



# NACL Industries Limited

Ref: NACL/SE/2025-26

May 28, 2025

**BSE Limited**

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

**Company Code: 524709**

**National Stock Exchange of India Ltd**

Exchange Plaza, 5<sup>th</sup> Floor,  
Plot No. C/1 G Block, Bandra- Kurla  
Complex, Bandra, Mumbai – 400051

**Symbol: NACLIND**

Dear Sir,

**Sub: Outcome of the Board of Director's Meeting.**

**Ref: Regulations 30 & 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015- reg.**

We wish to inform you that the Board of Directors in its meeting held on today i.e. May 28, 2025 has inter-alia transacted the following business:

- Approved the Audited Standalone and Consolidated Financial Results of the Company for the 4<sup>th</sup> quarter and financial year ended March 31, 2025.
- Approved the Audited Standalone and Consolidated Financial Statements of the Company for the financial year ended March 31, 2025.

Pursuant to Regulation 33(3)(d) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we would like to state that, M/s.BSR and Co., the Statutory Auditors of the Company, have issued Auditors' Reports with an unmodified opinion on the Audited Standalone and Consolidated Financial Statements for financial year ended March 31, 2025. A declaration in this regard is enclosed herewith.

The Audited Standalone & Consolidated Financial Results of the Company for the 4<sup>th</sup> quarter and financial year ended March 31, 2025 along with the Statement of Assets & Liabilities, Cash Flows Statement and Statutory Auditors' Report, issued by M/s. BSR and Co., are enclosed herewith for your records.



The Board meeting commenced at 5.00 p.m. and concluded at 9:00 p.m.

You are requested to take the same on records.

Thanking you,

for **NACL Industries Limited**

Subudhi  
Satish Kumar

Digitally signed by  
Subudhi Satish Kumar  
Date: 2025.05.28  
23:14:13 +05'30'

**Satish Kumar Subudhi**

Vice President-Legal & Company Secretary

Encl: As above



**Standalone and Consolidated Balance Sheet**

(₹ in Lakhs)

Sl. No.	Particulars	Standalone		Consolidated	
		As at	As at	As at	As at
		31.03.2025	31.03.2024	31.03.2025	31.03.2024
		(Audited)	(Audited)	(Audited)	(Audited)
<b>I</b>	<b>ASSETS</b>				
<b>1</b>	<b>Non-current assets</b>				
	(a) Property, plant and equipment	23,080	23,280	39,495	39,850
	(b) Capital work-in-progress	724	786	2,152	2,813
	(c) Right-of-use assets	262	40	3,702	3,532
	(d) Intangible assets	705	476	705	476
	(e) Intangible assets under development	2,116	1,840	2,116	1,840
	(f) Investments accounted for using the equity method			1,549	1,514
	(g) Financial assets				
	(i) Investments	11,437	11,437	1	1
	(ii) Loans	76	-		
	(iii) Other financial assets	538	548	683	693
	(h) Deferred tax assets (net)	3,088	639	3,826	1,007
	(i) Other tax assets (net)	1,163	1,047	1,135	1,065
	(j) Other non-current assets	228	151	355	235
	<b>Total non-current assets</b>	<b>43,417</b>	<b>40,244</b>	<b>55,719</b>	<b>53,026</b>
<b>2</b>	<b>Current assets</b>				
	(a) Inventories	25,492	33,243	26,612	34,732
	(b) Financial assets				
	(i) Trade receivables	35,382	78,092	31,511	76,669
	(ii) Cash and cash equivalents	5,718	3,198	5,731	3,232
	(iii) Bank balances other than (ii) above	203	3,358	204	3,361
	(iv) Loans	2,093	-		
	(v) Other financial assets	774	576	-	13
	(c) Other current assets	3,785	8,188	6,533	10,794
	<b>Total current assets</b>	<b>73,447</b>	<b>1,26,655</b>	<b>70,591</b>	<b>1,28,801</b>
	<b>Total Assets</b>	<b>1,16,864</b>	<b>1,66,899</b>	<b>1,26,310</b>	<b>1,81,827</b>
<b>II</b>	<b>EQUITY AND LIABILITIES</b>				
<b>1</b>	<b>Equity</b>				
	(a) Equity share capital	2,012	1,992	2,012	1,992
	(b) Other equity	44,136	50,655	40,694	49,118
	<b>Total equity</b>	<b>46,148</b>	<b>52,647</b>	<b>42,706</b>	<b>51,110</b>
<b>2</b>	<b>Non-current liabilities</b>				
	(a) Financial liabilities				
	(i) Borrowings	968	4,076	8,462	14,940
	(ii) Lease liabilities	154	-	154	-
	(iii) Other financial liabilities	29	62	-	-
	(b) Provisions	2,230	1,479	2,267	1,499
	<b>Total non-current liabilities</b>	<b>3,381</b>	<b>5,617</b>	<b>10,883</b>	<b>16,439</b>
<b>3</b>	<b>Current Liabilities</b>				
	(a) Financial liabilities				
	(i) Borrowings	26,818	60,711	31,132	63,925
	(ii) Lease liabilities	119	43	119	43
	(iii) Trade payables				
	(a) total outstanding dues of micro enterprises and small enterprises	5,809	4,296	6,233	5,380
	(b) total outstanding dues of creditors other than micro enterprises and small enterprises	22,926	26,641	23,394	27,579
	(iv) Other financial liabilities	6,964	14,339	7,118	14,658
	(b) Other current liabilities	3,890	1,892	3,952	1,977
	(c) Provisions	660	565	664	568
	(d) Current tax liabilities (net)	149	148	109	148
	<b>Total current liabilities</b>	<b>67,335</b>	<b>1,08,635</b>	<b>72,721</b>	<b>1,14,278</b>
	<b>Total equity and liabilities</b>	<b>1,16,864</b>	<b>1,66,899</b>	<b>1,26,310</b>	<b>1,81,827</b>

Note: Refer the accompanying notes to these financial results



Statement of Standalone and Consolidated Financial Results for the quarter and year ended March 31, 2025

(in Lakhs)

Sl. No	Particulars	Standalone				Consolidated				
		Quarter ended		Year ended		Quarter ended		Year ended		
		31.03.2025 (Audited) (Refer note 11)	31.12.2024 (Unaudited)	31.03.2024 (Audited) (Refer note 11)	31.03.2025 (Audited)	31.03.2024 (Audited)	31.03.2025 (Unaudited)	31.03.2024 (Audited) (Refer note 11)	31.03.2025 (Audited)	31.03.2024 (Audited)
1	Revenue from operations	20,324	26,652	45,430	1,25,189	1,78,084	20,145	26,777	45,716	1,23,452
2	Other income	232	191	415	988	990	62	130	355	804
3	<b>Total Income (1+2)</b>	<b>20,556</b>	<b>26,843</b>	<b>45,845</b>	<b>1,26,177</b>	<b>1,79,074</b>	<b>20,205</b>	<b>26,907</b>	<b>46,071</b>	<b>1,24,256</b>
4	<b>Expenses</b>									
	(a) Cost of materials consumed	16,890	15,468	28,504	83,522	1,27,181	16,287	15,020	27,941	78,909
	(b) Purchases of stock-in-trade	12	514	1,695	4,630	10,026	13	512	1,695	4,641
	(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	12	4,269	5,358	7,499	5,064	235	4,767	5,267	7,679
	(d) Employee benefits expense	3,771	3,889	3,003	13,993	12,596	3,989	4,088	3,210	14,792
	(e) Finance costs	942	1,172	1,421	4,948	6,010	1,395	1,529	1,893	6,495
	(f) Depreciation and amortisation expense	542	467	472	1,930	1,855	804	713	700	2,905
	(g) Other expenses	6,810	4,754	6,140	22,655	22,655	7,005	5,002	6,517	23,718
5	<b>Total Expenses</b>	<b>28,979</b>	<b>30,533</b>	<b>46,583</b>	<b>1,38,753</b>	<b>1,85,287</b>	<b>29,728</b>	<b>31,631</b>	<b>47,223</b>	<b>1,39,139</b>
6	<b>Loss before share of profit of associate (3-4)</b>	<b>(8,423)</b>	<b>(3,690)</b>	<b>(7,743)</b>	<b>(12,576)</b>	<b>(6,213)</b>	<b>(9,523)</b>	<b>(4,724)</b>	<b>(1,152)</b>	<b>(14,883)</b>
7	Exceptional income (refer note 9)	2,926	-	-	2,926	-	2,926	-	2,926	-
8	<b>Loss after exceptional income before share of profit of associate (5-6)</b>	<b>(5,497)</b>	<b>(3,690)</b>	<b>(7,743)</b>	<b>(9,650)</b>	<b>(6,213)</b>	<b>(6,597)</b>	<b>(4,724)</b>	<b>(1,152)</b>	<b>(11,957)</b>
9	Share of profit from associate, net of tax	-	-	-	-	-	27	52	35	33
10	<b>Loss before tax (7-8)</b>	<b>(5,497)</b>	<b>(3,690)</b>	<b>(7,743)</b>	<b>(9,650)</b>	<b>(6,213)</b>	<b>(6,570)</b>	<b>(4,672)</b>	<b>(1,117)</b>	<b>(11,924)</b>
	Income tax expense (benefit)	-	-	-	-	-	1	-	-	1
	(a) Current tax	-	-	-	-	-	-	-	-	-
	(b) Deferred tax	-	-	-	-	-	-	-	-	-
11	<b>Total tax expense / (benefit)</b>	<b>(1,386)</b>	<b>(876)</b>	<b>(177)</b>	<b>(2,342)</b>	<b>(1,517)</b>	<b>(1,571)</b>	<b>(1,049)</b>	<b>(216)</b>	<b>(2,712)</b>
12	<b>Loss for the period / year (9-10)</b>	<b>(4,111)</b>	<b>(2,814)</b>	<b>(571)</b>	<b>(7,308)</b>	<b>(4,696)</b>	<b>(5,000)</b>	<b>(3,623)</b>	<b>(901)</b>	<b>(9,213)</b>
	<b>Other Comprehensive loss</b>									
	Items that will not be reclassified subsequently to statement of profit or loss									
	Re-measurement of the defined benefit obligation	(366)	(9)	(82)	(405)	(139)	(368)	(9)	(82)	(405)
	Income tax expense on the above	92	2	21	102	35	92	2	21	102
	Items that will be reclassified subsequently to statement of profit or loss									
	Effective portion of gain/ (loss) on designated portion of hedging instrument in a cash flow hedge	-	-	(2)	(21)	(9)	-	-	(2)	(21)
	Income tax expense on the above	-	-	-	5	2	-	-	-	5
13	<b>Total Other Comprehensive loss, net of tax</b>	<b>(274)</b>	<b>(7)</b>	<b>(63)</b>	<b>(319)</b>	<b>(111)</b>	<b>(276)</b>	<b>(7)</b>	<b>(63)</b>	<b>(319)</b>
14	<b>Total Comprehensive loss (11+12)</b>	<b>(4,385)</b>	<b>(2,821)</b>	<b>(634)</b>	<b>(7,627)</b>	<b>(4,807)</b>	<b>(5,276)</b>	<b>(3,630)</b>	<b>(964)</b>	<b>(9,532)</b>
15	Dividend income (Face value of ₹ 1 per equity share)	2,012	1,994	1,992	2,012	1,992	2,012	1,994	1,992	2,012
16	<b>Other Equity</b>									
	Earnings Per Share (for the quarter, not annualised)									
	(a) Basic (in ₹)	(2.06)	(1.41)	(0.29)	(3.66)	(2.36)	(2.51)	(1.82)	(0.45)	(4.62)
	(b) Diluted (in ₹)	(2.06)	(1.41)	(0.29)	(3.66)	(2.36)	(2.50)	(1.82)	(0.45)	(4.62)

Refer to the accompanying notes to these financial results



Standalone and Consolidated statement of Cash Flows

(₹ in lakhs)

Particulars	Standalone		Consolidated	
	For the year ended March 31, 2025 (Audited)	For the year ended March 31, 2024 (Audited)	For the year ended March 31, 2025 (Audited)	For the year ended March 31, 2024 (Audited)
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>				
Loss before tax	(9,650)	(6,213)	(11,924)	(7,630)
<b>Adjustments for:</b>				
Depreciation and amortisation expense	1,930	1,835	2,905	2,724
Finance costs	4,948	6,010	6,495	7,572
Interest income under the effective interest method	(304)	(280)	(295)	(295)
Exceptional income	(2,926)	-	(2,926)	-
Share of profit from associate, net off tax	-	-	(33)	(108)
Excess provisions no longer required, written back (net)	-	(15)	-	(15)
Loss allowances on trade receivables	4,266	1,904	4,266	1,904
Net loss on disposal of property, plant and equipment	62	6	62	6
Intangible assets under development written off	298	145	298	145
Share-based payments	42	118	42	118
Unwinding of Guarantee commission	(45)	(54)	-	-
Unrealised forex (gain) / loss	(43)	(118)	(43)	(118)
<b>Operating profit before working capital changes</b>	<b>(1,422)</b>	<b>3,338</b>	<b>(1,153)</b>	<b>4,303</b>
<b>Working capital adjustments</b>				
Decrease in Inventories	7,751	15,175	8,120	14,369
Decrease/ (Increase) in Trade receivables	38,456	(2,762)	40,904	(1,242)
(Increase)/ Decrease in Other financial assets	(190)	(305)	21	(14)
Decrease in in Other assets	4,341	(3,171)	4,199	(3,257)
Increase in Trade payables	(2,180)	(15,957)	(3,310)	(15,496)
Increase in Provisions	441	193	459	207
(Decrease)/ Increase in Other financial liabilities	(4,215)	7,666	(4,207)	7,666
Increase in Other liabilities	1,998	172	1,975	239
<b>Cash generated from operations</b>	<b>44,980</b>	<b>4,349</b>	<b>47,008</b>	<b>6,775</b>
Income taxes paid (net)	(113)	(1,724)	(110)	(1,735)
<b>Net cash flow generated from operating activities (A)</b>	<b>44,867</b>	<b>2,625</b>	<b>46,898</b>	<b>5,040</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>				
Acquisition of property, plant and equipment, intangible assets, capital work-in-progress and intangible assets under development	(2,659)	(3,158)	(3,335)	(3,901)
Proceeds from sale of property, plant and equipment	1	2	282	2
Investment in subsidiaries	-	(785)	-	-
Loans give to subsidiaries	(2,147)	-	-	-
Movement in other deposits and margin money (net)	3,155	(157)	3,157	(160)
Interest income received	275	280	286	293
<b>Net cash used in investing activities (B)</b>	<b>(1,375)</b>	<b>(3,818)</b>	<b>390</b>	<b>(3,766)</b>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>				
Proceeds from exercise of employee stock options	86	92	86	92
Proceeds from preferential allotment	1,000	-	1,000	-
Proceeds from non-current borrowings	-	1,940	-	1,940
Repayment of non-current borrowings	(5,420)	(5,261)	(6,770)	(6,185)
(Repayment of)/ net proceeds from current borrowings (net)	(31,428)	10,476	(32,346)	11,063
Payment of principal portion on lease liabilities	(133)	(271)	(133)	(956)
Interest on lease liabilities paid	(27)	(20)	(27)	(20)
Dividend paid	-	(497)	-	(497)
Finance costs paid	(5,054)	(6,054)	(6,603)	(7,620)
<b>Net cash flow (used in) / generated from financing activities (C)</b>	<b>(40,976)</b>	<b>405</b>	<b>(44,793)</b>	<b>(2,183)</b>
<b>Net (decrease) / increase in cash and cash equivalents (D) = (A+B+C)</b>	<b>2,516</b>	<b>(788)</b>	<b>2,495</b>	<b>(909)</b>
<b>Cash and cash equivalents at the beginning of the year (E)</b>	<b>3,198</b>	<b>3,993</b>	<b>3,232</b>	<b>4,148</b>
<b>Effect of movements in exchange rates on cash and cash equivalents (F)</b>	<b>4</b>	<b>(7)</b>	<b>4</b>	<b>(7)</b>
<b>Cash and cash equivalents at the end of the year (G) = (D)+(E)+(F)</b>	<b>5,718</b>	<b>3,198</b>	<b>5,731</b>	<b>3,232</b>

Note: Refer the accompanying notes to these financial results



**Notes :**

- 1 The above audited Standalone and Consolidated Financial results were reviewed and recommended by the Audit Committee in their meeting held on May 28, 2025 and approved by the Board of Directors in their meeting held on May 28, 2025. The Statutory Auditors have issued a unqualified opinion on financial results for the quarter and year ended March 31, 2025.
  - 2 The Standalone and Consolidated Financial results of the Company have been prepared in accordance with the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Companies Act, 2013 ("the Act") read with relevant rules issued thereunder, other accounting principles generally accepted in India and guidelines issued by the Securities and Exchange Board of India ("SEBI").
  - 3 The Company/ Group 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.
  - 4 The Company/ Group carried trade receivables aggregating to INR 7,796 lakhs as at 31 March 2024 (netted off with subsequent collections up to the date of the auditor's report for the year ended 31 March 2024), for which the auditors of the Parent Company had received unreliable responses to their independent balance confirmation requests, for audit of the financial results of the Company/ Group for the year ended 31 March 2024, from some of these customers.
- Subsequently, the management has instituted an independent investigation into the matter and has also undertaken steps including but not limited to conducting internal investigation, terminating the parent company's employee allegedly involved in the matter and carrying out balance confirmation and reconciliation procedures with the customers. The management has assessed the resultant impact on the standalone and consolidated financial results of the Group/ Company and has provided for a cumulative amount of ₹ 1,978 lakhs (including the ₹ 1,880 lakhs charged during the previous year), to fully cover the net exposure.
- 5 The Company's/ Group's business is seasonal in nature and the performance can be impacted by weather conditions.
  - 6 The Consolidated Financial Results include the results of the following:
    - i) Parent:
      - a) NAACL Industries Limited, India
      - ii) Wholly Owned Subsidiaries:
        - a) LR Research Laboratories Private Limited, India
        - b) Nagarjuna Agrichem (Australia) Pty Limited, Australia
        - c) NAACL Spec-Chem Limited, India
        - d) NAACL Mulrichem Private Limited, India
        - e) NAACL Industries (Nigeria) Limited, Nigeria
        - f) NAACL Agri-Solutions Private Limited
      - iii) Associate:
        - a) Nansense Labs Private Limited, India
  - 7 During the quarter ended March 31, 2025, 39,834 number of employee stock options were exercised and allotted.
  - 8 During the quarter ended March 31, 2025, 17,24,137 equity shares ₹ 1 each at a premium of ₹ 57 per equity share aggregating to ₹ 1,000 lakhs were allotted to EQ India Fund under a preferential issue.
  - 9 The Hon'ble High Court of Delhi, vide its order dated February 13, 2025, has ruled in favour of the Company by dismissing the appeal filed by M/s. The Oriental Insurance Company Limited ("the Insurance Company") against the Arbitration Award related to the Company's insurance claim. Pursuant to this favourable ruling, the Company has recognized the award amount of ₹ 2,926 lakhs (the amount was received in earlier years) as an Exceptional Income during the quarter and year ended 31 March 2025.
  - 10 On March 12, 2025, the Promoter Group and certain other shareholders of the Company/ Group entered into Share Purchase Agreements ("Agreements") with Coromandel International Limited (the "Acquirer"), pursuant to which the Acquirer will acquire 52.98% of the shareholding in the Company/ Group, subject to the terms and conditions outlined in the Agreements. The parties are currently in the process of obtaining the necessary regulatory approvals to consummate the transaction.
  - 11 As of the date of approval of these audited standalone and consolidated financial results by the Board of Directors, the Promoter Group continues to be the existing shareholder of the Company/ Group. The figures for the current quarter and quarter ended March 31, 2025 are the balancing figures between the audited figures in respect of the full financial year ended March 31, 2024 and March 31, 2024 respectively and published year to date figures up to third quarter ended December 31, 2024 and December 31, 2023 respectively.

Place : Hyderabad  
Date : May 28, 2025



**G V Bhadraram**  
Whole Time Director

## Independent Auditor's Report

### To the Board of Directors of NACL Industries Limited

### Report on the audit of the Standalone Annual Financial Results

#### Opinion

We have audited the accompanying standalone annual financial results of NACL Industries Limited (hereinafter referred to as the "Company") for the year ended 31 March 2025, attached herewith, being submitted by the Company pursuant to the requirement of Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("Listing Regulations").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone annual financial results:

- a. are presented in accordance with the requirements of Regulation 33 of the Listing Regulations in this regard; and
- b. give a true and fair view in conformity with the recognition and measurement principles laid down in the applicable Indian Accounting Standards, and other accounting principles generally accepted in India, of the net loss and other comprehensive loss and other financial information for the year ended 31 March 2025.

#### Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing ("SAs") specified under section 143(10) of the Companies Act, 2013 ("the Act"). Our responsibilities under those SAs are further described in the *Auditor's Responsibilities for the Audit of the Standalone Annual Financial Results* section of our report. We are independent of the Company, in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act, and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence obtained by us, is sufficient and appropriate to provide a basis for our opinion on the standalone annual financial results.

#### Emphasis of Matter

We draw attention to note 4 to the standalone financial results for the year ended 31 March 2025. The Company carried trade receivables aggregating to INR 7,796 lakhs as at 31 March 2024 (netted off with subsequent collections up to the date of the auditor's report for the year ended 31 March 2024), for which we had received unreliable responses to our independent balance confirmation requests, for the audit of the financial statements for the year ended 31 March 2024, from some of these customers.

Note 4 to standalone financial results, also describes the details of subsequent actions taken by the management. The management has estimated the resultant net exposure as INR 1,978 lakhs. This exposure is fully provided for in the Company's books of account as of 31 March 2025.

Our opinion is not modified in respect of this matter.

**Independent Auditor's Report (Continued)**

**NACL Industries Limited**

**Management's and Board of Directors' Responsibilities for the Standalone Annual Financial Results**

These standalone annual financial results have been prepared on the basis of the standalone annual financial statements.

The Company's Management and the Board of Directors are responsible for the preparation and presentation of these standalone annual financial results that give a true and fair view of the net profit/loss and other comprehensive income and other financial information in accordance with the recognition and measurement principles laid down in Indian Accounting Standards prescribed under Section 133 of the Act and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone annual financial results that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone annual financial results, the Management and the Board of Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are responsible for overseeing the Company's financial reporting process.

**Auditor's Responsibilities for the Audit of the Standalone Annual Financial Results**

Our objectives are to obtain reasonable assurance about whether the standalone annual financial results as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone annual financial results.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the standalone annual financial results, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3) (i) of the Act, we are also responsible for expressing our opinion through a separate report on the complete set of financial statements on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures in the standalone annual financial results made by the Management and Board of Directors.
- Conclude on the appropriateness of the Management's and Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the appropriateness of this assumption. If we conclude that a material uncertainty exists, we are required

**Independent Auditor's Report (Continued)**

**NACL Industries Limited**

to draw attention in our auditor's report to the related disclosures in the standalone annual financial results or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the standalone annual financial results, including the disclosures, and whether the standalone annual financial results represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

**Other Matter**

- a. The standalone annual financial results include the results for the quarter ended 31 March 2025 being the balancing figure between the audited figures in respect of the full financial year and the published unaudited year to date figures up to the third quarter of the current financial year which were subject to limited review by us.

For **B S R and Co**

*Chartered Accountants*

Firm's Registration No.:128510W



**Baby Paul**

*Partner*

Hyderabad

28 May 2025

Membership No.: 218255

UDIN:25218255BMINGU5095

## Independent Auditor's Report

### To the Board of Directors of NACL Industries Limited

### Report on the audit of the Consolidated Annual Financial Results

#### Opinion

We have audited the accompanying consolidated annual financial results of NACL Industries Limited (hereinafter referred to as the "Holding Company") and its subsidiaries (Holding Company and its subsidiaries together referred to as "the Group"), its associate for the year ended 31 March 2025, attached herewith, being submitted by the Holding Company pursuant to the requirement of Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("Listing Regulations").

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of reports of other auditors on separate audited financial statements of the subsidiaries, the aforesaid consolidated annual financial results:

- a. include the annual financial results of the following entities

S.No.	Name of the component	Country	Relationship
1	NACL Spec-Chem Limited	India	Subsidiary
2	NACL Multichem Private Limited	India	Subsidiary
3	LR Research Laboratories Private Limited	India	Subsidiary
4	Nagarjuna Agrichem (Australia) Pty Limited	Australia	Subsidiary
5	NACL Industries (Nigeria) Limited	Nigeria	Subsidiary
6	NACL Agri-Solutions Private Limited	India	Subsidiary
7	Nasense Labs Private Limited	India	Associate

- b. are presented in accordance with the requirements of Regulation 33 of the Listing Regulations in this regard; and
- c. give a true and fair view in conformity with the recognition and measurement principles laid down in the applicable Indian Accounting Standards, and other accounting principles generally accepted in India, of consolidated net loss and other comprehensive loss and other financial information of the Group for the year ended 31 March 2025.

**Independent Auditor's Report (Continued)**

**NACL Industries Limited**

**Basis for Opinion**

We conducted our audit in accordance with the Standards on Auditing ("SAs") specified under section 143(10) of the Companies Act, 2013 ("the Act"). Our responsibilities under those SAs are further described in the *Auditor's Responsibilities for the Audit of the Consolidated Annual Financial Results* section of our report. We are independent of the Group and its associate in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act, and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence obtained by us along with the consideration of reports of the other auditors referred to in sub paragraph no. a of the "Other Matters" paragraph below, is sufficient and appropriate to provide a basis for our opinion on the consolidated annual financial results.

**Emphasis of Matter**

We draw attention to note 4 to the consolidated financial results for the year ended 31 March 2025. The Group carried trade receivables aggregating to INR 7,796 lakhs as at 31 March 2024 (netted off with subsequent collections up to the date of the auditor's report for the year ended 31 March 2024), for which we had received unreliable responses to our independent balance confirmation requests, for the audit of the financial statements for the year ended 31 March 2024, from some of these customers.

Note 4 to the consolidated financial results, also describes the details of subsequent actions taken by the management. The management has estimated the resultant net exposure as INR 1,978 lakhs. This exposure is fully provided for in the Group's books of account as of 31 March 2025.

Our opinion is not modified in respect of this matter.

**Management's and Board of Directors' Responsibilities for the Consolidated Annual Financial Results**

These consolidated annual financial results have been prepared on the basis of the consolidated annual financial statements.

The Holding Company's Management and the Board of Directors are responsible for the preparation and presentation of these consolidated annual financial results that give a true and fair view of the consolidated net profit/ loss and other comprehensive income and other financial information of the Group including its associate in accordance with the recognition and measurement principles laid down in Indian Accounting Standards prescribed under Section 133 of the Act read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. The respective Management and Board of Directors of the companies included in the Group and of its associate are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of each company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated annual financial results that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated annual financial results by the Management and the Board of Directors of the Holding Company, as aforesaid.

In preparing the consolidated annual financial results, the respective Management and the Board of Directors of the companies included in the Group and of its associate are responsible for assessing the ability of each company to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Board of Directors either intends to liquidate the company or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group and of its associate is responsible for overseeing the financial reporting process of each company.

**Independent Auditor's Report (Continued)**

**NACL Industries Limited**

**Auditor's Responsibilities for the Audit of the Consolidated Annual Financial Results**

Our objectives are to obtain reasonable assurance about whether the consolidated annual financial results as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated annual financial results.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated annual financial results, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3) (i) of the Act, we are also responsible for expressing our opinion through a separate report on the complete set of financial statements on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures in the consolidated annual financial results made by the Management and Board of Directors.
- Conclude on the appropriateness of the Management's and Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the appropriateness of this assumption. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated annual financial results or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and its associate to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated annual financial results, including the disclosures, and whether the consolidated annual financial results represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial statements of the entities within the Group and its associate to express an opinion on the consolidated annual financial results. We are responsible for the direction, supervision and performance of the audit of financial statements of such entities included in the consolidated annual financial results of which we are the independent auditors. For the other entities included in the consolidated annual financial results, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion. Our responsibilities in this regard are further described in sub paragraph no. a of the "Other Matters" paragraph in this audit report.

We communicate with those charged with governance of the Holding Company, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

**Independent Auditor's Report (Continued)**

**NACL Industries Limited**

We also performed procedures in accordance with the circular No CIR/CFD/CMD1/44/2019 issued by the Securities and Exchange Board of India under Regulation 33(8) of the Listing Regulations, to the extent applicable.

**Other Matters**

- a. The consolidated annual financial results include the audited financial results of 3 subsidiaries, whose financial statements reflect total assets (before consolidation adjustments) of INR 26,443 lakhs as at 31 March 2025, total revenue (before consolidation adjustments) of INR 9,724 lakhs and total net loss after tax (before consolidation adjustments) of INR 1,895 lakhs and net cash outflows (before consolidation adjustments) of INR 19 lakhs for the year ended on that date, as considered in the consolidated annual financial results, which have been audited by their respective independent auditors. The independent auditor's reports on financial statements of these entities have been furnished to us by the management.

Our opinion on the consolidated annual financial results, in so far as it relates to the amounts and disclosures included in respect of these entities, is based solely on the reports of such auditors and the procedures performed by us are as stated in paragraph above.

Our opinion on the consolidated annual financial results is not modified in respect of the above matter with respect to our reliance on the work done and the reports of the other auditors.

- b. The consolidated annual financial results include the unaudited financial results of three subsidiaries, whose financial statements reflect total assets (before consolidation adjustments) of INR 27 lakhs as at 31 March 2025, total revenue (before consolidation adjustments) of INR 12 lakhs, total net loss after tax (before consolidation adjustments) of INR Nil and net cash outflows (before consolidation adjustments) of INR 1 lakh for the year ended on that date, as considered in the consolidated annual financial results. These unaudited financial statements have been furnished to us by the Board of Directors. The consolidated annual financial results also include the Group's share of total net profit after tax of Rs. 33 lakhs for the year ended 31 March 2025, as considered in the consolidated annual financial results, in respect of an associate. These unaudited financial statements have been furnished to us by the Board of Directors..

Our opinion on the consolidated annual financial results, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, is based solely on such financial statements. In our opinion and according to the information and explanations given to us by the Board of Directors, these financial statements are not material to the Group.

Our opinion on the consolidated annual financial results is not modified in respect of the above matter with respect to the financial statements certified by the Board of Directors.

- c. The consolidated annual financial results include the results for the quarter ended 31 March 2025 being the balancing figure between the audited figures in respect of the full financial year and the published unaudited year to date figures up to the third quarter of the current financial year which

B S R and Co

**Independent Auditor's Report (Continued)**  
**NACL Industries Limited**

were subject to limited review by us.

For **B S R and Co**  
*Chartered Accountants*  
Firm's Registration No.:128510W



**Baby Paul**  
*Partner*

Hyderabad  
28 May 2025

Membership No.: 218255  
UDIN:25218255BMINGV3311