

NOTICE



Notice is hereby given that the 35th Annual General Meeting of NCL Industries Limited will be held on Tuesday, the 20th September, 2016 at 10.30 A.M at KLN Prasad Auditorium, 11th Floor, 11-06-841, FAPCCI Marg, Red Hills, Hyderabad-500 004, to transact the following business.

ORDINARY BUSINESS

- 1 To receive, consider and adopt the audited Financial Statements of the company for the year ended 31st March, 2016 together with the Reports of the Directors and Auditors thereon.
- 2 To declare Dividend
- 3 To appoint a Director in place of Mr.K.Madhu who retires by rotation and is eligible for reappointment.
- 4 To appoint a Director in place of Mr.Vinodrai. V.Goradia who retires by rotation and is eligible for reappointment.
- 5 To ratify the appointment of M/s. Venugopal & Chenoy, Chartered Accountants (ICAI Firm Registration No.004671S) as Statutory Auditors of the Company and if thought fit to pass with or without modification(s), the following resolution as an ordinary resolution.
"RESOLVED THAT pursuant to Section 139 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules 2014 the company hereby ratifies the appointment of M/s. Venugopal & Chenoy, Chartered Accountants (ICAI Firm Registration No.004671S) as Statutory Auditors of the Company to hold office till the conclusion of the fifth Annual General Meeting to be held after the 33rd AGM held on 29th September 2014 and the Board of Directors be and are hereby authorized to fix their remuneration."

SPECIAL BUSINESS

- 6 To consider and if thought fit, to pass, with or without modification(s), the following resolution as **Special Resolution**
"RESOLVED that pursuant to the provisions of Sections 149(4) of the Companies Act, 2013, Mr. R.Anand (DIN: 00040325), be and is hereby appointed as an Independent Director of the Company to hold office for a period of five years from the date of his appointment."
- 7 To consider and if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution**:
"RESOLVED THAT pursuant to the provisions of Section 148 and other applicable provisions of the Companies Act, 2013 the remuneration payable to M/s. S.R. and Associates, Cost Accountants, the Cost Auditors appointed by the Board of Directors of the Company, fixed as Rs 75,000/- (Rupees Seventy five thousand only for the financial year ending March 31, 2017, be and is hereby ratified."
- 8 To consider and if thought fit, to pass with or without modification(s) the following resolution as **Special Resolution**:
"RESOLVED that pursuant to the provisions of Sections 196, 197, 198, 203, Schedule V and other applicable provisions, if any of the Companies Act, 2013 the reappointment of Mr. K Ravi as

Managing Director of the company for a further period of five years w.e.f. 1st April, 2016 be and is hereby approved at the following remuneration.

Salary: Rs. 8,00,000/- per month (with an annual increment of Rs. 75,000/-)

Commission: 2 % of the net profit of the company computed in a manner laid down under section 198.

Perquisites: In addition to salary, perquisites allowed as follows:

Housing/HRA: @ 40% of the salary

Medical Reimbursement: Expenses incurred for self and family subject to a ceiling of one month's salary in each year or 3 months salary in a block of 3 years.

Leave Travel Concession: for self and family subject to ceiling of one month's salary in each year. 'Family' means wife, dependent children and dependent parents of Mr.K.Ravi

Company's contribution to Provident Fund and Superannuation Fund shall be as allowed under the Income Tax Act and Rules and as per Rules of the company/equivalent Special Allowance as may be opted by the appointee.

Gratuity: Equal to half month's salary for each completed year of service as per the rules of the company.

Conveyance: Free use of company's car with driver for company's business.

Telephone/Cell Phone: Free, except for personal long distance calls which shall be billed.

Encashment of Leave: One full pay and allowances not exceeding one month's leave for every twelve months of service, subject to the condition that the leave accumulated, but not availed of shall be dealt with as per the Income Tax Rules 1962.

He is not eligible for any sitting fees of the company's Board/Committee meetings."

"**FURTHER RESOLVED** that the above remuneration be paid as Minimum Remuneration in the event of absence or inadequacy of profits, for a period of three years from the year in which such absence or inadequacy occurs."

"**FURTHER RESOLVED** that in case the above minimum remuneration exceeds the ceilings prescribed under the Companies Act 2013 in any particular year, the approval of the Central Government be sought for payment of the above remuneration as the minimum remuneration after the fact of inadequacy of profit is determined."

- 9 To consider and if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution**:

"RESOLVED that Mr. N.G.V.S.G.Prasad (DIN: 07515455), who was appointed as an Additional Director and holds office up to the date of this meeting be and is hereby appointed as a Director of the Company, liable to retire by rotation."



10 To consider and if thought fit, to pass with or without modification(s) the following resolution as **Special Resolution**:

"RESOLVED that pursuant to Sections 196, 197, 203 read with Schedule V and all other applicable provisions of the Companies Act, 2013, approval of the company be and is hereby accorded to the appointment of Mr. N.G.V.S.G.Prasad, (DIN: 07515455) as Executive Director & CFO (Chief Financial Officer) of the company for a period of 5 (Five years) w.e.f 30th May,2016 at the remuneration and other terms as follows:

Salary: Rs. 2,00,000 /- per month (with an annual increment of Rs. 30,000/-).

Perquisites: In addition to salary, perquisites allowed as follows:

Housing/HRA: @ 40% of the salary

Medical Reimbursement: Expenses incurred for self and family subject to a ceiling of one month's salary in each year or 3 months' salary in a block of 3 years.

Leave Travel Concession: for self and family subject to ceiling of one month's salary in each year. 'Family' means wife, dependent children and dependent parents of Mr.N.G.V.S.G.Prasad.

Company's contribution to Provident Fund and Superannuation Fund shall be as allowed under the Income Tax Act and Rules and as per Rules of the company.

Gratuity: Equal to half month's salary for each completed year of service as per the rules of the company.

Conveyance: Free use of company's car with driver for company's business.

Telephone/Cell Phone: Free, except for personal long distance calls which shall be billed.

Encashment of Leave: One full pay and allowances not exceeding one month's leave for every twelve months of service, subject to the condition that the leave accumulated, but not availed of shall be dealt with as per the Income Tax Rules 1962.

"FURTHER RESOLVED that in the event of inadequacy of profits in any year, the above remuneration is by way of salary and perquisites not exceeding the limits as specified under provisions relating to Section II (A) of Part II of Schedule V of the Companies Act,2013 are applicable for the payment of Minimum Remuneration"

He is not eligible for any sitting fees of the company's Board/Committee meetings."

"FURTHER RESOLVED that above remuneration be paid as minimum remuneration in the event of absence or inadequacy of profits in any year, subject to the approval of the Central Government wherever necessary."

11 To consider, and if thought fit, to pass with or without modification, the following Resolution as a **Special Resolution**:

"RESOLVED THAT pursuant to Section 14 read with Section 5(9) of the Companies Act,2013, the Articles, of Association of the Company be and are hereby altered by adopting the Articles the draft of which is circulated as Annexure to this Notice as the Articles of Association of the Company, in place of the existing Articles of Association."

By Order of the Board.
for NCL INDUSTRIES LIMITED,
T. ARUN KUMAR
Company Secretary

Place:Hyderabad
Date: 29th July, 2016

NOTES:

1 A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY INSTEAD OF HIMSELF TO ATTEND AND VOTE ONLY IN A POLL AND THE PROXY NEED NOT BE A MEMBER. PROXIES IN ORDER TO BE EFFECTIVE SHOULD BE DULY STAMPED, COMPLETED AND SIGNED AND MUST BE RECEIVED BY THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE ANNUAL GENERAL MEETING.

A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the company carrying voting rights. A member holding more than ten percent of the total share capital of the company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.

2 A statement setting out the material facts pursuant to the provisions of Section 102 of the Companies Act, 2013 in respect of item Nos. 6 to 11 of the notice, is annexed hereto.

3 Shareholders seeking any information with regard to accounts are requested to write to the Company at least 10 days before the date of the meeting so as to enable the Management to keep the information ready.

4 The Register of Members and Share Transfer Registers will remain closed from 14th September, 2016 to 20th September, 2016 (both days inclusive) on account of the Annual General Meeting and determination of payment of dividend if any.

5 Members holding shares in electronic form are requested to inform the changes, if any, in their address or bank particulars etc., to the Depository Participant with whom the demat account is maintained.

6 Individual shareholders can avail the facility of nomination. Shareholders holding shares in physical form may write to the Registrar for assistance. Shareholders holding in electronic form may approach their DP with whom they maintain their account.



- 7 In terms of regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 brief resumes of Directors proposed to be appointed or reappointed at the meeting are given.
- 8 Electronic copy of the Notice of the 35th Annual General Meeting of the Company inter-alia indicating the process and manner of 'e'- voting along with Attendance Slip, Proxy Form and Annual Report is being sent to all the members whose email IDs are registered with the Company/Depository Participants(s) for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their email address, physical copies of the Notice of the 35th Annual General Meeting of the Company along with Attendance Slip, Proxy Form and Annual Report is being sent to their registered address as available with the company. The company appreciates and supports this green initiative and requests the members to register their e-mail address to receive the future correspondence, including Annual Reports through e-mails. In the case members who are holding shares in demat form, the email IDs registered with the DP and made available to the company/RTA shall be the registered email IDs unless communication is received to the contrary. Shareholders are requested to update their e-mail through their Depository Participants concerned and members who hold the shares in physical form are requested to update their e-mail address to the Company's Registrar and Share Transfer Agents M/s.Venture Capital & Corporate Investments (P) Ltd. **Shareholders are also advised to visit the company's website www.nclind.com where the notice is uploaded.**
- 9 As per the circular No .MRD/Dop/Cir-05/2009 Dt.20th May, 2009 issued by the Securities and Exchange Board of India (SEBI), it is mandatory to quote PAN for the transfer/transmission of shares in physical form. Therefore the transferee(s)/legal heirs are requested to furnish a copy of their PAN Card along with other documents to the Registrar and Share Transfer Agents irrespective of the value of the transaction.
- 10 Shareholders who have not encashed their dividend warrants for the years 2008-09, 2009-10, 2010-11 and 2011-12 may approach the company for revalidation, issue of duplicate warrants etc; quoting the Folio No./Client ID. Please note that as per Section 124(5) of the Companies Act, 2013 dividend which remains unpaid /unclaimed over a period of 7 years has to be transferred by the company to the Investor Education & Protection Fund (IEPF) and no claim shall lie for such unclaimed dividends from IEPF by the members.
- 11 **Members are also requested to lodge their e-mail ID's along with name and Folio/Client ID No. at the following address / e-mail to enable us to send all future communications including Annual Reports through e-mode.**
- 12 As an austerity measure, copies of the Annual Report will not be

distributed at the Annual General Meeting. Members are requested to bring their copies to the Meeting.

13 Instructions about Voting:

The members are requested to opt for one mode of voting .i.e. either through e-voting or postal ballot. If a member casts vote by both modes, then voting done through a valid e-voting shall prevail and physical ballot form voting of that member shall be treated as invalid. Please refer the following instructions for both modes of voting.

- (A) **Process and manner for members opting for e-voting are as under:** The Company is offering e-voting facility to its members enabling them to cast their votes electronically. The Company signed an agreement with M/s. Central Depository Services (India) Limited for facilitating e-voting to enable the Shareholders to cast their votes electronically pursuant to Rule 20 of the Companies (Management and Administration) Rules, 2014. The instructions for e-voting are as under:

(i) The e-voting period commences on 17th September, 2016 (10:00 AM) and ends on 19th September, 2016 (5.00PM). During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of 14th September, 2016(Record date) may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter. Once the vote on a resolution is cast by the shareholder, the shareholder shall not be allowed to change it subsequently.

The instructions for members for voting electronically are as under:-

In case of members receiving e-mail:

- (ii) Shareholders should Log on to the e-voting website www.evotingindia.com
- (iii) Click on "Shareholders" tab.
- (iv) Now, select the "NCL INDUSTRIES LIMITED" from the drop down menu and click on "SUBMIT"
- (v) Now Enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (vi) Next enter the Image Verification as displayed and Click on Login.
- (vii) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
- (viii) If you are a first time user follow the steps given below:



For Members holding shares in Demat Form and Physical Form

PAN	<p>Enter your 10 digit alpha-numeric *PAN, issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none"> Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field. In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.
DOB	<p>Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format.</p>
Dividend Bank Details	<p>Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio.</p> <ul style="list-style-type: none"> Please enter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field, as mentioned in instruction (V)

- (ix) After entering these details appropriately, click on "SUBMIT" tab.
- (x) Members holding shares in physical form will then reach directly the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (xi) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xii) Click on the EVSN for the relevant <NCL INDUSTRIES LIMITED> on which you choose to vote.
- (xiii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the

option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.

- (xiv) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xv) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xvi) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xvii) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- (xviii) If Demat account holder has forgotten the changed password then enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xix) Shareholders can also cast their vote using CDSL's mobile app m-voting available for android based mobiles. The m-voting app can be downloaded from google play store. Please follow the instructions as prompted by the mobile app while voting on your mobile.

Note for Non-Individual Shareholders and Custodians

- Non individual/Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) and custodians are required to log on to <https://www.evotingindia.co.in> and register themselves as Corporates.
- They should submit a scanned copy of the Registration Form bearing the stamp and sign of the entity should be 'e' mailed to helpdesk.evoting@cdslindia.com.
- After receiving the login details they have to create a user who would be able to link the account(s) which they wish to vote on.
- The list of accounts should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
- They should upload a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, in PDF format in the system for the scrutinizer to verify the same.

In case of members receiving the physical copy:

- (A) Please follow all steps from sl. no. (i) to sl. no. (xvii) above to cast vote.
- (B) The voting period begins on 17th September,2016 at 10.00 AM on and ends on 19th September,2016 at 5.00 PM. During this period shareholders' of the Company, holding shares either in



physical form or in dematerialized form, as on the cut-off date (14th September, 2016) may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.co.in under help section or write an email to helpdesk.evoting@cdslindia.com

- 14 The voting rights of shareholders shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date of 14th September, 2016. (Record date) The Cut-off date fixed for determination of eligibility for dispatch of Annual Reports is 19th August, 2016.
- 15 Mr. A. Ravishankar, Partner-M/s Ravi & Subramanyam, Practicing Company Secretaries (COP No. 4318) has been appointed as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner. The Scrutinizer shall within a period not exceeding three (3) working days from the conclusion of the e-voting period unblock the votes in the presence of at least two (2) witnesses not in the employment of the Company and make a Scrutinizer's Report of the votes cast in favour or against, if any, forthwith to the Chairman of the Company.

B) Voting by using the postal Ballot Form:

I. A Ballot form is provided (enclosed separately) for the benefit of members who do not have access to e-voting facility to enable them to send their assent or dissent by post.

II. Please complete and sign the ballot Form (no other form or photo copy is permitted) and send it so as to reach the Scrutinizer appointed by the Board of Directors of the company, Mr. A. Ravishankar, Partner-M/s Ravi & Subramanyam, (COP No. 4318) Practicing Company Secretaries not later than the close of working hours (17.00 hours) on 19th September, 2016. For this purpose, a self addressed prepaid 'Business Reply inland Letter' ("BR Letter") is enclosed and postage will be paid by the company if posted in India. The BR letter bears the name and address of the Registered Office of the company and is to the attention of the Scrutinizer. However BR Letters containing the Ballot form(s) if deposited in person or sent by courier or registered/speed post at the express of the member will also be accepted.

III. The Form should be signed by the member as per the specimen signature registered with the company/Depository Participants. In case of joint holdings, the Form should be completed and signed by the first named member and in his/her absence, by the next named joint holder. There will be one Form for Folio/Client ID irrespective of the number of joint holders. A Power of Attorney (POA) holder may vote on behalf of a member mentioning the registration number of the POA or

enclosing an attested copy of the POA. Exercise vote is not permitted through proxy.

IV. For shares held by companies, Bodies Corporate, Trusts, Societies etc, the duly completed Form should be accompanied by a certified true copy of the Resolution/Authorization together with attested specimen signature(s) of the duly authorized signatory (ies).

V. Votes should be cast in case of each resolution, either in favor/ against by putting the tick (✓) mark in the column provided for assent/dissent. Members may partially enter any number in "FOR" and partially in "AGAINST" but the total number in "FOR/AGAINST" taken together should not exceed the member's total shareholding. If the shareholder does not indicate either "FOR" or "AGAINST" in case of any resolution, it will be treated as "ABSTAIN" for that resolution and the shares held will not be counted under either head.

VI. Duly completed Forms should reach the Scrutinizer not later than the close of working hours (1700 hours) on 19th September, 2016. Ballot Forms received after 19th September, 2016 will be strictly treated as if the reply from the member has not been received.

VII. A Member may request for a duplicate Ballot Form if so required. However the duly filled in and signed duplicate Form should reach the Scrutinizer to identify either the member not later than the date as specified at Sl. No. VI above.

VIII. Unsigned, incomplete improperly or incorrectly tick marked Ballot Forms will be rejected. A Form will also be rejected if it is received torn, defaced, or mutilated to an extent which makes it difficult for the Scrutinizer to identify either the member or the number of votes or as to whether the votes are in favor or against or if the signature cannot be verified.

IX. The Scrutinizer's decision on the validity of a Ballot is final.

X. Members are requested not to send any other paper along with the Ballot Form in the enclosed self addressed envelope as all such envelopes will be sent to the Scrutinizer and any other paper found in such envelope would be destroyed by him. They are also requested not to write anything on the Ballot Form except giving their assent or dissent and putting their signature

C. Other Instructions.

I. The Scrutinizer will collect the votes downloaded from the e-voting system and votes received through physical ballot to declare the final result for each of the resolutions forming part of the Annual General Meeting Notice.

II. The results of the voting shall be declared on or after the Annual General Meeting of the Company. The results declared along with the Scrutinizer's Report shall be placed on the Company's



website www.nclind.com and be communicated to the Stock exchanges where the company is listed i.e BSE and NSE

16. The company has paid the listing fees for the year 2016-17 to BSE and NSE where the equity shares of the company are listed.
17. Members/Proxies are requested to kindly take note of the following:
 - i Attendance slip, as sent herewith, is required to be brought at the venue duly filled in and signed, for attending the meeting.
 - ii. Folio No./DP & Client ID No. may please be quoted in all correspondence with the Company and/or the RTA.

<p>Company Secretary, NCL Industries Limited</p> <p>Regd. Office: 4th Floor, Vaishnavi's Cynosure Near Gachibowli Flyover Gachibowli, Hyderabad-500032 e-mail: cs@nclind.com</p>	<p>Address of Registrar and Share Transfer Agents</p> <p>Venture Capital & Corporate Investments (P)Ltd 12-10-167 (MIG) Bharath Nagar, Hyderabad.500018 Ph:040-23818475/76&23868023 e-mail:info@vccilindia.com</p>
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EXPLANATORY STATEMENT

(Pursuant to Section 102 of the Companies Act, 2013)

ITEM NO. 6

Members are aware that Mr. R.Anand, has been an Independent, non Executive Independent Director of the Company. As per his current appointment, he is due to retire by rotation at the ensuing Annual General Meeting. In terms of Section 149(10) of the Companies Act, 2013, he is eligible for appointment for a further tenure not exceeding 5 years, by way of a Special Resolution passed by the Members.

Aged about 83 years, Mr. R. Anand brings with him a rich varied experience of industry and commerce. Apart from being a Director of 6 companies, Mr. R. Anand has also been actively associated with various trade associations. He has been the Vice President of Indo Italian Chamber of Commerce. He is holding 540 Equity shares and also having fixed deposits worth Rs.20.00 Lakhs in the company.

Mr. R. Anand has been an independent director since 1982. He became non executive chairman of the Board of Directors from 14th June 2008. Your directors feel that the company will be benefitted by his counsel and advice in the coming years, and recommends that the resolution be passed.

The Company has received from Mr. R.Anand

- (i) Consent in writing to act as director
- (ii) Intimation to the effect that he is not disqualified under sub-section (2) of Section 164 of the Companies Act, 2013 and

- iii) Declaration that he meets the criteria of independence as provided in Section 149(6) of the Companies Act, 2013.

A copy of the draft letter of appointment setting out the terms and conditions of appointment of Mr. R.Anand is available for inspection, without any fee, by the members at the Company's registered office during normal hours on working days up to the date of AGM.

Mr. R.Anand may be deemed to be interested in the resolution set out in Item No. 6.

None of the other Directors / Key Managerial Personnel of the Company/their relatives are, in any way, concerned or interested, financially or otherwise, in these resolutions.

The Board recommends the resolution set forth in the Item No.6 of the Notice for approval of the members.

ITEM NO. 7

The Board of Directors, on recommendation of the Audit committee, appointed M/s S R and Associates, Cost Accountants as Cost Auditors of the Company to conduct the audit of the cost records of the Company for the financial year ending March 31, 2017 in respect of cement and Ready Mixed Concrete, at a remuneration of Rs.75,000/- (Rs. Seventy Five Thousand only).

In accordance with the provisions of Section 148 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditors has to be ratified by the shareholders of the Company. The proposed Resolution seeks such ratification.

None of the Directors/Key Managerial Personnel of the Company/their relatives is, in any way, concerned or interested, financially or otherwise, in this resolution.

This statement may also be regarded as a disclosure under SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015.

The Board recommends that the Resolution be passed.

ITEM NO. 8

At its meeting held on 29th January, 2016 the Board of Directors have re-appointed Mr.K.Ravi as Managing Director of the company for a period of 5 years w.e.f 1st April, 2016. As members are aware, Mr.K.Ravi (62 Years) is a Promoter of the Company, and has been associated with the company from its inception. He has been leading the executive team as Managing Director from 2003. He has successfully steered the company to overcome two separate phases of financial challenges. Further, he has also been instrumental in planning and executing the successive expansion and diversification programmes over the past two decades.

Apart from being Managing Director of this company, Mr. K. Ravi holds directorships in Hampi Energy Ltd, Kakatiya Industries (P) Ltd, Nagarjuna Cerachem (P) Ltd, Deccan Nitrates (P) Ltd, Sorachem



Industries (P) Ltd and Vikram Chemicals(P) Ltd. He holds 24,31,807 equity shares in the company.

Your Directors feel that the company will benefit immensely by the continued leadership of Mr. K. Ravi, and recommend that the resolution approving his reappointment be passed.

Apart from Mr. K. Ravi himself, his brother Mr. K. Madhu, his daughter Ms. Roopa Bhupathiraju, his son in law Mr. Ashven Datla, and his nephew Mr. K Gautam, all directors of the Company, may be deemed to be interested in the proposed resolution reappointing Mr. K Ravi as Managing Director.

The Resolution also proposes that the remuneration as specified therein be paid as minimum remuneration in the absence or inadequacy of profits, and the approval of the Central Government be sought where necessary, as and when such absence or inadequacy occurs.

As required by Schedule V to the Companies Act, 2013, the following additional information is provided to facilitate payment of the Minimum Remuneration.

I. GENERAL INFORMATION:

- (1) Nature of Industry - The Company is operating in five segments - Cement, Boards, Prefab structures, Hydel Power and Ready-Mix Concrete.
- (2) Date of commencement of commercial operation - 16th February, 1984 onwards.
- (3) In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus - Not Applicable.
- (4) Financial Performance: (Rs. In Lakhs)

Financial Year	2011-2012	2012-2013	2013-14	2014-15	2015-16
Parameters					
Gross Income	76383.84	63303.73	61220.69	79643.09	99,748.01
Net Profit (as computed u/s. 198)	6639.30	(815.07)	(3600.43)	1416.13	6686.54
Net profit as per profit and loss Account	4425.48	(1154.47)	(4080.18)	890.01	5,307.91
Amount of Dividend paid#	812.10	Nil	Nil	Nil	442.11*
Rate of dividend Declared	20%	Nil	Nil	Nil	20%**

including dividend Tax

* interim dividend@10% paid.

**Proposed (including interim dividend@10% already paid)

- (5) Export performance: Rs.139.98 Lakhs Foreign Currency Earnings - CIF basis for the Financial Year 2015-16.
- (6) Foreign investments or collaborators, if any - (a) The Company manufactures Bison Panel, which is basically a multi-purpose Cement Bonded Particle Board (CBPB) in Technical Collaboration with BISON WERKE of Germany.

II. INFORMATION ABOUT THE APPOINTEES:

Mr. K. Ravi

1 Background Details :-

Mr. K. Ravi has been associated with the Company from its inception, and has been the Managing Director of the company since 2003. Mr. K.Ravi has been reappointed as Managing Director for a period of 5 years by the Board of directors w.e.f 1st April,2016.

2 Past remuneration - (Rs.in Lakhs)

Financial Year	2013-14	2014-15	2015-16
	Rs.78.66	Rs.88.92	Rs.264.32

- 3 **Recognition and Awards:** Mr.K.Ravi, Managing Director has been conferred the "Entrepreneur of the Year-2012 by Hyderabad Management Association in recognition of his outstanding entrepreneurship, innovativeness and strategies as exemplified by the high levels of growth and performance of NCL Industries Ltd.

4 Job profile and his suitability :-

Mr.K.Ravi is the overall in-charge of operations of the Company. Subject to the superintendence, direction and control of the Board, the day to day management and administration of the Company is vested with the Managing Director. He supervises the function of the other executive directors and top management team.

- 5 **Remuneration proposed** - As set out in the resolution for the Item No 8. The remuneration proposed to be paid to the Managing Director has the approval of the Nomination & Remuneration Committee.
- 6 **Comparative remuneration profile with respect to industry, size of the company, profile of the position and person:** The proposed remuneration is comparable to the remuneration being paid to the Managing Director in other companies of similar size and operations.
- 7 **Pecuniary relationship directly or indirectly with the company, or relationship with managerial personnel, if any -** Besides, the remuneration proposed, Mr.K.Ravi is holding 24,31,807 equity shares in the Company and also having fixed deposits worth Rs. 165.00 Lakhs in the company.



III OTHER INFORMATION

- (1) Reasons of loss/inadequate Profits : Not applicable
- (2) Steps taken or proposed to be taken for improvement : Not applicable
- (3) Expected increase in productivity and profits in measurable terms : increasing Cement and Boards Production meeting customer requirements as warranted by market demand.

This statement may also be regarded as a disclosure under Regulation 36(3) of the SEBI (Listing obligations and disclosure requirements) Regulations, 2015

ITEM NO. 9 AND 10

The Board of directors at its meeting held on 30th May, 2016, appointed Mr.N.G.V.S.G. Prasad (President & CFO) as additional director and Executive Director & CFO (Chief Financial Officer) w.e.f 30th May, 2016

Mr.N.G.V.S.G.Prasad, (50 years) is a Graduate in Commerce from Nagarjuna University and is a fellow member of the Institute of Chartered Accountants of India. He is having over 20 years of experience in Finance & Accounts in NCL Group. Prior to joining in NCL group, he was employed in public sector undertakings such as LIC, APSRTC.

In recognition of the significant contribution made to the Company and the Group during his long association, the Board felt it appropriate to elevate him to the Board level, as recommended by the Nomination and Remuneration Committee.

He holds 3,000 Equity shares in the company.

In terms of Section 161 of the Companies Act, 2013, Mr. N.G.V.S.G. Prasad holds office as Additional Director till the ensuing AGM. Resolution No 9 seeks to confirm the appointment of Mr. N.G.V.S.G. Prasad as a Director. Resolution 10 seeks the approval of the shareholders for the appointment and remuneration of Mr. N.G.V.S.G. Prasad as Executive Director & CFO.

Your Directors feel that his appointment will be beneficial to the company, and recommend that the resolutions be passed.

The Resolution No 10 also proposes that the remuneration as specified therein be paid as minimum remuneration in the absence or inadequacy of profits, and the approval of the Central Government be sought where necessary, as and when such absence or inadequacy occurs.

As required by Schedule V to the Companies Act, 2013, the following additional information is provided to facilitate payment of the Minimum Remuneration.

I. GENERAL INFORMATION:

- (1) Nature of Industry - The Company is operating in five segments - Cement, Boards, Prefab structures, Hydel Power and Ready-Mix Concrete.
- (2) Date of commencement of commercial operation - 16th February, 1984 onwards.
- (3) In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus - Not Applicable.
- (4) Financial Performance: (Rs. In Lakhs)

Financial Year	2011-2012	2012-2013	2013-14	2014-15	2015-16
Parameters					
Gross Income	76383.84	63303.73	61220.69	79643.09	99,748.01
Net Profit (as computed u/s. 198)	6639.30	(815.07)	(3600.43)	1416.13	6686.54
Net profit as per profit and loss Account	4425.48	(1154.47)	(4080.18)	890.01	5,307.91
Amount of Dividend paid#	812.10	Nil	Nil	Nil	442.11*
Rate of dividend Declared	20%	Nil	Nil	Nil	20%**

including dividend Tax

* interim dividend@10% paid.

**Proposed (including interim dividend@10% already paid)

II. INFORMATION ABOUT THE APPOINTEE:

1 Background Details :-

Mr.N.G.V.S.G. Prasad, (50 years) is a Graduate in Commerce from Nagarjuna University and is a fellow member of the Institute of Chartered Accountants of India. He is having over 20 years of experience in Finance &Accounts in NCL Group. Prior to joining in NCL group, he was employed in public sector undertakings such as LIC, APSRTC.

2 Past remuneration - (Rs.in Lakhs)

Prior to his elevation to the Board, Mr. N.G.V.S.G. Prasad has been employed with the Company as President and CFO, and for a brief period with another Group company as CFO. Remuneration drawn by him during the last three years is as follows:



Financial Year	2013-14	2014-15	2015-16
	Rs.15.29	Rs.15.86	Rs.23.32

3 **Recognition and Awards:** Nil

4 **Job profile and his suitability :-**

Mr. N.G.V.S.G. Prasad is the in-charge of operations of the Finance & Accounts, Energy division, HR, Admin, Corporate planning and secretarial subject to the superintendence, direction and control of the Managing Director. His qualifications and experience make him eminently suitable to hold the position to which he has been appointed

5 **Remuneration proposed -** As set out in the resolution for the Item No 10. The remuneration proposed to be paid to Mr. N.G.V.S.G. Prasad has the approval of the Nomination & Remuneration Committee.

6 **Comparative remuneration profile with respect to industry, size of the company, profile of the position and person:** The proposed remuneration is comparable to the remuneration being paid to the Executive Director in other companies of similar size and operations.

7 **Pecuniary relationship directly or indirectly with the company, or relationship with managerial personnel, if any -** Besides, the remuneration proposed, Mr.N.G.V.S.G.Prasad is holding 3,000 equity shares in the Company. Mr. N.G.V.S.G.Prasad does not have any other pecuniary relationship with the Company.

III OTHER INFORMATION

- (1) Reasons of loss/inadequate Profits : Not applicable
- (2) Steps taken or proposed to be taken for improvement : Not applicable
- (3) Expected increase in productivity and profits in measurable terms increasing Cement and Boards Production meeting customer requirements as warranted by market demand.

This statement may also be regarded as a disclosure under Regulation 36(3) of the SEBI (Listing obligations and disclosure requirements) Regulations, 2015.

ITEM NO. 11

The Articles of Association were framed at the time of incorporation of the company in the year 1979, in line with the provisions of the Companies Act 1956, which was then in force. The Companies Act has since been replaced by the new Companies Act, 2013.

Table F of Schedule I to the Companies Act contains the model Articles of Association, which will become applicable to every

company. However, companies have been accorded a freedom to adopt their own Articles of Association, which are not inconsistent with the Statute.

To bring the Articles of Association in line with the present Companies Act, 2013, it is proposed to amend the current Articles by adopting Table F. In addition, it is proposed to include in the new Articles only such enabling provisions which do not find place in Table F, and Statute requires the Articles to explicitly provide, in order to be effective.

Since the company is a listed entity, the requirements of the Listing Regulations as to the Articles of Association will automatically apply. Hence, it is also proposed to include a clause specifically stating that the all the provisions relating to Articles as required by the Listing Regulations will ipso facto form a part of the Articles of Association. In the event of any conflict between the provisions of Articles and Listing Regulations, the latter will prevail, as long as they are not inconsistent with the Companies Act, 2013 itself.

The draft of the fresh set of Articles prepared on the above lines is attached as Annexure to this Notice.

Any alteration in the Articles of Association will become effective only by way of Special Resolution passed by the Shareholders.

Your Directors recommend that the Resolution be passed.

All your directors may be deemed to be interested in the proposed Resolution to the extent of their respective shareholdings.



**THE COMPANIES ACT, 2013
COMPANY LIMITED BY SHARES
ARTICLES OF ASSOCIATION
OF
NCL INDUSTRIES LIMITED**

Preliminary

1. Subject as hereinafter provided the Regulations contained in Table 'F' in the Schedule I to the Companies Act, 2013 shall apply to the Company so far as they are applicable to a Public Company except so far as they have been impliedly or expressly modified by what is contained in these Articles.

Share capital

2. In terms of Section 55 of the Companies Act 2013, the Company may issue Preference Shares which are liable to be redeemed within the periods as may be prescribed by the Act.
3. The Company may issue Sweat Equity Shares to the Directors and employees subject to the compliance of the provisions of Section 54 of the Act and the Listing Regulations.

Directors

4. The number of Directors of the Company shall not be less than three nor more than 15.
5. The Board may, pursuant to any agreement with any person or agency providing loans or financial assistance to the company, confer the right on such person or agency to appoint any person(s) as nominee director(s) on the Board, and such nominee directors shall hold office in accordance with the agreement, subject to fulfillment of other provisions of the Act.
6. The Directors, including non executive Directors may be paid remuneration in the form of salary, commission and sitting fees as may be decided by the Board, within the ceilings as may be prescribed under the Act.
7. In terms of Section 161(2) of the Act, the Board appoint a person, not being a person holding any alternate directorship for any other director in the company, to act as an alternate director for a director during his absence for a period of not less than three months from India:

Compliance with Listing Regulations

8. All the provisions which are required to be included in the Articles of Association as required by the Listing Regulations from time to time will be deemed to have been included in, and forming a part of these Articles. In the event of any conflict between the provisions of the Listing Regulations and these Articles or Table F to Schedule I to the Companies Act, 2013, the provisions of the Listing Regulations shall prevail, so long as such provisions are not inconsistent with the Act itself.