlier periods included Excise duty which now is subsumed in GST. Hence, the revenues of the quarter and nine months ended December 31, 2017 and December 31, 2016 are not strictly comparable.
- The above is an extract of the detailed format of Standalone Financial Results for the quarter and nine months ended December 31, 2017 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 Standalone Financial Results for the quarter and nine months ended December 31, 2017 is available on the website of BSE & NSE Limited and Company's website at www.naclind.com

Place : Hyderabad
Date : 03 February, 2018

V. Vijay Shankar
V. Vijay Shankar
Managing Director



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

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

1. We have reviewed the accompanying Statement of Unaudited Financial Results of **NACL INDUSTRIES LIMITED** (formerly Nagarjuna Agrichem Limited) ("the Company"), for the Quarter and nine months ended December 31, 2017 ("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 modified by Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016.

This Statement which is the responsibility of the Company's Management and approved by the 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 issue a report on the Statement based on our review.

2. 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. This Standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review is limited primarily to inquiries of Company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and, accordingly, we do not express an audit opinion.
3. Based on our review conducted as stated above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the aforesaid Indian Accounting Standards and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as modified by Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016, including the manner in which it is to be disclosed, or that it contains any material misstatement.

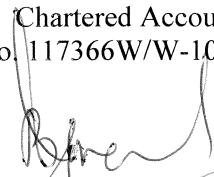
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**Deloitte
Haskins & Sells LLP**

4. The previously issued financial information of the Company for the quarter and nine months ended December 31, 2016 were prepared in accordance with the Companies (Accounting Standards) Rules, 2006 and were reviewed by the predecessor auditor (whose report dated February 03, 2017 expressed an unmodified conclusion). These previously issued financial information have been restated to comply with Ind AS and included in this Statement as comparative financial information. The adjustments made to the previously issued financial information to comply with Ind AS have been reviewed by us.

For **DELOITTE HASKINS & SELLS LLP**

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



Ganesh Balakrishnan
Partner
(Membership No. 201193)

Hyderabad, February 03, 2018