NACL Industries Limited

(formerly known as `Nagarjuna Agrichem Limited')

NAGARJUNA
NACL

Ref: NACL/SE/BSE/2018-19

19th May, 2018

1) BSE Limited
Phiroze Jeejeebhoy Towers
Dalal Street, Fort,
Mumbai,
Mumbai – 400001.

2) National Stock Exchange of India Ltd
Exchange Plaza, 5thFloor
Plot No.C/1 G Block,
Bandra –Kurla Complex, Bandra (E)
Mumbai-400051.

Dear Sir,

Sub: Audited Financial Results for the fourth quarter and year ended 31st March, 2018 –reg.

Ref : Security Code: 524709 - Symbol : NACLIND

We wish to inform you that the Board of Directors of the Company in its meeting held on today, inter-alia approved the Audited Financial Results of the Company for the fourth quarter and year ended 31st March, 2018.

Pursuant to Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended), read with SEBI Circular CIR/CFD/CMD/56/2016 dated 27.05.2016, on 'Disclousre of the Impact of Audit Qualifications by the Listed Entities', we would also like to confirm that that the Statutory Auditors of the Company M/s Deloitte Haskins LLP, have issued Audit Report with unmodified opinion on the Standalone and Consolidated Financial Statements.

The Audited Financial Results, in the form prescribed under above said Regulation along with Auditors Report is enclosed herewith.

The meeting commenced at 1.45 p.m and concluded at 7.25 p.m.

Thanking you,

for **NACL Industries Limited**

Satish Kumar Subudhi
Company Secretary & Head-Legal

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

NACL Industries Limited

(formerly Nagarjuna Agrichem 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:040-33605123/124,Fax:040-23350234/23353062,E-mail:info@naclind.com,Website:www.naclind.com
CIN:L24219TG1986PLC016607

Statement of Audited Standalone and Consolidated Financial Results for the Quarter and Year Ended March 31, 2018

₹ in Lakhs

Sl. No.	Particulars	Standalone					Consolidated	
		Quarter Ended 31.03.2018	Quarter Ended 31.12.2017	Quarter Ended 31.03.2017	Year Ended 31.03.2018	Year Ended 31.03.2017	Year Ended 31.03.2018	Year Ended 31.03.2017
		(Audited) (Refer Note 7)	(Unaudited)	(Audited) (Refer Note 7)	(Audited)	(Audited)	(Audited)	(Audited)
1	Revenue from operations (Refer Note 4)	19,013	18,669	17,911	86,517	83,473	86,581	83,534
2	Other income	884	516	661	1,906	1,504	1,906	1,504
3	**Total income (1+2)**	**19,897**	**19,185**	**18,572**	**88,423**	**84,977**	**88,487**	**85,038**
4	**Expenses**							
	(a) Cost of materials consumed	12,617	7,690	7,783	48,614	43,540	48,614	43,540
	(b) Purchase of stock-in-trade	2,152	1,564	1,470	6,271	4,842	6,271	4,842
	(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	(1,789)	2,943	605	1,348	(2,959)	1,348	(2,960)
	(d) Excise duty	-	-	1,829	1,911	10,062	1,911	10,062
	(e) Employee benefits expense	1,838	1,651	1,741	6,903	6,138	6,969	6,202
	(f) Finance costs	964	779	865	3,342	3,787	3,342	3,787
	(g) Depreciation and amortisation expense	(118)	696	720	1,977	2,823	1,977	2,823
	(h) Other expenses	4,107	3,615	3,633	16,599	16,241	16,606	16,248
	Total expenses	**19,771**	**18,938**	**18,646**	**86,965**	**84,474**	**87,038**	**84,544**
5	Profit before exceptional items and tax (3-4)	**126**	**247**	**(74)**	**1,458**	**503**	**1,449**	**494**
6	Exceptional items (Refer Note 5 below)	-	-	2,557	-	2,557	-	2,557
7	Share of profit from Associate	-	-	-	-	-	94	103
8	Profit before tax (5+6+7)	**126**	**247**	**2,483**	**1,458**	**3,060**	**1,543**	**3,154**
9	Tax expense:							
	(a) Current tax	(99)	(126)	493	540	841	540	842
	(b) Deferred tax	189	236	(437)	(154)	(953)	(154)	(954)
	Tax expense	**90**	**110**	**56**	**386**	**(112)**	**386**	**(112)**
10	Profit for the period (8-9)	**36**	**137**	**2,427**	**1,072**	**3,172**	**1,157**	**3,266**
11	**Other Comprehensive Income**							
	Items that will not be reclassified to profit and loss							
	Re-measurement of the defined benefit obligation	42	7	(51)	71	(73)	71	(73)
	Income tax expense on the above	(15)	(2)	17	(25)	25	(25)	25
	Other Comprehensive Income for the period, net of tax	**27**	**5**	**(34)**	**46**	**(48)**	**46**	**(48)**
12	**Total Comprehensive Income for the period (10+11)**	**63**	**142**	**2,393**	**1,118**	**3,124**	**1,203**	**3,218**
13	Paid-up Equity Share Capital (Face value of ₹ 1/- each)	1,563	1,563	1,561	1,563	1,561	1,563	1,561
14	Other Equity				21,937	21,027	22,344	21,349
15	Earnings Per Share							
	(a) Basic (in ₹)	**0.02**	**0.09**	**1.55**	**0.69**	**2.03**	**0.74**	**2.09**
	(b) Diluted (in ₹)	**0.02**	**0.09**	**1.55**	**0.68**	**2.02**	**0.74**	**2.08**

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS

NACL Industries Limited Hyderabad

Balance Sheet

₹ in Lakhs

Sl. No.	Particulars	Standalone			Consolidated		
		As at March 31, 2018	As at March 31, 2017	As at April 1, 2016	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
I	**ASSETS**						
	Non Current Assets						
(a)	Property, Plant and Equipment	14,893	15,635	18,070	14,893	15,635	18,070
(b)	Capital work-in-progress	220	281	233	220	281	233
(c)	Intangible assets	891	652	667	890	652	667
(d)	Intangible assets under development	252	405	339	252	405	339
(e)	Financial Assets						
	(i) Non Current Investments	526	525	519	949	855	752
	(ii) Loans and Receivables	167	167	167	167	167	167
	(iii) Others Financial Assets	374	331	570	374	331	570
(f)	Other Non-Current Assets	577	590	613	577	590	613
	Total Non Current Assets	**17,900**	**18,586**	**21,178**	**18,322**	**18,916**	**21,411**
	Current Assets						
(a)	Inventories	20,208	21,173	18,314	20,208	21,173	18,314
(b)	Financial Assets						
	(i) Trade Receivables	28,668	22,093	18,038	28,668	22,093	18,042
	(ii) Cash & Cash Equivalents	668	771	1,313	671	772	1,315
	(iii) Other Bank balances	156	30	48	156	30	48
	(iii) Other Financial Assets	170	158	734	170	158	734
(c)	Current Tax Assets (Net)	-	-	40	3	-	42
(d)	Other Current Assets	3,104	1,953	2,091	3,104	1,953	2,091
	Total Current Assets	**52,974**	**46,178**	**40,578**	**52,980**	**46,179**	**40,586**
	Total Assets	**70,874**	**64,764**	**61,756**	**71,302**	**65,095**	**61,997**
II	**EQUITY & LIABILITIES**						
	EQUITY						
(a)	Equity Share Capital	1,563	1,561	1,559	1,563	1,561	1,559
(b)	Other Equity	21,937	21,027	18,054	22,344	21,349	18,281
	Total Equity	**23,500**	**22,588**	**19,613**	**23,907**	**22,910**	**19,840**
	LIABILITIES						
	Non-Current Liabilities						
(a)	Financial Liabilities						
	(i) Borrowings	2,024	2,978	3,519	2,024	2,978	3,519
	(ii) Other Financial Liabilities	1,224	1,304	1,360	1,224	1,304	1,360
(b)	Provisions	299	462	202	299	462	202
(c)	Deferred Tax Liabilities	678	594	1,547	678	594	1,547
	Total Non Current Liabilities	**4,225**	**5,338**	**6,628**	**4,225**	**5,338**	**6,628**
	Current Liabilities						
(a)	Financial Liabilities						
	(i) Borrowings	19,871	16,761	18,030	19,871	16,761	18,030
	(ii) Trade Payables	18,260	14,224	11,631	18,283	14,238	11,638
	(iii) Other Financial Liabilities	2,323	2,241	2,383	2,324	2,244	2,388
(b)	Other Current Liabilities	2,376	2,460	1,993	2,381	2,461	1,995
(c)	Current Tax Liabilities (Net)	7	474	-	-	466	-
(d)	Provisions	312	678	1,478	311	677	1,478
	Total Current Liabilities	**43,149**	**36,838**	**35,515**	**43,170**	**36,847**	**35,529**
	Total Equity & Liabilities	**70,874**	**64,764**	**61,756**	**71,302**	**65,095**	**61,997**

DELOITTE HASKINS & SELLS LLP
CHARTERED ACCOUNTANTS

NACL Industries Limited
Hyderabad

Notes :

1 These audited financial results were reviewed and recommended by the Audit Committee and approved by the Board of Directors at their respective meetings held on May 19, 2018. These results are as per Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as modified by Circular No. CIR/CFD/FAC/62/2016 dated July 05, 2016.

2 (a) NACL Industries Limited (formerly Nagarjuna Agrichem Limited) ("the Company"), its subsidiaries and associate adopted Indian Accounting Standards ("Ind AS") from April 01, 2017 with transition date of April 01, 2016. Accordingly, these financial results have been prepared in accordance with the recognition and measurement principles laid down in such Ind AS as prescribed under section 133 of the Companies Act, 2013 read with the Companies (Indian Accounting Standards) Rules, 2015 and as amended by the Companies (Indian Accounting Standards) (Amendments) Rules, 2016.
(b) The published figures for the quarter and year ended March 31, 2017 have been recast to Ind AS to the extent applicable to the Company, its subsidiaries and associate.
(c) A reconciliation between the profits as reported earlier and the Ind AS recasted profits for the quarter and year ended March 31, 2017 is given below:

Reconciliation of Statement of Profit and Loss and Other Comprehensive Income: ₹ in Lakhs

Particulars	Standalone		Consolidated
	Quarter ended March 31, 2017	Year ended March 31, 2017	Year ended March 31, 2017
Profit after tax as reported under previous GAAP	**2,553**	**3,619**	**3,714**
Finance costs on Fair valuation of deferred sales tax liability	(2)	(13)	(13)
Transaction costs relating to borrowings	6	6	6
Provision for bad and doubtful debts	(244)	(731)	(731)
Actuarial (gains) / losses in respect of employee benefit expenses	51	74	74
Deferred Tax adjustments	62	218	218
Others	1	(1)	(2)
Profit after tax as reported under Ind AS	**2,427**	**3,172**	**3,266**
Other Comprehensive Income (net of tax)	(34)	(48)	(48)
Total Comprehensive Income as reported under Ind AS	**2,393**	**3,124**	**3,218**

Reconciliation of Equity ₹ in Lakhs

Particulars	Standalone		Consolidated	
	As at March 31, 2017	As at March 31, 2016	As at March 31, 2017	As at March 31, 2016
Equity under previous GAAP	**20,432**	**16,776**	**20,755**	**17,004**
Revaluation of Land	2,066	2,066	2,066	2,066
Fair valuation of Deferred Sales Tax Liability	15	28	15	28
Borrowings - Transaction Cost adjustment	36	30	36	30
Proposed Dividend (Incl. Dividend Distribution Tax)	-	188	-	188
Deferred Tax	497	254	497	254
Allowance for doubtful debts	(1,520)	(789)	(1,520)	(789)
Diminution in the value of investment	(499)	(499)	(499)	(499)
Others	-	-	(1)	(1)
Equity under Ind AS	**21,027**	**18,054**	**21,349**	**18,281**

3 Pursuant to exercise of stock options by certain employees, the Company allotted 29,250 equity shares of ₹ 1 each at the respective exercise price during the quarter ended March 31, 2018.

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 March 31, 2018 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 year ended March 31, 2018 and March 31, 2017 are not strictly comparable.

5 The Company received proceeds from Insurance claim against fire accident reported in prior years. The net effect of the insurance claim was accounted as an 'Exceptional Item' in the previous year.

6 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.

7 The figures for the quarter ended March are the balancing figures between audited figures in respect of the full financial year and the published year to date figures upto the third quarter of the financial year.

8 The Company's Business is seasonal in nature and the performance can be impacted by weather conditions.

9 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 a Standalone basis. Consequently, the statement above contains the Consolidated results and comparatives only for the Year Ended March 31, 2018.

10 The Board of Directors in their meeting held on May 19, 2018 recommended a final dividend of ₹ 0.125 per Equity Share of ₹ 1 each, subject to shareholders approval in the Annual General Meeting.

11 Comparative figures have been re-grouped wherever necessary, to make them comparable.

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS

Place : Hyderabad
Date : May 19, 2018

V.Vijay Shankar
Managing Director

NACL Industries Limited Hyderabad

NACL Industries Limited

(formerly Nagarjuna Agrichem 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:040-33605123/124,Fax:040-23350234/23358062,E-mail:info@naclind.com,Website:www.naclind.com

CIN:L24219TG1986PLC016607

Extract of the Audited Financial Results for the quarter and year ended 31 March, 2018

₹ in Lakhs

Sl. No.	Particulars	Standalone				Consolidated	
		Quarter ended 31.03.2018 (Audited)	Year ended 31.03.2018 (Audited)	Quarter ended 31.03.2017 (Audited)	Year ended 31.03.2017 (Audited)	Year ended 31.03.2018 (Audited)	Year ended 31.03.2017 (Audited)
1	Total Income from Operations	19,897	88,423	18,572	84,977	88,487	85,038
2	Net Profit / (Loss) for the period (before Tax & Exceptional and/or Extraordinary items)	126	1,458	(74)	503	1,449	494
3	Net Profit / (Loss) for the period before Tax, (after Exceptional and/or Extraordinary items)	126	1,458	2,483	3,060	1,543	3,154
4	Net Profit / (Loss) for the period after Tax, (after Exceptional and/or Extraordinary items)	36	1,072	2,427	3,172	1,157	3,266
5	Total Comprehensive Income for the period (Comprising Profit/(Loss) for the period (after tax) and Other Comprehensive Income (after tax)	63	1,118	2,393	3,124	1,203	3,218
6	Paid-up Equity Share Capital	1,563	1,563	1,561	1,561	1,563	1,561
7	Other Equity		21,937		21,027	22,344	21,349
8	Earnings per Share (of ₹ 1 each)						
a)	Basic	0.02	0.69	1.55	2.03	0.74	2.09
b)	Diluted	0.02	0.68	1.55	2.02	0.74	2.08

Notes:

1. 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 March 31, 2018 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 year ended March 31, 2018 and March 31, 2017 are not strictly comparable.
2. NACL Industries Limited (formerly Nagarjuna Agrichem Limited) ("the Company"), its subsidiaries and associate adopted Indian Accounting Standards ("Ind AS") from April 01, 2017 with transition date of April 01, 2016. Accordingly, these financial results have been prepared in accordance with the recognition and measurement principles laid down in such Ind AS as prescribed under section 133 of the Companies Act, 2013 read with the Companies (Indian Accounting Standards) Rules, 2015 and as amended by the Companies (Indian Accounting Standards) (Amendments) Rules, 2016.
3. The Board of Directors in their meeting held on May 19, 2018 recommended a final dividend of ₹ 0.125 per Equity Share of ₹ 1 each, subject to shareholders approval in the Annual General Meeting.
4. The above is an extract of the detailed format of Standalone and Consolidated Financial Results for the quarter and year ended March 31, 2018 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 year ended March 31, 2018 and Consolidated Financial Results for the year ended March 31, 2018 is available on the website of BSE & NSE Limited and Company's website at www.naclind.com

Place : Hyderabad
Date : May 19, 2018

V.Vijay Shankar
Managing Director

NACL Industries Limited Hyderabad

Deloitte Haskins & Sells LLP

Chartered Accountants
KRB Towers, Plot No.1 to 4 & 4A
1st, 2nd & 3rd Floor
Jubilee Enclave, Madhapur
Hyderabad - 500 081
Telangana, India

Tel: +91 40 7125 3600
Fax: +91 40 7125 3601

**INDEPENDENT AUDITOR'S REPORT
TO THE BOARD OF DIRECTORS OF
NACL INDUSTRIES LIMITED**

1. We have audited the accompanying Statement of Standalone Financial Results of **NACL INDUSTRIES LIMITED** (formerly "Nagarjuna Agrichem Limited") ("the Company"), for the year ended March 31, 2018 ("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.

2. This Statement, which is the responsibility of the Company's Management and approved by the Board of Directors, has been compiled from the related standalone Ind AS financial statements which has been prepared in accordance with the Indian Accounting Standards prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder ('Ind AS') and other accounting principles generally accepted in India. Our responsibility is to express an opinion on the Statement based on our audit of such standalone financial statements.

3. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the Statement is free from material misstatement.

   An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the Statement. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Statement, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the Statement 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. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Management, as well as evaluating the overall presentation of the Statement.

   We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion.

4. In our opinion and to the best of our information and according to the explanations given to us, the Statement:

   (i) is presented in accordance with the requirements 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; and

   (ii) gives a true and fair view in conformity with the aforesaid 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 ended March 31, 2018.

Deloitte Haskins & Sells LLP

5. The Statement includes the results for the Quarter ended March 31, 2018 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.

6. The previously issued comparative financial information of the Company for the quarter and year ended March 31, 2017 included in this Statement has been prepared after adjusting the previously issued financial information prepared in accordance with the Companies (Accounting Standards) Rules, 2006 to comply with Ind AS. The previously issued comparative financial information were audited by the predecessor auditor whose report for the year ended March 31, 2017 dated May 27, 2017 expressed an unmodified opinion on those comparative financial information. Adjustments made to the previously issued comparative financial information to comply with Ind AS have been audited by us.

   Our report is not modified in respect of these matters.

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

Ganesh Balakrishnan
Partner
(Membership No. 201193)

Place: Hyderabad
Date: May 19, 2018

Deloitte Haskins & Sells LLP

Chartered Accountants
KRB Towers, Plot No.1 to 4 & 4A
1st, 2nd & 3rd Floor
Jubilee Enclave, Madhapur
Hyderabad - 500 081
Telangana, India

Tel: +91 40 7125 3600
Fax: +91 40 7125 3601

INDEPENDENT AUDITORS' REPORT
TO THE BOARD OF DIRECTORS OF
NACL INDUSTRIES LIMITED

1. We have audited the accompanying Statement of Consolidated Financial Results of **NACL INDUSTRIES LIMITED** (formerly "Nagarjuna Agrichem Industries") ("the Parent") and its subsidiaries (the Parent and its subsidiaries together referred to as "the Group") and its share of the profit of its associate for the year ended March 31, 2018 ("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 modified by Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016.

2. This Statement, which is the responsibility of the Parent's Management and approved by the Board of Directors, has been compiled from the related consolidated financial statements which has been prepared in accordance with the Indian Accounting Standards prescribed under Section 133 of the Companies Act, 2013, read with relevant rules issued thereunder ("Ind AS") and other accounting principles generally accepted in India. Our responsibility is to express an opinion on the Statement based on our audit of such consolidated financial statements.

3. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the Statement is free from material misstatement.

   An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the Statement. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Statement, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Parent's preparation and fair presentation of the Statement 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 Parent's internal control. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Management, as well as evaluating the overall presentation of the Statement.

   We believe that the audit evidence obtained by us, is sufficient and appropriate to provide a basis for our audit opinion.

Deloitte
Haskins & Sells LLP

4. In our opinion and to the best of our information and according to the explanations given to us, the Statement:

   a. includes the results of the following entities:

      i. Parent:
         a. NACL Industries Limited (formerly Nagarjuna Agrichem Limited)

      ii. Subsidiaries:
         a. Nagarjuna Agrichem (Australia) Pty Limited, Australia
         b. LR Research Laboratories Private Limited, India

      iii. Associate:
         a. Nasense Labs Private Limited (Formerly USP Organics Private Limited), India

   b. is presented in accordance with the requirements 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; and

   c. gives a true and fair view in conformity with the aforesaid Indian Accounting Standards and other accounting principles generally accepted in India of the net profit, Total comprehensive income and other financial information of the Group for the year ended March 31, 2018.

5. The consolidated financial results includes the unaudited financial information of two subsidiaries, whose financial information reflect total assets of ₹ 13 Lakhs as at March 31, 2018, total revenue of ₹ 64 Lakhs, total net loss after tax of ₹ 9 Lakhs and Total Comprehensive Loss of ₹ 9 Lakhs for the year ended March 31, 2018, as considered in the consolidated financial results. The consolidated financial results also includes the Group's share of profit after tax of ₹ 94 Lakhs and total comprehensive income of ₹ 94 Lakhs for the year ended March 31, 2018, as considered in the consolidated financial results, in respect of one associate, whose financial information has not been audited by us. These financial information are unaudited and have been furnished to us by the Management and our opinion 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 information. In our opinion and according to the information and explanations given to us by the Management, these financial information are not material to the Group.

   Our opinion on the Statement is not modified in respect of the above matters with respect to our reliance on the financial information certified by the Management.

6. The Statement includes the results for the Quarter ended March 31, 2018 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.

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7. The comparative financial information of the Group for the quarter and year ended March 31, 2017 which includes its share of profit in its associate included in this Statement, have been prepared after adjusting the previously issued consolidated financial information prepared in accordance with the Companies (Accounting Standards) Rules, 2006 to comply with Ind AS. The previously issued consolidated financial information were audited by the predecessor auditor whose report for the year ended March 31, 2017 dated May 27, 2017 expressed an unmodified opinion on those consolidated financial information. Adjustments made to the previously issued consolidated financial information to comply with Ind AS have been audited by us.

Our report is not qualified in respect of these matters.

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

Ganesh Balakrishnan
Partner
(Membership No. 201193)

Place: Hyderabad
Date: May 19, 2018