

Ref: NACL/SE/2020-21

20th March, 2021

1) BSE Limited

Phiroze Jeejeebhoy Towers
Dalal Street,
Fort, Mumbai,
Mumbai – 400001
Stock 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.
Symbol: NACLIND

Dear Sir,

Sub: Investor Presentation — reg.

Pursuant to Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we are enclosing the investor presentation for the third quarter and nine months ended 31st December, 2020.

Kindly take the same into records.

Thanking you,

for **NACL Industries Limited**



Satish Kumar Subudhi

Company Secretary & Head-Legal

Factory-Technical :

Plot # 177, Arinama Akkivalasa Village, Allinagaram
Post, Etcherla Mandal, Srikakulam - 532403, A.P.
Phone : +91-08942-231172, 256400 / 401
Fax : +91-08942-231171

Factory-Formulation :

Unit - I, Unit - II
Ethakota-533238, Ravulapalem Mandal
East Godavari Dist., A.P.
Phone : +91-08855-254600 / 617

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

Investor Presentation | Q3 FY 2021

Forward Looking Statement

This presentation contains forward-looking statements, including, but not limited to, the statements and expectations contained in this presentation. Statements herein, other than statements of historical fact, regarding future events or prospects, are forward-looking statements. The words “may”, “will”, “should”, “expect”, “anticipate”, “believe”, “estimate”, “plan”, “predict”, “intend” or variations of these words, as well as other statements regarding matters that are not historical fact or regarding future events or prospects, constitute forward-looking statements.

NACL Industries Limited has based these forward-looking statements on its current views with respect to future events and financial performance. These views involve a number of risks and uncertainties, which could cause actual results to differ materially from those predicted in the forward-looking statements and from the past performance of NACL. Although NACL believes that the estimates and projections reflected in the forward-looking statements are reasonable, they may prove materially incorrect, and actual results may materially differ, e.g. as the result of risks related to the Agriculture sector and Agriculture input industry in general or NACL in particular.

As a result, you should not rely on these forward-looking statements. NACL undertakes no obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, except to the extent required by law.

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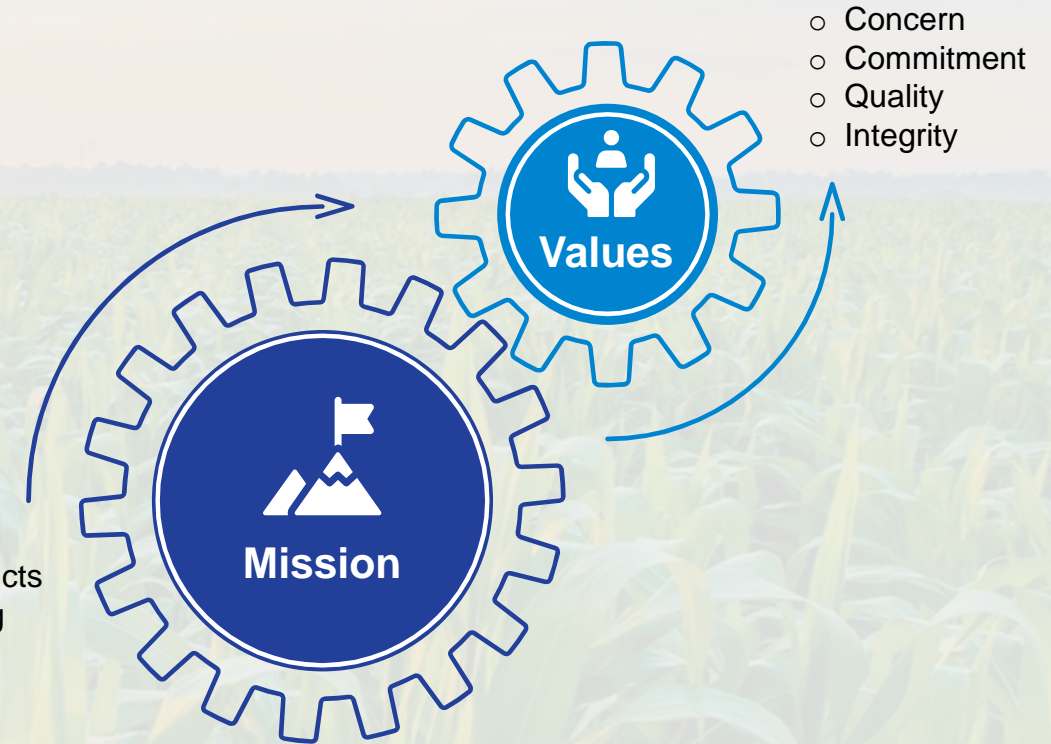
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CORPORATE IDENTITY

NACL is an established agrochemical Company in India, founded in 1993. The Company started as an Active Ingredient manufacturer and has built a sizable business in Domestic Retail, B2B and Exports, with many of the customers being large MNCs with long-standing relationships. The Company has also emerged as a strong player in the formulations business with over 50 products covering all major crops. In formulations, the Company manufactures products in all major categories such as Insecticides, Herbicides, Fungicides, Plant Growth Regulators and Nematicides.

- To be a trusted name in providing high quality products and solutions to the farming community
- To be a trusted contract manufacturing supplier
- To be a model company and meet the expectations of all its stakeholders



QUICK FACTS



GEOGRAPHICAL REACH



- 30**
Countries
- 12,500**
Retailers
- ~32**
Revenue from International (%)
- 03**
Manufacturing Plants

Branded Products Portfolio of NACL Includes Insecticides, Herbicides, Fungicides and Plant Growth Regulators.

Technical

Insecticides

Profenofos
Lambda-Cyhalothrin

Fungicides

Myclobutanil
Propiconazole
Tricyclazole

Herbicides

Pretilachlor
BispyribacSodium
Metribuzin
Clodinafop-Propargyl

Formulations

Insecticides

Profex
Profex Super
Fury
Nagarjuna 4G
Dxtar
Conserve
Cannon
Trust
Fenny
Nagarjuna Mida
Warrior
Warrior Plus

Fungicides

Nagarjuna Index
Sivic
Slogan
Nagarjuna Signet
Zen
Zeb
Nagarjuna Result
CombiPlus
MassPlus
Font

Herbicides

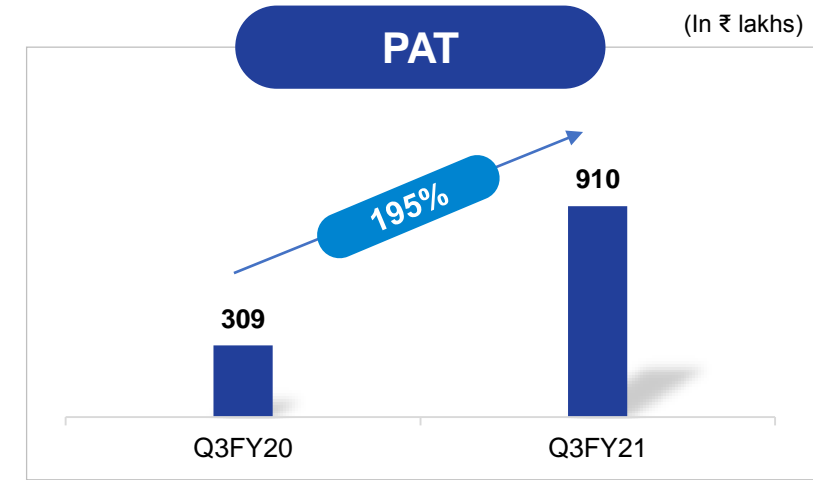
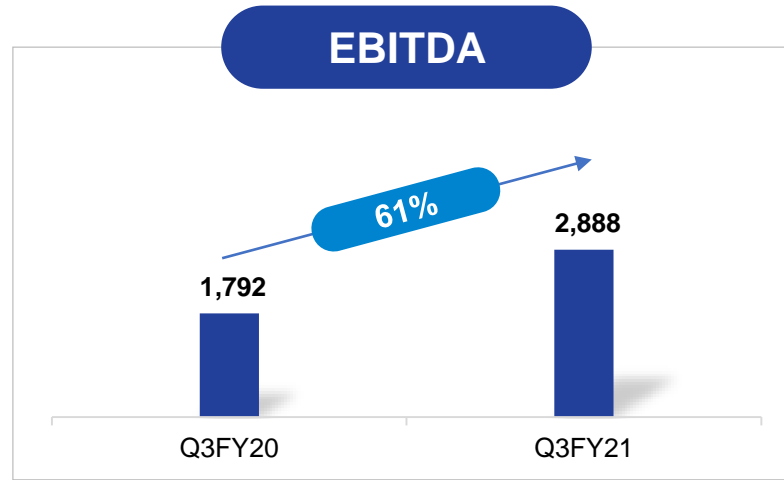
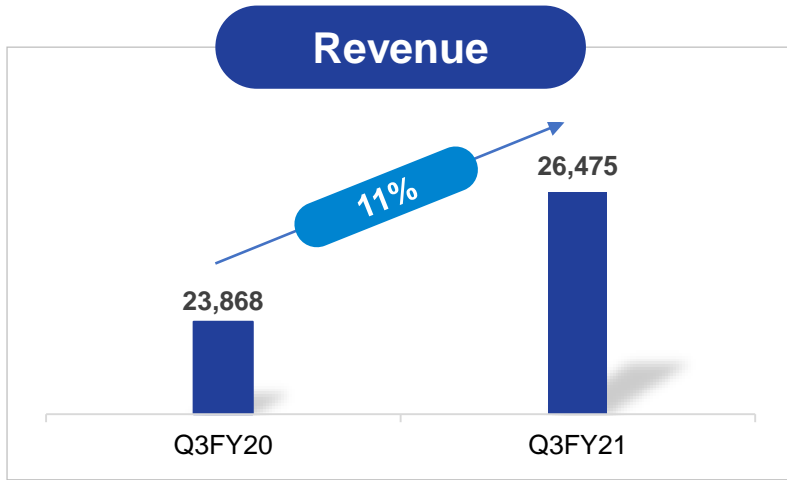
Eraze
Sirius
Eraze Strong
Nagarjuna Point
IMAX
Nagastra
Surya

Plant Growth Regulators & Nematicides

Atonik
Nagarjuna Alpha
Nagarjuna Nipit



RESULTS SUMMARY



Revenue Breakup

(₹ in lakhs)

Insecticides



Herbicides



Fungicides



Plant Growth Regulators & Nematicides



Q3FY21

9,127

5,715

10,056

945

Q3FY20

10,503

4,328

7,447

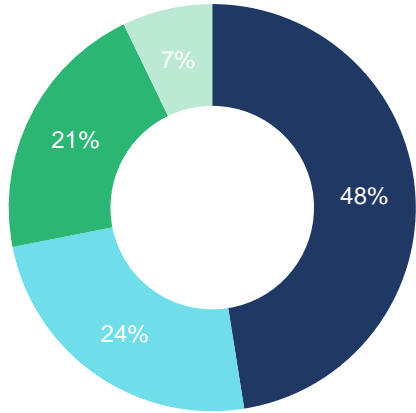
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REVENUE SPLIT – Q3FY21

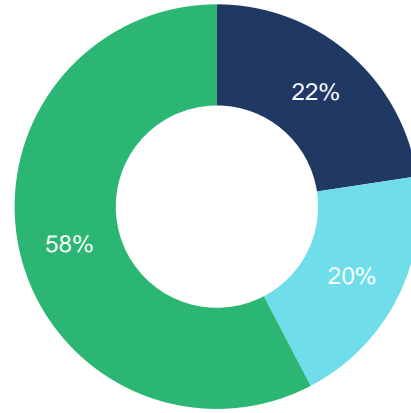
Q3FY21

Product Category-wise (%)

Formulation

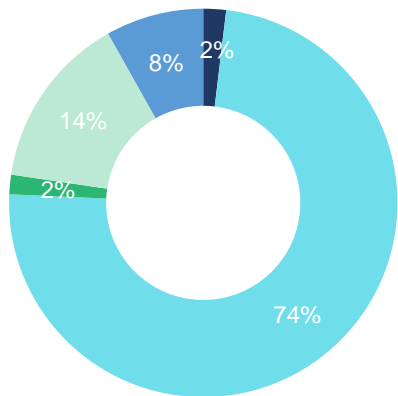


Technical



■ Insecticides ■ Herbicides ■ Fungicides ■ Plant Growth Regulators & Nematicides

Geographical Revenue Split (%)

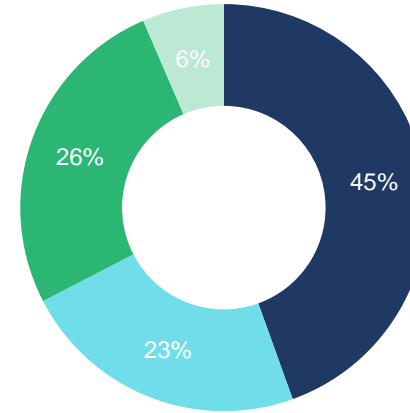


■ Africa
■ Asia
■ Australia
■ Europe
■ America's

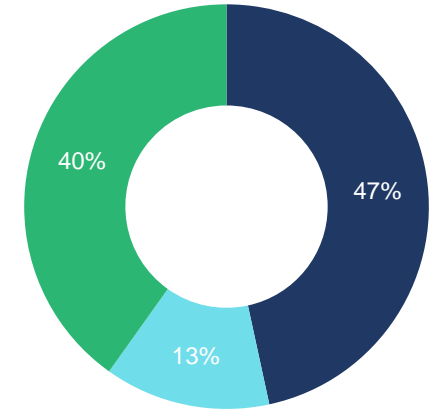
Q3FY20

Product Category-wise (%)

Formulation

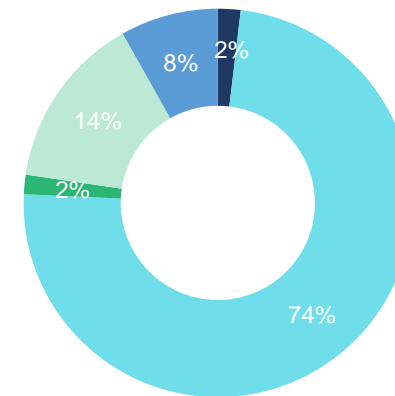


Technical



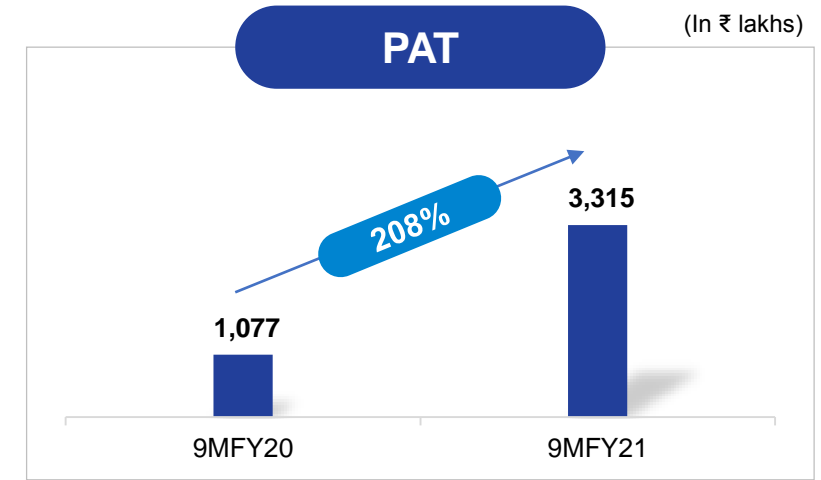
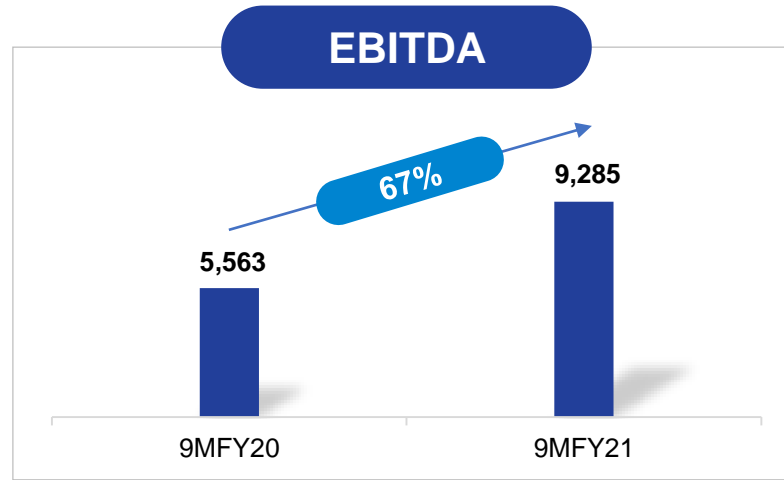
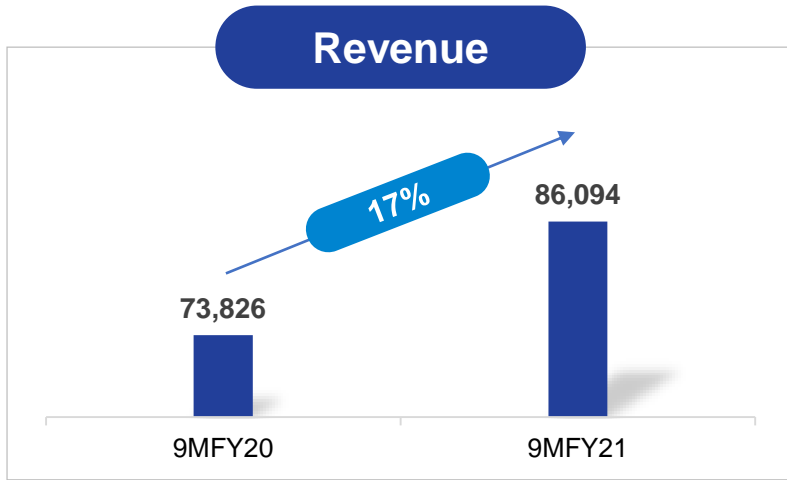
■ Insecticides ■ Herbicides ■ Fungicides ■ Plant Growth Regulators & Nematicides

Geographical Revenue Split (%)



■ Africa
■ Asia
■ Australia
■ Europe
■ America's

RESULT SUMMARY – 9MFY21



Revenue Breakup

(₹ in lakhs)

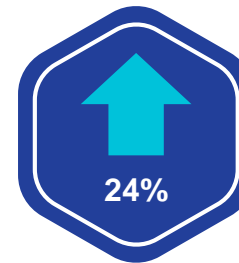
Insecticides



Herbicides



Fungicides



Plant Growth Regulators & Nematicides



Period	Insecticides
Q3FY21	36,430
Q3FY20	32,200

Period	Herbicides
Q3FY21	17,030
Q3FY20	13,224

Period	Fungicides
Q3FY21	28,415
Q3FY20	22,922

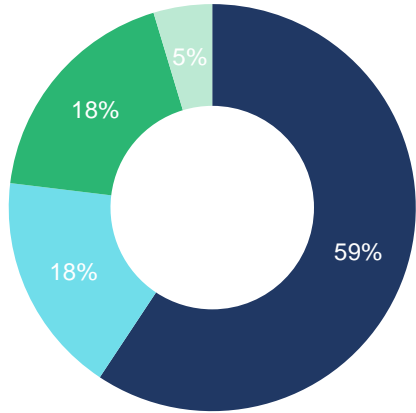
Period	Plant Growth Regulators & Nematicides
Q3FY21	2,214
Q3FY20	3,794

REVENUE SPLIT – 9MFY21

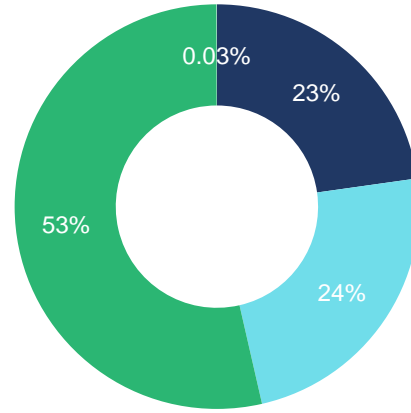
9MFY21

Product Category-wise (%)

Formulation

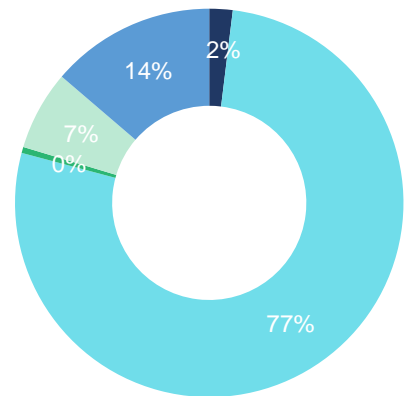


Technical



■ Insecticides ■ Herbicides ■ Fungicides ■ Plant Growth Regulators & Nematicides

Geographical Revenue Split (%)

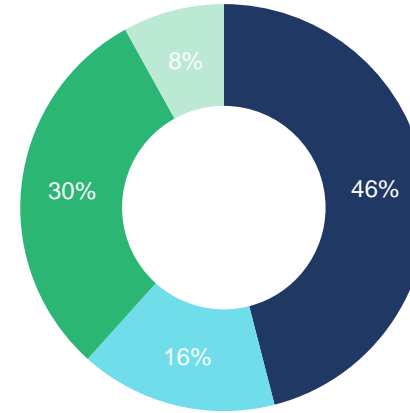


■ Africa
■ Asia
■ Australia
■ Europe
■ America's

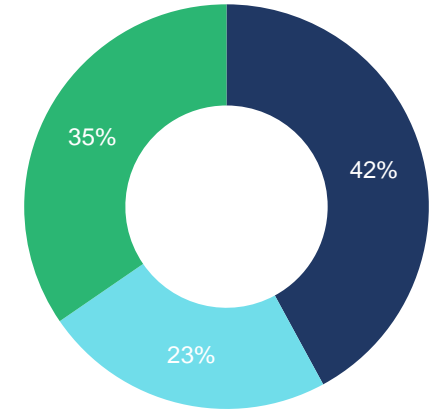
9MFY20

Product Category-wise (%)

Formulations

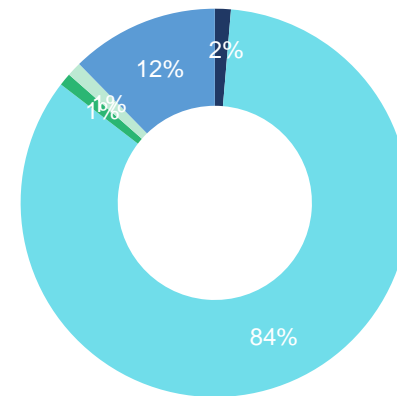


Technical



■ Insecticides ■ Herbicides ■ Fungicides ■ Plant Growth Regulators & Nematicides

Geographical Revenue Split (%)



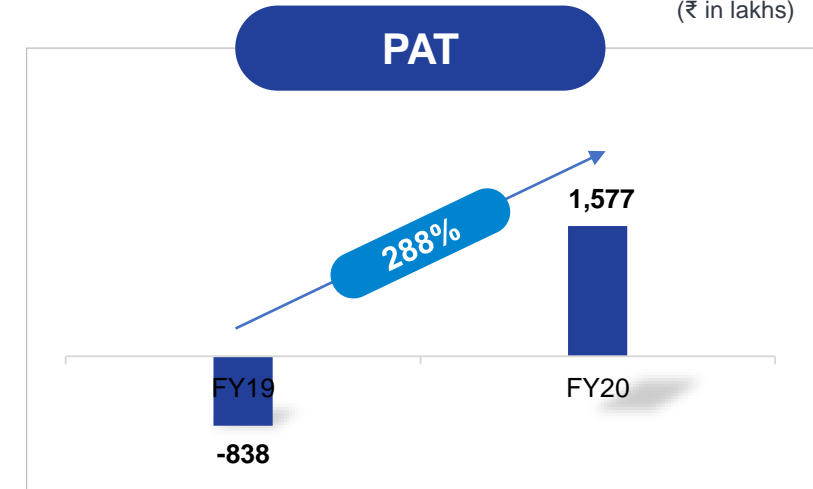
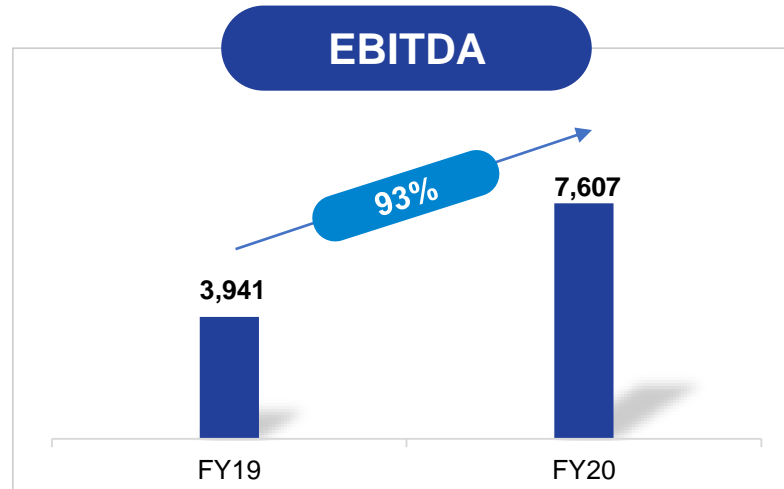
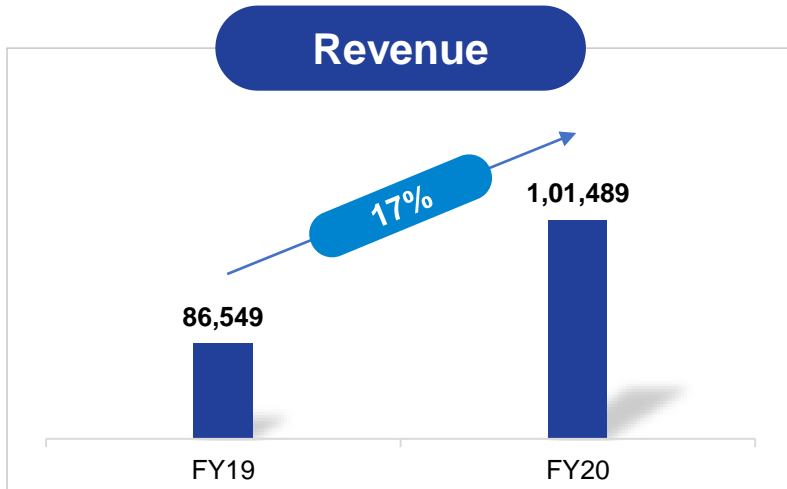
■ Africa
■ Asia
■ Australia
■ Europe
■ America's

PROFIT AND LOSS – Q3FY21 & 9MFY21 (Standalone)

(₹ in lakhs)

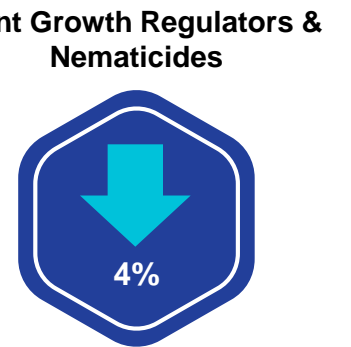
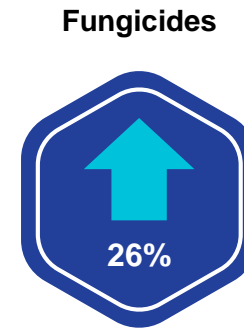
Particulars	Q3FY21	Q2FY21	Q3FY20	Y-o-Y (%)	9MFY21	9MFY20	Y-o-Y(%)
Revenue from operations	26,475	34,417	23,868	11%	86,094	73,826	17%
Other income	307	258	187	64%	887	623	42%
Total Income	26,782	34,675	24,055	11%	86,981	74,449	17%
Expenses							
Cost of materials consumed	18,525	24,262	13,809	34%	61,000	44,531	37%
Purchase of stock-in-trade	1,099	1,373	1,511	(27%)	3,465	2,661	30%
Changes in inventories of finished goods, work-in-progress and stock-in-trade	(1,550)	(1,335)	1,618	(196%)	(4,376)	4,795	(191%)
Employee benefits expense	2,266	2,236	2,053	10%	6,672	6,223	7%
Finance costs	829	686	767	8%	2,194	2,160	2%
Depreciation and amortisation expense	627	652	601	4%	1,934	1,811	7%
Other expenses	3,554	3,880	3,272	9%	10,935	10,676	2%
Total Expenses	25,350	31,754	23,631	7%	81,824	72,857	12%
Profit before tax	1,432	2,921	424	238%	5,157	1,592	224%
Tax expense:							
(a) Current tax	504	1,065	74	581%	1,879	272	591%
(b) Deferred tax (net)	18	(13)	41	(56%)	(37)	243	(115%)
Total Tax Expense	522	1,052	115	354%	1,842	515	258%
Profit for the period	910	1,869	309	195%	3,315	1,077	208%
Earnings Per Share							
(a) Basic (in ₹)	0.47	0.97	0.18		1.72	0.64	
(b) Diluted (in ₹)	0.47	0.97	0.18		1.72	0.64	

RESULT SUMMARY – FY20



Revenue Breakup

(₹ in lakhs)



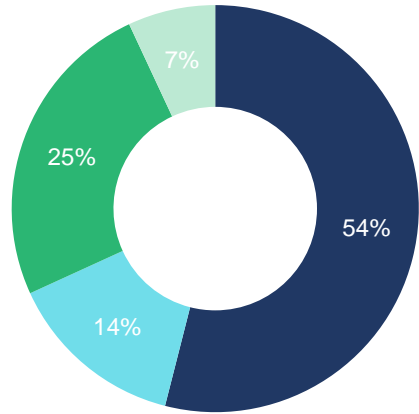
	Insecticides	Herbicides	Fungicides	Plant Growth Regulators & Nematicides
Q3FY21	49,354	16,398	28,918	5,666
Q3FY20	37,192	20,542	22,911	5,904

REVENUE SPLIT – FY20

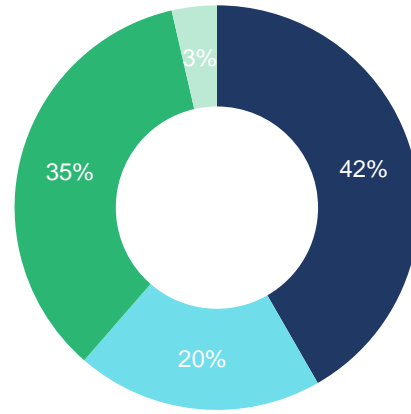
FY20

Product Category-wise (%)

Formulation

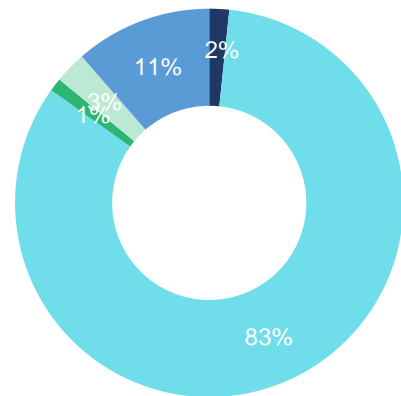


Technical



■ Insecticides ■ Herbicides ■ Fungicides ■ Plant Growth Regulators & Nematicides

Geographical Revenue Split (%)

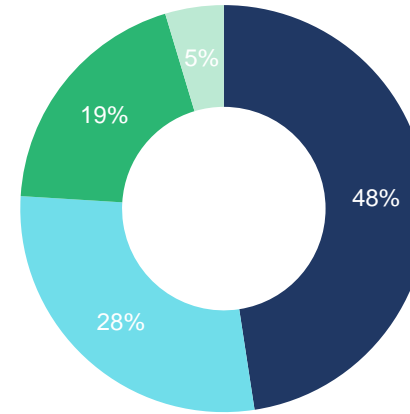


■ Africa
■ Asia
■ Australia
■ Europe
■ America's

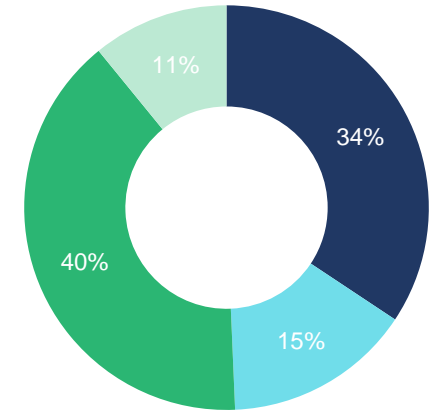
FY19

Product Category-wise (%)

Formulation

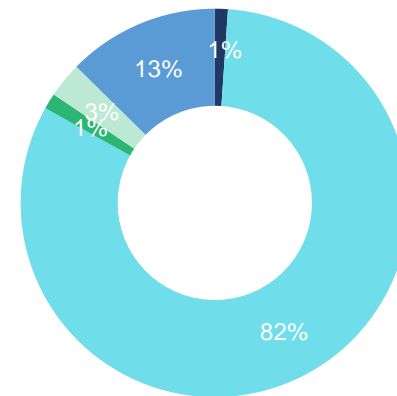


Technical



■ Insecticides ■ Herbicides ■ Fungicides ■ Plant Growth Regulators & Nematicides

Geographical Revenue Split (%)

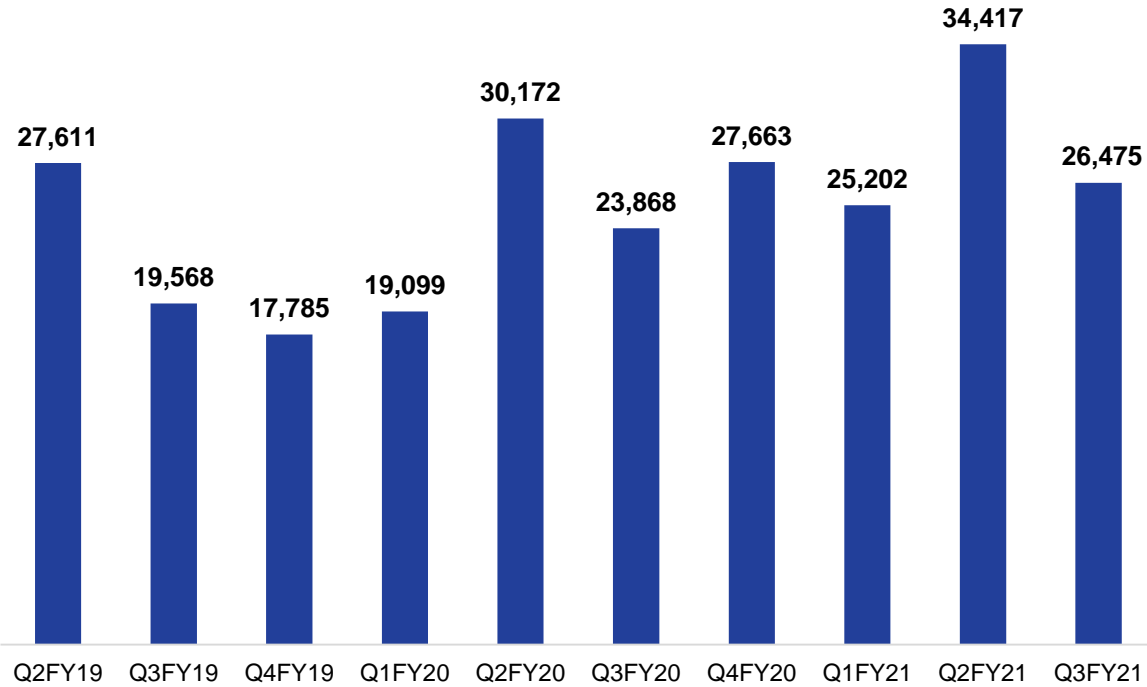


■ Africa
■ Asia
■ Australia
■ Europe
■ America's

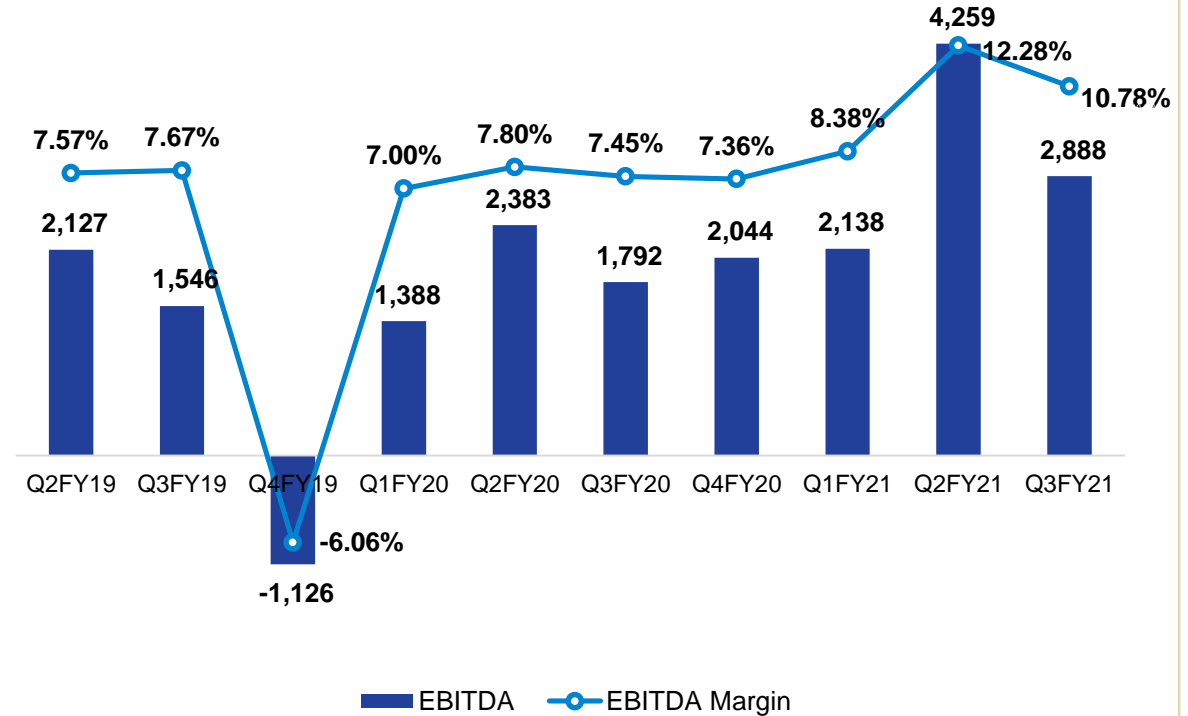
HISTORIC QUARTERLY TREND (1/2)

(₹ in lakhs)

Revenue from Operations



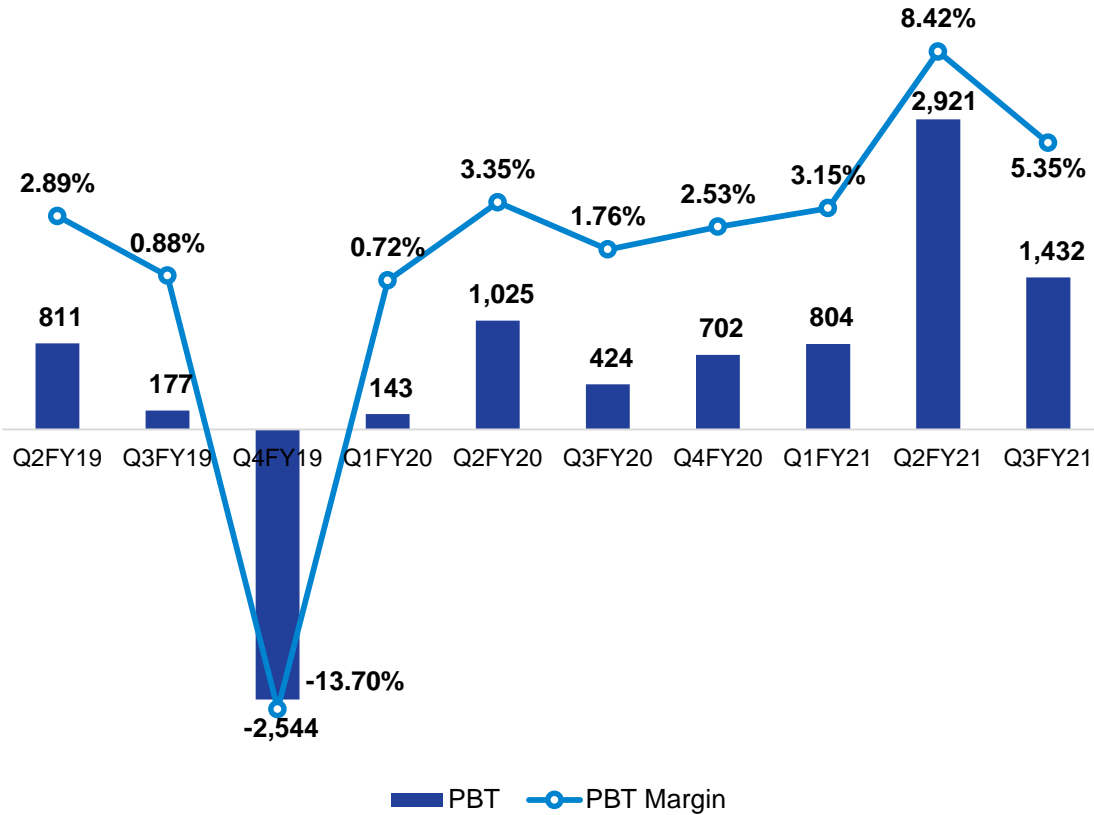
EBITDA and EBITDA Margin



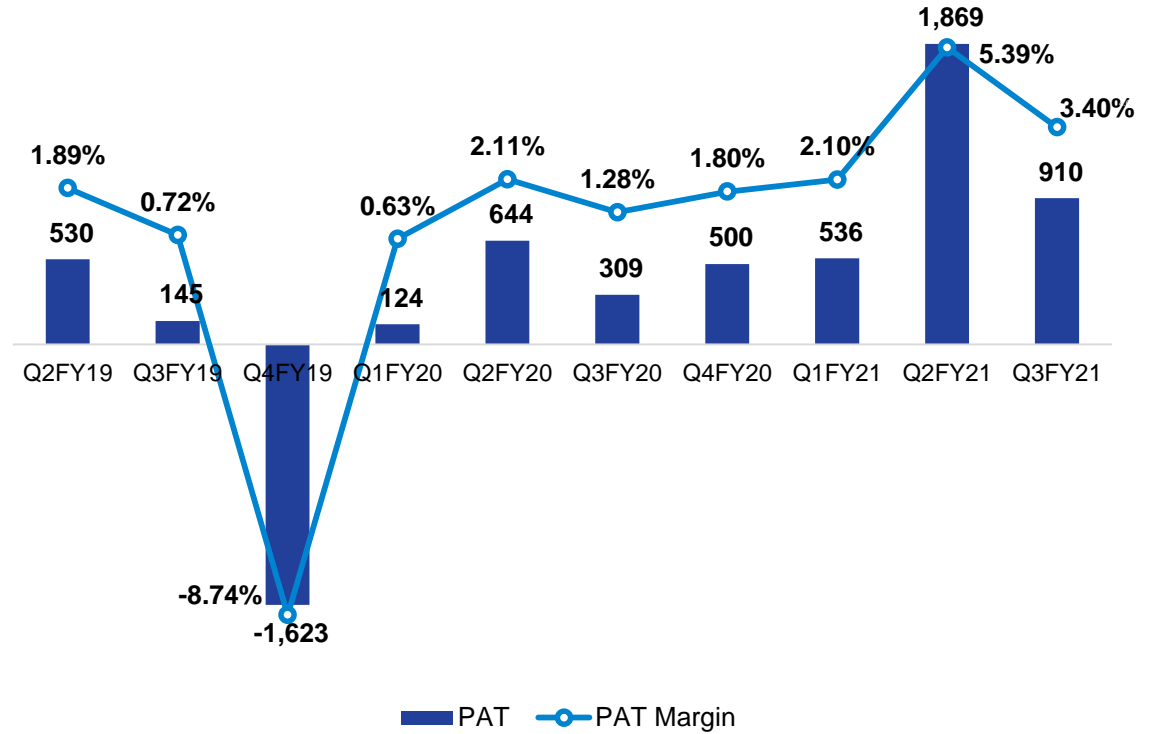
HISTORIC QUARTERLY TREND (2/2)

(₹ in lakhs)

PBT and PBT Margin

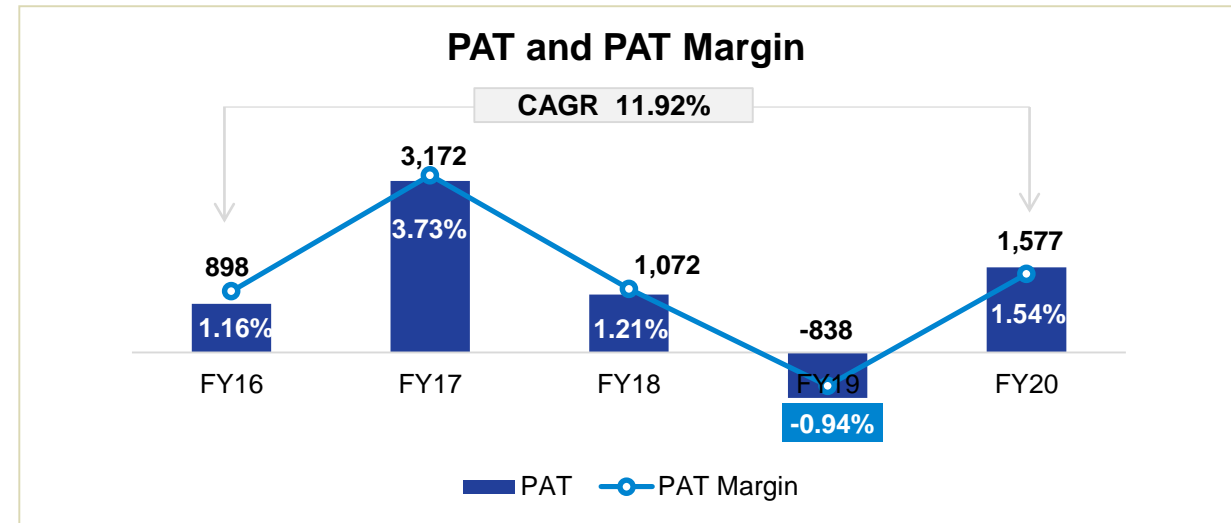
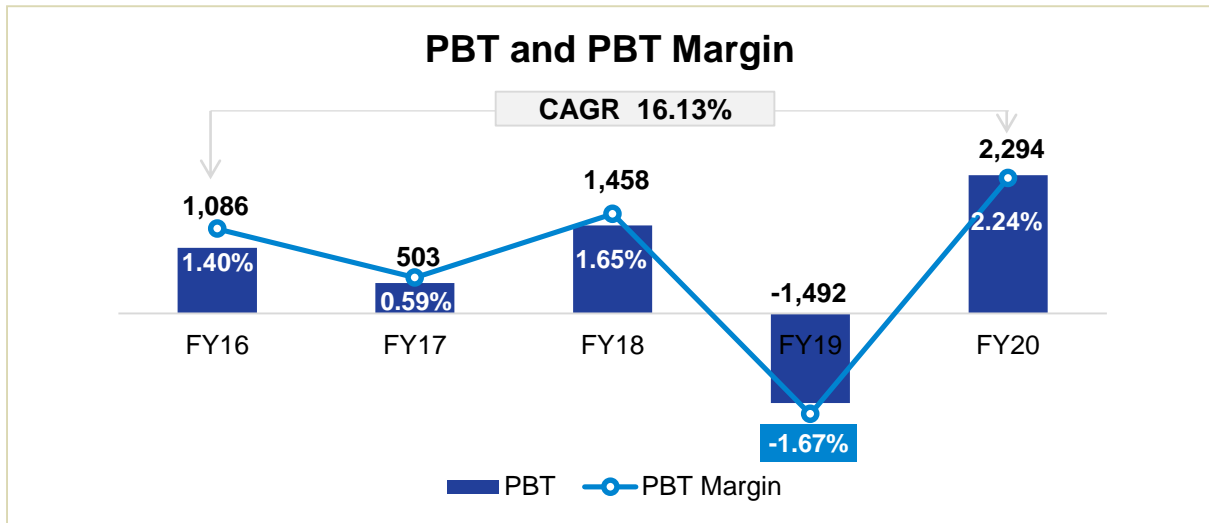
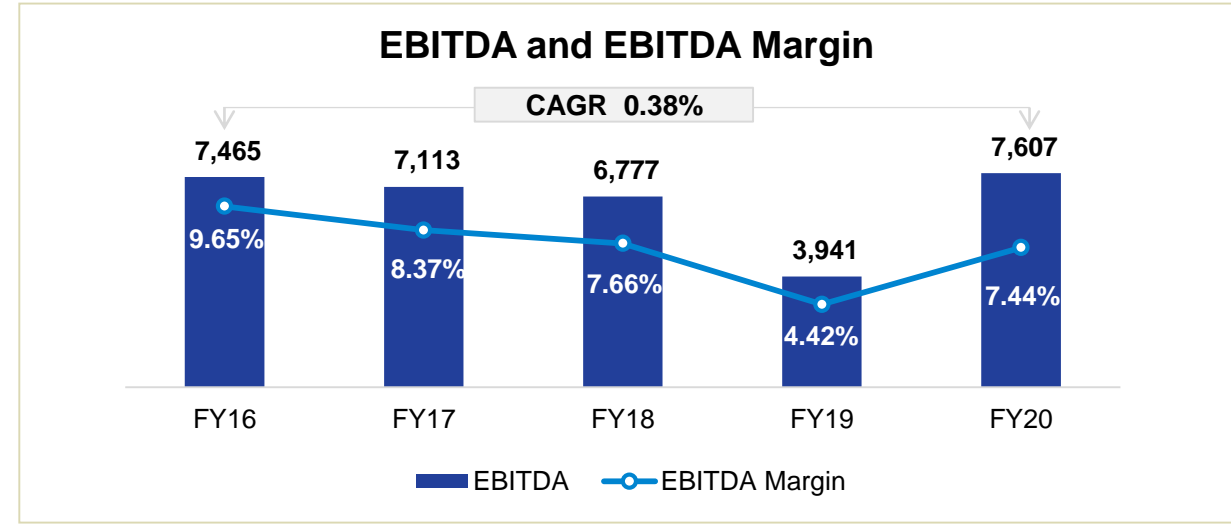
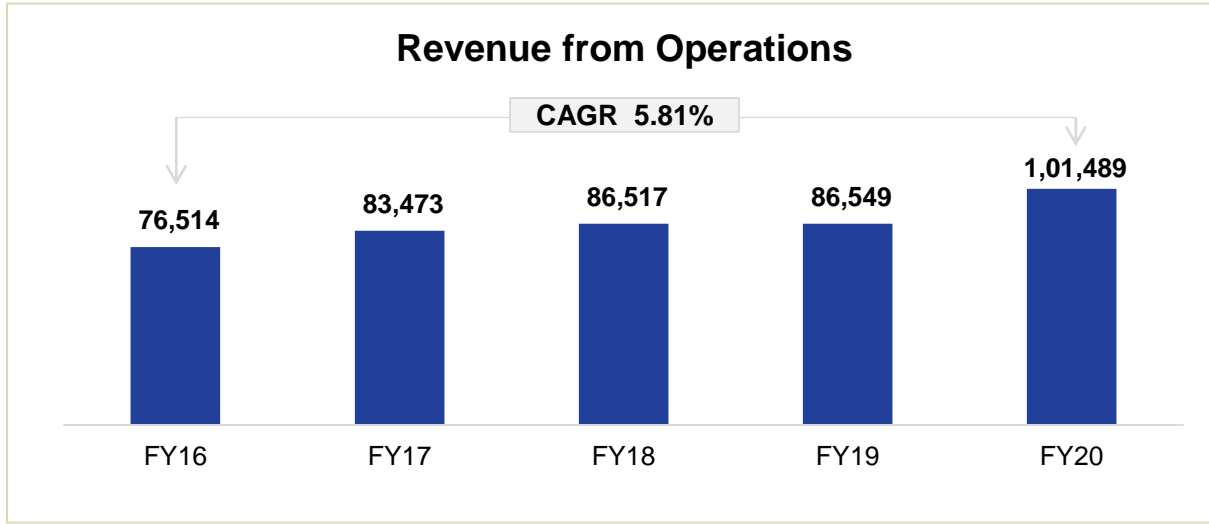


PAT and PAT Margin

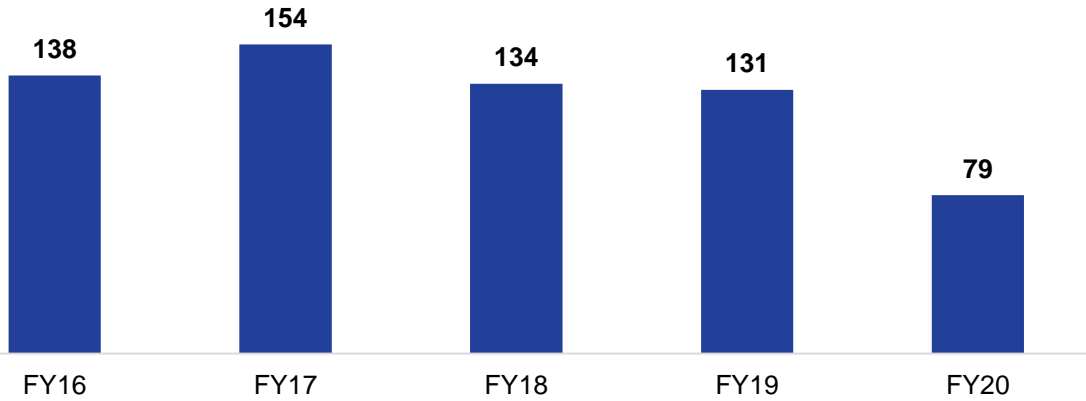


PERFORMANCE TRACK RECORD

(₹ in lakhs)

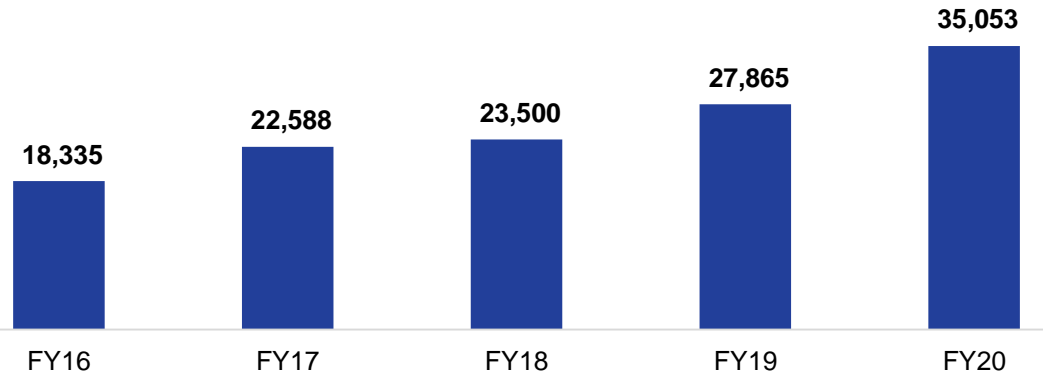


Working Capital Days

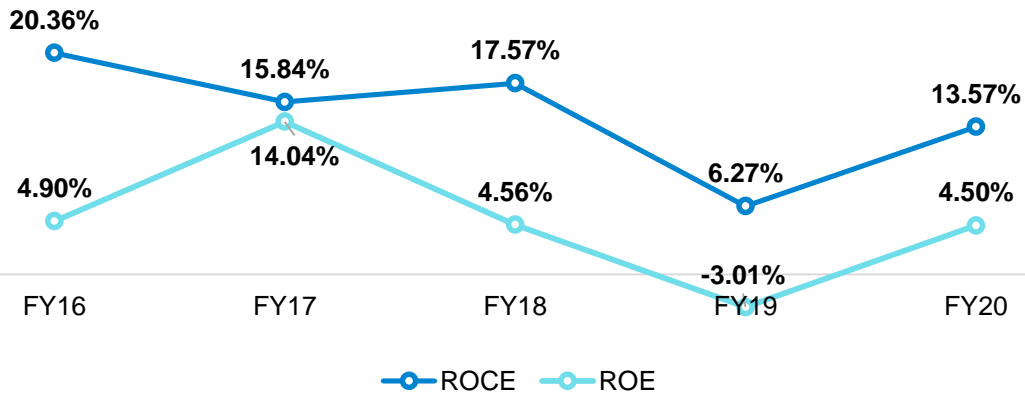


Net Worth

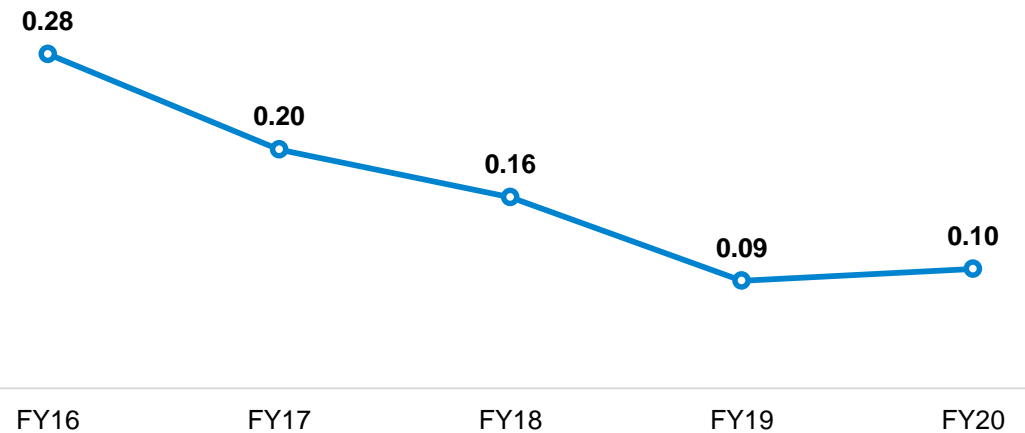
(₹ in lakhs)



ROCE and ROE



Debt to Equity (x)



PROFIT AND LOSS

(₹ in lakhs)

Particulars	Standalone			Consolidated		
	FY20	FY19	Y-o-Y (%)	FY20	FY19	Y-o-Y (%)
Revenue from operations	101,489	86,549	17%	101,489	86,549	17%
Other income	749	2,570	-71%	750	2,572	-71%
Total Income	102,238	89,119	15%	102,239	89,121	15%
Expenses						
(a) Cost of materials consumed	60,450	57,446	5%	60,450	57,446	5%
(b) Purchase of stock-in-trade	4,564	5,983	-24%	4,564	5,983	-24%
(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	6,319	-2,325	372%	6,319	-2,325	372%
(d) Employee benefits expense	8,627	7,931	9%	8,664	7,992	8%
(e) Finance costs	2,916	3,398	-14%	2,916	3,398	-14%
(f) Depreciation and amortisation expense	2,397	2,035	18%	2,397	2,035	18%
(g) Other expenses	14,671	16,143	-9%	14,633	16,078	-9%
Total Expenses	99,944	90,611	10%	99,943	90,607	10%
Profit before share of profit of associate	2,294	-1,492	254%	2,296	-1,486	255%
Share of profit from Associate				95	137	-31%
Profit before tax	2,294	-1,492	254%	2,391	-1,349	277%
Tax expense:						
(a) Current tax	423			423		
(b) Deferred tax (net)	294	-654	145%	294	-654	145%
Total Tax Expense	717	-654	210%	717	-654	210%
Profit for the period	1,577	-838	288%	1,674	-695	341%
Earnings Per Share						
(a) Basic (in ₹)	0.94	-0.54		1.0	-0.44	
(b) Diluted (in ₹)	0.94	-0.53		1.0	-0.44	

BALANCE SHEET (1/2)

(₹ in lakhs)

Particulars	Standalone		Consolidated	
	FY20	FY19	FY20	FY19
ASSETS				
Non-current assets :				
(a) Property, plant and equipment	18,291	13,673	18,291	13,673
(b) Right-to-use assets	597	-	597	-
(c) Capital work-in-progress	3,482	1,517	3,482	1,517
(d) Intangible assets	174	470	174	470
(e) Intangible assets under development	751	554	751	554
(f) Financial assets				
(i) Investments	858	858	1,503	1,405
(ii) Other financial assets	482	316	482	316
(g) Other non-current assets	663	246	663	246
(h) Deferred tax assets	-	103	-	103
(h) Income tax assets	407	491	407	492
Total non-current assets	25,705	18,225	26,350	18,776
Current assets :				
(a) Inventories	16,450	22,401	16,450	22,401
(b) Financial assets				
(i) Trade receivables	35,939	26,772	35,939	26,772
(ii) Cash and cash equivalents	8,353	680	8,358	684
(iii) Other bank balances	3,415	519	3,415	519
(iv) Other financial assets	394	469	394	469
(c) Income tax assets (net)	267	267	267	279
(d) Other current assets	4,278	4,355	4,278	4,348
Total current assets	69,096	55,463	69,101	55,472
Total Assets	94,801	73,688	95,451	74,248

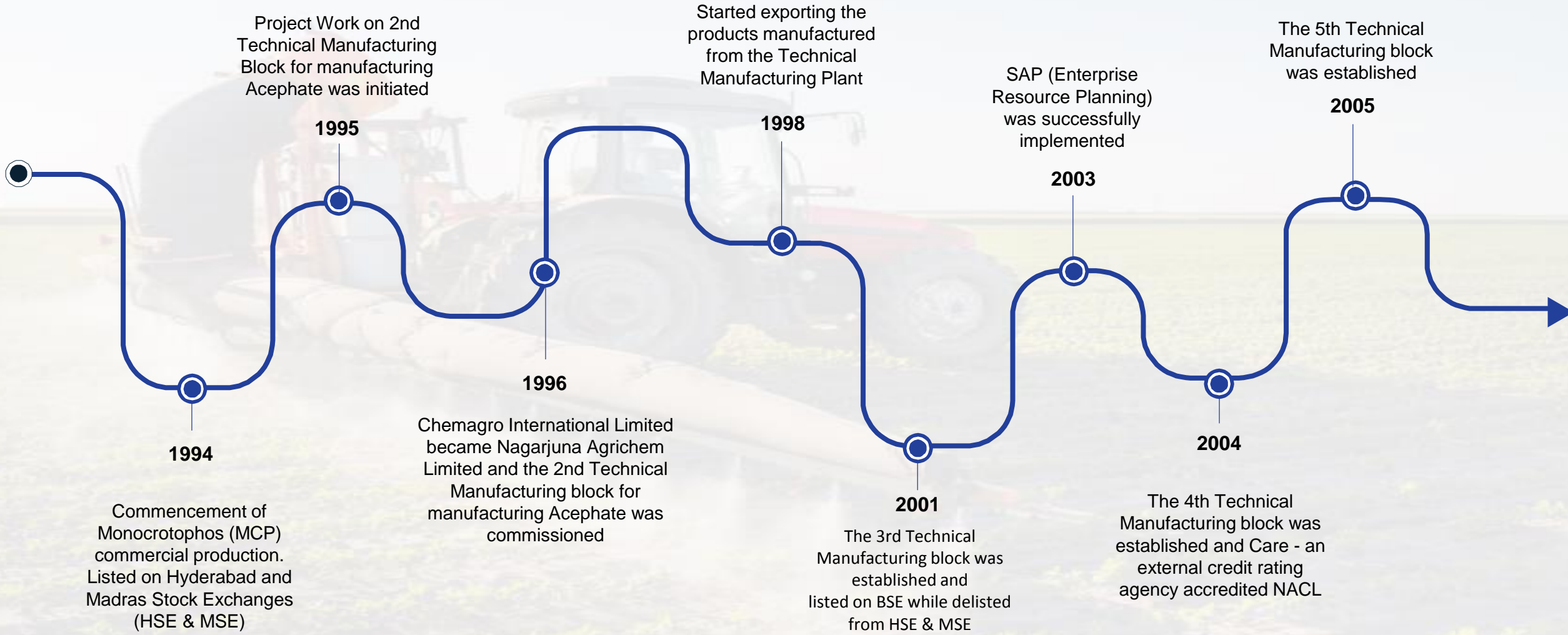
BALANCE SHEET (2/2)

(₹ in lakhs)

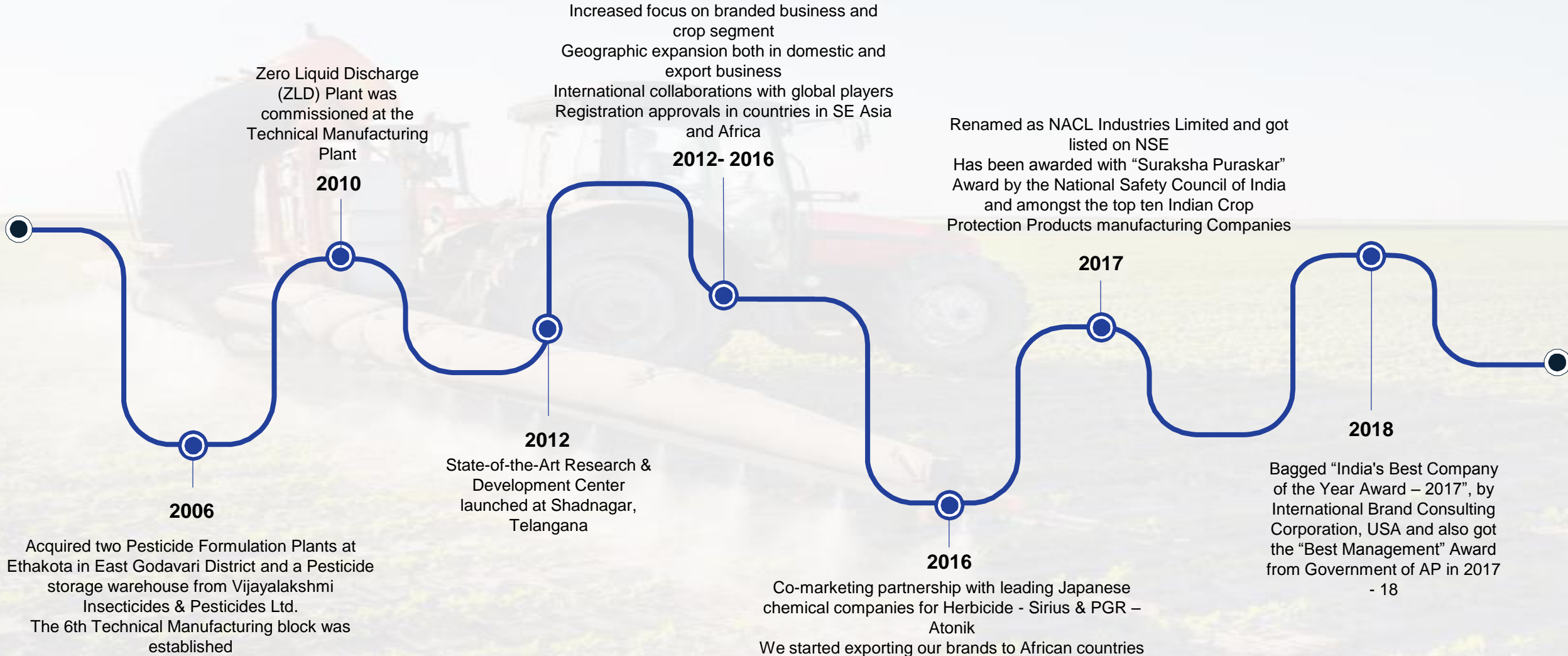
Particulars	Standalone		Consolidated	
	FY20	FY19	FY20	FY19
EQUITY AND LIABILITIES				
Equity :				
(a) Equity share capital	1,926	1,674	1,926	1,674
(b) Other equity	33,127	26,191	33,770	26,739
Total equity	35,053	27,865	35,696	28,413
Non-current liabilities :				
(a) Financial liabilities				
(i) Borrowings	2,175	1,177	2,175	1,177
(ii) Lease liabilities	316	-	316	-
(iii) Other financial liabilities	1,264	1,142	1,264	1,142
(b) Provisions	563	382	563	382
(c) Deferred tax liabilities (net)	101	-	101	-
Total non-current liabilities	4,419	2,701	4,419	2,701
Current Liabilities :				
(a) Financial liabilities				
(i) Borrowings	22,724	18,574	22,724	18,574
(ii) Lease liabilities	379	-	379	-
(iii) Trade payables				
(a) total outstanding dues of micro enterprises and small enterprises	533	301	533	301
(b) total outstanding dues of creditors other than micro enterprises and small enterprises	26,284	20,599	26,293	20,609
(iii) Other financial liabilities	3,767	1,551	3,767	1,551
(b) Provisions	154	173	154	173
(c) Income tax liabilities (net)	248	136	245	136
(d) Other current liabilities	1,240	1,788	1,241	1,790
Total current liabilities	55,329	43,122	55,336	43,134
Total equity and liabilities	94,801	73,688	95,451	74,248

ANNEXURE

TIMELINE (1/2)



TIMELINE (2/2)



BOARD OF DIRECTORS



Mrs. K Lakshmi Raju
Chairperson & Non-Executive Director



Mr. M Pavan Kumar
Managing Director & CEO



Mr. Sudhakar Kudva
Independent Director



Mr. N Vijayaraghavan
Non-Executive Director



Mr. Raghavender Mateti
Independent Director



Mr. Atul Churiwal
Investor Nominee Director



Mr. Rajesh Kumar Agarwal
Investor Nominee Director



Mr. Dorairaj K
Independent Director



Mr. Ramkrishna Mudholkar
Independent Director



Mr. N Sambasiva Rao
Independent Director



Ms. Veni Mocherla
Independent Director

KEY MANAGEMENT TEAM



Mr. Amit Taparia
Senior VP – SCM,
Procurement, IT and
Registrations & RA



Dr. B. Saha
Chief Research &
Development Officer



**Mr. Harish Chandra
Bijlwan**
VP – Operations &
Technology



Mr. G. Jagannadha Rao
Executive VP – Exports
and Domestic Sales &
Marketing



Mr. S. Mani Prasad
Head – Human Potential
Development



Mr. M Pavan Kumar
Managing Director &
CEO



Mr. R.K.S Prasad
Executive VP – Finance
& CFO



**Mr. Satish Kumar
Subudhi**
CS & Head – Legal



Mr. Srinivasa Rao Bitra
Senior General Manager
& Head Plant Operations
(Formulations Unit)

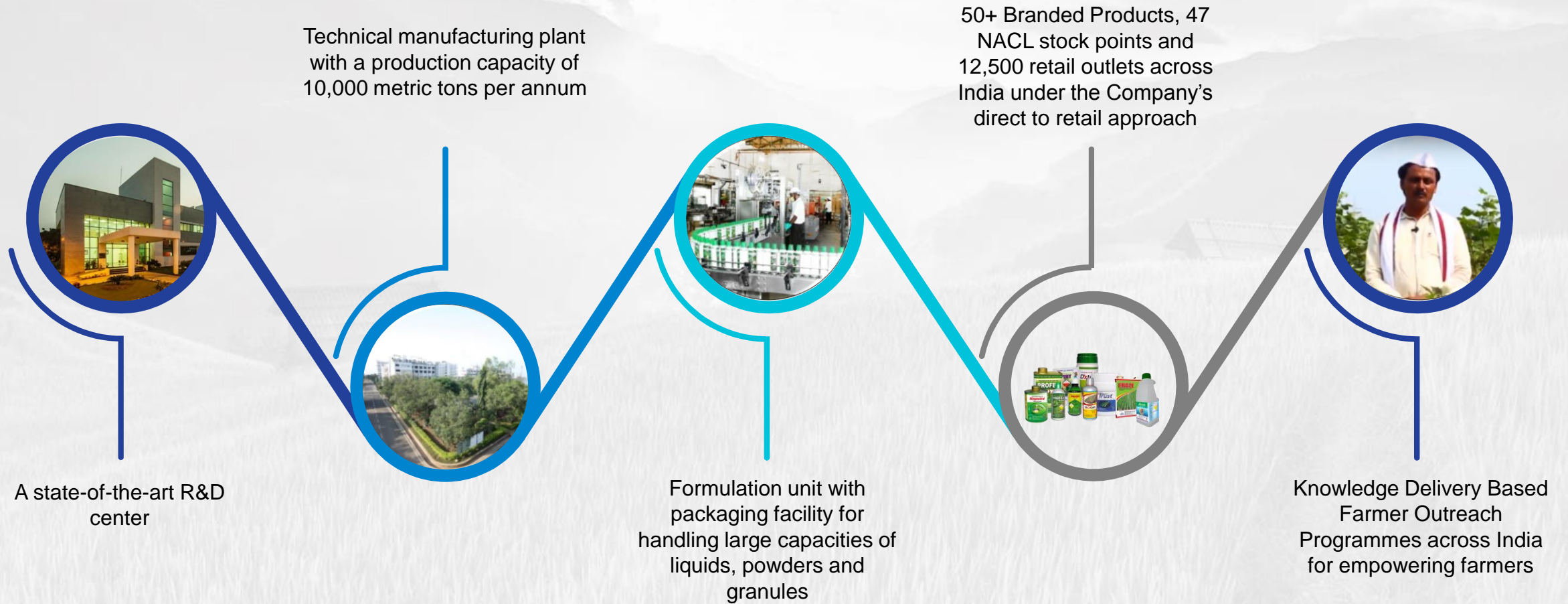


Mr. G.V.Suryanarayana
VP – Marketing & Sales



Mr. C. Varada Rajulu
Senior VP –Operations
(Srikakulam and
Ethakota Plants)

NACL'S BUSINESS MODEL



Value Creation Process

Tap new geographies and spread distribution network

Strengthening and enhancing global collaborations

Farmer Centric product development and sales approach

Human Development Initiatives to develop leadership skills

Focus on efficient and responsible manufacturing



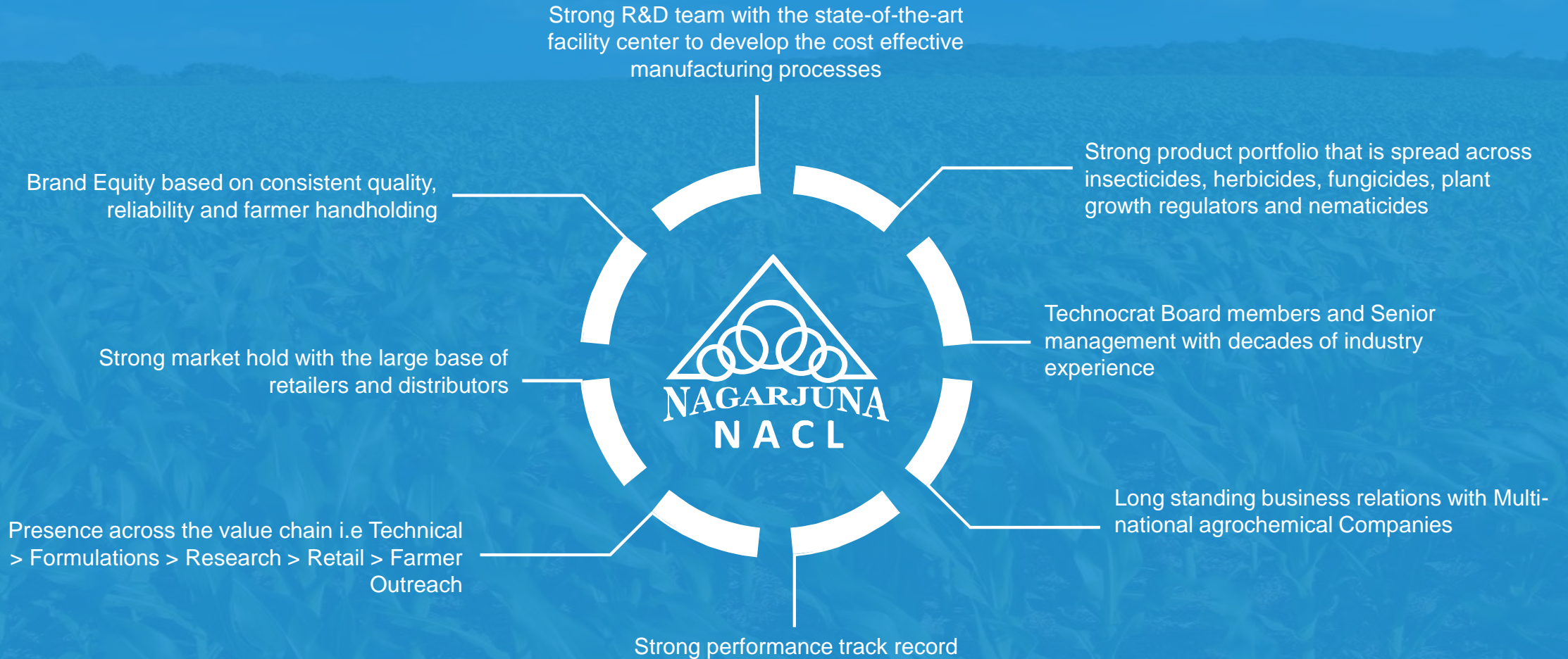
Aggressive capacity enhancement strategy in Agrochemical, Specialty Chemicals & Advanced Intermediaries

Continue to invest in Product Registrations, Process know-how, Brand building

Leverage on digital marketing to enhance customer connect

Leverage on R&D and manufacturing capabilities for sustainable & profitable growth

NACL – A UNIQUE INVESTMENT CASE





Best Company of the Year 2017

NACL has been awarded “Best Company of the Year 2017” presented by International Brand Consulting Corporation (IBCC), USA.



Greentech Award

NACL has bagged the “Greentech Environment Silver Award” for the year 2018 from New Delhi-based Greentech Foundation, for its best efforts towards environment protection and conservation.



Suraksha Puraskar

NACL’s Srikakulam Unit has bagged the prestigious “Suraksha Puraskar” Award for the year 2017 from the National Safety Council of India, for its best safety practices.



Certificate of Appreciation

NACL’s Ethakota Unit has bagged the prestigious SAFETY AWARD for the year 2018 & 2019 from the National Safety Council of India, for its best safety practices.



Best Management Award

NACL’s manufacturing units situated at Srikakulam and Ethakota both situated in Andhra Pradesh State, have been conferred with “Best Management Award” by the Government of Andhra Pradesh for the years 2014 & 2015 (Ethakota Unit), 2016 & 2018 (Srikakulam Unit).

KEY EXTERNAL DRIVERS OF THE BUSINESS

The agrochemicals market in India is expected to register 8% CAGR to reach US\$ 3.7 billion by FY22 and US\$ 4.7 billion by FY25. With the government propagating the development of the agricultural sector and with the recent proposals under the 'Aatmanirbhar Bharat' package pertinent towards the upliftment of the agrarian economy focused on boosting the agriculture and its allied sector, the demand for agrochemicals seems sanguine.

Indian Agrochemical market



Exports



With respect to crop protection chemicals India is considered as a net exporter. With many agrochemical/crop protection manufacturers investing in technical manufacturing capacity, India is fast emerging as a preferred destination for sourcing technical. The country's exports have increased on the account of low-cost manufacturing, availability of technically trained manpower, seasonal domestic demand, overcapacity, competitive pricing and strong presence in generic pesticide manufacturing.

Food Security



According to an estimate, India would require more than 450 million tonnes of food grains to feed 1.65 billion people by 2050 which will be a very difficult task. According to UN-India, there are nearly 195 million undernourished people in India.



Government Initiative

The government is slated to bring a production-linked incentive (PLI) scheme for the promotion of domestic manufacturing of agrochemicals. The domestic agrochemicals sector has a good opportunity to gain considerable market share in the global markets. The industry is also trying to engage into backward integration for the manufacturing of technical grade pesticides as it wants to shift its reliance from China and become self-sufficient in the coming years.

Well-defined Quality Management Systems

01

Well equipped and compliant Quality control laboratories at manufacturing sites and R&D

02

Analytical instruments in the Quality control labs are complying with the latest requirements

03

Laboratories manned by qualified and trained manpower

04

Quality Control Laboratories at Technical Plant (Srikakulam), Formulation Plant (Ethakota) and R&D Center (Shadnagar) are NABL accredited

05



(Srikakulam Unit, AP)



1

(Ethakota Unit, AP)



2

PRODUCTION CAPACITY

Liquid
Formulation

12,000

Powder
Formulation

5,600

Granule
Formulation

35,475

Technical Grade

10,000

CAPACITY

25,000
MT/ Annum in
phases

NACL Spec-Chem Limited, Dahej, Gujarat

NACL Spec-Chem Limited, a wholly owned subsidiary of NACL is planning to setup a greenfield Project of Agrochemicals Active Ingredients & Formulation.



Greenfield Projects

NACL Multichem Private Limited, Ranasthalam Mandal, Srikakulam

NACL Multichem Private Limited, a wholly owned subsidiary of NACL is planning to setup a greenfield Project for manufacturing of Agrochemicals and Synthetic Organic Chemicals.

CAPACITY

38,000
MT/Annum in
phases

NACL Industries Limited, Srikakulam, Andhra Pradesh

NACL is in process of increasing the existing Plant capacity of 10,000 MT/Annum to 25,000 MT/Annum.

1

Both the manufacturing plants are adequately covered with green belt.

State-of-the-art Zero Liquid Discharge (ZLD) plants at Srikakulam and Ethakota.

2

Efficient equipment for reduced energy consumption.

3

Manufacturing plants with first aid items / medicines, Ambulance under the supervision of qualified Medical Practitioners and Nurses.

4





5

Periodical medical check-up and occupational health check-up are carried out for Associates to identify and prevent health risks.

SHAREHOLDERS' INFORMATION

SHAREHOLDERS' INFORMATION

Stock Information (as on 04th February 2021)

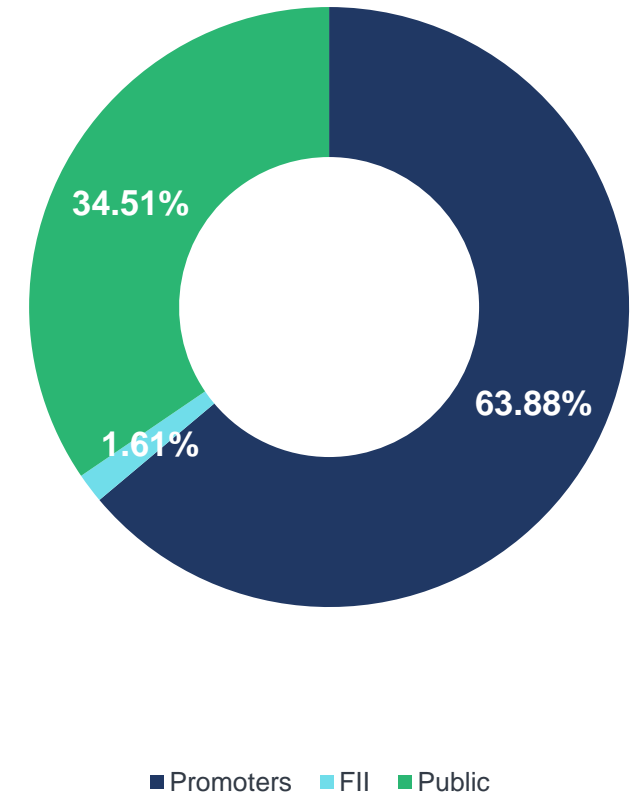
 Market Capitalization (₹)	809.75 Cr
 Shares Outstanding	19.62 Cr
 Free Float	7.09 Cr
 Symbol (BSE) / (NSE)	524709 / NAACLIND

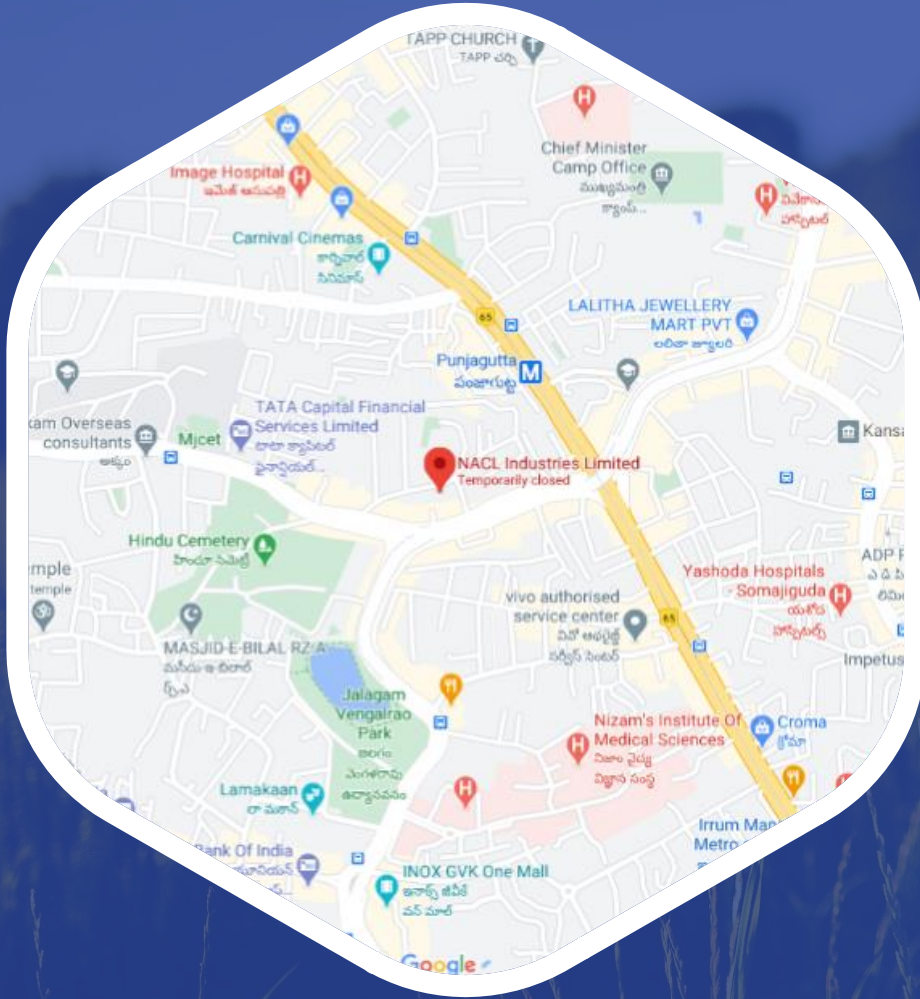
Stock Performance Chart (as on 04th February 2021)



(As on 31st December 2020)

Shareholding Pattern (%)





NACL Industries Limited

- 📍 Plot No 12-A, C Block, Lakshmi Towers, Nagarjuna Hills, Punjagutta, Hyderabad - 500082, Telangana, India
- ☎ Phone: +91-40 -24405100
- ✉ Email: info@naclind.com

Thank You