



NACL Industries Limited

Ref: NACL/SE/2022-23

July 29, 2022

1) BSE Limited,

Phiroze Jeejeebhoy Towers,
Dalal Street,
Fort, Mumbai,
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: Press Release

**Ref: Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements)
Regulations, 2015- reg.**

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

Kindly take the same on records.

Thanking you

for **NACL Industries Limited**

Satish Kumar Subudhi

Vice President-Legal & Company Secretary

Encl: As above





NACL Industries Limited

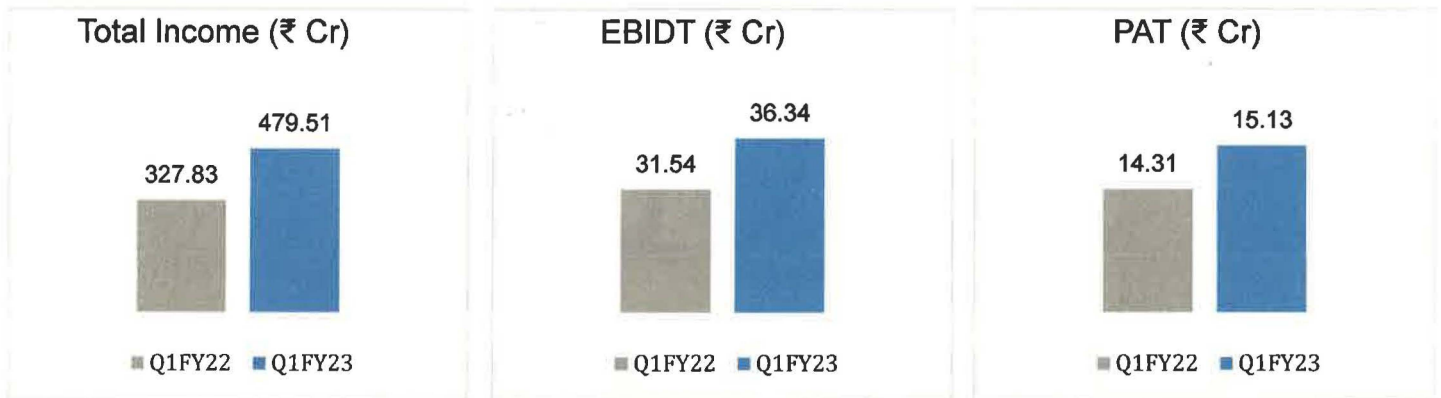
NACL Industries Limited records its highest ever quarterly revenue in Q1 FY2023, as revenue grows by 46% YoY

Hyderabad, July 28, 2022: NACL Industries Ltd. announced its financial results for the first quarter of the financial year 2023.

Key Financial Highlights: Q1FY23

Total income for the Quarter ended June 30, 2022 is ₹ 479.51 Cr, registering a YoY growth of 46%. Earnings before Interest, Depreciation and Tax (EBIDT) and Profit after Tax (PAT) for the quarter stood at ₹ 36.34 Cr and ₹ 15.13 Cr respectively compared to ₹ 31.54 Cr and ₹ 14.31 Cr in the corresponding period of the previous year. The quarter has seen substantial top line growth, while EBIDT and PAT could have been better, but for the steep increase in the cost of raw material, inputs and energy, which could not be fully recovered.

Performance at Glance



Key Updates on Q1 2022-23

- Exports grew significantly in Q1, with more than 100% growth over the previous corresponding quarter. Relentless focus on productivity, quality and meeting delivery schedules, despite global supply chain disruptions, have helped keep the order book healthy. The outlook for FY'23 looks promising, with a good forecast for Active Ingredients (AI) and improved Formulations and Trading business.
- Domestic retail business witnessed a growth of 16% over the corresponding quarter of last year, despite the rainfall deficit and delayed monsoons prevalent across many parts of the country. This was possible through an aggressive placement strategy of our key brands.
- There was an overall growth of 22% over the previous quarter in our domestic Institutional business facilitated by a growth in volume and higher price realization.



- The Srikakulam plant has achieved a 13% increase in production over the corresponding previous quarter. Approvals for capacity expansion are already in place and projects are progressing as planned. They are expected to be commissioned from Q2 onwards.
- R&D Function is working not only on various APIs and Formulations for overseas and Indian Customers, but also on process improvement projects focussed on cost and effluent reduction
- The Greenfield project at Dahej, Gujarat is on the verge of commissioning, and is scheduled to start production soon.
- Mr. Pavan Kumar has been reappointed as the Managing Director & Chief Executive Officer (MD&CEO) of the Company for a further period of three (3) years with effect from June 01, 2022, subject to shareholders approval.
- Mr. Chantati Varada Rajulu has been appointed as an Additional Director as well as Whole-time Director, Designated as Executive Director – Corporate affairs of the Company, for a period of 1 (one) year with effect from June 24, 2022, subject to shareholder approval.

Comments from Mr. Pavan Kumar, MD & CEO

The results of Q1 were driven by a strong performance across all business streams, spearheaded by exports, branded formulations retail and institutional sales. There was a significant improvement in the company's manufacturing operations. The Company faced sizable and unanticipated challenges posed by input and energy availability and costs. Notwithstanding such challenges, NACL remains dedicated to delivering on its commitments to farming and institutional channels and customers.

The company continues to invest in development and manufacturing in the pursuit of growth opportunities. The outlook for Q2 is positive, with demand led growth in all business segments."

About NACL

NACL has been an established player in the Agrochemical industry since 1993. The Company emerged as a reliable manufacturer of high quality Active Ingredients and has built a sizable business in Domestic Retail, Institutional Business and Exports, with many of its customers being large MNCs with longstanding relationships. The Company has also branched out into the formulations business establishing an extensive product range, with over 50 products covering all major crops. The Company's formulation products range across all major categories such as Insecticides, Herbicides, Fungicides and Plant Growth Regulators.

For more information: visit <https://naclind.com/>

Investor Relations Contact:

Prem Sagar Raju Addala
CSR, PR and Corporate communication
NACL Industries Limited
Phone : +91 9121044947
Email : premsagar@naclind.com

Bhavya Shah / Nikunj Jain
Investor Relations
S-Ancial Technologies Pvt. Ltd.
Phone :+91 80827 48577 / +91 97690 60608
Email : bhavya@s-ancial.com,

Cautionary Statement:

Except for historical information, all of the statements, expectations and assumptions, contained in this presentation may be forward-looking statements that involve a number of risks and uncertainties. Although NACL attempts to be accurate in making these forward-looking statements, it is possible that future circumstances might differ from the assumptions on which such statements are based. Other important factors which could cause these statements to differ materially include economic conditions, Government policies, dependence on partnerships, retention of key personnel, technological advances that may make our service offerings less competitive; NACL does not undertake to update any forward-looking statements that may be made from time to time.