



NACL Industries Limited

Ref: NACL/SE/2022-23

October 22, 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 clocks revenue growth of 27% YoY in Q2 FY2023

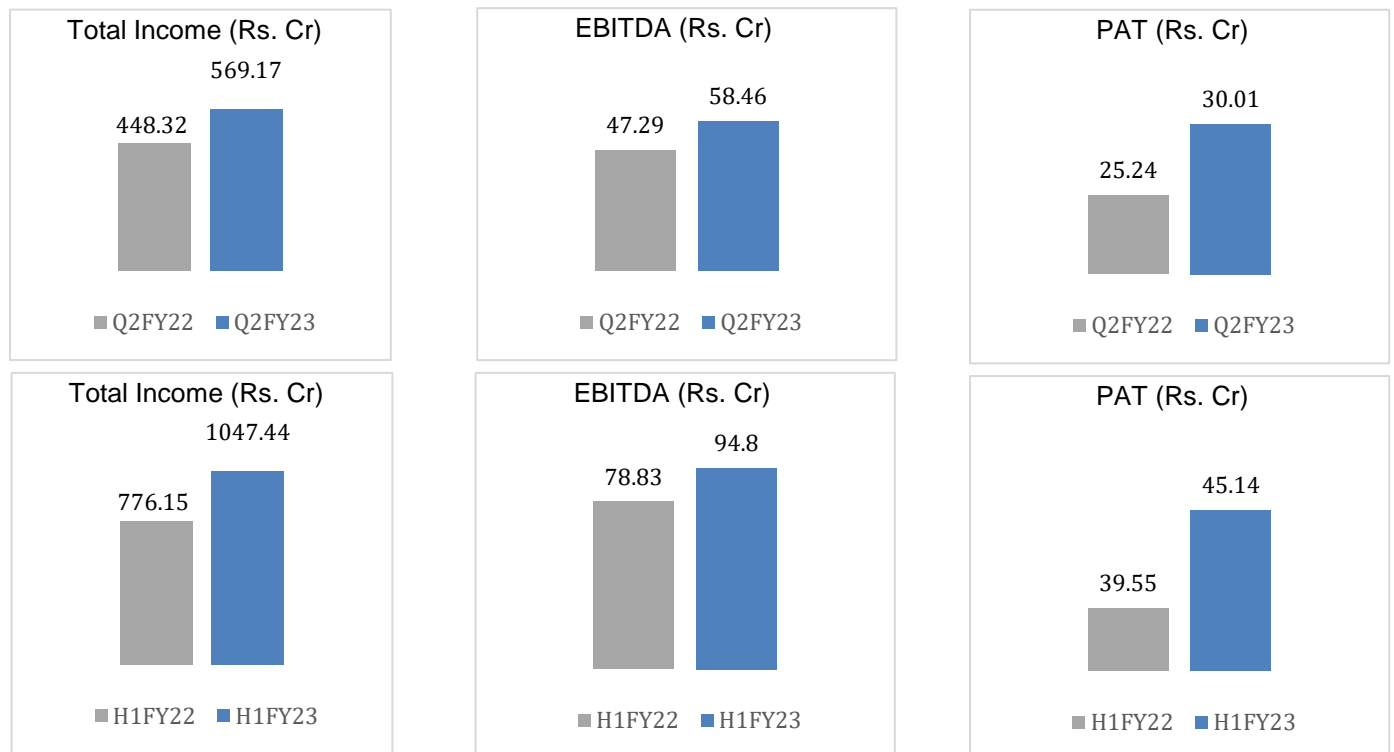
Sustained momentum across all business segments

Hyderabad, Oct 21, 2022: NACL Industries Ltd. announced its financial results for the quarter and half year ended 30 September 2022.

Key Standalone Financial Highlights: Q2 & H1 FY23

- Total income for the Quarter ended September 30, 2022 stood at Rs. 569 Cr, registering a YOY growth of 27%
- EBITDA and PAT for the quarter stood at Rs. 58 Cr and Rs. 30 Cr respectively compared to Rs. 47 Cr and Rs. 25 Cr in the corresponding period of the previous year
- Total income for the half year ended September 30, 2022 stood at Rs. 1,047 Cr, registering a YoY growth of 35%
- EBITDA and PAT for the half year ended September 30, 2022 stood at Rs. 95 Cr and Rs. 45 Cr respectively compared to Rs. 79 Cr and Rs. 40 Cr in the corresponding period of the previous year

Performance at Glance



Key Updates for Q2 FY23

- Exports contributed 40% of the total revenues during the first half of FY 2023. For the quarter and half year ended 30th September 2022, there was an increase of 44% and 73% respectively over the last year same period. America being one of the biggest export market, contributed 34% of export sales. Company is focused on actively working on new product registration and brand building in new geographies.
- The retail business on domestic side performed fairly well and achieved 17% growth YoY despite headwinds. India witnessed an uneven distribution of monsoons resulting in the overall acreage remaining on the lower side, and a reduced demand for agrochemicals. Domestic retail business contributed 37% of total sales.
- Domestic institutional business clocked 26% growth driven by higher price realization and product mix.
- Existing Plant at Srikakulam has achieved 16% increase in production as compared to same period last year. The brownfield capacity expansion is also going as per schedule. The Consent for Establishment (CFE) has already been received and the Consent for Operations (CFO) is expected to be approved soon.
- The R&D team of the Company continues to focus on developing new chemistries along with improving the production process of existing products in order to reduce cost of production of active ingredients (AI) and technical intermediates.
- The Greenfield site at Dahej, Gujarat is currently operational and is expected to start regular production soon.
- CRISIL has assigned a favourable credit rating to the company for long term & short-term bank facilities. For long term - CRISIL A/ Stable and for short term - CRISIL A1
- The Company has declared first Interim Dividend of Rs.0.30/- per equity share (i.e. 30% of Face Value) on equity share of Rs.1/- each fully paid up for the financial year 2022-2023

Comments from Mr. Pavan Kumar, MD & CEO

“Post the strong Q1 results, our Company continued to witness sustained growth momentum in Q2 FY23 driven by higher realizations and moderate volume growth.

Agrochemical companies are facing declining margins due to uneven monsoons across different parts of the country and high input costs. Despite such challenges, our Company benefits from being present across the entire value chain of the agrochemical business, right from manufacturing to distribution. Our close association with customers and retailers enables us to serve their need reliably.

With our Greenfield site at Dahej going operational and the ongoing brownfield capacity expansion plans in Srikakulam we are well poised to take advantage of the favourable tailwinds for the upcoming Rabi season, and the outlook for H2 looks positive.

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/>

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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.