



# NCL INDUSTRIES LIMITED



AN ISO 9001 : 2008 COMPANY  
CIN : L33130AP1979PLC002521

## FORM A

(Pursuant to Clause 31(a) of the Listing Agreement)

1. Name of the company : NCL INDUSTRIES Ltd.
2. Annual Financial Statements for the year ended : 31st March 2015.
3. Type of Audit observation : Un-qualified
4. Frequency of observation : Not Applicable
5. Signed by-

CEO/Managing Director  
(Mr.K.Ravi)

: 

President and CFO  
(Mr.N.Krishnan)

: N. Krishnan

Auditors of the company  
(Venugopal&Chenoy)

: T.V. Venugopal & Chenoy

Audit Committee Chairman  
(M.Kanna Reddy)

: 

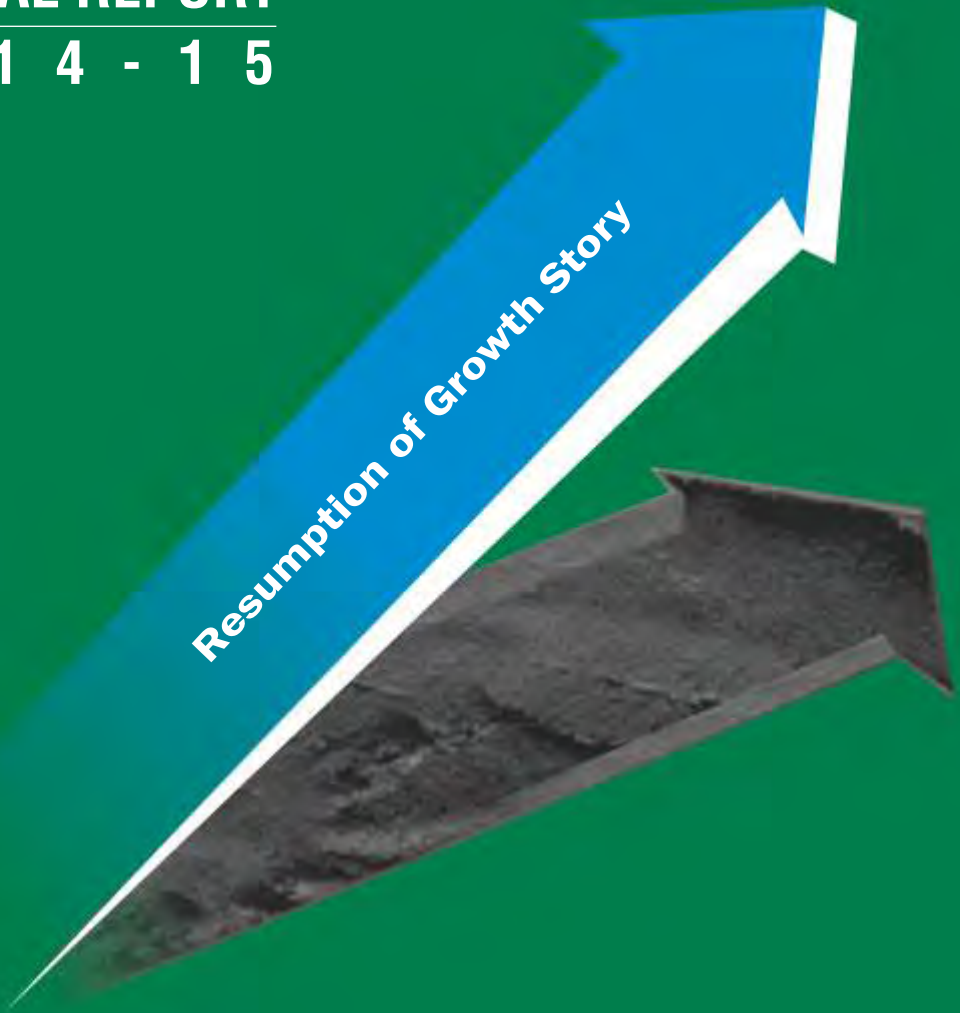


Place : Hyderabad  
Date : 11/08/2015

# 34<sup>th</sup>

**ANNUAL REPORT**

**2 0 1 4 - 1 5**



**NCL INDUSTRIES LIMITED**



## BOARD OF DIRECTORS

Mr. R. Anand, Chairman  
Mr. Vinodrai.V. Goradia  
Mr. M. Bhaskara Rao (IREDA Nominee)  
Mr. M. Kanna Reddy  
Mr. K. Madhu  
Mr. Ashven Datla  
Mr. Kamlesh Gandhi  
Mrs. Roopa Bhupatiraju  
Mr. R Kalidas(w.e.f 11.08.2015)  
Lt.General T.A.DCunha, (Retd) (w.e.f 11.08.2015)  
Mr. K. Gautam - Executive Director  
Mr.N.V.Suvarna-Executive Director(w.e.f 30.05.2015)  
Mr. P.N. Raju - Executive Director(upto 01.07.2015)  
Mr. K. Ravi - Managing Director

## COMPANY SECRETARY

Mr. T. Arun Kumar

## AUDITORS

### VENUGOPAL & CHENOY

Chartered Accountants  
4-1-889/16/2, Tilak Road,  
Hyderabad - 500 001.

## BANKERS

Axis Bank Ltd  
Canara Bank  
Central Bank of India  
Corporation Bank  
IDBI Bank Ltd  
Indian Renewable Energy Dev. Agency Ltd  
Oriental Bank of Commerce  
State Bank of Hyderabad  
State Bank of Mysore

## FACTORIES

### CEMENT DIVISION

#### UNIT – I

Simhapuri,  
Mattampally Mandal,  
Nalgonda Dist  
Telangana  
Pincode - 508204

#### UNIT – II

Kadimpothavaram,  
Village, Kondapalli,  
Krishna District,  
Andhra Pradesh  
Pincode - 521228

### BOARDS DIVISION

#### UNIT – I

Simhapuri,  
Mattampally Mandal,  
Nalgonda Dist  
Telangana  
Pincode - 508204

#### UNIT – II

Bhatanwali Village,  
Paonta Sahib,  
Sirmour District,  
Himachal Pradesh  
Pincode - 173025

### PREFAB DIVISION

#### UNIT – I

Plot No. 34/A, IDA,  
Jeedimetla,  
Hyderabad  
Telangana  
Pincode - 500 055

#### UNIT – II

Bhatanwali Village,  
Paonta Sahib,  
Sirmour District,  
Himachal Pradesh  
Pincode - 173025

### ENERGY DIVISION

#### UNIT – I

Pothireddypadu, Head  
Regulator, Chabolu Village,  
Pothulapadu Post,  
Nandikotkur TQ.  
Kurnool District  
Andhra Pradesh  
Pincode - 518402

#### UNIT – II

RBHLC Zero Mile Point,  
Tungabhadra Dam,  
Tungabhadra Board,  
Amaravathi Village,  
Hospet  
Karnataka  
Pincode - 583225

### READY MIX CONCRETE DIVISION

#### UNIT - I

Plot No 91/C, D Block ,  
Autonagar, Gajuwaka,  
Visakhapatam- 530026

#### UNIT - II

Plot 11, A/2, Phase 1,  
IDA, Patancheru (V)  
Medak Dist-502319  
Telangana

### Regd. & Admn. Office

**CIN:L33130AP1979PLC002521**

7th Floor, Raghava Ratna Towers, Chirag Ali Lane, Abids, Hyderabad - 500 001.  
Tel : 91 (040) - 23203637, 23202548, 23204243 Fax : 91 (040) - 23202496, 23203417  
E-mail : ncl@nclind.com Website : www.nclind.com



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**AGM on 29th September, 2015 at 11.00 A.M at KLN Prasad Auditorium,  
3rd Floor, 11-06-841, FAPCCI Marg, Red Hills ,Hyderabad- 500 004**



Notice is hereby given that the 34th Annual General Meeting of NCL Industries Limited will be held on Tuesday, the 29th September, 2015 at 11.00 A.M at KLN Prasad Auditorium, IIIrd 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 Balance Sheet of the company as at 31st March 2015 and the Profit and Loss Account and Cash Flow Statement for the year ended on that date together with the Reports of the Directors and Auditors thereon.

2. To appoint a Director in place of Mr.P.N.Raju who retires by rotation and is eligible for reappointment.

3. 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

4. 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 Sections 149(4) of the Companies Act, 2013, Mr. M.Kanna Reddy (DIN: 00040440), 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.”

5. To consider and if thought fit, to pass, with or without modification, the following resolution as an **Ordinary Resolution**:

“RESOLVED THAT pursuant to the provisions of Sections 149, 152, 160 and other applicable provisions of the Companies Act, 2013 Mr. Kalidas Raghavapudi (DIN:02204518), who was appointed as an Additional Director and holds office up to the date of this meeting 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.”

6. To consider and if thought fit, to pass, with or without modification, the following resolution as an **Ordinary Resolution**:

“RESOLVED THAT pursuant to the provisions of Sections 149, 152, 160 and other applicable provisions of the Companies Act, 2013 Lt. General Trevor Aloysius DCunha, PVSM (Retd) (DIN:07207066), who was appointed as an additional director and holds office up to the date of this meeting 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 of the Companies Act, 2013 the remuneration payable to Mr. R.Srinivasa Rao, Cost Accountant, the Cost Auditor appointed by the Board of Directors of the Company, fixed as Rs 50,000/- (Rupees fifty thousand only) for the financial year ending March 31, 2016, be and is hereby ratified.”

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

“RESOLVED THAT Mr. N.V.Suvarna (DIN 07010694), 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.”

9. 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 and 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.V.Suvarna, (Din: 07010694) as an Executive Director of the company for a period of 3 (Three) years w.e.f 30th May, 2015 at the remuneration and other terms as follows:

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

**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.V.Suvarna

**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@12% 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.

"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."

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

"RESOLVED that pursuant to Regulation 6 of the SEBI (Share based Employee Benefits) Regulations 2014, (hereinafter referred to 'the said Regulations') the approval of the shareholders be and is hereby granted for the implementation of any or all of the share based Employee Benefit Schemes envisaged by the said Regulations, under

the aegis of the NCL Employee Welfare Trust. (hereinafter called 'the Trust')"

"FURTHER RESOLVED that the Trust be and is hereby specifically permitted as required by Regulation 4(6) of the said Regulations to undertake secondary acquisition of shares of the company for implementation of the Employee Benefit Schemes subject to the condition that the number of shares acquired through secondary acquisition shall not exceed 1% of the paid up equity share capital of the company in any financial year."

**Item No. 11**

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

"RESOLVED THAT pursuant to the provisions of Section 42 and other applicable provisions, if any, of the Companies Act, 2013, and further subject to the consent/approval of such statutory authorities as may be required, consent of the shareholders be and is hereby accorded to the Board of Directors of the Company to offer or invite subscription for secured or unsecured redeemable non-convertible debentures in one or more series or tranches, aggregating up to ₹ 4,00,00,00,000 (Rupees four hundred Crores only), on a private placement basis, on such terms and conditions as the Board of Directors may, from time to time, determine and consider proper and beneficial to the Company."

"FURTHER RESOLVED that the Shareholders hereby authorize the Board of Directors to decide at their absolute discretion, the quantum, price, timing and the modalities of issue of such debentures within the above mentioned ceilings, and do all such other acts and deeds in connection with the issue and allotment of the debentures as permitted by the Statute."

By Order of the Board.  
for NCL INDUSTRIES LIMITED,

Place: Hyderabad  
Date: 11th August, 2015

T. ARUN KUMAR  
Company Secretary





#### 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. An explanatory statement, pursuant to the provisions of Section 102 of the Companies Act, 2013 in respect of item No. 4-10 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 23rd September, 2015 to 29th September, 2015 (both days inclusive) on account of the Annual General Meeting.
- 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 clause 49(IV)(G) of the Listing Agreement, brief resumes of Directors proposed to be appointed or reappointed at the meeting are given.
- 8 Electronic copy of the Notice of the 34th 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 34th Annual General Meeting of the Company along with Attendance Slip, Proxy Form and Annual Report is being sent to their registered address 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](http://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 2007-08,2008- 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 26th September, 2015 (10:00 AM ) and ends on 28th September, 2015 (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 22nd September, 2015, 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](http://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
- For CDSL: 16 digits beneficiary ID,
  - For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
  - 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](http://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	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)- 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	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.
Dividend Bank Details	Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio. 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 No. 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.

**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 to [helpdesk.evoting@cdslindia.com](mailto: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](mailto: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 26th September, 2015 at 10.00 AM on and ends on 28th September, 2015 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 (30th August, 2015), 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](http://www.evotingindia.co.in) under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto: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 30th August, 2015.*
15. Mr. A.Ravishankar, Partner-M/s Ravi&Subramanyam, Practicing Company Secretaries (COPNo.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 No4318) Practicing Company Secretaries not later than the close of working hours (17.00 hours) on 28th September, 2015. 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 per 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' total shareholding. If the share holder 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 (17.00 hours) on 28th September, 2015. Ballot Forms received after 28th September, 2015 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](http://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 2015-16 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.

**Company Secretary,**

**NCL Industries Limited**

Regd. Office:

7th Floor, Raghavaratna Towers Chirag Ali Lane

Hyderabad-500001

e- mail [cs@nclind.com](mailto:cs@nclind.com)

**Address of Registrar and Share Transfer Agents**

**Venture Capital & Corporate Investments (P) Ltd,**

12-10-167(MIG)

Bharath Nagar, HYDERABAD 500 018

Phones:040-23818475/76 & 23868023

e-mail:info@vccilindia.com



## EXPLANATORY STATEMENT

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

#### ITEM NO. 4

Mr. M.Kanna Reddy, Non Executive Independent Director (aged about 81 years) is due to retire by rotation at the ensuing AGM under the provisions of the Companies Act, 1956. He is a Fellow member of the Institute of Chartered Accountants of India. In terms of Section 149 the Companies Act, 2013 which replaced the Companies Act, 1956, Independent Directors shall henceforth not be included in the total number of directors considered for retirement by rotation. An Independent Director can hold office for a term of up to 5 (five) consecutive years on the Board of a company. He holds Nil Equity shares in the company.

In the opinion of the Board, Mr. M.Kanna Reddy fulfills the conditions for his appointment as Independent Director as specified in the Companies Act, 2013 and the Listing Agreement, and that Mr. M.Kanna Reddy is independent of the management. It is therefore proposed that Mr.M.Kanna Reddy be appointed for a term of 5 (five) years.

The Company has received from Mr. M.Kanna Reddy

- (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. M.Kanna Reddy 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. M.Kanna Reddy is interested in the resolution set out in Item No. 4 of the Notice with regard to his appointment.

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. 4 of the Notice for approval of the members.

#### ITEM NO. 5

As per the provisions of Section 149(4) of the Companies Act,2013 and amended clause 49 of the listing Agreement, every listed company should have at least one third of the total number of Independent Directors. Keeping in view of the above

legal requirements, the Board of Directors at their meeting held on 11th August,2015 appointed Mr.Kalidas Raghavapudi (DIN:02204518) as Independent Director to hold office until the conclusion of this meeting. The company received a notice in writing from members along with requisite deposit under Section 160 of the Companies Act,2013 proposing the candidature of Mr.Kalidas Raghavapudi as Independent Director of the company. He is not disqualified from being appointed as Independent Director and has furnished a declaration under Section 149(7) to the effect that he meets the criteria of Independent Director and in the opinion of Board of Directors, he fulfill the criteria of independence as mentioned under Companies Act,2013 ('the Act') read with Schedule IV and relevant rules made there under and clause 49 of the listing agreement'and given his consent to act as Independent Director. He hold Nil Equity shares in the company.

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 clause 49 of the listing agreement with the Stock Exchanges.

Your Board recommends that the Resolution be passed.

#### ITEM NO.6

As per the provisions of Section 149(4) of the Companies Act,2013 and amended clause 49 of the listing Agreement, the Board of Directors at their meeting held on 11th August,2015 appointed Lt.General Trevor Aloysius DCunha, PVSM (Retd) (DIN:07207066) as Independent Director to hold office until the conclusion of this meeting. The company received a notice in writing from members along with requisite deposit under Section 160 of the Companies Act,2013 proposing the candidature of Lt.General Trevor Aloysius DCunha, as Independent Director of the company. He is not disqualified from being appointed as Independent Director and has furnished a declaration under Section 149(7) to the effect that he meets the criteria of Independent Director and in the opinion of Board of Directors, he fulfill the criteria of independence as mentioned under Companies Act,2013 ('the Act') read with Schedule IV and relevant rules made there under and clause 49 of the listing agreement 'and given his consent to act as Independent Director. He hold Nil Equity shares in the company.

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 clause 49 of the listing agreement with the Stock Exchanges.



Your Board recommends that the Resolution be passed.

**ITEM NO. 7**

The Board of Directors, on recommendation of the Audit committee, at their meeting held on May 30th 2015, appointed Mr. R.Srinivasa Rao, practicing Cost Accountant as Cost Auditor of the Company to conduct the audit of the cost records of the Company for the financial year ending March 31, 2016 on a remuneration of Rs. 50,000/- (Rupee Fifty 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 clause 49 of the listing agreement with the Stock Exchanges.

The Board recommends that the Resolution be passed.

**ITEM NO. 8 & 9:**

At its meeting held on 30th May, 2015, the Board of Directors have appointed Mr.N.V.Suvarna as additional director and Executive Director w.e.f 30th May, 2015 as recommended by the Nomination and Remuneration Committee .Mr.N.V.Suvarna, (64 years) is a Post Graduate in Management from Mumbai University and having over 41 years rich experience in various companies in India and abroad. He holds Nil Equity shares in the company.

Based on the Net Profits for the year ended 31st March 2015, the remuneration fixed requires the consent of the shareholders pursuant to Section 197(3), as stipulated by Para 1(A), Part II, Section II to Schedule V to the Companies Act, 2013. It is proposed to pay the above remuneration as Minimum Remuneration in the event of absence or inadequacy of profits.

According to Section 197 of the Companies Act, 2013 read with Para A, Part II, Section II of Schedule-V of the said Act, the remuneration payable to Executive Directors (subject to ceiling limits as prescribed) requires the approval of the shareholders in General Meeting by way of a Special Resolution in the event of absence or inadequacy of profits.

The information as required under Schedule V to the Companies Act, 2013 is as under:-

**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	2010-11	2011-12	2012-13	2013-14	2014-15
<b>Parameters</b>					
Turnover	56566.20	76383.84	63303.73	61220.69	79643.09
Net Profit (as computed u/s. 198)	2968.71	6639.30	(815.07)	(3600.43)	1416.13
Net profit as per profit and loss Account	2341.29	4425.48	(1154.47)	(4080.18)	890.01
Amount of Dividend paid #	609.08	812.10	Nil	Nil	Nil
Rate of dividend Declared	15%	20%	Nil	Nil	Nil

# including dividend Tax

- (5) Export performance: Rs. 266.82 Lakhs Foreign Currency Earnings- CIF basis for the Financial Year 2014-15.
- (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 APPOINTEE:

### Mr. N.V.Suvarna

#### 1 Background Details –

Mr. N.V.Suvarna has been appointed as an Executive Director by the Board of Directors of the Company for a period of 3 years w.e.f. 30.05.2015. The terms of his remuneration, is in accordance with the provisions of Schedule V of the Companies Act, 2013 as detailed in the resolution.

#### 2 Past remuneration -

(Rs.in Lakhs)

Financial Year	2012-13	2013-14	2014-15
	Nil	Nil	Nil

#### 3 Recognition and Awards: NIL

#### 4 Job profile and his suitability –

Mr.N.V.Suvarna is in-Charge of operations of new projects and corporate communications subject to the superintendence, direction and control of the Managing Director.

#### 5 Remuneration proposed - As set out in the resolution for the Item No 9 .The remuneration proposed to be paid to the Executive 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 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.V.Suvarna is holding Nil equity shares in the Company. Mr.N.V.Suvarna does not have any other pecuniary relationship with the Company.

## III OTHER INFORMATION

### (1) Reasons of loss/inadequate Profits :

The company has been consistently earning profits and paying dividends until FY 2011-12.Company sustained losses during the Financial Years 2012-13&2013- 14 and made turn around during the year under review. As explained in the Directors' Report, Cement units in general, and those in the State of Andhra Pradesh and Telangana (newly bifurcated state) in particular were badly affected by a combination of factors such as regional agitations, creation of excess capacity coupled with a fall in demand, recession in the infrastructure sector and slowdown of construction activity, frequent power-cuts, steep rise in the cost of key inputs like power and coal, coupled with fall in the market prices.

### (2) Steps taken or proposed to be taken for improvement

Several austerity measures for cutting down the expenses, and improving production efficiencies have been initiated. The Executive Directors have taken a lead in this direction by taking a voluntary cut on their remuneration. Due to improved performance, the company made a turnaround during the current financial year 2014-15.

### (3) Expected increase in productivity and profits in measurable terms

Your Directors have reason to view the situation with a cautious optimism that with the announcement of the bifurcation of composite Andhra Pradesh in to Telangana and Andhra Pradesh the construction activity will pick up resulting in higher demand and realization in cement prices. Since the new regime at center seem to be focusing on infra and real estate sectors, there is a ray of hope on improvement in cement sector in coming days ahead. All efforts are being taken to improve the performance of the company.

Your Directors recommend that the resolutions be passed

Except the appointee ,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 clause 49 of the listing agreement with the Stock Exchanges.



#### **ITEM NO. 10**

Members are aware that many companies have formulated ESOP, ESPP and other share based schemes for the benefit of employees as a measure to attract and retain talent. These schemes are also used to reward employees for their loyalty and length of service.

SEBI has formulated the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 (hereinafter called "the above Regulations) to regulate such share based employee benefit measures.

As per the above regulations, if any of the Schemes envisage acquisition of shares from the secondary market or gift of shares to employees, such Schemes can be implemented only through a Trust formed for the purpose.

As a measure of rewarding employees for their length of service and also to administer the ESOP Schemes that may be introduced in future, and as envisaged by the above Regulations, Board has authorized the formation of an "NCL Employee Welfare Trust." Among other welfare activities, the Trust will also acquire shares of the company from the secondary market, and offer some of the shares so acquired to be given as gift to employees, as permitted under the SEBI Regulations.

For the time being, the company is contemplating formulating a "Employees General Benefit Scheme", whereby it is proposed that each employee who has completed one year of service as on 1st April 2014 and continue on the rolls of the company as on 1st April, 2015 will be entitled to a gift of 100 equity shares from the Trust. These shares will be acquired by the Trust from the market by way of secondary acquisition as permitted under the above Regulations. The acquisition shall take place over a period of one year after the resolution is passed, and will be funded by the grants made by the company to the Trust. The order in which the shares shall be gifted will be determined as per fixed criteria to be determined by the Trust.

The maximum number of shares to be acquired and gifted to implement the Scheme works out to 56,500 Shares. The amount to be set aside by the company by way of grant to the Trust for this purpose will work out to around Rs56.60 lakhs

The Scheme shall conform to the Accounting Policies referred to in Regulation 15 of the said Regulations.

Neither the company nor the Trustees are likely to derive any benefit of the above Scheme, since the above Regulations prohibit the Trustees from exercising voting rights on the shares held by the Trust pursuant to the Scheme.

Your Directors feel that the Scheme will strengthen the sense of belonging and ownership of the employees, and will help in enhancing the employee morale.

Your Directors therefore recommend that the Resolution be passed.

None of the Directors or Key Managerial Personnel or their respective relatives are interested, directly or indirectly in the Scheme except to the extent of their entitlement as employees.

#### **ITEM No.11**

Members may recall that by a resolution passed by them at the AGM held on 29th September, 2014 the shareholders have authorized the Board of Directors under Section 180(1)(c) of the Companies Act, 2013 to borrow moneys in excess of the paid up capital and free reserves, up to a ceiling of Rs. 500 crores.

The borrowing of money could include borrowing by way of issue of debentures. Section 42 of the Companies Act, 2013, read with Rule 14 of the Companies (Prospectus and Allotment of Securities) Rules 2014 prescribes that any borrowing by way of issue of non convertible debentures can be made by a company only with the previous approval of the Shareholders through a Special Resolution. Such approval shall be valid for all private placements made during the year.

In order to have the option of borrowing by way of non convertible debentures as and when found suitable, the Directors seek the approval of the Shareholders for offer and issue of non convertible debentures during the year 2015-16, up to a ceiling of Rs. 400 Crores, which is within the overall borrowing power already granted to the Board.

None of the Directors or the Key Managerial Personnel or their relatives is in any way interested or concerned, financially or otherwise in this Resolution except to the extent of their respective shareholding in the Company. The Board recommends the Special Resolution be passed.



# DIRECTORS' REPORT



Your Directors have pleasure in presenting their Report for the financial year ended March 31, 2015.

## Financial Results

The Audited Balance Sheet of your Company as at March 31, 2015, the Profit & Loss Account for the year ended on that date and the report of the Auditors thereon are being circulated with this report. The salient features of the financial results are as follows:

(Rs. in lakhs)

	2014-15	2013-14
<b>Gross Income</b>	<b>79643.09</b>	<b>61,220.69</b>
<b>Profit (Loss) for the Year Before Tax</b>	1233.72	(3766.88)
Provision for Tax & Deferred Tax	343.71	313.30
<b>Net Profit (Loss)</b>	<b>890.01</b>	<b>(4080.18)</b>
Transfer to General Reserve	Nil	Nil

Your Directors are pleased to report that after two years of disappointing performance, the company has made a modest net profit of Rs 890.01 lakhs during the year under review. This was mainly because there has been a turnaround in the cement industry in the region from the last Quarter of the year under review.

The Boards Division and Energy Division also recorded a satisfactory performance, and contributed to the turnaround.

Your Directors are further pleased to report that the improved performance of the company continued during the current financial year. Your Company has been able to clear all the arrear dues to the lenders, and also wipe out most of the accumulated losses.

If the trend continues, your Directors are optimistic about the future prospects, with the indications of accelerated investment in the infrastructure sector.

## Material changes and commitments if any affecting Financial position of the company

There are no adverse material changes or commitments occurring after 31st March, 2015 which may affect the financial position of the company or may require disclosure.

## Dividend

Members will appreciate that with the CDR mechanism still in place, most of the surpluses had to be used for

clearing the arrear liabilities to lenders, and wiping out the previous years' losses. Hence your Directors regret that they are unable to recommend any dividends for the year under review.

## Corporate Debt Re-structure

As reported in the last annual report, Corporate Debt Re-structure proposal of the company with the lenders to ease the pressure on resources was sanctioned by the lenders and implemented. Payments to Institutions/banks are as per schedule and paid up to date.

## Preferential Allotment

Clearance was received from SEBI for the preferential allotment of shares to the Promoters to comply with the CDR stipulations which was approved by the shareholders on 2nd April 2014. The shares were accordingly allotted to the Promoters on 26th May 2015 subject to the lock-in provisions as per SEBI (ICDR) Regulations.

## DIRECTORS' RESPONSIBILITY STATEMENT

In accordance with the provisions of Section 134 (3)(c) of the Companies Act, 2013, and on the basis of the information furnished to them by the concerned accounting professionals, your Directors confirm that

- I. All applicable accounting standards have been followed in the preparation of annual accounts and that there are no material departures
- II. The Directors selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company as at 31st March, 2015 and of the profit of the Company for the year ended on that date.
- III. The Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act 2013, for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities.
- IV. The Directors prepared the Annual Accounts on a going concern basis.
- V. Proper internal financial controls were in place and that the financial controls were adequate and were operating effectively.



VI Appropriate systems devised to ensure compliance with the provisions of all applicable laws were in place and were adequate and operating effectively.

## **DIRECTORS AND KEY MANAGERIAL PERSONS(KMP)**

### **Independent Directors**

The Company has three Independent Directors who meet the criteria stipulated by Section 149(6) of the Companies Act, 2013, namely Mr. R Anand, Mr. M. Kanna Reddy and Mr. Kamlesh Gandhi. Out of them, Mr.M.Kanna Reddy is due to retire by rotation at the ensuing Annual General Meeting. A separate Resolution under Special Business is being proposed for reappointment of Mr. M.Kanna Reddy as an Independent Director for a fresh tenure of five years. Your Board recommends the reappointment of Mr. M.Kanna Reddy as an Independent Director.

In the Board meeting held on 11th August, 2015, Lt.General Trevor Aloysius DCunha, PVSM (Retd) and Dr.Kalidas Raghavapudi have been appointed as Independent Directors. Separate resolutions are being proposed at the ensuing Annual General Meeting to appoint Lt.General Trevor Aloysius DCunha and Dr.Kalidas Raghavapudi as Independent Directors.

The Company has received declarations from all the Independent Directors of the Company confirming that they continue to meet with the criteria of independence as prescribed under sub-section (6) of Section 149 of the Companies Act, 2013 and under Clause 49 of the Listing Agreement with the Stock Exchanges.

### **Executive Directors**

At its meeting held on 30 May 2015, the Board appointed Mr. N.V.Suvarna as an Additional Director and Executive Director. A resolution is being proposed at the ensuing Annual General Meeting appointing Mr.N.V.Suvarna as a Director and Executive Director.

Mr.P.N.Raju resigned as Executive Director of the company w.e.f. 2nd July, 2015 due to his other preoccupations. However, he continues as a Non Executive Director.

The board records its profound appreciation of the contribution made by Mr.P.N.Raju as an Executive Director of the company.

Mr. P.N.Raju retires by rotation at the ensuing Annual General Meeting, and is eligible for reappointment. The necessary resolution for the re-appointment of Mr.P.N.Raju has been included in the Notice convening the ensuing AGM.

Particulars of Directors whose appointment/reappointment is sought are given in **Annexure A-1** to this Report, as part of the Report on Corporate Governance under Clause 49 of the Listing Agreement.

### **BOARD MEETINGS**

During the year under review, five board meetings were held on 30th May, 2014, 14th August, 2014, 29th September, 2014, 14th November, 2014, and 31st January, 2015. The maximum time-gap between any two consecutive meetings was within the period prescribed under the Companies Act, 2013.

### **Committees of the Board**

The Board has constituted various committees as required under the Companies Act, 2013 and Clause 49 of the Listing Agreement with the Stock Exchanges. The details of such Committees are given in Annexure – A as a part of the report on Corporate Governance.

### **Key Managerial Personnel**

During the year under review, Mr.N.G.V.S.G. Prasad President (F&A) resigned from the company with effect from the close of business hours of 31st March, 2015. The Board of Directors at its meeting held on 31st January, 2015 appointed Mr.N.Krishnan as President & CFO.

### **Plans for Orderly Succession for appointments to Board etc**

Your Board of Directors is fully satisfied that plans are in place for orderly succession for appointments to the Board and to senior management positions.

### **CORPORATE GOVERNANCE**

A separate Report of compliance with the provisions relating to Corporate Governance as required by Clause 49 of the Listing Agreement with the Stock Exchanges is enclosed as **Annexure-A** to which forms part of this Report.

### **Risk Management**

The company has a system of constantly identifying and monitoring the risks that the company may be exposed to. A Risk Management Committee headed



by Executive Director along with other technical and non technical executives periodically reports to the Board about the risks identified and steps taken to manage the risks. The Board is of the opinion that there are no elements of risks that may threaten the existence of the Company.

#### **Particulars of Loans , Guarantees, or Investments under section 186 of the Companies Act, 2013**

The company has not granted any loans, given any guarantees or made any investments during the year which would be covered under section 186 of the Companies Act,2013.

#### **Related Party Transactions**

Pursuant to Section 134 of the Companies Act,2013 read with Rule 8(2) of the Companies (Accounts)Rules,2014, the particulars of contracts or arrangements entered in to by the company with related parties have been done at arm's length and are in the ordinary course of business. The details of the Related Party Transactions are contained in the Audited Financial Statements (See Note 2.31b in Notes on Account)

#### **Management Discussion and Analysis Report**

The Management Discussion & Analysis Report is annexed as **Annexure-B** to this Report.

#### **Litigations**

During the year under review, no significant or material orders were passed by any regulatory/statutory authorities or courts/tribunals against the company imparting its going concern status and operations in future.

#### **Corporate Social Responsibility (CSR) Activities**

In view of the losses in the previous years, the provisions of Section 135 of the Companies Act, 2013 were not applicable to the company. However, your Directors are glad to report that even before the provisions were introduced in the Statute, your company has been engaged in CSR activities on a voluntary basis. The details of the CSR activities during the year under review are listed in **Annexure-C** to this Report.

The company will comply with the provisions relating to CSR as and when they become applicable to it.

#### **Subsidiaries**

Your Company has no subsidiaries, Associates or Joint Ventures as on the date of the Report.

#### **Investor Education & Protection Fund**

The Company has transferred Rs.20.71 Lakhs relating to unpaid Dividend for the Financial Year 2006-07 (Final dividend) to the Investor Education & Protection Fund.

#### **Fixed Deposits**

The details relating to Fixed Deposits are as follows:  
As on 31st March 2015, Rs 3129.66 Lakhs of Public Deposits are outstanding. The Company has repaid all the matured deposits that have been claimed, and there have been no defaults in payment of interest or repayment of principal.

#### **Particulars of Employees**

The details of employees who have been in receipt of the remuneration envisaged by Section 197 of the Companies Act, 2013 read with Rule 5 of the Companies (Appointment and Remuneration of Managerial personnel) is annexed as **Annexure-D** to this Report.

#### **Auditors**

M/s Venugopal & Chenoy, Chartered Accountants, have been appointed as the statutory auditors of the Company for a period of five years w.e.f 29th September,2014 subject to ratification at ensuing Annual General Meeting.

#### **Cost Audit**

Mr. R. Srinivasa Rao, Cost Accountant, the Cost Auditor of the Company has been re-appointed to conduct the cost audit pertaining to the Cement Division as well as the RMC Division of the company for the year 2015-16.

The due date for filing the cost audit reports in XBRL mode for the financial year ended March, 31st,2014 was 27th September,2014.and the Cost audit reports were filed with Ministry of corporate Affairs on 19th September,2014.

#### **Secretarial Audit**

The Secretarial Audit Report pursuant to the provisions of Section 204 of the Companies Act, 2013 and the



response of the Board to the observations made therein are attached as **Annexure-E** to this Report.

**Disclosure under the sexual harassment of women at work place (Prevention , Prohibition and Redressal ) Act, 2013.**

During the year under review, there were no cases filed pursuant to the aforesaid Act.

**Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo**

Your Company continues to be conscious of the need for conservation of energy, and wherever feasible, effective steps for energy conservation are taken.

There were no significant investments or developments in this regard during the year under review.

The technology procured for the fields of operation has been fully absorbed.

There was no significant expenditure in Research & Development warranting a special mention in this Report.

The details of Foreign Exchange Earnings and outgo are as follows:

Earnings	: Rs. 266.83 Lakhs
Outgo	: Rs. 110.39 Lakhs

**Extract of Annual Return**

Pursuant to the provisions of Section 92 of the Companies Act, 2013 and rules framed there under, the extract of the Annual Return in form MGT-9 is annexed herewith as **Annexure-F** to which is forms part of this Report.

**Acknowledgements**

Your Directors wish to place on record their appreciation of the support and co-operation extended by IREDA, SBH, OBC, Axis Bank, Corporation Bank, Canara Bank, State Bank of Mysore, Central Bank of India, IDBI Bank and Central and State Government Departments, Dealers, Stockiests, Consumers and Depositors.

Your Directors also wish to place on record their appreciation of the enthusiastic support received from the shareholders.

Your Directors have pleasure in acknowledging the excellent co-operation received from the team of dedicated executives and employees who have contributed handsomely to the operations of the company.

**For and on behalf of the Board**

**R. ANAND**  
Chairman

Place: Hyderabad  
11th August, 2015



**FORM-A**  
**FORM FOR DISCLOSURE OF PARTICULARS WITH RESPECT TO CONSERVATION OF ENERGY**

	Current Year 2014-15	Previous Year 2013-14
<b>A. POWER AND FUEL CONSUMPTION</b>		
<b>1 ELECTRICITY</b>		
a. Purchased		
Units -Lacs	1132	988
Total Amount ( Rs.In lacs )	6261	6946
Rate/Unit( Rs )	5.53	7.03
b. Own Generation		
Through Diesel Generator ( Units lakhs)	2.76	1.82
Total Amount ( Rs. In Lacs )	46	33
Rate/Unit( Rs )	16.70	18.09
<b>2 COAL</b>		
Quantity ( Tonnes )	193178	173966
Total Cost ( Rs.Lacs )	10812	8595
Average Rate/Tonne(Rs)	5597	4941
<b>3 FIRE WOOD</b>		
Quantity ( MT )	6061.51	7148.92
Total Cost ( Rs.Lacs )	204	212.00
Average Rate/Tonne(Rs)	3366	2971
<b>4 CONSUMPTION PER UNIT OF PRODUCTION</b>		
Electricity -Units		
Cement Division ( per MT)*	96.09	97.49
Boards Division ( per Sq Mtr)	2.70	2.46
Coal -MT ( Cement Division ) *	0.182	0.198
Kcal/Kg clinker	787	785

\*Per MT of equivalent Ordinary Portland Cement

**FORM-B**

**FORM FOR DISCLOSURE OF PARTICULARS WITH RESPECT TO TECHNOLOGY ABSORPTION, (R&D)**

A Reasearch and Development ( R&D)	: Not Applicable
B Technology Absorption, adoption and innovation	: Not Applicable

**For and on behalf of the Board**

Place : Hyderabad  
Date : 11.08.2015

**R. ANAND**  
CHAIRMAN

**(In compliance with Clause 49 of the Listing Agreement)**

**1) Company's philosophy on Corporate Governance**

The Company's philosophy on Corporate Governance is to conform to the code of corporate governance in letter and spirit as an aid to efficient conduct of its business and in meeting its obligations to shareholders.

**2) Board of Directors:**

a) Constitution & Size of the Board

During the year under review, your Board of Directors had 11 Directors, 3 being Executive Directors and 8 Non-Executive Directors (including a Nominee Director). Three of them being Independent Directors. The Chairman of the Board is an Independent Director. 4 of the total number of 11 directors on the Board were independent, and the Company was in compliance of the provision relating to the number of Independent Directors prescribed under the Companies Act and the listing agreement. However, after the Nominee Director ceased to be treated as independent, there was a shortfall of one in the number of Independent Directors, which was subsequently filled, upon the induction of two more independent directors on 11<sup>th</sup> August, 2015.

At the Board meeting held on 30<sup>th</sup> May, 2015, Mr.N.V.Suvarna has been appointed as additional Director and Executive Director w.e.f 30<sup>th</sup> May, 2015.

Mr.P.N.Raju, resigned as Executive Director of the company w.e.f 2<sup>nd</sup> July ,2015 and continue to be a Non Executive Director.

Upon appointment of Ms. Roopa Bhupatiraju as Director on 30<sup>th</sup> May 2014, the Company has complied with the provision relating to the appointment of a Woman Director,

b) Number of Board Meetings held during the year along with dates of the meetings:

Five Board Meetings were held during the year 2014-2015. The dates on which the said meetings were held are as under:

(1) 30<sup>th</sup> May, 2014 (2) 14<sup>th</sup> August, 2014 (3) 29<sup>th</sup> Sep 2014 (4) 14<sup>th</sup> Nov 2014 (5) 31<sup>st</sup> Jan, 2015.

c) Attendance of Directors at Board Meetings, AGM and committees where he/she is a Director / Member.

Name of the Director	Categories Of Director-ship*	No of Board Meeting attended	Attendance at last AGM	Directorship in other Companies	No. of memberships of other Committees**	
					Chairman	Member
R. Anand	I & NED	4	Yes	3	-	-
M. Kanna Reddy	I & NED	5	Yes	1	-	1
M. Bhaskara Rao	NED	2	No	-	-	-
Kamlesh Gandhi	I & NED	5	Yes	4	-	1
V.V. Goradia	NED	3	No	-	-	-
Ms.Roopa Bhupatiraju	NED	2	No	-	-	-
K Madhu	NED	5	Yes	4	-	-
Ashven Datla	NED	4	Yes	5	-	1
K.Gautam	ED	4	Yes	-	-	-
P.N.Raju	ED	5	Yes	1	-	-
K. Ravi	MD	5	Yes	-	-	-





\*\*As per the explanation to clause 49I(C), only Audit committee and Stakeholders relationship committee have been considered for the purpose

- \* I & NED - Independent and Non Executive Director
- NED - Non-Executive Director
- ED - Executive Director

\*\*\*excluding directorships in private ltd companies

**d) Criteria for performance evaluation of Independent Directors**

The Nomination & Remuneration Committee has laid down the evaluation criteria for performance evaluation of Independent Directors and other Non Executive Directors of the company. No formal separate meeting of the independent Directors was held during the year under review. However, independent directors keep meeting separately on an informal basis to discuss the affairs of the company.

A formal meeting of the Independent Directors was held on 11th August, 2015. The views of the Independent Directors were conveyed to the other directors.

**e) Familiarization programme for Independent Directors**

All the present Independent Directors are already familiar with the company, its operations and policies and also their rights and responsibilities. For new inductees, the familiarization process consists of plant visits, interaction with the executive directors, other members of the Board and senior management personnel. The company also is willing to sponsor independent directors to training programmes and seminars on their rights and responsibilities, whenever there is a need and an opportunity.

**3) Audit Committee:**

The Board has an Audit Committee constituted pursuant to Clause 49 of the Listing Agreement. The role of the Audit Committee includes the following:

- a) Overseeing the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
- b) Recommending to the Board, the appointment, re-appointment and, if required, the replacement or removal of the statutory auditor and the fixation of audit fees.
- c) Reviewing, with the management, the annual financial statements before submission to the board for approval
- d) Reviewing the adequacy of internal audit function and the adequacy of the internal control systems.
- e) Framing and reviewing policy on related Party transactions and recommend the same to Board. The Committee is empowered with the powers as prescribed under Clause 49 of Listing Agreement and Section 177 of the Companies Act, 2013.

During the year under review, five meetings of the audit committee were held on the following dates 30th May, 2014, 14th August, 2014, 14th November 2014, 27th December, 2014 and 31st January 2015.

The constitution of the committee and attendance of each member at the audit committee meetings held during the year under review is given below

Name	Designation	Category	Committee meetings attended
M.Kanna Reddy	Chairman	Independent	5
M. Bhaskara Rao	Member	Non executive (IREDA Nominee)	3
K. Madhu	Member	Non Executive	5
Kamlesh Gandhi	Member	Independent	5



In the constitution of the Audit Committee, the proportion of independent and non independent directors was 3:1. However, with the nominee director of IREDA, ceasing to be treated as independent, the number proportion was reduced to 2:2. The Company had the option of dropping the IREDA nominee from the Committee, to achieve the prescribed proportion. However considering that the nominee director is a senior chartered accountant, the company felt that retaining him on the Committee would serve objective of corporate governance better, though the option of dropping him from the Committee would have resulted in full compliance with the provisions relating to constitution of Audit Committee.

The Managing Director, Executive Directors and the President & CFO are permanent invitees to this Committee. The terms of reference of the Audit Committee are in accordance with the provisions of Clause 49 of the Listing Agreement.

There were no occasions where the Board did not accept any recommendation of the Audit Committee.

#### 4) Nomination & Remuneration Committee:

The Company has a Nomination and Remuneration Committee. The constitution of the committee and attendance of each member at the committee meetings held during the year under review is given below

Name	Designation	Category	Committee meetings attended
M.Kanna Reddy	Chairman	Independent	3
M. Bhaskara Rao	Member	Non Executive (IREDA Nominee)	3
K. Madhu	Member	Non Executive	3
Kamlesh Gandhi	Member	Independent	3

This Committee considers and recommends the remuneration payable to Executive Directors. During the year under review, three committee Meetings were convened on 30th May,2014, 14th November,2014 and 27th December 2014.

#### Remuneration Policy

The remuneration policy of the Company is to make the compensation payable to the Executive Directors comparable to industry standards and commensurate with the performance of the Company, while adhering to the ceilings prescribed under the Statute.

The Nomination and Remuneration Committee has adopted a Nomination and Remuneration Policy which, inter alia, deals with the manner of selection of Board of Directors, Key Managerial Personnel and other employees and their remuneration.

The remuneration/ compensation/ commission etc, to Directors and KMP are determined by the Nomination and Remuneration Committee and recommended to the Board for approval. Such remuneration/ compensation/ commission etc., are subject to the prior/post approval of the shareholders of the Company and Central Government, wherever required.

#### Remuneration paid to Executive Directors

During the period under review, the remuneration paid/payable to the executive directors including the Managing Director is as follows:

Name of the Director	Salary	Allowances	Commission	Total*
K. Ravi, M.D	58.50	30.42	-	88.92
P.N.Raju, E.D	33.93	17.64	-	51.57
K.Gautam, E.D	23.40	9.36	-	32.76

Allowances include HRA, Contribution to PF etc.

\*For the year under review, the Executive Directors took a voluntary cut of 25% of the basic salary.



### Remuneration paid to Non Executive Directors

The Non-Executive Directors were paid sitting fees for attending the meetings of the Board or the Committees thereof at the rate of Rs.7500/- per Board/Committee Meeting. In addition they are entitled to commission at the rate of not exceeding 1% of the net profits of the Company in terms of the resolution approved by the shareholders at the AGM held on 29th September, 2009. During the year under review, in view of inadequacy of profits, they have not been paid any commission.

The sitting fees paid to the Directors during the year under review was as follows:

Name of Director	No. of Board/ Committee meetings attended	Sitting Fees paid(Rs)
M.Kanna Reddy	14	1,05,000
M. Bhaskara Rao	8	60,000
V.V. Goradia	3	22,500
R.Anand	4	30,000
Ashven Datla	5	37,500
K Madhu	14	1,05,000
Kamlesh Gandhi	13	97,500
Mrs.Roopa Bhupatiraju	2	15,000
<b>Total Sitting Fees Paid</b>		<b>4,72,500</b>

### Shareholdings of Non Executive Directors as on 11th August, 2015:

Non-executive Directors	No. of Shares
R.Anand	540
M. Kanna Reddy	NIL
V.V. Goradia	4,19,784
K. Madhu	11,17,129
M. Bhaskara Rao	NIL
Ashven Datla	1,94,649
Kamlesh Gandhi	NIL
Mrs.Roopa Bhoopathiraju	64,096
Mr. P. N. Raju	9,15,926

### 5) Stakeholders Relationship Committee :

The Company has a "Stakeholders Relationship Committee" which consists of Mr. M. Kanna Reddy as its Chairman, Mr. K. Madhu and Mr. Ashven Datla as its members. The Committee is formed for the purpose of complying with the guidelines on Corporate Governance to monitor redressal of complaints received from the shareholders.

During the period under review, the Committee met once on 30th January, 2015. The attendance details of the members are given hereunder.

Name	Designation	Category	Committee meetings attended
M. Kanna Reddy	Chairman	Independent	1
K. Madhu	Member	NED	1
Ashven Datla	Member	NED	1



## Compliance Officer

Mr. T. Arun Kumar, Company Secretary of the company is also designated as the Compliance Officer.

### i) Details of Investors letters / complaints received during the year ended 31st March 2015.

Sl No	Nature of letter / complaints	Received	Disposed of	Pending
1	Non-receipt of Dividend warrant(s)	13	13	Nil
2	Non - Receipt of Share certificates after transfer/duplicate Share Certificate	3	3	Nil
3	Non – Receipt of Annual Report	5	5	Nil
4	Miscellaneous – others	-	-	Nil

### ii) Number of Complaints pending with the Company:

All the complaints / letters received during the financial year were resolved / replied to the satisfaction of the shareholders.

## 6. CORPORATE SOCIAL RESPONSIBILITY (CSR) COMMITTEE

In view of the losses in the previous years, your company is not covered by the provisions relating to Corporate Social Responsibility during the year under review. However, the Board at its meeting held on August, 14 2014, constituted the CSR committee comprising Mr.Kamlesh Gandhi-Chairman), Mr. K.Gautam (Executive Director), and Mr.Vinodrai.V.Goradia(Director) as members.

This Committee will discharge the functions as envisaged by the Act as and when it becomes applicable. When the company is not covered, the Committee will review the voluntary CSR activities of the company.

## 7) Subsidiaries:

There are no subsidiaries of the Company.

## 8) General Body Meetings:

a) Details of the last 3 Annual General Meetings (AGM) are given hereunder:

Year	Date & time of AGM	Place
2013-2014	29.09.2014 at 12.00 Noon	Bharatiya Vidya Bhavan, King Koti, Hyderabad
2012-2013	28.09.2013 at 11.30 AM	Bharatiya Vidya Bhavan, King Koti, Hyderabad
2011-2012	14.09.2012 at 11.00 AM	Bharatiya Vidya Bhavan, King Koti, Hyderabad

b) Details of Special Resolutions passed in last three AGMs

Year	Gist of the Resolutions
2013-14	<ol style="list-style-type: none"> <li>1. Re-appointment and remuneration payable to Mr.P.N.Raju as Executive Director for a period of 3 years w.e.f 1st August,2014</li> <li>2. Re-appointment and remuneration payable to Mr.K.Gautam as Executive Director for a period of 3 years w.e.f 1st August,2014.</li> <li>3. Acceptance /invitation/renewal of deposits U/s73 and 76 of the Companies Act,2013 from time to time by the board of directors of the company.</li> <li>4. Consent to borrow/create/mortgage on movable and immovable properties of the company U/s180(1)(a)180(1)(c) of the Companies Act,2013.</li> </ol>
2012-13	Confirmation of remuneration paid to Mr.K.Ravi, Managing Director for the FY2012-13 and approval of Minimum remuneration to him in the event of inadequacy of profits from FY2013-14 onwards.
2011-12	a) Revision in remuneration of Mr.K.Ravi, Managing Director and Mr.P.N.Raju, Executive Director.



b) Increase in remuneration of Mr.Aswin Goradia (Asst.General Manager - Marketing)

c) There was no special resolution passed last year through postal ballot, nor is there any proposal this year for passing any special resolution by postal ballot.

#### 9) Disclosures

- a) The related party transactions made by the Company with its Promoters, Directors, Management or Relatives are disclosed in the Notes to the Account. There have been no related party transactions that may have conflict with the interest of the Company at large.
- b) During the last three years there were no strictures or penalties imposed by either the SEBI or the Stock Exchanges or any statutory authority for non-compliance of any matter related to the capital markets.
- c) The Company formulated a formal whistle blower policy, which was adopted by the Board at its meeting held on 30 May 2015.
- d) The Company has complied with the mandatory requirements stipulated under clause 49 of the listing agreement entered into with the stock exchanges, subject to the disclosures in respect of Independent Directors, in Para 2 (a) above.

#### 10 Means of communication:

- I. The quarterly and half yearly financial results are published in any two of the national and local dailies such as Business Standard, Financial Express and Andhra Prabha.
- II. Quarterly / Half yearly financial results of the Company are forwarded to the stock exchanges and published in Business Standard/Financial Express and Andhra Prabha. Half yearly report is not sent to each household of shareholders as the results are published in the news papers.
- III. The results and other official news releases are also posted in the Company's website – [www.nclind.com](http://www.nclind.com) and BSE &NSE websites.

#### 11) Shareholders information:

i) AGM	34th Annual General Meeting
Date	29th September, 2015
Time	11.00 A.M
Venue	KLN Prasad Auditorium, 3rd floor, Federation House, 11-06-841, FAPCCI Marg, Red Hills, HYDERABAD.-500004
ii) Financial Year	April 1 to March 31 next.
iii) Date of Book Closure	23/09/2015 to 29/09/2015, (both days inclusive)
iv) Dividend payment date	No dividend recommended for the year 2014-15.
v) Listing on Stock Exchanges and status of Listing fees	BSE & NSE Listing Fees paid Up to date.
vi) A) Script Code	BSE- 502168, NSE – NCLIND
B) Demat ISIN No in NSDL & CDSL for equity shares	INE732C01016
C) Corporate Id. No.	L33130AP1979PLC002521



**vii) Stock Market Data**

**SHARE PRICE (BSE)**

Month & Year	High	Low	Close	No of Shares
Apr-14	27.60	20.00	23.75	1,42,691
May-14	29.45	21.50	25.80	2,12,582
Jun-14	41.20	25.00	32.15	6,76,408
Jul-14	30.00	29.10	29.80	2,07,327
Aug-14	34.50	28.10	33.85	1,39,213
Sep-14	37.60	32.05	36.95	2,08,490
Oct-14	37.15	34.00	35.90	1,11,828
Nov-14	48.00	35.05	41.75	3,40,056
Dec-14	44.95	34.05	39.95	2,73,888
Jan-15	45.45	39.50	39.50	1,31,518
Feb-15	53.25	41.10	44.00	3,70,429
Mar-15	56.30	41.75	44.90	6,49,046

**SHARE PRICE (NSE)**

Month & Year	High	Low	Close	No of Shares
Apr-14	28.70	20.35	23.80	3,06,979
May-14	32.00	22.00	25.85	3,65,942
Jun-14	41.40	25.15	31.90	19,93,189
Jul-14	36.00	29.00	29.65	2,56,897
Aug-14	34.30	28.00	33.90	2,03,428
Sep-14	38.50	32.00	36.70	3,09,921
Oct-14	38.50	34.00	35.75	1,55,100
Nov-14	47.70	35.10	41.55	5,74,118
Dec-14	45.00	34.40	39.85	3,81,949
Jan-15	45.85	39.00	39.15	2,75,961
Feb-15	53.40	39.10	44.35	6,27,892
Mar-15	56.40	43.50	45.15	13,74,573

**viii) Address of Registrar and Share Transfer Agents**

Venture Capital & Corporate Investments (P) Ltd  
12-10-167 (MIG), Bharath Nagar HYDERABAD 500 018  
Phones: 040-23818475 / 76 & 23868023 Fax : 040-23868024  
E-mail: info@vccilindia.com

**ix) Share transfer system:**

Transfer of securities in physical form is registered and the duly transferred share certificates are dispatched within 30 days of receipt provided the transfer documents are in order. The Board of Directors has delegated powers to approve the transfer, transmissions, etc to Mr. K.Madhu, Director and Mr.T.Arun Kumar, Company Secretary.





x) **Distribution of Shareholding as on 31.03.2015**

<b>NO. OF EQUITY SHARES HELD</b>	<b>NO. OF SHAREHOLDERS</b>	<b>%</b>	<b>NO. OF SHARES HELD</b>	<b>%</b>
Up to 500	32,120	90.32	38,76,483	11.09
501 - 1000	1,716	4.98	13,50,515	3.86
1001 - 2000	772	2.24	11,72,254	3.36
2001 - 3000	246	0.71	6,29,575	1.80
3001 - 4000	140	0.40	4,91,350	1.41
4001 - 5000	95	0.28	4,52,957	1.30
5001 - 10000	148	0.43	10,90,117	3.12
10001 & ABOVE	219	0.64	2,58,74,084	74.06
<b>TOTAL</b>	<b>34,456</b>	<b>100.00</b>	<b>3,49,37,335</b>	<b>100.00</b>

xii) **Shareholding Pattern as on 31.03.2015**

	<b>NO. OF SHARES HELD</b>	<b>%</b>
<b>Promoters/Promoter Group</b>		
Individuals	1,23,89,610	35.46
Bodies Corporate	42,84,906	12.27
<b>Public shareholding</b>		
Individuals holding nominal share capital upto Rs.1 lakh	85,63,578	24.51
Individuals holding nominal share capital in excess of Rs.1 lakh	73,81,207	21.13
Body Corporates	21,00,877	6.01
Mutual Funds/FI's /Central&State Governments	29,090	0.08
Clearing Member/Trust	53,593	0.15
NRI's	1,34,474	0.39
<b>TOTAL</b>	<b>3,49,37,335</b>	<b>100.00</b>

xii) **Dematerialization of Shares**

The shares of the Company are compulsorily traded in DEMAT form by all categories of investors. The Company has arrangements with National Securities Depositories Ltd (NSDL) and Central Depository Services India Ltd (CDSL) to establish electronic connectivity of our shares for script-less trading. As stipulated by SEBI, a practicing Company Secretary carries Secretarial Audit to reconcile the total admitted capital with National Securities Depository Ltd (NSDL) and Central Depository Services Ltd (CDSL) and total issued and listed capital. As on 31st March 2015, 91.15% of shares of the Company were held in Dematerialized form with the following depositories.

<b>Depository</b>	<b>No. of Shares</b>	<b>%</b>
1) NSDL	2,76,02,420	79.01%
2) CDSL	42,44,271	12.14%
Total	3,18,46,691	91.15 %



xiii) **Outstanding GDRs, ADRs or Warrants or Convertible Instruments:**

During the year under review, there were no outstanding GDRs or ADRs. As on the date of this Report, the Company has no outstanding convertible instruments.

xiv) **Risk Management**

The company had laid down procedures to inform Board members about the risk assessment and minimization procedures.

xv) **Plants Location:**

**CEMENT** UNIT -I : Simhapuri, Mattampally Mandal, Nalgonda Dist-508204 Telangana  
UNIT -II : Kadimpothavaram Village Kondapalli Krishna District-521228 Andhra Pradesh

**BOARDS** UNIT-I : Simhapuri, Mattampally Mandal, Nalgonda Dist-508204 Telangana  
UNIT -II : Bhothanwali Village Paonta Sahib Sirmour District Himachal Pradesh-173025

**ENERGY** UNIT-I : Pothireddypadu Head Regulator, Chabolu Village, Pothulapadu Post,  
Nandikotkur TQ.-518402 Kurnool District, Andhra Pradesh  
UNIT -II : RBHLC Zero Mile Point Tungabhadra Dam Tungabhadra Board Amaravathi  
Village Hospet-583225 Karnataka

**PREFAB** UNIT-I : Plot No. 34/A, IDA, Jeedimetla, Hyderabad-500 055 Telangana  
UNIT -II : Bhothanwali Village Paonta Sahib Sirmour District Himachal Pradesh-173025

**READYMIX**

**CONCRETE** UNIT -I : Plot No.11A/2- IDA Patancheru, Hyderabad- 502319 Telangana  
UNIT -II : Survey No.83, Plot No.91/CD-Block-IDA Auto Nagar, Visakhapatnam- 530026 Andhra Pradesh

xvii) **Address for Investor Correspondence**

The Company Secretary  
NCL Industries Limited  
7th Floor, Raghava Ratna Towers, Chirag Ali Lane, Abids.  
Hyderabad 500001  
Tel No : (040) 2320 2548 / 2320 3637  
Fax No : (040) 2320 2496  
E-mail ID : cs@nclind.com/ ncl@nclind.com, Website : www.nclind.com

xviii) **CEO/CFO Certification**

The CEO/CFO of the Company have issued a certificate to the Board on the matter specified under clause 49(ix) of the listing Agreement.

xix) **Procedure for dealing with unclaimed shares in terms of Clause 5A of the Listing Agreement**

There are no unclaimed shares as envisaged by Clause 5A of the Listing Agreement.

The above Report was adopted by the Board of Directors at their meeting held on 11th August, 2015.

**DECLARATION FOR COMPLIANCE WITH CODE OF CONDUCT**

Pursuant to Clause 49 I (D) (ii) of the Listing Agreement, I hereby declare that the Company has framed and adopted a code of conduct which is approved by the Board of directors. In accordance with revised clause of 49 of the listing agreement, adopted a new Code of Conduct for Directors and Senior Management Personnel of the company at the meeting of the Board of Directors held on 30th May, 2015 and posted on the company website. All the Board members and senior management personnel have affirmed compliance with the Code of Conduct.

Date: 11th August 2015.

**K. RAVI**  
Managing Director



## CERTIFICATE ON CORPORATE GOVERNANCE

To the Members of NCL INDUSTRIES LIMITED

We have examined the compliance of conditions of Corporate Governance by NCL Industries Limited, for the year ended on 31.03.2015, as stipulated in Clause 49 of the Listing Agreement of the said Company with stock exchanges. The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination has been limited to a review of the procedures and implementations thereof adopted by the Company for ensuring compliance with the conditions of the Corporate Governance as stipulated in the said Clause. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, and based on the representations made by the Directors and the management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in Clause 49 of the Listing Agreement (except the appointment of Independent Director which was complied as on date).

As required by the Guidance Note issued by the Institute of Chartered Accountants of India we have to state that no investor grievances were pending for a period of one month against the Company as per the records maintained by the Shareholders/Investor's Grievance Committee.

We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

**Venugopal & Chenoy**  
Chartered Accountants  
FRN: 004671S

**P. V. Srihari**  
Partner  
Membership No.21961

Place: Hyderabad  
Dated: 11th August, 2015.



### ANNEXURE A-1 TO DIRECTORS REPORT

Particulars of Directors whose Appointment/ Re-appointment is being sought

Name of the Director	M.Kanna Reddy	N.V.Suvarna	Lt.General T.A.DCunha (Retd)	Dr.R.Kalidas	P.N.Raju
Date of Birth	18-07-1934	20-11-1951	21-06-1946	11-02-1946	10-06-1951
Qualification	B.Com,FCA	BA, Post Graduate in Management from Mumbai University	MBA	BE,FIE,FIICE	B.E.(Marine Engineering)
Directorship in Other Companies	NCL Alltek & Seccolor Ltd	Nil	Nil	Nil	Khandaleru Power Company Ltd
Membership of Audit/ stakeholders Relationship Committee of other Public Ltd Companies	Member-Audit Committee NCL Alltek & Seccolor Ltd	Nil	Nil	Nil	Nil
No.of Shares held in NCL Industries Ltd	Nil	Nil	Nil	Nil	9,15,926
Inter-se-relationship with other Directors of the company	None	None	None	None	None
Awards/medals etc:	-	-	PVSM by Govt of India	PhD (Honoris Causa)	-

The Company's performance during the year ended 31st March, 2015 and the Management's view on future outlook are detailed below:

#### A. INDUSTRY STRUCTURE AND DEVELOPMENT

Your Company has five operating Divisions with Cement being the major revenue contributor. The Industry Structure and Developments in respect of each of the Divisions are briefly discussed below:

##### **Cement**

The Indian Cement industry has been facing major challenges in recent times. There are many challenges associated with cement production. Of these, energy and resource conservation, the cost of producing Portland cement, and other emissions are the most significant. The industry is currently in a turnaround phase, trying to achieve global standards in production, safety, and energy-efficiency. India has a lot of potential for development in the infrastructure and construction sector and the cement sector is expected to largely benefit from it.

Some of the recent major government initiatives such as development of 100 smart cities are expected to provide a major boost to the sector. However cement industry is faced with a scenario of constantly rising input costs- principally for coal and power which are consumed in bulk. The demand –supply mismatch where significant additions to the production capacities resulted in supply outpacing the demand is a cause of concern. As a result, the industry is not able to increase selling prices commensurate with the input costs. The cement industry is badly affected by this phenomenon.

##### **Ready-Mix Concrete (RMC)**

The business of ready mix concrete has been gaining popularity among cement manufacturers in recent years. This not only provides a readymade and captive market, but also ensures the consistency in quality of supply. Many builders have been opting for RMC from the cement manufacturers directly. However, this market has its own limitations. The relatively low shelf life of RMC – 3 to 5 hours imposes severe restrictions on the distance between the end user and plant site. In spite of this handicap, RMC industry is

likely to witness a steady growth in the next few years.

##### **Boards**

Your Company is the only manufacturer of Cement Bonded Particle Boards (CBPB) in the country, marketed under the brand name Bison Panel. Bison Panels are normally used for construction of prefab structures and have been extensively used in the infrastructure and housing sectors. These boards are water resistant, termite resistant, fire resistant and are well accepted by the market as seen from the production and sales in the last three years. Bison panels are used for walls, partitions and false ceilings. Being a building material, the fortunes of the Boards Industry is closely linked to the construction activity. The value addition product launched under brand name 'Bison Plank' useful in sidings, decking, flooring, fencing and railings etc is still to reach its market acceptance.

##### **Prefab**

Your Company is a pioneer in the manufacture and supply of prefab shelters which have found acceptance by both public and private sector undertakings. Earlier, your company was a major supplier to defence, police and para military establishments. There are roaring enquiries from Nepal and other countries on erection of prefabricated structures. Competition from the smaller players in the unorganized sector offering prefab structures at lower prices have rendered the DGS&D rate contracts unviable for the company. While concentrating on the large project housing segment, your company is on the lookout for appropriate technology for prefab structures to compete with the traditional construction industry.

##### **Hydel Energy (Small Hydro)**

In India, hydro power projects with a station capacity of up to 25 Megawatt (MW) each fall under the category of Small Hydro Power (SHP). India has an estimated SHP potential of about 20,000 MW. Your company is categorized under small hydro segment. With a total capacity of 15.75 MW in an industry with a potential of 15,000 MW in the Small Hydro Power Sector, your company is a small player in this field.



## B. OPPORTUNITIES AND THREATS

The increased infrastructure spending by the Governments both at the Centre and the States offers an opportunity to all manufacturers of core materials like cement used in infrastructure sectors. A significant part of the gap between the demand and the supply caused by the additions to capacities is expected to be bridged in the coming years. This in turn brightens the prospects of improved realizations as well as profitability.

Rising input costs, and possible bottlenecks in supply of key bulk materials like coal pose a challenge to be overcome.

In the Boards Division, the growing market awareness of the product offers tremendous opportunity. However the emergence of alternative and new products to the board division constitutes a constant threat and the resultant competition continues to be a matter requiring constant attention.

Your Company is a relatively small player in the Hydel Energy and RMC segments. As of now these divisions do not constitute a significant part of the company's overall activity.

## C. SEGMENT-WISE OR PRODUCT-WISE PERFORMANCE.

The performance of the various segments during the period under review is as follows:

Segments	%age contribution to total turnover	Quantity of production	Turnover (Rs. Lakhs)	Segment Profit before Interest & Tax (Rs. Lakhs)
Cement	81.56	10,71,501Mt	64,559.36	2948.64
Boards	11.86	57,442Mt	9391.52	1534.69
Prefab	0.05	Nil	37.61	(18.87)
Energy	0.82	32.46 MU	651.41	333.25
Ready Mix Concrete	5.71	116,672 Cu.Mtrs	4517.48	148.02

## D. OUTLOOK

As already stated earlier, the outlook for the cement industry for the immediate future looks promising, in view of the increased spending in infrastructure sector. For cement units in Telangana and Andhra Pradesh, the outlook looks even more promising in view of the advent of the new capital of Andhra Pradesh and the projects for housing announced by the State Governments.

## E. RISKS AND CONCERNS.

Your Company does not perceive any serious risks and concerns apart from the normal business risks connected with the industries in which it operates.

## F. INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY.

The Company has proper and adequate systems for internal controls in place. The Internal Auditors of the company conduct the internal audit across all plant locations of the company. Statutory Auditors of the company independently examine the adequacy of the internal control procedures commensurate with the size of the company. Both these Auditors attend the audit committee meetings and express their opinion on issues of concern. The Management continuously reviews the internal control systems and procedures to ensure orderly and efficient conduct of business. Emphasis on internal controls prevails across functions and processes covering the entire gamut of activities including finance, supply chain, sales, distribution, marketing etc.





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**G. DISCUSSION ON FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE.**

This aspect has been covered in the analysis of the Segment-wise performance in the previous paragraphs.

**H. MATERIAL DEVELOPMENTS IN HUMAN RESOURCES / INDUSTRIAL RELATIONS FRONT, INCLUDING NUMBER OF PEOPLE EMPLOYED.**

The senior management team has been strengthened with the recruitment of additional personnel to provide leadership below the executive director level. The Company has cordial relations with employees and staff. As on 31st March 2015, the company has 663 employees working in its factories and various offices.

**I. CAUTIONARY STATEMENT**

Some of the statements made in this Report are forward looking, based on the perceptions and views of the management. The projections or expectations are subject to market uncertainties and vicissitudes. Shareholders and investors are advised to form their own opinion, and management assumes no responsibilities for the variances if any in the actual scenario emerging.

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Your Company is conscious that it is an integral part of the society at large, and it has a responsibility to contribute to the general welfare of the society to which it belongs. Right from its inception, your company has been actively engaged in efforts to improve the quality of life in the contiguous localities. The focus of your Company has mainly been in the fields of education and training, and the health needs of the society surrounding its plant locations.

In spite of the resource crunch, the ongoing CSR activities are being sustained and improved. The activities are briefly summarized below:

### **EDUCATION**

NCL has established Elementary and High School to cater to the educational needs of nearby tribal villagers up to a radius of 8 km.

The education provided is absolutely free to tribal children without charging any fees. In addition, the company also extends subsidized transportation to the tribal children to facilitate their attending the classes. 319 out of the school strength of around 600 are tribal children.

The school is equipped with digital smart classes to impart teaching with latest teaching aids.

The school has teaching strength of 26.

Children from the school including tribal children got admission in prestigious institutions like I.I.I.T and Indian Institute of Science & Technology, Kolkata.

There is a demand for setting up a Junior College to provide facilities for further education, which is being considered by the Company.

The total expenditure for the Education and related activity during the year 2014-2015 was Rs.44.47 Lakhs.

### **HEALTHCARE**

The Company has set up a regular well equipped five bed hospital, manned by qualified and experienced medical and nursing staff. This caters to the healthcare needs of the nearby villages and also residents within a radius of 8 kilometers around the plant site.

On an average around 1300 local villagers avail free Out Patient facility every month. Wherever possible, free medicines are provided by the company to the patients.

Specialists from various faculties visit the hospital every week to provide medicare to the patients. In addition, specialist doctors from super specialty hospitals from Hyderabad visit the hospital once in a month.

In addition, your Company organizes several medical and health camps each year in surrounding villages to provide health care and to improve the awareness of health and sanitation among villagers. During the year under review, your company conducted 40 such camps including dental, pulse polio, diabetic screen, DEC tablets distribution, E.N.T. etc. NCL is also conducting blood donation camps on special occasions like annual day, world health day etc. NCL engaged child specialist and gynecologists on retainer basis to visit the health center to provide free consultation for the benefit of villagers. Best Doctor award in Nalgonda district given to NCL Health Center on the occasion of Republic day and World T.B. day.

Ambulance Services is also provided by the Company to the local community.

### **ENVIRONMENT**

A plantation drive was undertaken in and around NCL plant locations to convert areas in to green zones.

Besides providing clean drinking water to staff quarters located in plant areas, a separate Sewage Treatment Plant (STP) was set up near the plant area located at Mattapalli village and Poantasahib to treat the sewage water coming out from staff quarters and use the recycled water to plantation areas to grow it as lush greenery and to balance ecology and environment. Purified drinking water is supplied to remote areas in nearby villages / thandas.

**Particulars of employees who have been in receipt of the remuneration envisaged by Section 197 of the Companies Act, 2013 read with Rule 5 of the Companies (Appointment and Remuneration of Managerial personnel)**

Name	Mr. K. Ravi
Age	61 years
Qualification	Diploma holder in Electrical Engineering with specialisation in power stations network and systems
Designation	Managing Director
Date of commencement of employment	Since 11th January 2003
No. of year of experience	over 38 years
Remuneration	Rs.88.92 lakhs Per Annum. *
Last employment held	Managing Director of NCL Energy Ltd.
Nature of employment	As per the terms approved by the shareholders
Percentage of equity shares held in the company (as on 11/08/2015)	6.48 %

**Notes:**

*\*(Remuneration as shown above includes salary and other allowances in terms of their appointment).*

For and on behalf of the Board

Date: 11th August, 2015

**R. Anand**  
Chairman

**Registered Office:**

7th Floor, Raghava Ratna Towers  
Chirag Ali Lane, Abids  
Hyderabad - 500 001.

## SECRETARIAL AUDIT REPORT FOR THE FINANCIAL YEAR ENDED ON 31ST MARCH, 2015

*[Pursuant to section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]*

To,  
The Members,  
NCL Industries Limited  
7th Floor, Raghava Ratna Towers  
Chirag Ali Lane  
Hyderabad- 500001.

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by NCL Industries Limited (hereinafter called the Company), bearing CIN L33130AP1979PLC002521. Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the company has, during the audit period covering the financial year ended on March 31, 2015 generally complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance- mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2015 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') viz. :-
  - a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
  - c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
  - d) The Securities and Exchange Board of India (Employee Stock Option and Employee Stock Purchase Scheme) Guidelines, 1999 and The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014; **(Not applicable to the Company during the Audit period)**
  - e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; **(Not applicable to the Company during the Audit period)**
  - f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
  - g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; **(Not applicable to the Company during the Audit period)**
  - h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; **(Not applicable to the Company during the Audit period)**

I have also examined compliance with the applicable clauses of the following:

- i) Secretarial Standards issued by The Institute of Company Secretaries of India. **(Not applicable, since notified and effective from July 1, 2015.)**
- ii) The Listing Agreements entered into by the Company with the Bombay Stock Exchange and the National Stock Exchange.

During the period under review the Company has generally complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above except to the extent as mentioned below:



1. The Managing Director, Executive Directors, Company Secretary, CEO and the CFO who were already in office were designated as the Key Managerial Personnel (KMPs) in the Board Meeting dated May 30, 2014 to comply with section 203 of the Act. E-Form MGT-14 has not been filed with the ROC.
2. Mr. NGVSG Prasad, CFO (designated as KMP) and later ceased to continue in office. E-form MGT-14, was not filed for the same with ROC nor intimated to Stock Exchanges.
3. Mr. M. Radhakrishna, President (Cement) resigned from the company on June 5, 2014. Mr. J.B. Narsing Rao was appointed as President (Boards) on January 16, 2015. Related MGT-14s have not been filed for the appointment or removal of officers one level below the KMP.
4. Disclosure of Interest was made in MBP-1 by Mr. K.Ravi, Mr. K. Madhu & Mrs Roopa Bhupatiraju, Directors, in the Board Meeting held on August 14, 2014. Form MGT-14 is yet to be filed for the same.
5. The company is yet to comply with the provisions of section 149 of the Act and clause 49(II)A of the Listing Agreement requiring a minimum of one third independent directors in the Board.
6. The Audit Committee comprising of two independent directors and two non-independent directors is not in compliance with section 177(2) of the Act, and clause 49(III)A of the listing agreement.
7. The company accepted/renewed deposits after April 1, 2014 while the conditions of Section 73(2) of the Act were yet to be fully complied.
8. The Corporate Social Responsibility Committee (CSR) formed by the Board under section 135 of the Act is yet to formulate and recommend to the Board the CSR Policy and the expenditure to be incurred on the CSR activities.
9. Separate meeting of independent directors required as per provisions of Schedule IV (VII) of the Act, and clause 49(II)(B)-of the Listing Agreement is reported to have been held informally and no minutes has been maintained for the same.
10. Establishment of Vigil Mechanism for directors and employees as per provisions of section 177(9) of the Act and Clause 49(II)(F) of the Listing Agreement was not done during the period under review.
11. 760 duplicate equity share certificates were issued during the period under review without the prior consent of the Board as required under Section 46, read with Rule 6 of Companies (Share Capital and Debentures) Rules, 2014.
12. No separate 'code of internal procedure and conduct' as required under regulation 12 of the Sebi (Prohibition of Insider Trading) Regulations, 1992 was in place during the period under review.

I further report that, on examination of the relevant documents and records, and based on the Company's Management representation, the Company has generally been regular in complying with the provisions of the Act, Rules, and Regulations etc., as mentioned below and has adequate systems to monitor and ensure the compliance of the following laws specifically applicable to the Company

1. Minerals Conservation and Development Rules, 1988
2. Mines and Minerals Development Regulation Act, 1957
3. The Environment Protection Act, 1986,
4. Explosives Rules, 2008
5. Boilers Act, 1923
6. Forest Act. 1927.

I further report that, based on the information provided by the Company and its officers during the conduct of the audit, and also on the review of compliance reports by respective department heads and the Managing Director, duly taken on record by the Board of Directors of the Company, in our opinion, adequate systems and processes and control mechanisms exist in the Company to monitor and ensure compliance with applicable other general laws including Industrial Laws, Human Resources and labour Laws.

I further report, that the compliance by the Company of applicable financial laws, such as direct and indirect tax laws has not been reviewed in this Audit since the same have been subject to review by the statutory financial auditor and other designated professionals.

I further report that

The Board of Directors of the Company is generally well constituted with proper balance of Executive Directors, non Executive Directors and Independent Directors excepting appointment of one more independent Director, since the nominee director is no more treated as independent. The changes in the composition of the Board of Directors that took place during the period under review were by and large carried out in compliance with the provisions of the Act.

As per the minutes maintained by the company, we noticed that all the decisions were approved by the Board/committee without any dissent note.



Adequate notice is given to all directors to schedule the Board Meetings. We have been informed that agenda and detailed notes on agenda were sent at least seven days in advance and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

I further report that there are by and large, adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the audit period:

1. The company had applied to SEBI for relaxation of Regulation 72(2) of the SEBI (ICDR) Regulations, 2009 in connection with the preferential issue of shares to promoters group already approved by the Shareholders by Special Resolution passed on April 02, 2014, to fulfill the stipulation on Promoters' Contribution imposed by the lenders as a part of the CDR mechanism. SEBI vide its letter dated May 14, 2015 has allowed the relaxation. Subsequently the company has allotted 17,95,455 equity shares by way of preferential allotment to the promoter group on May 26, 2015. The company is in the process of listing of the said shares in BSE & NSE.

**For B.C.DEBATA & ASSOCIATES**  
**Company Secretaries**

**B.C.DEBATA**  
Proprietor

FCS No. 4902, CP No.12574

Place: Bhubaneswar

Date: August 4, 2015

**Note: This report is to be read with our letter of even date which is annexed as an Annexure and forms an integral part of this report.**

## ANNEXURE

To,  
The Members,  
NCL Industries Limited  
7th Floor, Raghava Ratna Towers  
Chirag Ali Lane  
Hyderabad- 500001.

Our report of even date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the company. My responsibility is to express an opinion on these secretarial records based on our audit.
2. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.
4. Wherever required, I have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. My examination was limited to the verification of procedures on a test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

**For B.C.DEBATA & ASSOCIATES**  
**Company Secretaries**

**B.C.DEBATA**  
Proprietor

FCS No. 4902, CP No.12574

Place: Bhubaneswar

Date: August 4, 2015



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## Explanation of the Board in terms of Section 204(3) of the Companies Act, 2013

### Paragraphs 1 to 4

Observations contained in Paras 1 to 4 of the Report relate to filing of certain forms with the Registrar of Companies. There was a difference in the perception of the company and the Secretarial Auditor on the applicability of the provisions cited. In case it is held that it is indeed necessary to file the documents, the company will comply with the same.

### Paragraphs 5 & 6

Even before the current provisions of the Companies Act 2013 came into force, the company was in compliance with the provisions of the Act about the number of independent directors. The need to appoint an additional Independent Director arose since the nominee director ceased to be treated as independent. Identification of appropriate persons for appointment as additional independent directors took some time. The provision has now been fully complied with. As for the Audit Committee, your company felt that retention of the Nominee Director, who is a senior chartered accountant would better serve the interests of corporate governance better, rather than drop him from the Committee to technically comply with the provisions. Anyway another Independent Director is now added to the Audit Committee to comply with the provision.

### Paragraphs 7, 9 to 12

These relate to procedural compliances. In view of the complexities of the new statutory provisions, there were divergent views on the applicability, timing and mode of compliance with some provisions. The Board confirms that these requirements are now complied with.

### Paragraph 8

As the Report itself indicates, the company does have a CSR Committee. However, in view of the losses incurred in the previous years, there was no need for the company to incur any CSR expenditure. However, the company has for the several years been voluntarily engaged in CSR activities, which are detailed in Annexure C to the Directors' Report.

**Form No. MGT-9**  
**EXTRACT OF ANNUAL RETURN**

**As on the financial year ended on 31st March, 2015**

[Pursuant to Section 92(3) of the Companies Act, 2013 and Rule 12(1) of the Companies (Management and Administration) Rules, 2014]

**I. REGISTRATION AND OTHER DETAILS**

i)	CIN	L33130AP1979PLC002521
i)	Registration date	10th September, 1979
iii)	Name of the Company	NCL Industries Limited
iv)	Category/Sub category of the Company Non-Government Company	Company limited by Shares/Indian
v)	Address of the Registered office and contact details	7 <sup>th</sup> Floor, Raghava Ratna Towers, Chirag Ali Lane, Abids, Hyderabad – 500 001. Tel No : (040) 2320 2548 / 2320 3637 Fax No : (040) 2320 2496 Email : <a href="mailto:cs@nclind.com">cs@nclind.com</a> Website : <a href="http://www.nclind.com">www.nclind.com</a>
vi)	Whether listed Company	Yes
vii)	Name, Address and Contact details of Registrar and Transfer Agent, if any	Venture Capital & Corporate Investment(P) Ltd 12-10-167 (MIG), Bharath Nagar, Hyderabad – 500 018. Tel No : (040) 23818475 / 76 & 23868023 Fax No : (040) 2386 8024 E-mail: <a href="mailto:info@vccilindia.com">info@vccilindia.com</a>

**II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY**

All the business activities contributing 10 percent or more of the total turnover of the Company are as stated below:-

Sl. No.	Name and Description of main products/services	NIC Code of the product / service	Percentage to total turnover of the Company
1	OPC/PPC/53 S Cement	2394	81.56
2	Plain and laminated Cement Bonded Particle Boards.	23949	11.86

**III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES**

Sl. No.	Name and Address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
1	NOT APPLICABLE				





**IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)**  
**i) Category-wise Share Holding**

Category of Shareholders	No. of shares held at the beginning of the year				No. of shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of total shares	Demat	Physical	Total	% of total shares	
<b>(A) Promoters</b>									
<b>(1) Indian</b>	-	-	-	-	-	-	-	-	-
a) Individual/ HUF	12435700	0	12435700	35.59	12389610		12389610	35.46	0.13
b) Central Govt	-	-	-	-	-	-	-	-	-
c) State Govt(s)	-	-	-	-	-	-	-	-	-
d) Bodies Corporates	4284906	0	4284906	12.27	4284906		4284906	12.27	0.00
e) Banks/Financial Institutions	-	-	-	-	-	-	-	-	-
f) Any Other...	-	-	-	-	-	-	-	-	-
Sub-total (A) (1):-	16720606	0	16720606	47.86	16674516		16674516	47.73	0.13
<b>(2) Foreign</b>									
a) NRIs -Individuals	-	-	-	-	-	-	-	-	-
b) Other -Individuals	-	-	-	-	-	-	-	-	-
c) Bodies Corp.	-	-	-	-	-	-	-	-	-
d) Banks / Financial Institutions	-	-	-	-	-	-	-	-	-
e) Any Other....	-	-	-	-	-	-	-	-	-
Sub-total (A) (2):-	0	0	0	0	0	0	0	0	0.00
Total shareholding of Promoter (A)=(A)(1)+(A)(2)	16720606	0	16720606	47.86	16674516	0	16674516	47.73	0.13
<b>(B) Public Shareholding</b>									
<b>1 Institutions</b>	-	-	-	-	-	-	-	-	-
a) Mutual Funds		7450	7450	0.02		7450	7450	0.02	0.00
b) Banks / Financial Institutions	4900	9290	14190	0.04	4900	9290	14190	0.04	0.00
c) Central Govt.		7450	7450	0.02		7450	7450	0.02	0.00
d) State Govt	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) Foreign Institutional Investors (FIIS)	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others (Specify)	-	-	-	-	-	-	-	-	-
Sub-total (B)(1):-	4900	24190	29090	0.08	4900	24190	29090	0.08	0.00
<b>2. Non-Institutions</b>									
a) Bodies Corporates	1309763	26505	1336268	3.82	2077222	23655	2100877	6.01	2.19
i) Indian	-	-	-	-	-	-	-	-	-
ii) Overseas	-	-	-	-	-	-	-	-	-
b) Individuals	-	-	-	-	-	-	-	-	-
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	6802423	2484690	9287113	26.59	6151865	2411713	8563578	24.51	2.07
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	6654404	630731	7285135	20.86	6750476	630731	7381207	21.13	0.27
c) Others (specify)	-	-	-	-	-	-	-	-	-
Clearing Member	130013		130013	0.37	50843		50843	0.15	0.23
Trust	1400		1400	0.00	2750		2750	0.01	0.00
NRI'S	147355	355	147710	0.42	134119	355	134474	0.38	0.04
Foreign Nations									
Sub-total (B)(2):-	15045358	3142281	18187639	52.06	15167275	3066454	18233729	52.19	0.13
Total Public Shareholding (B)=(B)(1)+(B)(2)	15050258	3166471	18216729	52.14	15172175	3090644	18262819	52.27	0.13
<b>C. Shares held by Custodian for GDRs &amp; ADRs</b>									
Grand Total (A+B+C)	31770864	3166471	34937335	100.00	31846691	3090644	34937335	100.00	0.00



ii) Shareholding of Promoters

S No	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% Change in Shareholding during the year
		No. of Shares	% of total shares of the Company	% Shares Pledged / encumbered to total shares	No. of Shares	% of total shares of the Company	% Shares Pledged / encumbered to total shares	
1	Blue Valley Developers (P) Ltd	205658	0.59	77.11	205658	0.59	77.11	0.00
2	Deccan Nitrates Private Ltd	1338537	3.83	99.95	1338537	3.83	99.95	0.00
3	Ncl Homes Ltd	494451	1.42	100.00	494451	1.42	100.00	0.00
4	Kakatiya Chemicals Private Limited	456400	1.31	99.91	456400	1.31	99.91	0.00
5	Nagarjuna Cerachem Private Limited	105567	0.30	94.73	105567	0.30	100.00	0.00
6	Vikram Chemicals Private Limited	120000	0.34	100.00	120000	0.34	100.00	0.00
7	Nirmal Goradia	81219	0.23	0.00	81219	0.23	99.73	0.00
8	Geeta Goradia	113731	0.33	12.07	113731	0.33	100.00	0.00
9	Ncl Alltek And Seccolor Ltd	1550371	4.44	90.30	1550371	4.44	100.00	0.00
10	Krb Securities Limited	13922	0.04	0.00	13922	0.04	0.00	0.00
11	Meena Shah	11430	0.03	0.00	11430	0.03	0.00	0.00
12	Ashwin Goradia	54693	0.16	0.00	54693	0.16	99.65	0.00
13	Goradia Vinodrai Vachharaj	419784	1.20	100.00	419784	1.20	100.00	0.00
14	Meera Bimal Goradia	46509	0.13	94.64	46509	0.13	94.64	0.00
15	Bimal V Goradia	248655	0.71	100.00	248655	0.71	100.00	0.00
16	Penumatcha Krishnam Raju	107440	0.31	93.08	100000	0.29	100.00	0.02
17	G Jyothi	166992	0.48	34.64	166992	0.48	99.91	0.00
18	Kanumilli Malathi	8493	0.02	0.00	8493	0.02	0.00	0.00
19	Kanumilli Satyanarana Rao	20323	0.06	54.39	20323	0.06	54.39	0.00
20	Ashven Datla	194649	0.56	88.44	194649	0.56	100.00	0.00
21	G D L S N Raju	165437	0.47	92.45	165437	0.47	92.45	0.00
22	G Subbayamma	98307	0.28	98.76	98307	0.28	98.76	0.00
23	Himanshu Ray Parekh	99980	0.29	0.00	99980	0.29	100.00	0.00
24	Kalidindi Ravi	2240862	6.41	100.00	2355123	6.74	99.86	0.33
25	Madhu Kalidindi	1117129	3.20	100.00	1117129	3.20	100.00	0.00
26	Bharti Goradia	31850	0.09	0.00	31850	0.09	98.90	0.00
27	Penumatsa Satyanarayana Raju	77193	0.22	64.77	57193	0.16	87.42	0.06
28	Vijaya Lakshmi Kanumilli	12692	0.04	0.00	12692	0.04	100.00	0.00
29	Kalidindi Sarojini	307612	0.88	98.51	307612	0.88	98.51	0.00
30	K Anuradha	709664	2.03	99.59	706764	2.02	100.00	0.01
31	N Janaki	37200	0.11	0.00	37200	0.11	100.00	0.00
32	Goradia Charulata Vinodrai	223721	0.64	62.68	223721	0.64	100.00	0.00
33	Utkal B Goradia	27440	0.08	100.00	27440	0.08	100.00	0.00
34	Penmetsa Narasimha Raju	915926	2.62	100.00	915926	2.62	100.00	0.00
35	Penmetsa Vara Lakshmi	347855	1.00	100.00	347855	1.00	100.00	0.00
36	G V V R P Varma	72445	0.21	53.99	72445	0.21	100.00	0.00
37	Kalidindi Durga Devi	750613	2.15	99.60	1042458	2.98	99.71	0.83
38	Madhavi Penumasta	13000	0.04	0.00	14000	0.04	0.00	0.00
39	Kanumilli Sudheer	38356	0.11	30.89	38356	0.11	100.00	0.00
40	Gautam Kalidindi	494907	1.42	99.61	494907	1.42	99.61	0.00
41	Kalidindi Shilpa	1089136	3.12	99.99	1091136	3.12	99.80	0.00
42	Sridhar Bhupatiraju	227380	0.65	0.00	227380	0.65	100.00	0.00
43	Harini Gokul	85022	0.24	0.00	60022	0.17	0.00	0.07
44	Gokul S	53085	0.15	24.72	53085	0.15	24.72	0.00
45	Pooja Kalidindi	889013	2.54	100.00	889013	2.54	100.00	0.00
46	G.t.sandeep	45000	0.13	100.00	45000	0.13	100.00	0.00
47	K Mallika	36263	0.10	0.00	36263	0.10	100.00	0.00
48	Roopa Kalidindi	445751	1.28	82.38	64096	0.18	15.06	1.10
49	Divya Penumacha	249942	0.72	100.00	249942	0.72	100.00	0.00
50	P Aparna Krishna	17201	0.05	0.00	1000	0.00	0.00	0.05
51	Meera Goradiabimal Goradia	39800	0.11	100.00	39800	0.11	100.00	0.00
52	Penmetcha Manoj Raj	1000	0.00	0.00	0	0.00	0.00	0.00
53	Valli P	1000	0.00	0.00	0	0.00	0.00	0.00



iii) *Change in Promoters' Shareholding (please specify, if there is no change):*

Sl No		Shareholding at the beginning of the year		Cumulative shareholding during the year		
		No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company	
		<b>At the beginning of the year</b>	16720606	47.86	16720606	47.86
1	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase/decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	Date – 31-03-2014 – Sale (Decrease)	17201	0.05	16703405	47.81
2		Date – 31-03-2014 – Sale (Decrease)	1000	0.00	16702405	47.81
3		Date – 31-03-2014 – Sale (Decrease)	1000	0.00	16701405	47.80
4		Date – 31-03-2014 – Purchase(Increase)	1000	0.00	16702405	47.81
5		Date – 16-05-2014 – Sale (Decrease)	25000	0.07	16677405	47.74
6		Date – 04-07-2014 – Sale (Decrease)	7440	0.02	16669965	47.71
7		Date – 04-07-2014 – Sale (Decrease)	2900	0.01	16667065	47.71
8		Date – 19-09-2014 – Purchase(Increase)	750	0.00	16667815	47.71
9		Date – 10-10-2014 – Purchase(Increase)	300	0.00	16668115	47.71
10		Date – 14-11-2014 – Sale (Decrease)	10000	0.03	16658115	47.68
11		Date – 21-11-2014 – Sale (Decrease)	5000	0.01	16653115	47.67
12		Date – 21-11-2014 – Inter Depository Transfer (Increase)	19190	0.05	16672305	47.72
13		Date – 28-11-2014 – Interse Transfer (Decrease)	246567	0.71	16425738	47.01
14		Date – 28-11-2014 – Interse Transfer(Increase)	246567	0.71	16672305	47.72
15		Date – 31-12-2014 – Purchase(Increase)	2950	0.01	16675255	47.73
16		Date – 08-01-2015 – Sale (Decrease)	4000	0.01	16671255	47.72
17		Date – 09-01-2015 – Interse Transfer (Decrease)	26088	0.07	16645167	47.64
18		Date – 09-01-2015 – Interse Transfer (Increase)	26088	0.07	16671255	47.72
19		Date – 06-02-2015 – Sale (Decrease)	5000	0.01	16666255	47.70
20		Date – 06-03-2015 – Purchase(Increase)	461	0.00	16666716	47.70
21		Date – 09-03-2015 – Sale (Decrease)	200	0.00	16666516	47.70
22		Date – 09-03-2015 – Purchase(Increase)	2000	0.01	16668516	47.71
23		Date – 13-03-2015 – Purchase(Increase)	2000	0.01	16670516	47.72
24		Date – 13-03-2015 – Interse Transfer (Decrease)	111000	0.32	16559516	47.40
25		Date – 13-03-2015 – Interse Transfer (Increase)	111000	0.32	16670516	47.72
26		Date – 20-03-2015 – Purchase(Increase)	1000	0.00	16671516	47.72
27		Date – 31-03-2015 – Purchase(Increase)	3000	0.01	16674516	47.73
		<b>At the end of the year</b>	16674516	47.73	16674516	47.73

iv) *Shareholding pattern of top ten Shareholders (other than Directors, Promoters and holders of GDRs and ADRs) Shareholding pattern of top ten shareholders as at 1st April, 2014*

Sl. No.	Name of Shareholder	Number of shares	% of total shares of the Company
1	B SUMANTHKUMAR REDDY	1614963	4.62
2	MINAL B. PATEL	480800	1.38
3	KUMARASWAMY REDDY BATHINA	474608	1.36
4	K JAGDEESH REDDY (HUF)	338154	0.97
5	BHARAT JAYANTILAL PATEL	304949	0.87
6	HITESH RAMJI JAVERI	300101	0.86
7	BHARAT KRISHNALAL THAKKAR	250000	0.72
8	HARITHA BATHINA	245000	0.70
9	SANGEETHA S	193069	0.55
10	SAVITHA S	130000	0.37



Shareholding pattern of top ten shareholders as at 31st March, 2015

Sl. No.	Name of Shareholder	Number of shares	% of total shares of the Company
1	SUMANTHA KUMAR REDDY B	1575963	4.51
2	KUMARASWAMY REDDY BATHINA	474608	1.36
3	BHARAT JAYANTILAL PATEL	473379	1.35
4	K JAGDEESH REDDY (HUF)	338154	0.97
5	MINAL B. PATEL	333252	0.95
6	SANGEETHA S	289190	0.83
7	HARITHA BATHINA	247664	0.71
8	BHARAT KRISHNALAL THAKKAR	214249	0.61
9	VIJAYA DEVI NAHAR	189666	0.54
10	SAVITHA S	147158	0.42

Notes:

- In case of joint holding, the name of the first holder is considered.
- There is no fresh allotment/reduction of share capital during the year by the Company.  
The increase/decrease in shareholding above is due to transactions between shareholders.
- The shareholding details given above are based on the legal ownership and not beneficial ownership and is derived based on the folio number listing provided by the Registrar and Transfer agent of the Company.

v) Shareholding of Directors and Key Managerial Personnel:

Shareholding of Directors:

Sl. No.	Name of Director	Shareholding as at 1st April, 2014		Shareholding as at 31st March, 2015	
		No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
1	Mr. R. Anand	540		540	
2	Mr. K. Ravi	2240862	6.41	2355123	6.74
3	Mr. K. Madhu	1117129	3.20	1117129	3.20
4	Mr. Vinodrai V. Goradia	419784	1.20	419784	1.20
5	Mr. Ashven Datla	194649	0.56	194649	0.56
6	Mr. M.Bhaskara Rao	Nil	Nil	Nil	Nil
7	Mr. M.Kanna Reddy	Nil	Nil	Nil	Nil
8	Mr. Kamlesh Gandhi	Nil	Nil	Nil	Nil
9	Mrs.Roopa Bhupatiraju	445751	1.28	64096	0.18
10	Mr. P.N.Raju	915926	2.62	915926	2.62
11	Mr. K.Gautam	494907	1.42	494907	1.42

Notes :

- Details of changes in the shareholding of Mr. K. Ravi & Mrs. Roopa Bhupatiraju during the year are as under :

Particulars	K.RAVI		Mrs.Roopa Bhupatiraju	
	Number of shares	% to total shares of the Company	Number of shares	% to total shares of the Company
As at 1st April, 2014	22,40,862	6.41	4,45,751	1.28
(1) Purchase	1,14,261	0.33	2,000	
(2) Inter-se Transfers	-	-	(3,83,655)	1.10
As at 31st March, 2015	23,55,123	6.74	64,096	0.18



*Shareholding of Key Managerial Personnel:*

Sl. No.	Name of Key Managerial Personnel	Shareholding as at 1st April, 2014		Shareholding as at 31st March, 2015	
		No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
1	Mr. K. Ravi, Managing Director	22,40,862	6.41	23,55,123	6.74
2	Mr. T. Arun Kumar, Company Secretary	4,600	0.01	4,600	0.01
3	Mr. N. Krishnan, Chief Financial Officer (w.e.f 01.02.2015)	Nil	Nil	Nil	Nil
4	Mr.N.G.V.S.G, Prasad Chief Financial Officer (upto 31.01.2015)	9,000	0.03	9,000	0.03

**Notes :**

- Details of changes in the shareholding of Mr. K.Ravi are as per Note 1 to Clause (v) above.

**V. INDEBTEDNESS**

**Indebtedness of the company including interest outstanding / accrued but not due for payment (Rupees in Lakhs)**

	Secured Loans (Excluding Deposits)	Un Secured Loans	Deposits	Total Indebtedness
Indebtedness as at 1st April, 2014				
i) Principal Amount	21020.34	680.16	3184.43	24884.93
ii) Interest Due but not paid	0	0.00	30.54	30.54
iii) Interest accrued but not due	0	0.00	282.38	282.38
<b>Total (i+ii+iii)</b>	<b>21020.34</b>	<b>680.16</b>	<b>3497.35</b>	<b>25197.85</b>
Change in Indebtedness during the financial year				
	0	0.00	0	0.00
Addition	0	0.00	0	0.00
Reduction	(353.53)	(222.54)	(18.80)	(3794.87)
Net Change	(353.53)	(222.54)	(18.80)	(3794.87)
Indebtedness as at 1st April, 2015				
i) Principal Amount	17466.81	457.62	3129.66	21054.09
ii) Interest Due but not paid	0	0.00	32.41	32.41
iii) Interest accrued but not due	0	0.00	316.48	316.48
<b>Total (i+ii+iii)</b>	<b>17466.81</b>	<b>457.62</b>	<b>3478.55</b>	<b>21402.98</b>

**VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL**

**A. Remuneration to Managing Director, Whole Time Directors and/or Manager : (Amount in Rupees)**

Sl. No.	Particulars of Remuneration	Managing Director /Executive Directors
1.	Gross Salary	
	(a) Salary as per provisions contained in Section 17(1) of the Income-tax Act, 1961	1,73,24,801
	(b) Value of perquisites under Section 17(2) of the Income-tax Act, 1961	-
	(c) Profits in lieu of salary under Section 17(3) of the Income-tax Act, 1961	-
2.	Stock Option	-
3.	Sweat Equity	-
4.	Commission	-
	- as percentage of profit	-
	- others	-
5.	Others	
	Total (A)	1,73,24,801
	Ceiling as per the Act (as per Schedule V Part II Section II )	2.40 ,00,000



**B. Remuneration to other Directors :**

(Amount in Rupees')

Sl. No.	Name of Director	Particulars of Remuneration			Total Amount
		Fees for attending board/ committee meetings	Commission	Others	
1.	Independent Directors				
	Mr. Anand Ramanna	30,000	-	-	30,000
	Mr. M. Kanna Reddy	1,05,000	-	-	1,05,000
	Mr. Kamlesh Gandhi	97,500	-	-	97,500
	<b>Total (1)</b>	<b>2,32,500</b>	<b>-</b>	<b>-</b>	<b>2,32,500</b>
2.	Other Non Executive Directors				
	Mr. K. Madhu	105,000	-	-	105,000
	Mr. Ashven Datla	37,500	-	-	37,500
	Mr. Mr.M.Bhaskara Rao	60,000	-	-	60,000
	Mrs.Roopa Bhupatiraju	15,000	-	-	15,000
	Mr. Vinodrai V. Goradia	22,500	-	-	22,500
	<b>Total (2)</b>	<b>2,40,000</b>	<b>-</b>	<b>-</b>	<b>2,40,000</b>
	<b>Total (B)=(1+2)</b>	<b>4,72,500</b>	<b>-</b>	<b>-</b>	<b>4,72,500</b>
	Ceiling as per the Act				14,16,138
	Total Managerial Remuneration				1,77,97,301
	Overall Ceiling as per the Act				2,54,16,138

**C. Remuneration to Key Managerial Personnel other than Managing Director / Manager / Whole Time Director :**

(Amount in rupees')

Sl. No.	Particulars of Remuneration	CFO	CFO	Company Secretary	Total
		N.G.V.S.G .Prasad	N.Krishnan	T. Arun Kumar	
1.	Gross Salary	15,85,560	8,22,036 *	6,55,080	30,62,676
	(a) Salary as per provisions contained in Section 17(1) of the Income-tax Act, 1961				
	(b) Value of perquisites under Section 17(2) of the Income-tax Act, 1961				
	(c) Profits in lieu of salary under Section 17(3) of the Income-tax Act, 1961	-	-		-
2.	Stock Option	-	-		-
3.	Sweat Equity	-	-		-
4.	Commission	-	-		-
	-as percentage of profit	-	-		-
	-others			-	-
5.	Others				-
	<b>Total</b>	<b>15,85,560</b>	<b>8,22,036</b>	<b>6,55,080</b>	<b>30,62,676</b>

\* form 01/02/2015 to 31/03/2015.



## VII. PENALTIES / PUNISHMENT / COMPOUNDING OF OFFENCES

During the financial year, there is no instance of any penalty / punishment / compounding of offence under the Companies Act, 2013 against any Director, Key Managerial Person and other officers in default.

### ANNEXURE "F-1"

Name of the Director	Ratio of remuneration of each Director to the median remuneration of the employees of the Company
Mr. R. Anand	0.17
Mr. Ashven Datla	0.21
Mr. Vinodrai V. Goradia	0.13
Mr. K. Madhu	0.59
Mr. M. Bhaskara Rao	0.34
Mr. Kamlesh Gandhi	0.55
Mr. M. Kanna Reddy	0.59
Mrs. Roopa Bhupatiraju	0.08
Mr. K.Gautam	18.37
Mr. P.N.Raju	28.91
Mr. K. Ravi	49.85

#### Note:

- Median is computed on the basis of permanent employees on the rolls of the Company.

### ANNEXURE "F-2"

Sr. No.	Name of the Director/KMP	Designation	% Increase/(Decrease) in the Remuneration
1	Mr. R. Anand	Director	33.33
2	Mr. Ashven Datla	Director	(16.67)
3	Mr. Vinodrai V. Goradia	Director	( 50.00)
4	Mr. K. Madhu	Director	27.27
5	Mr. M. Bhaskara Rao	Director	25.00
6	Mr. Kamlesh Gandhi	Director	30.00
7	Mr. M. Kanna Reddy	Director	16.67
8	Mrs. Roopa Bhupatiraju	Director	Not Applicable
9	Mr. K.Gautam	Executive Director & KMP	13.04
10	Mr. P.N.Raju	Executive Director & KMP	9.25
11	Mr. K. Ravi	Managing Director and KMP	13.04
12	Mr. N.G.V.S.G.Prasad	KMP ( upto 31/01/2015 )	3.69
13	Mr. N. Krishnan	KMP ( from 01/02/2015 )	Not Applicable
14	T. Arun Kumar	KMP	6.97



# INDEPENDENT AUDITORS' REPORT



To  
**The Members of NCL Industries Limited,**  
**Report on the Financial Statements**

We have audited the accompanying financial statements of **NCL INDUSTRIES LIMITED** (herein referred to as "the Company"), which comprise the Balance Sheet as at March 31, 2015, Statement of Profit and Loss and the Cash Flow Statement for the year ended on that date annexed thereto and a summary of the Significant Accounting Policies and other explanatory information.

## Management's Responsibility for the Financial Statements

The Company's Board of Directors are responsible for the matters stated in Section 134(5) of the Companies Act, 2013, (the Act) with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting other irregularities; the selection and application of appropriate accounting policies; making judgements and estimates that are reasonable and prudent; and the design, implementation and maintenance of internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements 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 financial statements by the company, as aforesaid.

## Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We have taken into account the provisions of the Act, the accounting standards and the auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has an adequate internal financial controls system over financial reporting in place and operating effectiveness of such controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Company's Board of Directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

## Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company, as at March 31, 2015, and their profit and their cash flows for the year ended on that date.

## Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2015 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143 (3) of the Act, we report to the extent applicable, that:
  - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid financial statements.
  - (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.
  - (c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the financial statements.
  - (d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
  - (e) On the basis of the written representations received from the directors of the Company as on March 31, 2015, taken on record by the Board of Directors of the Company, none of the directors of the companies are disqualified as on March 31, 2015, from being appointed as a director in terms of Section 164 (2) of the Act.
  - (f) With respect to the Other Matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
    - i. There were no pending litigations which would impact the financial position in the financial statements
    - ii. The Company did not have any material foreseeable losses on long-term contracts including derivative contracts.
    - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

**For VENUGOPAL & CHENOY,**  
**Chartered Accountants,**  
**FRN: 004671S**

**( P.V.SRI HARI )**  
**Partner**

**Membership No.21961**

**Place: Hyderabad**  
**Date: 30-05-2015**



### **Annexure to the Independent Auditors' Report**

With respect to the Annexure referred to in our Independent Auditor's Report to the members of the Company on the financial statements for the year ended March 31, 2015, we report that:

- i) a) The Company is generally maintaining proper records showing full particulars, including quantitative details and situation of fixed assets.
- b) The Company has a regular programme of physical verification of its fixed assets by which a substantial portion of the fixed assets are physically verified by the management during the year. In our opinion the periodicity of the physical verification is reasonable having regard to the size of the company and the nature of its assets. In accordance with this programme, substantial portion of the fixed assets were verified during the year and no material discrepancies have been noticed on such verification.
- ii) a) The inventories have been physically verified by the management during the year. In our opinion, the frequency of such verification is reasonable.
- b) The procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the company and the nature of its business.
- c) The Company is maintaining proper records of inventory. The discrepancies noticed on verification between physical stocks and the book records were not material.
- iii) a) The Company has not granted any loans, secured or unsecured, to companies, firms or other parties covered in the register maintained under section 189 of the Companies Act, 2013.( The Act ).
- b) The Company has taken Inter Corporate Deposits aggregating to Rs. 90 lakhs from the companies covered under the register maintained under section 189 of The Act and repaid Rs. 257.50 lakhs during the year. The rate of interest and other terms and conditions are prima facie not prejudicial to the interests of the company.
- iv) In our opinion and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the company and the nature of their business with regard to purchase of inventories, fixed assets and sale of goods and services. We have not observed any major weakness

in the internal control system during the course of the audit.

- v) The Company has accepted deposits from the public and the directives issued by the Reserve Bank of India and the provisions of Section 73 to 76 of the Act and the rules framed there under have been complied with. Balances are maintained in bank accounts, free of lien or charge, prima facie sufficient according to the information and explanations given to us, for payment of interest and refund of deposits falling due. There is no default in repayment of matured deposits or payment of interest due. No order has been passed by the Company Law Board or National Company Law Tribunal or Reserve Bank of India or any Court or Tribunal regarding the deposits.
- vi) We have broadly reviewed the books of account relating to materials, labour and other items of cost maintained by the Company pursuant to the Rules made by the Central Government for the maintenance of cost records under sub-section (1) of Section 148 of the Act in respect of the activities carried on by the Company, wherever applicable and we are of the opinion that prima facie the prescribed accounts and records have been made and maintained. However, we have not made a detailed examination of the records.
- vii) a) According to the information and explanations given to us and on the basis of examination of the records of the Company, amounts deducted/ accrued in the books of account in respect of undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, wealth-tax, service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues have been regularly deposited during the year by the Company with the appropriate authorities.  

According to the information and explanations given to us, no undisputed amounts are payable in respect of income tax, sales tax, wealth tax, service tax, duty of customs, duty of excise, value added tax or cess and other material statutory dues which were in arrears as at March 31, 2015, for a period of more than six months from the date they became payable.
- b) As at March 31, 2015, there have been no disputed dues, which have not been deposited with the respective authorities in respect of Income tax, Wealth-tax, Service tax, duty of customs, duty of excise, value added tax and Cess, except the following:



Name of the statute/Authority	Nature of dues	Forum	Amount (Rs. In Lakhs)
Sales Tax Act (APGST and VAT)	Sales Tax	Tribunal	32.06
		Deputy Commissioner	85.82
Central Excise	Disputed Excise Duty	Tribunal	778.79
		High Court	29.22
		Miscellaneous	6.15
Customs Duty	Disputed Customs Duty	Tribunal	87.79
		CEC	42.19
Nala Tax	Non Agricultural Tax on mining area	High Court, AP	43.56
Permit Fee to Forest Department	Disputed Permit Fee	High Court, AP	255.04

c) The company has transferred the amount required to be transferred to the investor education and protection fund in accordance with the relevant provisions of the Companies Act, 1956 and rules made thereunder has been transferred to such fund within time.

- viii) The Company has no accumulated losses and has not incurred cash losses in the financial year covered by our audit but has incurred cash losses in the immediately preceding financial year.
- ix) The Company has not defaulted in repayment of dues to any financial institutions or banks as at the balance sheet date in view of the reschedulement of the principal and interest under the Corporate Debt Restructuring sanctioned by the Banks.
- x) According to the information and explanations given to us, the Company, has not given any guarantee for loans taken by others from banks or financial institutions. Consequently, the clause 3 (x) of the order is not applicable to the Company.
- xi) According to the information and explanations given to us, the term loans have been applied for the purposes for which they have been obtained.
- xii) According to the information and explanations given to us, no fraud on or by the Company, has been noticed or reported during the course of our audit.

**For VENUGOPAL & CHENOY,**  
Chartered Accountants,  
FRN: 0046715

Place: Hyderabad  
Date: 30-05-2015

( P.V.SRI HARI )  
Partner  
Membership No.21961

# BALANCE SHEET AS AT 31ST MARCH 2015

(All amounts in Rupees Lakhs except for Share data and unless otherwise stated)



	Notes	31 Mar 2015	31 Mar 2014
<b>EQUITY AND LIABILITIES</b>			
<b>Share holders' Funds</b>			
Share Capital	2.1	3,493.73	3,493.73
Reserves and Surplus	2.2	11,368.75	10,412.94
<b>Sub-Total : Shareholders' Funds</b>		<b>14,862.48</b>	<b>13,906.67</b>
<b>Share Application Money Pending Allotment</b>	2.3	<b>400.00</b>	<b>400.00</b>
<b>Non-Current Liabilities</b>			
Long - Term Borrowings	2.4	9,992.71	12,378.21
Deferred Tax Liabilities	2.5	4,154.81	3,872.80
Other - Long Term Liabilities	2.6	3,983.76	5,119.38
Long - Term Provisions	2.7	351.82	307.93
<b>Sub-Total : Non Current Liabilities</b>		<b>18,483.10</b>	<b>21,678.32</b>
<b>Current Liabilities</b>			
Short - Term Borrowings	2.8	5,558.03	7,720.91
Trade Payables	2.9	4,980.38	4,960.59
Other Current Liabilities	2.10	14,363.04	11,926.74
Short - Term Provisions	2.11	324.32	113.70
<b>Sub-Total : Current Liabilities</b>		<b>25,225.77</b>	<b>24,721.94</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>58,971.35</b>	<b>60,706.93</b>
<b>ASSETS</b>			
<b>Non-Current Assets</b>			
Fixed Assets			
Tangible Assets	2.12	40,675.82	42,993.46
Capital Work - in- Progress		236.31	678.92
Non - Current Investments		-	-
Long - Term Loans & Advances	2.13	1,448.48	1,441.02
<b>Sub-Total : Non - Current Assets</b>		<b>42,360.61</b>	<b>45,113.40</b>
<b>Current Assets</b>			
Inventories	2.14	6,333.39	5,737.81
Trade Receivables	2.15	4,447.89	4,391.85
Cash and Cash Equivalents	2.16	567.61	280.06
Short- Term Loans and Advances	2.17	2,604.55	1,988.51
Other Current Assets	2.18	2,657.30	3,195.30
<b>Sub-Total : Current Assets</b>		<b>16,610.74</b>	<b>15,593.53</b>
<b>TOTAL-ASSETS</b>		<b>58,971.35</b>	<b>60,706.93</b>
Summary of Significant Accounting Policies	1		

The accompanying notes are an integral part of the financial statements

As per our report of even date

For and on behalf of the Board

**For Venugopal & Chenoy,**  
Chartered Accountants  
Firm Registration No. 0046715

**K. Ravi**  
Managing Director

**R. Anand**  
Chairman

**P.V. SRI HARI**  
Partner  
Membership No.: 21961

**N.Krishnan**  
President & CFO

**T. Arun Kumar**  
Company Secretary

Place : Hyderabad  
Dated: 30th May 2015

**STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH 2015**

(All amounts in Rupees Lakhs except for Share data and unless otherwise stated)



	Notes	31 Mar 2015	31 Mar 2014
<b>REVENUE</b>			
Revenue from Operations (Gross)	2.19	79,157.37	60,712.92
Less: Inter Segment Transfers & Taxes on Sales		18,062.93	14,159.07
Revenue from Operations		61,094.44	46,553.85
Less : Excise Duty		7,702.78	5,681.29
Revenue from Operations (Net)		<u>53,391.66</u>	<u>40,872.56</u>
Other Income	2.20	485.72	507.77
<b>Total Revenue</b>		<u><b>53,877.38</b></u>	<u><b>41,380.33</b></u>
<b>EXPENSES</b>			
Net Consumption of Materials	2.21	9,650.69	8,039.48
Change in Inventories of Finished goods and Work-in-Progress	2.22	(116.21)	(21.87)
Employee Benefit Expenses	2.23	2,513.52	2,204.13
Other Expenses	2.24	34,327.56	27,847.79
Finance Costs	2.25	3,712.03	3,998.71
Depreciation & Amortisation	2.26	2,556.07	3,078.97
<b>Total Expenses</b>		<u><b>52,643.66</b></u>	<u><b>45,147.21</b></u>
<b>Profit/(Loss) Before Tax</b>		<u><b>1,233.72</b></u>	<u><b>(3,766.88)</b></u>
<b>Tax Expense:</b>			
Tax- Earlier Years		69.25	-
Tax- Current Year		112.64	-
Deferred Tax Charge / (Credit)		161.82	313.30
<b>Total of Tax Expenses</b>		<u><b>343.71</b></u>	<u><b>313.30</b></u>
<b>Profit for the Period</b>		<u><b>890.01</b></u>	<u><b>(4,080.18)</b></u>
Basic Earnings per Share of Rs 10/- each		2.55	(11.68)
Diluted Earnings per Share of Rs 10/- each	2.28	2.42	(11.11)
Cash Earnings per share of Rs. 10/- each	2.28	10.33	(1.97)
Summary of Significant Accounting Policies	1		

The accompanying notes are an integral part of the financial statements

As per our report of even date

For and on behalf of the Board

**For Venugopal & Chenoy,**  
Chartered Accountants  
Firm Registration No. 004671S

**K. Ravi**  
Managing Director

**R. Anand**  
Chairman

**P.V. SRI HARI**  
Partner  
Membership No.: 21961

**N. Krishnan**  
President & CFO

**T. Arun Kumar**  
Company Secretary

Place : Hyderabad  
Dated: 30th May 2015

# CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2015

(All amounts in Rupees Lakhs except for Share data and unless otherwise stated)



	31 Mar 2015		31 Mar 2014	
<b>Cash flow from Operating Activities</b>				
<b>Profit Before Tax</b>		1,233.72		(3,766.88)
<b>Adjustments for:</b>				
Depreciation & Amortisation		2,556.07		3,078.97
		<b>3,789.79</b>		<b>(687.91)</b>
Less:				
Income Tax Paid		-		-
<b>Operating Profit Before Working Capital Changes</b>		<b>3,789.79</b>		<b>(687.91)</b>
<b>Movement of Working Capital:</b>				
Increase/(Decrease) in Trade Payables	19.79		729.77	
Increase/(Decrease) in Long Term Provisions	43.89		13.01	
Increase/(Decrease) in Short Term Provisions	28.73		(1.76)	
Increase/(Decrease) in Other Current Liabilities	2,436.30		603.03	
Decrease/(Increase) in Trade Receivables	(56.04)		(206.64)	
Decrease/(Increase) in Inventories	(595.58)		(103.47)	
Decrease/(Increase) in Long Term Loans & Advances	(23.70)		(32.79)	
Decrease/(Increase) in Short Term Loans & Advances	(616.03)		107.74	
Decrease/(Increase) in Other Current Assets	538.00		(619.39)	
Net Movement in Working Capital		1,775.36		489.50
<b>Cash Generated from Operations</b>		<b>5,565.15</b>		<b>(198.41)</b>
<b>Cash Flow from Investing Activities</b>				
Purchase of Fixed Assets including CWIP	(48.15)		(967.99)	
Reimbursement of expenses incurred on Land Development	450.00		275.00	
Sale of Net Fixed Assets	4.55		168.81	
<b>Net Cash Used in Investing Activities</b>		<b>406.40</b>		<b>(524.18)</b>
<b>Cash flow from Financing Activities</b>				
Proceeds / (Repayment) of Long Term Borrowings	(2,385.50)		(786.45)	
Proceeds / (Repayment) of Other Long Term Liabilities	(1,135.62)		1,227.22	
Proceeds / (Repayment) of Short Term Borrowings	(2,162.88)		(130.37)	
Dividend & Dividend Tax Paid	-		-	
Proceeds from Share Application Money	-		400.00	
<b>Net Cash used in Financing Activities</b>		<b>(5,684.00)</b>		<b>710.40</b>
<b>Net Increase in Cash and Cash Equivalent</b>		<b>287.55</b>		<b>(12.19)</b>
Cash and Cash Equivalent at the Beginning of the Year		280.06		292.25
Cash and Cash Equivalent at the End of the Year		567.61		280.06

As per our report of even date

For and on behalf of the Board

**For Venugopal & Chenoy,**  
Chartered Accountants  
Firm Registration No. 0046715

**K. Ravi**  
Managing Director

**R. Anand**  
Chairman

**P.V. SRI HARI**  
Partner  
Membership No.: 21961

**N. Krishnan**  
President & CFO

**T. Arun Kumar**  
Company Secretary

Place : Hyderabad  
Dated: 30th May 2015

# Notes to Financial Statements for the year ended 31 March 2015

(All amounts in Rupees Lakhs except for Share data and unless otherwise stated)



## 1. SIGNIFICANT ACCOUNTING POLICIES

### a) Accounting Concepts

The financial statements are presented on going concern concept and in accordance with Indian Generally Accepted Accounting Principles (GAAP).

### b) Fixed Assets and Depreciation

Fixed Assets are stated at the cost of acquisition or construction and putting it to working condition

Depreciation on Buildings and Plant & Machinery is charged on straight line method and other assets on Written Down Value method based on the useful lives of the assets, as per Schedule II of the Companies Act 2013 and depreciation on Assets of Energy Division is charged as per Part B of the Schedule II.

Depreciation on fixed assets of Energy Division is provided on straight line method at the rates and in the manner prescribed as per notification no.151 dated 29.03.1994 issued by Ministry of Power (Department of Power).

Consequent to the change, for the year ended 31st March, 2015 depreciation is lower by Rs. 442.47 lakhs. Further, an amount of Rs. 65.80 lakhs (Net of deferred Tax Liability) has been adjusted with the General Reserve in respect of the assets whose balance life is Nil as per transitional provisions of Schedule II.

### c) Inventories

- i) Raw Materials and other Materials are valued at weighted average cost.
- ii) Stores and Spares at Cost
- iii) Work - in - Process at cost of material plus labour and other overheads and
- iv) Finished Goods at Cost or net realisable value whichever is lower.

### d) Employee Benefits

Employee Retirement Benefits being Gratuity and Privilege Leave Encashment are provided on actuarial valuation as envisaged in Accounting Standard 15.

### e) Income Tax Expense

Deferred (Income Tax) is provided as envisaged in Accounting Standard 22

### f) Foreign Currency Transactions

Loss or gain due to fluctuations in foreign currency exchange rates is recognized as envisaged in Accounting Standard 11.

## 2. Notes to Financial Statements for the year ended 31 March 2015

### 2.1 SHARE CAPITAL

	31 Mar 2015	31 Mar 2014
<b>Authorized</b>		
6,20,00,000 (31 March 2014: 6,20,00,000) Equity shares of Rs. 10/- each	<b>6,200.00</b>	<b>6,200.00</b>
<b>Issued,Subscribed &amp; Paid up</b>		
3,49,37,335 (31 March 2014: 3,49,37,335) Equity shares of Rs 10/- each	3,493.73	3,493.73
<b>Total</b>	<b>3,493.73</b>	<b>3,493.73</b>

#### (a) Reconciliation of shares outstanding at the beginning and at the end of the reporting period

Equity shares	31 Mar 2015		31 Mar 2014	
	No. of shares	Rs. Lakhs	No. of shares	Rs. Lakhs
At the beginning and at the end of the year	34,937,335	3,493.73	34,937,335	3,493.73

1. The Company has only one class of equity shares having a par value of Rs. 10/- per share. Each holder of Equity shares is entitled to one vote per share. The company declares and pays dividends in Indian rupees.
2. For the Year Ended 31st March,2015, no dividend was recognized for distribution to equity share holders (31st March 2014: Nil).
3. In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the



## Notes to Financial Statements for the year ended 31 March 2015

(All amounts in Rupees Lakhs except for Share data and unless otherwise stated)



company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

### Details of Shareholders holding more than 5% Shares in the Company

	31 Mar 2015		31 Mar 2014	
	No. of Shares	% of holding	No. of Shares	% of holding
Sri K. Ravi	2,355,123	6.74	2,240,862	6.41

As per records of the company, including its register of shareholders/members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownerships of shares.

## 2.2 RESERVES AND SURPLUS

	31 Mar 2015	31 Mar 2014
<b>Capital Reserve</b>	<b>240.91</b>	<b>240.91</b>
<b>Securities Premium Reserve</b>	<b>2,106.14</b>	<b>2,106.14</b>
<b>General Reserve</b>		
Balance as per the last Financial statement	11,500.00	11,500.00
Add: Adjustments (Depreciation - Schedule II)	65.80	-
Add: Amount transferred from surplus	-	-
<b>Closing balance</b>	<b>11,565.80</b>	<b>11,500.00</b>
<b>Profit &amp; Loss Account</b>		
Balance as per the Last Financial Statement	(3,434.11)	237.32
Add: Profit / (Loss) for the Year	890.01	(4,080.18)
Less: Proposed Dividend	-	(349.37)
Less: Tax on Proposed Dividend	-	(59.38)
Less: Transfer to General Reserve	-	-
Total Appropriations	-	(408.75)
<b>Closing Balance</b>	<b>(2,544.10)</b>	<b>(3,434.11)</b>
<b>Total</b>	<b>11,368.75</b>	<b>10,412.94</b>

The dividend proposed for the Year 2012-13 was subsequently withdrawn by the Board of Directors in view of adverse cement market conditions, hence provision made was reversed in the year 2013-14.

## 2.3 SHARE APPLICATION MONEY PENDING ALLOTMENT

	31 Mar 2015	31 Mar 2014
Share Application Money	400.00	400.00

The above amount represents the upfront contribution brought in by the Promoters in compliance with the conditions stipulated for sanctioning the Company's Debt Restructuring Proposal by the CDR Cell. At the EGM held on 02.04.2014, Shareholders approved to make a Preferential Issue of 17,95,455 Equity Shares to the Promoters Group at a premium of Rs 12/- per Share. SEBI has granted exemption from regulation 72(2) of SEBI (ICDR) Regulations, 2009 and accorded approval for preferential allotment on 14.05.2015. Accordingly, Equity shares were allotted to the promoters on 26.05.2015.

## Notes to Financial Statements for the year ended 31 March 2015

(All amounts in Rupees Lakhs except for Share data and unless otherwise stated)



### 2.4 LONG-TERM BORROWINGS

	Non-Current portion		Current Maturities	
	31 Mar 2015	31 Mar 2014	31 Mar 2015	31 Mar 2014
<b>Secured</b>				
<b>Term Loans from FIs &amp; Banks</b> (Refer Note Nos. 'a' to 'c')	9,733.47	11,668.11	1,922.84	1,084.11
<b>Vehicle &amp; Equipment Loans (Secured)</b>				
Vehicle & Equipment Finance Loans from Banks (Refer Note No 'd')	0.00	252.47	252.47	294.74
<b>Total Secured Borrowings (i)</b>	<b>9,733.47</b>	<b>11,920.58</b>	<b>2,175.31</b>	<b>1,378.85</b>
<b>Other Loans &amp; Advances (Unsecured)</b>				
Sales Tax Deferment Loan (Refer Note No. 'e')	259.24	457.63	198.38	222.53
<b>Total Unsecured Borrowings (ii)</b>	<b>259.24</b>	<b>457.63</b>	<b>198.38</b>	<b>222.53</b>
<b>Total of Secured &amp; Unsecured (i+ii)</b>	<b>9,992.71</b>	<b>12,378.21</b>	<b>2,373.69</b>	<b>1,601.38</b>

- a. Keeping in view of the sluggish cement market conditions resulted because of downturn of Infra Sector, at the request of the Company, the outstanding loans as of 1.7.2013 (except Rs 7.23 crores of Funded Interest Term Loan availed from IREDA) have been rescheduled under Corporate Debt Restructuring mechanism (CDR). As per the scheme sanctioned, the outstanding loans are to be repaid in 28 calibrated quarterly installments commencing from March 2014. Rate of Interest has been reduced to 12% per annum with a reset option once in every two years. Interest arrears for a period eight months has been funded, of which first two months interest has to be repaid three equal quarterly installments commencing from March 2014. Balance six months interest has to be repaid in ten equal quarterly installments from March 2014. Lenders have the Right for Recompense. Due amounts as of 31st March 2015 were fully paid as per the sanctioned scheme.
- b. Term Loans from the Banks and Financial Institutions viz. Axis Bank Ltd, Canara Bank, Central Bank of India, Corporation Bank, Indian Renewable Energy Development Agency Ltd (IREDA), Oriental Bank of Commerce, State Bank of Hyderabad and State Bank of Mysore are secured by a pari passu first charge on all movable and immovable properties of the Company and second charge on current assets of the Company (both present and future) except receivables of Energy Division.
- c. Term Loans availed from all Banks and Financial Institutions are guaranteed by Four Promoter Directors in their personal capacity. Further, entire unencumbered shareholdings of Promoters have also been pledged as additional security.
- d. Vehicle and Equipment Loans from various Banks are secured by Hypothecation of respective assets financed, for a tenure of 35 to 45 months and carries Interest @ 9% to 11% p.a.
- e. Represents 8 years Interest free Sales Tax Deferment Loan received from Government of Andhra Pradesh. The loan repayments are to be made from March 31, 2013 based on the deferment availed in the corresponding year.

### 2.5 DEFERRED TAX LIABILITIES

	31 Mar 2015	31 Mar 2014
Deferred Tax Liabilities	4,154.81	3,872.80

### 2.6 OTHER LONG TERM LIABILITIES

	Non-Current portion		Current Maturities	
	31 Mar 2015	31 Mar 2014	31 Mar 2015	31 Mar 2014
Deposits from Dealers / Stockists (Note 'a')	3,614.71	5,042.40	-	-
Deposits from Public & Shareholders (Note 'b')	369.05	76.98	2,760.61	3,107.45
<b>Total</b>	<b>3,983.76</b>	<b>5,119.38</b>	<b>2,760.61</b>	<b>3,107.45</b>

## Notes to Financial Statements for the year ended 31 March 2015

(All amounts in Rupees Lakhs except for Share data and unless otherwise stated)



- a. Deposits from Dealers / Stockists represent amounts collected from Dealers / Stockists / Agents as collateral at the time of granting the dealership to sell the products of the Company which is repayable on cancellation of the said dealership. These deposits attract interest @ 6% p.a.
- b. Public Deposits aggregating to Rs 2,760.61 lakhs (Previous year Rs 3,107.45 lakhs) is repayable within one year and Rs 369.05 lakhs (Previous Year Rs 76.98 lakhs) is repayable within next two years.

### 2.7 LONG TERM PROVISIONS

	Non-Current portion		Current Maturities	
	31 Mar 2015	31 Mar 2014	31 Mar 2015	31 Mar 2014
<b>Provision for Employee Benefits</b>				
Provision for Gratuity	290.98	259.19	54.74	42.47
Provision for Leave benefits	60.84	48.74	34.26	17.18
Total (i)	<b>351.82</b>	<b>307.93</b>	<b>89.00</b>	<b>59.65</b>
<b>Other Provisions</b>				
Provision for Income Tax	-	-	181.89	-
Provision for Dividend	-	-	-	(349.37)
Provision for Dividend Tax	-	-	-	(59.38)
Total (ii)	-	-	<b>181.89</b>	<b>(408.75)</b>
<b>Total (i+ii)</b>	<b>351.82</b>	<b>307.93</b>	<b>270.89</b>	<b>(349.10)</b>

### 2.8 SHORT TERM BORROWINGS

	31 Mar 2015	31 Mar 2014
Cash Credit Loans from Banks (Secured)	5,558.03	7,720.91
<b>Total Short Term Borrowings</b>	<b>5,558.03</b>	<b>7,720.91</b>

Cash credit Loans from Banks viz. Axis Bank Ltd, IDBI Bank Ltd and State Bank of Hyderabad are secured by pari passu first charge on current assets of the Company excluding receivables of Energy Division (both present & future) and second charge on fixed assets of the company and are guaranteed by four promoter directors in their personal capacity. Further, entire unencumbered shareholdings of Promoters have also been pledged as additional security. These facilities also have been restructured under CDR Mechanism and Rate of Interest has been reduced to 12% per annum effective from 1.7.2013 with a reset option every year.

### 2.9 TRADE PAYABLES

	31 Mar 2015	31 Mar 2014
<b>Trade Payables</b>	4,980.38	4,960.59

Based on the information available with the Company, amount of dues to Micro, Small and Medium Enterprises outstanding for more than 45 days as at 31st March 2015 is Rs. Nil (Previous Year: Rs. Nil)

## Notes to Financial Statements for the year ended 31 March 2015

(All amounts in Rupees Lakhs except for Share data and unless otherwise stated)



### 2.10 OTHER CURRENT LIABILITIES

	31 Mar 2015	31 Mar 2014
<b>1. Current Maturities of Long term Borrowings</b>		
Term Loans from Banks & FIs	1,922.84	1,084.11
Vehicle & Equipment Loans	252.47	294.74
Sales Tax Deferment Loan	198.38	222.53
<b>Total of Current Maturities on Long Term Borrowings</b>	<b>2,373.69</b>	<b>1,601.38</b>
<b>2. Other Liabilities</b>		
Deposits from Public & Shareholders	2,760.61	3,107.45
Advances from Customers & Others	5,949.21	3,257.58
Value Added Tax & CST Payable	628.31	1,037.56
Service Tax Payable	4.54	3.08
TDS Payable	35.05	48.99
Employee related payables PF, ESI & Others	17.71	17.03
Unclaimed Dividends (Note )	115.58	138.83
Interest Accrued but not Due	700.95	651.25
Other Expenses including Provisions	1,777.38	2,063.58
<b>Total Other Liabilities</b>	<b>11,989.35</b>	<b>10,325.36</b>
<b>Total Other Current Liabilities</b>	<b>14,363.04</b>	<b>11,926.74</b>

Note: Investor Education and Protection Fund will be credited by this amounts as and when due.

### 2.11 SHORT TERM PROVISIONS

	31 Mar 2015	31 Mar 2014
Provision for Income Tax	181.89	-
Current Maturities of Long-Term Provisions of Employee Benefits	89.00	59.65
Provision for Employee Bonus & Ex-gratia	53.43	54.05
<b>Total</b>	<b>324.32</b>	<b>113.70</b>

## Notes to Financial Statements for the year ended 31 March 2015

(All amounts in Rupees Lakhs except for Share data and unless otherwise stated)



### 2.12 FIXED ASSETS (TANGIBLE)

(All amounts in Rupees Lakhs except for Share data and unless otherwise stated)

	Land	Buildings	Plant & Machinery	Electrical Installations	Railway Siding	Furniture & Fixtures	Office Equipment	Vehicles	Total
At 1st April 2013	1,458.70	7,819.99	44,474.24	5,029.85	862.50	112.15	312.85	2,440.03	62,510.31
Additions		1,568.74	2,250.42	-	-	4.76	2.30	18.52	3,844.74
Disposals		10.08	89.78	-	-	-	-	120.26	220.12
<b>At 31st March, 2014</b>	<b>1,458.70</b>	<b>9,378.65</b>	<b>46,634.88</b>	<b>5,029.85</b>	<b>862.50</b>	<b>116.91</b>	<b>315.15</b>	<b>2,338.29</b>	<b>66,134.93</b>
Additions	-	6.41	24.59	-	-	0.32	9.44	-	40.76
Disposals	-	-	-	-	-	0.85	-	28.10	28.95
<b>At 31st March, 2015</b>	<b>1,458.70</b>	<b>9,385.06</b>	<b>46,659.47</b>	<b>5,029.85</b>	<b>862.50</b>	<b>116.38</b>	<b>324.59</b>	<b>2,310.19</b>	<b>66,146.74</b>
<b>Depreciation</b>									
At 1st April 2013	-	1,736.00	15,387.29	1,137.59	177.43	70.35	178.73	1,539.67	20,227.07
Charge for the year	-	222.57	2,164.40	266.93	45.54	7.61	24.49	339.01	3,070.55
Disposals	-	0.10	62.59	-	-	-	-	93.46	156.15
<b>At 31st March, 2014</b>	<b>-</b>	<b>1,958.47</b>	<b>17,489.11</b>	<b>1,404.52</b>	<b>222.97</b>	<b>77.96</b>	<b>203.22</b>	<b>1,785.22</b>	<b>23,141.47</b>
Charge for the year	-	260.65	1,350.60	652.01	59.06	10.37	66.86	140.28	2,539.83
Disposals	-	(13.37)	227.24	-	-	(3.07)	(25.05)	24.63	210.38
<b>At 31st March, 2015</b>	<b>-</b>	<b>2,232.49</b>	<b>18,612.47</b>	<b>2,056.53</b>	<b>282.03</b>	<b>91.40</b>	<b>295.13</b>	<b>1,900.87</b>	<b>25,470.92</b>
<b>Net Block</b>									
At 31st March, 2014	1,458.70	7,420.18	29,145.77	3,625.33	639.53	38.95	111.93	553.07	42,993.46
<b>At 31st March, 2015</b>	<b>1,458.70</b>	<b>7,152.57</b>	<b>28,047.00</b>	<b>2,973.32</b>	<b>580.47</b>	<b>24.98</b>	<b>29.46</b>	<b>409.32</b>	<b>40,675.82</b>

## Notes to Financial Statements for the year ended 31 March 2015

(All amounts in Rupees Lakhs except for Share data and unless otherwise stated)



### 2.13 LONG-TERM LOANS & ADVANCES

	Non-Current portion		Current Maturities	
	31 Mar 2015	31 Mar 2014	31 Mar 2015	31 Mar 2014
Unsecured, considered good				
<b>Security Deposits</b>				
Deposits with AP & TS SEB	962.58	961.00	-	-
Deposits with Government Departments	252.42	249.10	-	-
Deposits with Others	19.16	20.89	-	-
<b>Total of Security Deposits</b>	<b>1,234.16</b>	<b>1,230.99</b>	-	-
<b>Other Loans &amp; Advances</b>				
Rental Deposit	54.58	36.09	-	-
<b>Total of Loans &amp; Advances</b>	<b>54.58</b>	<b>36.09</b>	-	-
<b>Deposits in disputed cases</b>				
Taxes paid under Protest	125.44	123.44	-	-
<b>Total of Deposits in Disputed Cases</b>	<b>125.44</b>	<b>123.44</b>	-	-
<b>Non-Current portion of Other Current Assets (Refer Note.2.18)</b>	<b>34.30</b>	<b>50.50</b>		
<b>Total</b>	<b>1,448.48</b>	<b>1,441.02</b>	-	-

### 2.14 INVENTORIES

	31 Mar 2015	31 Mar 2014
Raw Materials	678.54	744.78
Work In Progress	186.17	177.40
Finished goods	1,819.92	1,733.10
Stores	2,664.85	2,416.85
Packing & Other Materials	983.91	665.68
<b>Total</b>	<b>6,333.39</b>	<b>5,737.81</b>

### 2.15 TRADE RECEIVABLES

	31 Mar 2015	31 Mar 2014
<b>Debtors outstanding for a period exceeding six months</b>		
Secured, considered good	-	-
Unsecured, considered good	391.96	379.81
<b>Total</b>	<b>391.96</b>	<b>379.81</b>
<b>Debtors outstanding for a period less than six months</b>		
Secured, considered good	-	-
Unsecured, considered good	4,055.93	4,012.04
<b>Total</b>	<b>4,055.93</b>	<b>4,012.04</b>
<b>Total Trade Receivables</b>	<b>4,447.89</b>	<b>4,391.85</b>

## Notes to Financial Statements for the year ended 31 March 2015

(All amounts in Rupees Lakhs except for Share data and unless otherwise stated)



### 2.16 CASH & CASH EQUIVALENTS

	Non-Current		Current	
	31 Mar 2015	31 Mar 2014	31 Mar 2015	31 Mar 2014
Cash in Hand	-	-	11.14	15.91
Cash at Banks	-	-	459.38	168.23
Cash with Branches	-	-	1.50	1.59
Margin Money Deposits with Banks	-	-	95.59	94.33
<b>Total</b>	-	-	<b>567.61</b>	<b>280.06</b>

### 2.17 SHORT TERM LOANS & ADVANCES

	31 Mar 2015	31 Mar 2014	31 Mar 2015	31 Mar 2014
	Non-Current		Current	
Unsecured, considered good				
Advances to Suppliers		-	1,170.91	1,259.54
Advances to Others		-	111.61	113.89
Central Excise, Service Tax, VAT & Other Receivables		-	1,208.98	502.03
MAT Entitlement Credit Account		-	113.05	113.05
<b>Total</b>	-	-	<b>2,604.55</b>	<b>1,988.51</b>

### 2.18 OTHER CURRENT ASSETS

	31 Mar 2015	31 Mar 2014	31 Mar 2015	31 Mar 2014
	Non-Current		Current	
Incentives Receivable from A.P Government	-	-	2,566.07	3,099.98
Other Current Assets	34.30	50.50	91.23	95.32
<b>Total</b>	<b>34.30</b>	<b>50.50</b>	<b>2,657.30</b>	<b>3,195.30</b>

### 2.19 REVENUE FROM OPERATIONS

	31 Mar 2015	31 Mar 2014
<b>Sale / Transfer of Products:</b>		
Finished Goods	69,571.48	53,149.39
Semi Finished Goods (Clinker Transfer to Kondapalli Grinding Unit)	9,577.28	7,540.78
Traded Goods	8.61	22.74
<b>Total Sales</b>	<b>79,157.37</b>	<b>60,712.92</b>
Less: Inter Segment Transfers	11,472.22	9,236.53
Less: Taxes on Sales (Note)	6,590.71	4,922.54
Net Sales of Products	<b>61,094.44</b>	<b>46,553.85</b>
Less: Excise Duty	7,702.78	5,681.29
Net Sales	<b>53,391.66</b>	<b>40,872.56</b>
Other Operating Income	485.72	507.77
<b>Total</b>	<b>53,877.38</b>	<b>41,380.33</b>

Note: As per Andhra Pradesh State Industrial Policy 2005-10, Amounts of incentives from Industries Department receivable for the year amounting to Rs.83.72 lakhs (Previous Year Rs. 171.67 lakhs) is deducted from Taxes on Sales.



## Notes to Financial Statements for the year ended 31 March 2015

(All amounts in Rupees Lakhs except for Share data and unless otherwise stated)



### 2.20 OTHER INCOME

	31 Mar 2015	31 Mar 2014
Interest Income	91.55	84.80
Profit / (Loss) on Sale of Assets	(0.45)	(7.26)
Scrap Sales	67.55	37.60
Income from Operations of Trucks	98.07	(91.16)
Other Income	19.87	8.21
Exchange Fluctuation	2.81	3.21
Net Prior Year Adjustments	206.32	472.37
<b>Total</b>	<b>485.72</b>	<b>507.77</b>

### NET PRIOR YEAR ADJUSTMENTS

	31 Mar 2015	31 Mar 2014
Taxes & Duties	(0.63)	-
Power	207.88	-
Others	(0.93)	472.37
<b>Total Income / (Expense)</b>	<b>206.32</b>	<b>472.37</b>

### 2.21 COST OF MATERIAL CONSUMED

	31 Mar 2015	31 Mar 2014
Rawmaterials Inventory at the Beginning of the year	744.78	619.38
Add: Purchases	21,056.67	17,401.41
Total	21,801.45	18,020.79
Less: Inventory at the End of the year	678.54	744.78
<b>Cost of Raw materials Consumed</b>	<b>21,122.91</b>	<b>17,276.01</b>
<b>Details of Rawmaterials Consumed</b>		
Limestone	1,887.87	1,465.95
Al. Laterite	572.61	579.23
Gypsum	692.96	521.95
Iron ore / Iron ore powder	664.73	667.90
FlyAsh	531.47	431.64
Purchased Clinker Consumption	41.54	-
Clinker Consumption at Kondapalli Plant	10,020.48	7,915.00
Cement Consumption in Other Divisions	2,968.07	2,584.21
Wood	1,861.21	1,677.72
Chemicals	361.49	264.29
Paper	173.14	108.38
Bison Panel Boards Consumption in Prefab Division	1.06	9.03
Steel	47.10	22.22
Ready Mix Concrete Materials	1,291.87	1,008.04
Other Materials	-	0.37
Cost of Trading Goods	7.33	20.08
<b>Total</b>	<b>21,122.91</b>	<b>17,276.01</b>

## Notes to Financial Statements for the year ended 31 March 2015

(All amounts in Rupees Lakhs except for Share data and unless otherwise stated)



	31 Mar 2015	31 Mar 2014
Less: Inter Segment Transfers	11,472.22	9,236.53
<b>Net Consumption of Materials</b>	<b>9,650.69</b>	<b>8,039.48</b>
<b>Details of Inventory</b>		
Limestone	33.49	26.96
Al. Laterite	45.18	19.72
Gypsum	22.94	6.46
Iron ore / Iron ore powder	31.75	69.06
FlyAsh	3.05	2.26
Clinker at Kondapalli Plant	31.22	108.16
Cement in Boards & RMC Divisions	17.20	21.08
Wood	360.60	314.77
Chemicals	23.05	28.57
Bison Panel Boards in Prefab Division	36.15	37.21
Steel	45.11	92.21
Other Materials	28.80	18.31
<b>Total</b>	<b>678.54</b>	<b>744.78</b>

### 2.22 CHANGES IN INVENTORIES OF FINISHED GOODS AND WORK IN PROGRESS

	31 Mar 2015	31 Mar 2014
Closing stock of Work in Progress	186.17	177.40
Closing stock of Finished goods	1,819.92	1,733.10
<b>Total</b>	<b>2,006.09</b>	<b>1,910.50</b>
Opening stock of Work in Progress	177.40	158.97
Opening stock of Finished goods	1,733.10	1,729.66
Adjustment of damaged stock	(20.62)	-
<b>Total</b>	<b>1,889.88</b>	<b>1,888.63</b>
<b>Increase / (Decrease) in Stocks</b>	<b>(116.21)</b>	<b>(21.87)</b>

### 2.23 EMPLOYEE BENEFIT EXPENSES

	31 Mar 2015	31 Mar 2014
Salaries, Wages, Bonus & Allowances	2,132.51	1,858.07
Managerial Remuneration	173.25	154.84
Contribution to Provident Fund & Other Funds	103.59	103.52
Staff Welfare Expenses	104.17	87.70
<b>Total</b>	<b>2,513.52</b>	<b>2,204.13</b>

## Notes to Financial Statements for the year ended 31 March 2015

(All amounts in Rupees Lakhs except for Share data and unless otherwise stated)



### 2.24 OTHER EXPENSES

	31 Mar 2015	31 Mar 2014
Cost of Fuel	10,989.87	8,807.72
Cost of Power (Note)	6,307.44	6,978.67
Packing Materials	2,539.34	1,912.89
Stores & Spares consumed	1,453.64	1,092.15
Rep & Maintenance Plant & Machinery	1,169.34	342.77
Rep & Maintenance Buildings	1.23	-
Rep & Maintenance Others	49.79	44.57
Direct Manufacturing Expenses	282.89	210.00
<b>a. Sub-Total: Other Manufacturing Expenses</b>	<b>22,793.54</b>	<b>19,388.77</b>
Transportation Paid	8,411.02	5,976.74
Advertisement & Publicity	99.62	77.31
Selling Expenses	1,963.03	1,319.37
<b>b. Sub-Total: Selling &amp; Distribution Expenses</b>	<b>10,473.67</b>	<b>7,373.42</b>
Security Services	52.30	48.10
Bank Charges*	32.19	96.35
Administrative Expenses	338.36	334.12
Legal & Professional Expenses	81.06	112.15
Retainer Charges	93.64	65.46
Payments to Auditors (refer details below)	6.50	5.50
Internal Audit Fees	5.40	5.40
Insurance	24.97	31.14
Travelling & Conveyance	243.58	232.47
Rent	98.02	96.47
Rates, Taxes & Licenses	61.24	50.91
Donations	23.09	7.53
<b>c. Sub-Total: Other Administrative Expenses</b>	<b>1,060.35</b>	<b>1,085.60</b>
<b>Total Other Expenses (a+b+c)</b>	<b>34,327.56</b>	<b>27,847.79</b>

Note: As per Andhra Pradesh State Industrial Policy 2005-10, Amounts of incentives from Industries Department receivable for the year amounting to Rs. 1089.71 lakhs (Previous Year Rs. 474.19 lakhs) is deducted from the Cost of Power.

\* Bank Charges includes Rs 17.49 lakhs (PY Rs 77.72 lakhs) incurred towards Processing Charges, BG Commission Charges and Expenses for Reschedulement of Loans under CDR.

## Notes to Financial Statements for the year ended 31 March 2015

(All amounts in Rupees Lakhs except for Share data and unless otherwise stated)



### PAYMENT TO AUDITORS

	31 Mar 2015	31 Mar 2014
Statutory Audit Fees	5.50	4.50
Tax Audit Fees	0.50	0.50
Cost Audit Fees	0.50	0.50
<b>Total Payment to Auditors</b>	<b>6.50</b>	<b>5.50</b>

### 2.25 FINANCE COST

	31 Mar 2015	31 Mar 2014
<b>Interest</b>		
on Term Loans	1,404.28	1,418.55
on Working Capital	841.06	936.61
on Deposits & Others	1,466.69	1,643.55
<b>Total Finance Cost*</b>	<b>3,712.03</b>	<b>3,998.71</b>

\* In addition to the above Finance Cost, Rs 17.49 lakhs (PY Rs 77.72 lakhs) incurred towards Processing Charges, BG Commission Charges and Expenses for Reschedulement of Loans under CDR accounted under Bank Charges and grouped under Administrative Expenses.

### 2.26 DEPRECIATION AND AMORTISATION EXPENSE

	31 Mar 2015	31 Mar 2014
Depreciation	2,539.83	3,070.55
Amortisation	16.24	8.42
<b>Total</b>	<b>2,556.07</b>	<b>3,078.97</b>

#### b) Segment Revenue and Expenses:

Segment revenue and expenses are taken directly as attributable to the segment. It does not include interest income on inter-corporate deposits, profit on sale of investments, interest expense, provision for contingencies and income tax.

# Notes to Financial Statements for the year ended 31 March 2015

(All amounts in Rupees Lakhs except for Share data and unless otherwise stated)



## 2.27 SEGMENT REPORTING

The company operates in five segments namely, Cement, Boards, Prefab, Energy and RMC Divisions. Segments are identified and reported as required in AS 17.

### A. PRIMARY DISCLOSURES:

Particulars	Cement		Boards		Prefab		Energy		RMC		Unallocable		Total	
	31 Mar 2015	31 Mar 2014	31 Mar 2015	31 Mar 2014	31 Mar 2015	31 Mar 2014	31 Mar 2015	31 Mar 2014	31 Mar 2015	31 Mar 2014	31 Mar 2015	31 Mar 2014	31 Mar 2015	31 Mar 2014
<b>Segment Revenue:</b>														
External Turnover	47,390.20	34,355.24	9,058.94	7,614.77	24.58	51.16	651.41	1,231.73	3,969.31	3,300.96	-	-	61,094.44	46,553.85
Inter-Segment Transfers	11,388.43	9,141.60	72.30	81.08	11.27	13.84	-	-	0.22	-	-	-	11,472.22	9,236.53
Gross Turnover	58,778.63	43,496.84	9,131.24	7,695.85	35.86	65.00	651.41	1,231.73	3,969.53	3,300.96	-	-	72,566.67	55,790.38
Less: Excise Duty/Service Tax	7,618.80	5,607.41	4.76	4.54	3.56	3.27	-	-	75.67	66.07	-	-	7,702.79	5,681.29
<b>Net Turnover</b>	<b>51,159.83</b>	<b>37,889.43</b>	<b>9,126.48</b>	<b>7,691.31</b>	<b>32.30</b>	<b>61.73</b>	<b>651.41</b>	<b>1,231.73</b>	<b>3,893.86</b>	<b>3,234.89</b>	<b>-</b>	<b>-</b>	<b>64,863.88</b>	<b>50,109.09</b>
<b>Segment Result:</b>														
Profit before Interest and Taxes	2,948.64	(2,441.29)	1,534.69	1,244.27	(18.87)	(36.21)	333.25	1,375.62	148.02	89.45	-	-	4,945.73	231.84
Less: Interest Expense											3,712.02	3,998.71	3,712.02	3,998.71
Profit Before Tax	2,948.64	(2,441.29)	1,534.69	1,244.27	(18.87)	(36.21)	333.25	1,375.62	148.02	89.45	(3,712.02)	(3,998.71)	1,233.71	(3,766.87)
Current Tax											181.89	-	181.89	-
Deferred Tax											161.81	313.30	161.81	313.30
<b>Profit After Tax</b>	<b>2,948.64</b>	<b>(2,441.29)</b>	<b>1,534.69</b>	<b>1,244.27</b>	<b>(18.87)</b>	<b>(36.21)</b>	<b>333.25</b>	<b>1,375.62</b>	<b>148.02</b>	<b>89.45</b>	<b>(4,055.72)</b>	<b>(4,312.01)</b>	<b>890.01</b>	<b>(4,080.17)</b>
<b>Other Information:</b>														
Segment Assets	44,423.11	45,862.66	5,422.08	5,243.91	332.66	618.02	3,808.91	3,880.67	1,434.76	1,193.75	3,515.54	3,857.39	58,937.06	60,656.41
Segment Liabilities	22,298.35	21,709.33	1,656.68	1,426.68	34.79	226.74	1,119.61	1,221.64	818.56	987.73	13,185.25	16,587.75	39,113.23	42,159.87
Capital Expenditure	(424.63)	316.20	(7.90)	51.39	-	(2.30)	0.39	-	1.34	2.73	-	-	(430.80)	368.02
Depreciation & Amortisation	2,179.89	2,606.37	134.17	143.56	1.41	6.15	173.50	173.49	67.10	149.41	-	-	2,556.07	3,078.98

## Notes to Financial Statements for the year ended 31 March 2015

(All amounts in Rupees Lakhs except for Share data and unless otherwise stated)



### B. SECONDARY DISCLOSURES:

Revenue from external customers by location of customers	The main customer base of company's products are in India only
Carrying amount of segment assets by location of assets	All manufacturing units are located in India
Costs to acquire tangible and intangible fixed assets by location of assets.	
<b>Other Disclosures:</b>	
Basis of pricing Inter segment transfers and any change therein	Inter division transfers of goods are at market price.
Types of products and services in each business segments	(1) OPC/PPC/53 S Cement (2) Plain and laminated Cement Bonded Particle Boards (3) Prefab Shelters. (4) Generation of Hydel power. (5) Ready Mix Concrete.

### Segment Accounting Policies:

In addition to the significant accounting policies applicable to the business, the accounting policies in relation to segment accounting are as under:

#### a) Segment Assets and Liabilities:

Segment assets include all operating assets used by the segment and consist principally of fixed assets, inventories, sundry debtors and loans & advances less current liabilities. Segment assets and liabilities do not include investments, cash and bank balances, inter corporate deposits, reserves and surplus, borrowings, provision for contingencies and income tax (both current and deferred).

#### b) Segment Revenue and Expenses:

Segment revenue and expenses are taken directly as attributable to the segment. It does not include interest income on inter-corporate deposits, profit on sale of investments, interest expense, provision for contingencies and income tax.

### 2.28 Earnings Per Share

	31 Mar 2015	31 Mar 2014
Net Profit / (Loss) for the Period	890.01	(4,080.18)
Cash Profit / (Loss) for the Period	3,607.90	(687.91)
<b>Shares</b>		
Number of shares at the beginning and at the end of the year	34,937,335	34,937,335
<b>Earnings per share of par value Rs. 10/ – Basic and Diluted in Rupees.</b>		
Basic	2.55	(11.68)
Diluted	2.42	(11.11)
Cash	10.33	(1.97)

## Notes to Financial Statements for the year ended 31 March 2015

(All amounts in Rupees Lakhs except for Share data and unless otherwise stated)



### 2.29 Contingent Liabilities

	31 Mar 2015		31 Mar 2014	
	Disputed Amount	Paid Under Protest	Disputed Amount	Paid Under Protest
Demand by Sales tax authorities -Interest on HSD Oil used in Tipppers for transportation of lime stone (Note 'a')	4.26	-	4.26	-
Demand by Sales tax authorities-Penalty on delayed payment (Note 'b')	16.88	4.00	16.88	4.00
Demand by Sales tax authorities for the year 2004-05 - Rate of tax on erection of prefab structures on CST. (Note 'c')	14.92	-	14.92	-
Demand by Sales tax authorities for the year 2008-09 - Disallowance of Input tax credit. (Note 'd')	175.82	56.00	175.82	56.00
Demand of Central Excise Department denying benefit of Cenvat credit on capital goods (Note 'e')	464.98	50.00	464.98	50.00
Demand of Central Excise Department denying benefit of Cenvat credit on capital goods (Note 'f')	163.18	5.00	163.18	5.00
Demand of Central Excise Department denying benefit of Cenvat credit on capital goods (Note 'g')	116.34	-	116.34	-
Demand of Central Excise Department denying benefit of Cenvat credit on capital goods (Note 'h')	80.85	-	101.61	-
Excise department claimed return of refund of Excess Excise duty paid by the Company (Note 'i')	29.22	-	29.22	-
Demand of Central Excise Department denying benefit of Cenvat credit on capital goods (Note 'j')	16.88	10.44	16.88	8.44
Demand of Central Excise Department denying benefit of Cenvat credit on cement transferred to Kondapalli unit from Mattapally unit for despatch in a railway rake (Note 'k')	2.00	-	2.00	-
Miscellaneous Issues pending with Excise department	6.15	-	7.15	-
Customs department raised a demand classifying imported steam coal as Bituminous coal ( Note 'l')	42.19	-	42.19	-
Customs department raised a demand classifying imported steam coal as Bituminous coal ( Note 'm')	87.79	-	87.79	-
Demand of NALA Tax pertaining to Non Agricultural Tax in Mining Areas by the state government ( Note 'n')	43.56	-	43.56	-
Demand raised for payment of permit fee by the forest department for mining and transportation of Lime Stone (Note 'o') **	382.45	127.41	300.03	99.94
Counter Guarantees given to Banks / FIs	258.11	-	340.34	-

- Sales Tax Authorities treated the usage of HSD oil on Hired tipppers on cost recovery basis for transport of Lime Stone From Mines to Factory, on the presumption that it is a sale. The company filed an appeal before the Sales Tax Appellate Tribunal.
- In the year 1999-00, Sales Tax Authorities raised a demand for Rs.16.88 lakhs as penalty on delayed payment. The Company has preferred an Appeal before the Sales Tax Appellate Tribunal. The company has paid an amount of Rs. 4.00 lakhs and obtained a stay from the Commissioner of Commercial Taxes.
- Sales Tax Authorities disputed the rate of tax for interstate supplies of prefab structures in the year 2004-05 and raised

## Notes to Financial Statements for the year ended 31 March 2015

(All amounts in Rupees Lakhs except for Share data and unless otherwise stated)



a demand for a sum of Rs. 14.92 Lakhs. Company preferred an appeal before STAT, the case is remanded to Assessing Officer.

- d. Sales Tax Authorities raised a demand for Rs.175.82 lakhs for the year 2008-09 disallowing the input tax credit on materials used in construction of plant structure, input tax credit on SEZ supplies and also demanded differential tax on local as well as CST purchases under Works Tax .The Company has preferred an Appeal before the Sales Tax Appellate Deputy Commissioner. The company has initially paid an amount of Rs. 80.00 lakhs in protest out of which Rs. 34.00 lakhs was adjusted against sales tax payable and further paid another 10.00 lakhs and has obtained a stay from the Honourable High Court of Andhra Pradesh. Sales Tax Appellate Deputy Commissioner has remanded the case back to the Assistant Commissioner to verify and pass necessary orders.
- e. The Excise Department has raised a demand of Rs.464.98 lakhs disallowing the Cenvat credit on Steel items used in construction of plant structure at both Mattapally and Kondapalli. Company has preferred an appeal before CESTAT and is pending. CESTAT ordered payment of Rs. 2.50 crores in the case of Mattapally unit and the Company filed a writ before the Honourable High Court of Andhra Pradesh. A stay on payment of pre-deposit was granted on a payment of Rs. 50.00 lakhs.
- f. The Excise Department has raised a demand of Rs.163.18 lakhs disallowing the Cenvat credit on Steel items used in construction of plant structure at both Mattapally and Kondapalli. Company has preferred an appeal before CESTAT and a stay was granted on payment of a pre-deposit of Rs. 5.00 lakhs.
- g. The Excise Department has raised a demand of Rs.116.34 lakhs disallowing the Cenvat credit on Steel items used in construction of plant structure at both Mattapally and Kondapalli. Company has preferred an appeal before CESTAT and a stay was granted.
- h. The Excise Department has raised a demand of Rs.101.61 lakhs disallowing the Cenvat credit on Steel items used in construction of plant structure at both Mattapally and Kondapalli. On an appeal, CESTAT has remanded the cases back to the Commissioner of Central Excise. The Appellate Commissioner decided the case partially in Company's favour and confirmed the balance demand along with interest and penalty. Company preferred an appeal before CESTAT.
- i. The Excise Department has claimed return of the refund of Rs. 29.22 lakhs paid to the Company on their appeal decided in their favour by the Commissioner (Appeals). The Honourable High Court of Andhra Pradesh granted stay.
- j. Excise department has raised a demand of Rs. 16.88 lakhs denying the cenvat credit on usage of Cement, Steel, M.S. Plates, M.S.Flats, M.S.Angles, M.S.Channels M.S.Coils, Steel Tubes, Pipes, beams, Plates/Sheets, Rebars, Conductors in construction of civil structures like Silo, Dump Hopper etc. The matter was contested and pending before the Appellate Authority and a stay was obtained on payment of Rs. 8.44 lakhs being 50% of the demand raised and the was subsequently rejected. The Company preferred an appeal before CESTAT and further predeposit of Rs. 2 lakhs was paid.
- k. Excise department has raised a demand of Rs. 11.18 lakhs denying the cenvat credit taken on transfer of cement from Mattapally unit to Kondapalli unit for despatch by rail. On an appeal before the Commissioner of Central Excise the demand was dropped but imposed a penalty of Rs. 2.00 lakhs. Company preferred an appeal before CESTAT and obtained a stay.
- l. The Customs Department raised a demand of Rs. 42.19 lakhs classifying imported steam coal as bituminous coal. Company preferred an appeal before the Appellate Commissioner of Customs & Central Excise (Appeals), Visakhapatnam.
- m. The Customs Department raised a demand of Rs. 87.79 lakhs classifying imported steam coal as bituminous coal. Company preferred an appeal before CESTAT, Bengaluru.
- n. The State Government has issued a notice claiming NALA Tax of Rs. 43.56 lakhs regarding Non Agricultural Tax on Mining areas.On dismissal of our appeal by the Joint Collector of Nalgonda, Company filed a writ petition before the Honourable High Court of Andhra Pradesh.
- o. Forest department demanded payment of permit fee for Lime Stone mining & Transportation @ 10/- per ton. Company filed a writ petition before the Honourable High Court of Andhra Pradesh. High Court has granted an interim stay subject to payment of 1/3 amount of the imposed permit fee.

*\*\* Though Rs. 127.41 lakhs was paid under protest, this amount was not shown as a current asset. This was included in consumption of materials in the respective years.*



## Notes to Financial Statements for the year ended 31 March 2015

(All amounts in Rupees Lakhs except for Share data and unless otherwise stated)



### 2.30 The disclosures required under Accounting Standard 15 "Employee Benefits" notified in the Companies (Accounting Standards) Rules, 2006 are given below:

#### a) Expense recognized during the year

Description	31 Mar 2015		31 Mar 2014	
	Gratuity	Leave encashment	Gratuity	Leave encashment
Current Service Cost	42.11	33.66	36.64	29.61
Interest Cost	25.88	4.06	24.01	3.39
Net Actuarial (Gain) / Loss	16.22	(2.50)	(49.11)	(15.26)
Short Term Compensated Absence Liability	-	13.00	-	11.50
<b>Total Cost</b>	<b>84.21</b>	<b>48.22</b>	<b>11.54</b>	<b>29.24</b>

#### b) Liability recognized in the Balance Sheet and Changes in Present Value Obligations

Description	31 Mar 2015		31 Mar 2014	
	Gratuity	Leave encashment	Gratuity	Leave encashment
Present Value of Obligations at beginning of the year	301.66	65.92	305.75	47.42
Changes in Present Value of Obligations		1.50		
Current Service Cost	42.11	33.66	36.64	29.61
Interest Cost	25.88	4.06	24.01	3.39
Actuarial Loss / (Gain)	16.22	(2.50)	(49.11)	(15.26)
Settlements	(40.16)	(20.54)	(15.63)	(10.74)
Short Term Compensated Absence Liability	-	13.00	-	11.50
<b>Present Value of Obligations at the end of the year</b>	<b>345.71</b>	<b>95.10</b>	<b>301.66</b>	<b>65.92</b>
Present Value of Obligations - Current	54.74	34.26	42.47	17.18
Present Value of Obligations - Non - Current	290.97	60.84	259.19	48.74

#### Actuarial assumptions

- Mortality IALM 2006-08 (ultimate)
- Discounting rate – 7.77% Previous year 9.19 %
- Expected average remaining working lives of employees–13.06 Years
- Rate of escalation in salary – 6 %

### 2.31 As required by Accounting Standards AS 18, the related parties' disclosure issued by the Institute of Chartered Accountants of India is as follows:

#### a. List of related parties and relationships

##### i. Enterprises controlled by Key Management Personnel / Relatives of Key Management Personnel

- NCL Alltek & Seccolor Limited
- NCL Homes Limited
- Kakatiya Industries (P) Limited
- Nagarjuna Cerachem (P) Limited
- NCL Wintech India Limited
- Khandaleru Power Company Limited
- Vikram Chemicals Pvt Limited
- Ashven Datla

ii. Key Management Personnel : Mr. K. Ravi, Managing Director

## Notes to Financial Statements for the year ended 31 March 2015

(All amounts in Rupees Lakhs except for Share data and unless otherwise stated)



### b. Related Party Transactions for the Year

	31 Mar 2015	31 Mar 2014
Remuneration to Key Managerial Personnel*	88.92	78.66
Remuneration to Relatives of Key Managerial Personnel (Whole Time Director)	32.76	28.98
Remuneration to Other Managerial Personnel (Whole Time Director)	51.56	47.20

\* Pursuant to the special resolution passed by the shareholders at the AGM held on 28.9.2013 the Company made an application to the Central Government for the approval of remuneration approved by the shareholders at their meeting held on 14.9.2012 (with a reduction of 25% in the salary and without commission) as minimum remuneration to Mr. K. Ravi, Managing Director in the event of absence or inadequacy of profits for the Financial Year 2013-14 onwards. The application made by the company is under active consideration with the MCA.

### Transactions of Enterprises controlled by Key Managerial Personnel / Relatives of Key Managerial Personnel

	31 Mar 2015		31 Mar 2014	
<b>Sale of Finished Goods</b>				
NCL Alltek & Seccolor Limited	120.06		25.99	
NCL Homes Limited	96.37		118.67	
Nagarjuna Cerachem (P) Limited	-		0.21	
NCL Wintech India Limited	12.33	228.77	0.85	145.72
<b>Purchases / Services</b>				
NCL Alltek & Seccolor Limited	4.83		2.52	
Kakatiya Industries (P) Limited	63.52		5.41	
NCL Wintech India Limited	2.99	71.34	57.89	65.82
<b>Advances Received</b>				
NCL Alltek & Seccolor Limited	200.91		-	
Kakatiya Industries (P) Limited	143.77			
Ashven Datla	77.00	421.68		-
<b>Rent Paid</b>				
NCL Alltek & Seccolor Limited	4.32		4.32	
Kakatiya Industries (P) Limited	-		1.75	
Vikram Chemicals Pvt Limited	2.12	6.44	0.32	6.39
<b>Rent Received</b>				
NCL Alltek & Seccolor Limited	2.34	2.34	-	-
<b>ICD Received</b>				
NCL Alltek & Seccolor Limited	90.00		835.00	
NCL Homes Limited			250.00	
Nagarjuna Cerachem (P) Limited			144.00	
Kakatiya Industries (P) Limited		90.00	55.99	1,284.99
<b>ICD Repaid</b>				
NCL Alltek & Seccolor Limited	257.50		252.98	
NCL Homes Limited			250.00	
Nagarjuna Cerachem (P) Limited			144.00	
Kakatiya Industries (P) Limited		257.50	55.99	702.97
<b>Interest</b>				
NCL Alltek & Seccolor Limited	219.64		220.21	
NCL Homes Limited			8.52	
Nagarjuna Cerachem (P) Limited			5.03	
Kakatiya Industries (P) Limited		219.64	3.88	237.64

# Notes to Financial Statements for the year ended 31 March 2015

(All amounts in Rupees Lakhs except for Share data and unless otherwise stated)



	31 Mar 2015		31 Mar 2014	
<b>Reimbursement of Expenses</b>				
NCL Alltek & Seccolor Limited	1.84		5.98	
NCL Homes Limited	0		(0.03)	
Kakatiya Industries (P) Limited	0.10		0	
NCL Wintech India Limited	0.64		0	
Nagarjuna Cerachem (P) Limited	0	2.58	0.01	5.96

## 2.3.2 Imported and Indigenous Raw Materials, Components and Spare Parts Consumed

RAW MATERIALS	31 Mar 2015	31 Mar 2015	31 Mar 2014	31 Mar 2014
	% of Total Consumption	Value of Consumption	% of Total Consumption	Value of Consumption
Imported	-	-	-	-
Indigenous	100.00	21,122.91	100.00	17,276.01
<b>Total</b>	<b>100.00</b>	<b>21,122.91</b>	<b>100.00</b>	<b>17,276.01</b>
<b>SPARE PARTS</b>				
Imported	3.92	57.04	2.57	28.08
Indigenous	96.08	1,396.60	97.43	1,064.07
<b>Total</b>	<b>100.00</b>	<b>1,453.64</b>	<b>100.00</b>	<b>1,092.15</b>

## 2.3.3 Value of Imports Calculated on CIF Basis

	31 Mar 2015	31 Mar 2014
Raw Materials	-	-
Components & Spares	39.26	28.08
Other Materials	17.78	
Capital Goods	53.35	92.09
Trading Goods	-	-

## 2.3.4 Expenditure in Foreign Currency

	31 Mar 2015	31 Mar 2014
Travelling	-	1.07
Advance for Capital Goods	-	-
Capital Goods	53.35	91.97
Stores and Spares	39.26	28.06
Others	17.78	-
<b>Total</b>	<b>110.39</b>	<b>121.10</b>

As per our report of even date

For and on behalf of the Board

**For Venugopal & Chenoy,**  
Chartered Accountants  
Firm Registration No. 004671S

**K. Ravi**  
Managing Director

**R. Anand**  
Chairman

**P.V. SRI HARI**  
Partner  
Membership No.: 21961

**N. Krishnan**  
President & CFO

**T. Arun Kumar**  
Company Secretary

Place : Hyderabad  
Dated: 30th May 2015



# NCL INDUSTRIES LIMITED

CIN:L33130AP1979PLC002521

7th Floor, Raghava Ratna Towers, Chirag Ali Line, Abids, Hyderabad - 500 001.

Please fill up this Attendance slip and hand it over at the entrance of the Meeting hall. Please also bring your copy of the enclosed annual report.

## ATTENDANCE SLIP

(Pursant to section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies (Management and Administration) Rules, 2014)

I hereby record my presence at the 34<sup>th</sup> Annual General Meeting of the Company held on Tuesday, the 29th September, 2015 at 11.00 A.M at KLN Prasad Auditorium, 3<sup>rd</sup> Floor, 11-06-841, FAPCCI Marg, Red Hills, Hyderabad- 500 004,

Regd. Folio No./Client ID

No. of Shares Held

Name of the Shareholder (In block letters) \_\_\_\_\_

**Note :** Member / Proxy who wish to attend the Meeting must bring this attendance slip to the Meeting and handover at the entrance at the Meeting hall duly signed.

\_\_\_\_\_  
Signature of Shareholder / Proxy



# NCL INDUSTRIES LIMITED

CIN:L33130AP1979PLC002521

7th Floor, Raghava Ratna Towers, Chirag Ali Line, Abids, Hyderabad - 500 001.

## PROXY FORM

(Pursant to section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies (Management and Administration) Rules, 2014)

Folio No./DP ID- Client ID: \_\_\_\_\_

Name of the Member(s): \_\_\_\_\_

Registered address: \_\_\_\_\_

E-mail ID: \_\_\_\_\_

I/We, being the Member(s) of \_\_\_\_\_ Shares of the above company, hereby appoint

1) Name : \_\_\_\_\_  
 Address : \_\_\_\_\_  
 E-mail : \_\_\_\_\_  
 Signature : \_\_\_\_\_ or failing him

2) Name : \_\_\_\_\_  
 Address : \_\_\_\_\_  
 E-mail : \_\_\_\_\_  
 Signature : \_\_\_\_\_ or failing him

3) Name : \_\_\_\_\_  
 Address : \_\_\_\_\_  
 E-mail : \_\_\_\_\_  
 Signature : \_\_\_\_\_ and whose signature(s) are appended

below as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 34th Annual General Meeting of the Company, to be held on Tuesday , the 29th September, 2015 at 11.00 A.M at KLN Prasad Auditorium, 3<sup>rd</sup> Floor,11-06-841, FAPCCI Marg, Red Hills,Hyderabad- 500 004 and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution No.	Resolutions	No. of Shares	I/We assent to the Resolution (FOR)	I/We dissent to the Resolution (AGAINST)
<b>Ordinary Business :</b>				
1.	Consider and adopt the Audited Balance Sheet as at 31st March,2015 and Profit & Loss A/c for the year ended 31st March,2015 together with Report of Directors and Auditors.			
2.	Re-appointment of Mr.P.N.Raju who retires by rotation.			
3.	Ratification of appointment of M/s Venugopal & Chenoy,Chartered Accountants as Statutory Auditors and fix their remuneration.			
<b>Special Business :</b>				
4.	Appointment of Mr. M.Kanna Reddy as an Independent Director of the company.			
5.	Appointment of Mr. R. Kalidas as an Independent Director of the company.			
6.	Appointment of Lt.General T.A.DCunha(Retd) as an Independent Director of the company.			
7.	Ratification of remuneration payable to Mr.R.Srinivasa Rao, Cost Auditor for the Financial Year 2015-16.			
8.	Appointment of Mr.N.V.Suvarna as Director of the company.			
9.	Appointment of Mr.N.V.Suvarna as Executive Director of the company for a period of three years w.e.f 30th May,2015.			
10.	Approval of Shareholders for implementation of any or the entire Share based Employee Benefit Schemes under SEBI Regulations 2014.			
11.	Consent to the Board of Directors of the Company to offer or invite subscription for secured or unsecured redeemable non-convertible debentures in one or more series or tranches, aggregating up to Rs. 400.00 Crores on a private placement basis.			

Signed this .....day of September, 2015

Signature of Shareholder(s) .....

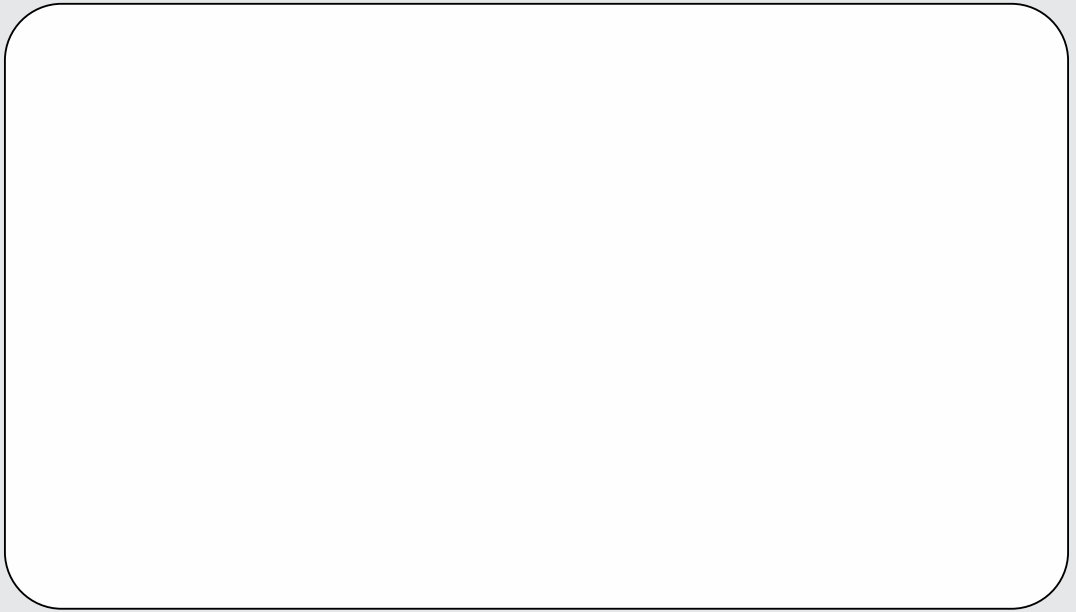
Signature of Proxy holder(s) .....

<p>Affix Rs. 1/- Revenue Stamp here</p>
---

**Notes:**

1. This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.
2. A Proxy need not be a member of the Company.
3. A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than 10% of the total share capital of the Company carrying voting rights. A member holding more than 10% of the total share 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.

## Printed Matter



If undelivered, Please return to:

**NCL INDUSTRIES LIMITED**

CIN L33130AP1979PLC002521

7th Floor, Raghava Ratna Towers, Chirag Ali Lane, Abids, Hyderabad - 500001, India.

Tel: +91-40-2320 2548, 2320 3627, Fax: +91-40-2320 2496, 2320 3417

Email: [ncl@nclind.com](mailto:ncl@nclind.com) Website: [www.nclind.com](http://www.nclind.com)

