

Ref: NACL/SE/2018-19

11<sup>th</sup> February, 2019

**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: Press Release-reg.**

Ref: 1) Regulation 30 (Disclosure of events or information) under SEBI (LODR)  
Regulations, 2015

2) Security Code: 524709 - Symbol: NACLIND

Please find attached a copy of communication released to the press.

Kindly take the same on records and oblige.

Thanking you

**for NACL Industries Limited**



**Satish Kumar Subudhi**

Company Secretary & Head-Legal

Encl: As above

**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  
Fax : +91-08548-305801

February 09, 2019

**PRESS RELEASE**

**Press Release on the outcome of the Board of Directors' meeting on 8<sup>th</sup> February 2019**

In its meeting held on 8<sup>th</sup> February 2019, the Board of Directors has considered the following items:

**1. Raising of Equity**

In line with the Company's plan to raise Equity funds to finance its growth plans in the domestic and export markets, the Board has recommended raising around Rs.115 Crs. as Equity and the approval of the shareholders is being sought in the meeting on 7<sup>th</sup> March 2019.

The infusion of Equity will be through issue of Equity and Equity Warrants (exercisable within 12 months), to an incoming Investor and the existing Promoter. The incoming Investor is Krishi Rasayan Group who will hold around 16% of the equity of NACL upon completion of infusion of funds. The Promoters are also investing Rs.15 Crs. through Equity Warrants. Post the issue, the Promoters will continue to have controlling interest by holding around 63% of the Equity.

There will be no change in the Management of NACL and will continue to run by professional Managers.

**2. Approved the results of Quarter 3 (Q3) for the period ended 31<sup>st</sup> December 2018:**

- a. Total income for the Quarter ended December 2018 was Rs.201.59 Crs. compared to Rs.188.50 Crs. showing a growth of 7%, and for the 9-month period Rs.705.49 Crs. compared to Rs.655.09 Crs. (net of Excise), showing a growth of 8% comparable to corresponding periods of the previous year.

Earnings before Interest, Depreciation and Tax (EBIDT) and Profit After Tax (PAT) for the Quarter is Rs.15.42 Crs. and Rs.1.42 Crs. respectively compared to Rs.17.28 Crs. and Rs. 1.42 Crs. in the corresponding periods of previous year. The EBIDT and PAT for the 9-month period stood at Rs.50.55 Crs. and Rs.7.77 Crs. respectively compared to Rs.58.34 Crs. and Rs.10.55 Crs. of the same period of previous year.

- b. The growth in Revenue has been mainly driven by Export of Technicals showing a growth of over 50% in both the Quarter and the 9-month from the corresponding period of the previous year. This is mainly on account of increased supplies to the contract manufacturing customers.

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**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](mailto:info@naclind.com) Website : [www.naclind.com](http://www.naclind.com)  
CIN : L24219TG1986PLC016607

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- c. There has been a decline in the Q3 of domestic retails, mainly due to the Rabi monsoon being subdued resulting in lower acreages being cultivated of Paddy, Pulses, etc., than that of the previous year, thus impacting Sales. However, the sales of key brands like Profex Super, Erazze, Index, Atonic remained strong.
- d. Reduction in the margins is mainly on account of lower volumes of domestic sales coupled with higher input costs and inadequate availability of raw-materials.

**3. Market Scenario & Outlook:**

- a. Raw-material supply from China continues to be an area of concern. In view of the overall reduction of acreage of paddy, etc., there is Inventory buildup in the domestic market and this will have an impact in the coming quarters. The company is preparing for new to India products launch in the coming year.
- b. The order book for exports is encouraging for the next quarter; however, it will be based on the supplies of the raw-material.

**4. About the Incoming Investor:**

Krishi Rasayan Group is an established player in the Agrochemical generic space and has Revenues of around R.1200 Crs. It has presence in the Indian market and has made forays in export markets. This partnership envisages NACL leveraging its Technicals plant by introducing new generic products and enhancing capacity utilization and in the Exports markets.



**S. Mani Prasad**  
Head – Corporate HPD