

# Strongly Positioned



**NCL INDUSTRIES LIMITED**

**Annual Report 2017-18**

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## Disclaimer

Statements in this report that describe the Company's objectives, projections, estimates, expectations or predictions of the future may be 'forward-looking statements' within the meaning of the applicable securities laws and regulations. The Company cautions that such statements involve risks and uncertainty and that actual results could differ materially from those expressed or implied. Important factors that could cause differences include raw materials' cost or availability, cyclical demand and pricing in the Company's principal markets, changes in government regulations, economic developments within the countries in which the Company conducts business, and other factors relating to the Company's operations, such as litigation, labour negotiations and fiscal regimes.

Our Founder | Our Inspiration | Our Guide



Mr. K. RAMACHANDRA RAJU  
(22-07-1934 - 28-06-2008)

“We strive to make you  
proud of the company  
you started”

## Our Business Profile

NCL Industries Limited derives over 80% of its revenues from the cement business operating mainly in south India with an installed capacity of 2.70 million tons per annum. The rest of the sales come from segments like cement bonded particle board, ready mix concrete and hydro power. The company's strong brand equity, premium positioning in north coastal AP and low cost capacity expansion are key triggers for the company's future growth. The company is poised to benefit from the upcoming demand revival in south, increased thrust on low cost housing and infrastructure segments.



### Cement

The company markets cement under the brand name Nagarjuna which is available in various grades of ordinary Portland and pozzolana portland cement. In addition, the company also manufactures a special cement for supply to Indian Railways for concrete sleepers. To strengthen backward integration, company has a cement grade limestone mining lease for an area comprising of more than 210 hectares. NCL is one the major cement supplier for Polavaram Irrigation project

### Ready Mix Concrete

The company has Four plants for making RMC in Hyderabad & Visakhapatnam. These plants are equipped with adequate number of transit mixers.



### Cement Bonded Particle Boards

Bison Panel is a cement bonded particle board made out of 62% cement & 28% wood. Due to adoption of a special manufacturing process, the panel acquires the strength & durability of cement & the workability of wood. Bison Panels are extensively used for several interior and exterior applications such as roof sarking of the modern airports in India. Bison Panels are fire, termite and moisture resistant.

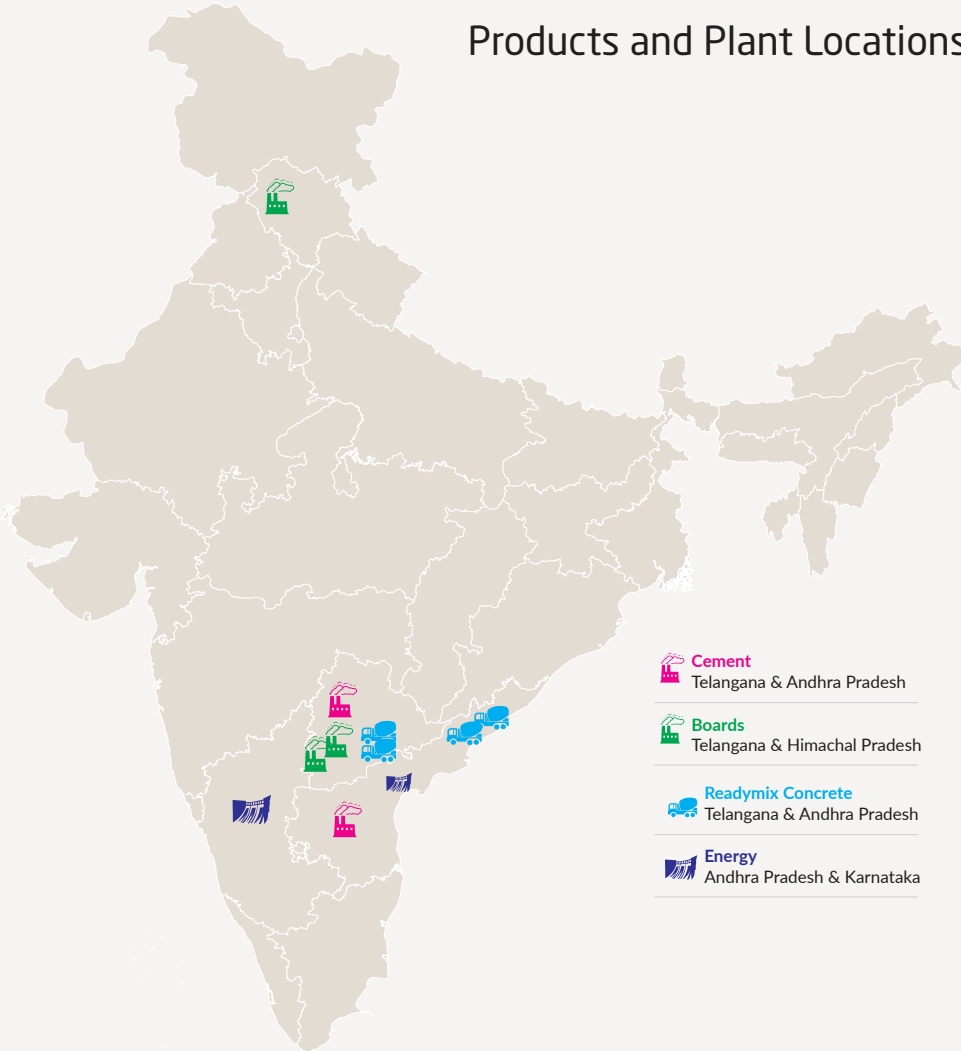
### Hydro Power

Energy Division has two hydro power projects - the first is at the head regulator of Srisailem Right Main Canal and the second hydel project is on Right Bank High Level Canal of Tungabhadra dam, both together producing 40-50 million units of green power per annum

### Readymade Doors

NCL Industries has collaborated with AGT, a global manufacturer with advanced technology in building materials based in Turkey. NCL is setting up a two lakh square feet factory in Malkapur, Hyderabad, to produce ready made doors of 1000 Nos per shift

## Products and Plant Locations



### CEMENT

Ordinary Portland Cement  
Portland Pozzolona Cement  
53-S Grade Cement

Unit - 1: Simhapuri, Telangana  
Unit - 2: Kondapalli, Andhra Pradesh

Capacity: 2.70 Million Tons  
Markets: Andhra Pradesh, Telangana State,  
Tamil Nadu, Karnataka, Pondicherry.

### READY MIX CONCRETE

Unit - 1: Autonagar, Visakhapatnam, Andhra Pradesh  
Unit - 2: Patancheru, Hyderabad, Telangana State  
Unit - 3: Rampally, Hyderabad, Telangana State  
Unit - 4: Vellanki, Visakhapatnam, Andhra Pradesh

### CEMENT BONDED PARTICLE BOARD

Plain, Laminated, Designer Boards & Planks  
Unit - 1: Simhapuri, Telangana  
Unit - 2: Paonta Sahib, Himachal Pradesh  
Unit - 3: Simhapuri, Telangana

Capacity: 90,000 Tons

### HYDRO POWER PROJECTS

Unit - 1: Pothireddypadu, Andhra Pradesh  
Unit - 2: Hospet, Karnataka

Installed capacity: 15.75 MW

### DOORS DIVISION

Malkapur, Telangana State

## A Word from the Managing Director



The focus during the current year will be to broaden and deepen our customer base, strengthen human resources, and greater operational efficiencies.



### Dear Shareholders

I am delighted to report several significant developments since my last communication in the Annual Report for FY 2017. All the expansion projects that we embarked upon have been successfully implemented. A new project for manufacture of high end doors has been taken up. FY 2018 recorded the highest ever turnover in your company's history.

The total revenue of Rs. 1,340 Crores represented a growth of over 15% compared to the previous year. Profit Before Tax (Rs. 74 Crores) recorded a 20.7% rise over the previous year (Rs. 62 crores). However, as explained in the Directors' Report, higher provision for tax including deferred tax resulted in a fall in the Profit After Tax (PAT) from Rs. 55 crores to Rs.49 Crores.

Successful conclusion of the Equity issue through the QIP route and repayment of a substantial part of the loans from the issue proceeds helped your company to strengthen its financials. These developments have placed your company on a firm platform. We are now poised to consolidate the gains and prepare for further growth.

The focus during the current year will be to broaden and deepen our customer base, strengthen human resources, and greater operational efficiencies. Our able team of executives are sparing no efforts in achieving these objectives.

On the CSR front, it is a matter of immense satisfaction that the Junior College established by your company is shaping up very well. This college will help to realise the aspirations of the youth in the vicinity of the plant to get quality education after the high school stage.

Overall, the year that has gone by has been eventful and exciting. I look forward to coming with more good reports in my next communication.

Thank you,

**K Ravi**  
Managing Director

## 2018 Highlights

### Revenue

**₹1,33,999** lakhs

(FY 17 ₹ 1,16,902 lakhs )

**+ 14.62%**

### Profit Before Tax

**₹7,437** lakhs

(FY17 ₹ 6,161 lakhs )

**+ 21.71%**

### Cement Sales

**₹1.82** Million Ton

(FY17 1.53 Million Ton )

**+ 19.13%**

### Qualified Institutional Placement (QIP)

During the year under review, your company has successfully raised an amount of Rs. 202 crores by way of Qualified Institutional Placement (QIP). Out of the proceeds of the QIP issue, an amount of Rs.165 Crores has been utilized for redemption of the Non Convertible Debentures (NCDs) and the balance amount was spent towards capital expenditure of ongoing projects.

### Financial Performance

Topline growth was primarily aided by growth in cement production and sales. Profit Before Tax (Rs. 74.37 Crores) recorded a 20.7% rise over the previous year (Rs. 61.61 crores), However, higher provision for tax including deferred tax resulted in a fall in the profit after tax (PAT) from Rs. 54.69 crores to Rs.49.11 Crores.

### Cement Division

Commercial Production at the expanded clinker and cement grinding capacity commenced from 7th March, 2018.

### Boards Division:

Production at the newly set up, 30,000 TPA capacity third boards plant commenced from 2nd December, 2017

### Ready Mix Concrete

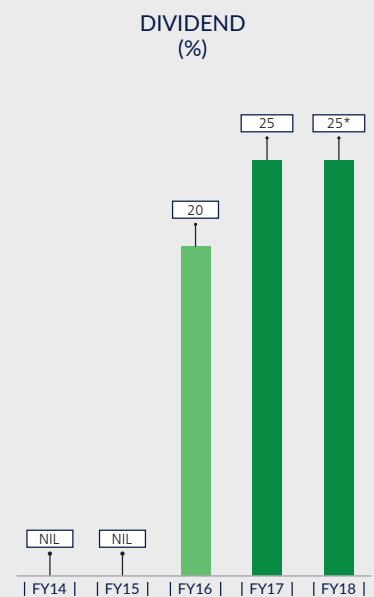
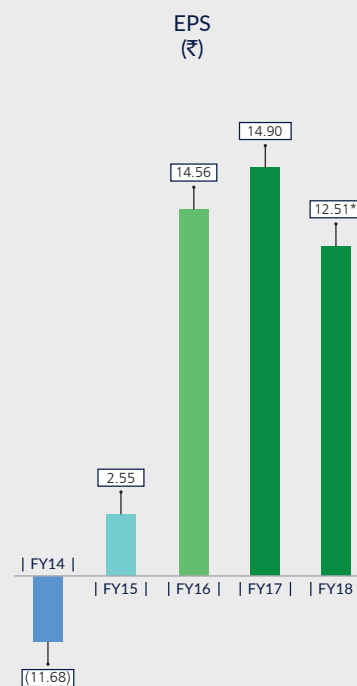
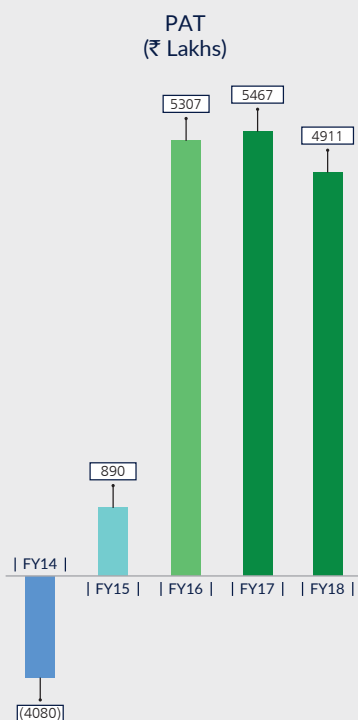
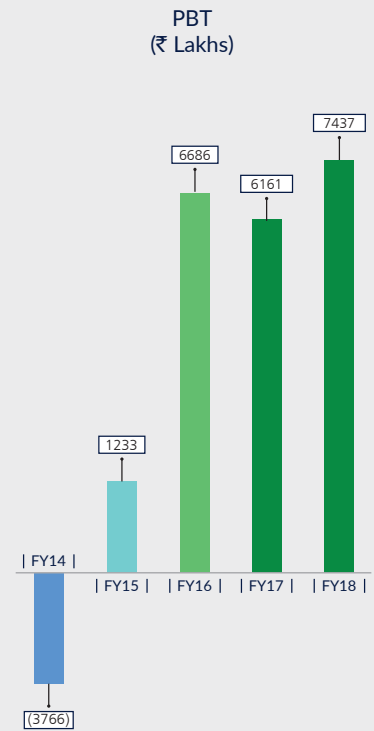
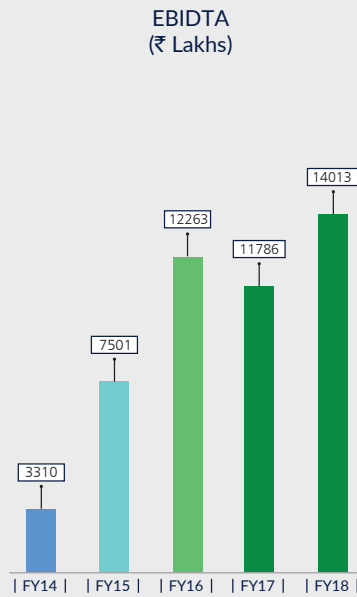
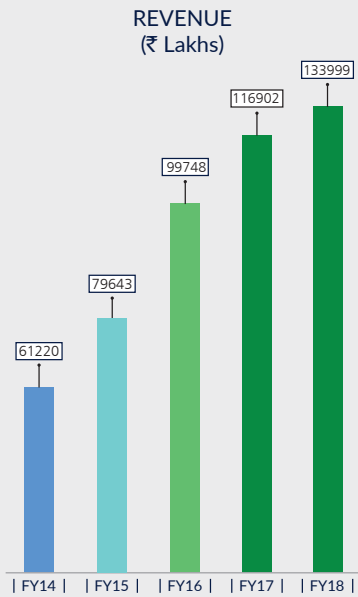
New Ready Mix Concrete unit at Visakhapatnam, commenced its commercial operations from 14th December, 2017.

### Product Diversification

#### Readymade Doors

NCL Industries has collaborated with AGT, a global manufacturer with advanced technology in wood industry, based in Turkey. NCL is setting up a two lakh square feet factory in Malkapur, Hyderabad, with capacity to produce 1000 doors per shift. Production is scheduled to start in 2018-19.

## How We performed

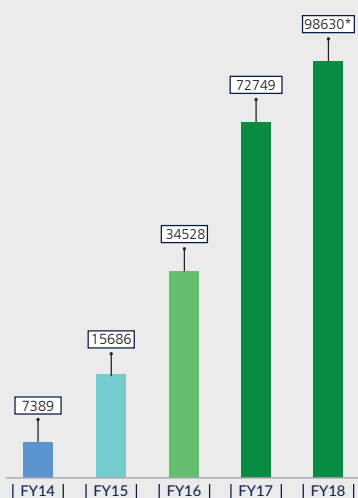


\*Increased Equity Capital

\*Proposed Dividend

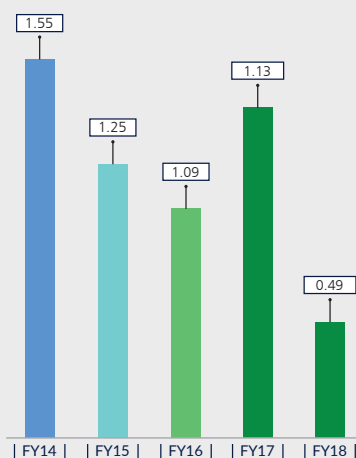


MARKET CAP  
(₹ Lakhs)

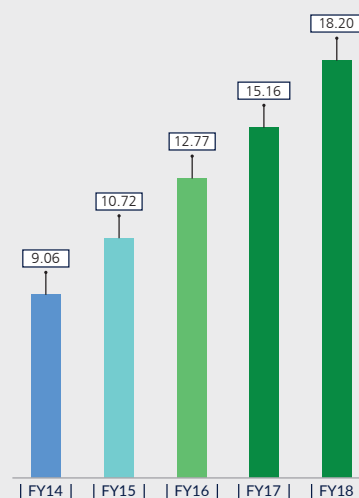


\*Increased Equity Capital

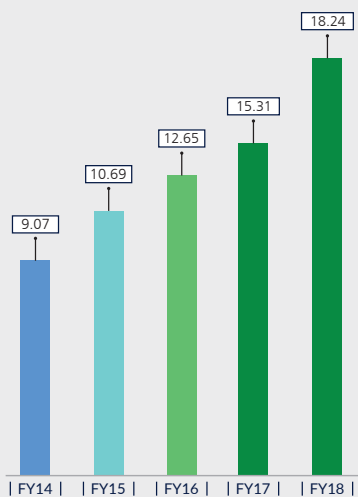
DEBT EQUITY RATIO  
No. of Times



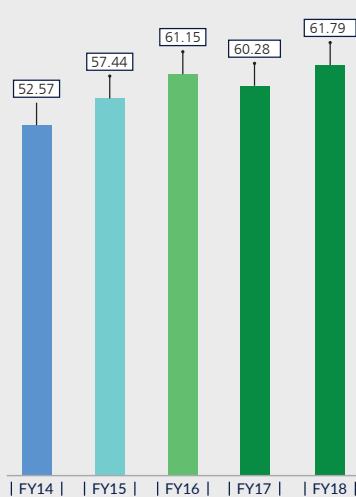
CEMENT PRODUCTION  
(LAKH MTs)



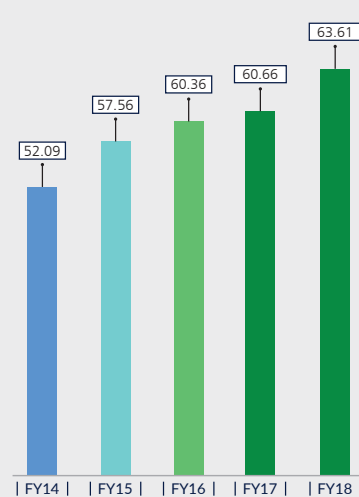
CEMENT SALES  
(LAKH MTs)



BOARDS PRODUCTION  
(THOUSAND MTs)



BOARDS SALES  
(THOUSAND MTs)



## Milestones to Smile About

### 1979:

Late Shri K Ramachandra Raju – first generation entrepreneur established Nagarjuna Cements Ltd- the company and commenced business.

### 1982:

IPO of 11,10,000 equity shares.

### 1984:

Commercial production of cement at 66,000 tonnes started.

### 1985:

Declared 20% dividend (12% interim + 8% Final)

### 1987:

Changed the name from Nagarjuna Cements Ltd to NCL Industries Ltd.

### 1989:

Merger of Klayman Porcelains Ltd and Issue of shares at 2:5 to KPL shareholders. Commencement of cement production after expansion to 1,98,000 TPA.

### 1990:

Rights – cum – Public issue of equity shares.

### 1992:

Issued shares on right basis 1:5 at Par  
Commencement of Ceramic Unit – using natural gas for first time in the country.

### 1993:

Commercial production of Cement Bonded Particle Boards in technical collaboration with Bison Werke, Germany.

### 1996:

Prefab division executes orders worth Rs.2148 Lacs.

### 1997:

Introduction of Laminated Cement Bonded Particle Boards – first time in the world.

### 1998:

ISO certification for Boards division & Cement Division. Ceramic division hived off under the scheme of arrangement to Vijay Porcelain Products Ltd.

### 2003:

Commenced cement production with expanded capacity of 2,97,000 TPA.

## Corporate Information

### BOARD OF DIRECTORS

Mr. R. Anand  
Chairman (Independent)

Kamlesh Gandhi  
Independent Director

Dr.R.Kalidas  
Independent Director

Lt.Gen. T.A.D'Cunha (Retd)  
Independent Director

V.S.Raju  
Independent Director

V.V.Goradia  
Non-Executive Director

K Madhu  
Non-Executive Director

P.N Raju  
Non-Executive Director

Ashven Datla  
Non-Executive Director

Mrs. Roopa Bhupatiraju  
Non-Executive Director

K.Ravi  
Managing Director

N.G,V.S.G Prasad  
Executive Director & CFO

K.Gautam  
Executive Director

COMPANY SECRETARY  
Mr. T. Arun Kumar

AUDITORS  
VENUGOPAL & CHENYOY  
Chartered Accountants  
4-1-889/16/2, Tilak Road,  
Hyderabad - 500 001, Telangana

### COST AUDITORS

S R and ASSOCIATES  
F 26, Raghavaratna Towers  
Chirag Ali Lane , Abids  
Hyderabad 500001, Telangana

### SECRETARIAL AUDITORS

AJ SHARMA & ASSOCIATES  
Company Secretaries  
5-8-352, No. 17, Raghava  
Ratna Towers, Chirag Ali Lane, Abids,  
Hyderabad - 500 001.

### FACTORIES

CEMENT DIVISION  
Simhapuri, Mattampally Mandal  
Suryapet Dist.  
Telangana State  
Pincode - 508204

Kadimpothavaram Village  
Kondapalli,  
Krishna District, A.P.  
Pincode - 521228

### BOARDS DIVISION

Simhapuri, Mattampally Mandal  
Suryapet Dist.  
Telangana State  
Pincode - 508204

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 - 518 402

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

#### READY MIX CONCRETE DIVISION

Plot No. 91/C, D Block, Autonagar,  
Gajuwaka, Visakhapatnam, A.P.  
Pincode - 530026

Plot 11, A/2, Phase 1,  
IDA, Patancheru (V),  
Telangana State.  
Pincode - 502 319

Survey No. 282 (P), Rampally (V),  
Keesara (M), Medchal (Dt.),  
Telangana State.  
Pincode - 501 301

Survey No. 228/1 & 281/5,  
Vellanki Village, Anandapuram Mandal,  
Visakhapatnam  
Pincode - 531 163. AP.

Doors Division  
(Under Implementation)  
Sy. No. 222, Malkapur (V),  
Choutuppal (M),  
Yadadri Bhuvanagiri (Dt.)  
Telangana State  
Pincode - 508252

#### BANKERS

Yes Bank Ltd.  
Axis Bank Ltd.

Regd. & Admn. Office  
CIN : L33130TG1979PLC002521  
4th Floor, Vaishnavi's Cynosure,  
Near Gachibowli Flyover,  
Gachibowli, Hyderabad-500 032.,  
India. Ph : 91-40-30120000, 29807868  
e-mail : ncl@nclind.com Website : www.nclind.com

## Milestones to Smile About

### 2006:

Issued shares on right basis 4:5 at Rs.18/- per share.

### 2007:

Commercial production of cement bonded particle boards at Paonta Sahib Plant. Commencement of commercial production from Kondapally cement grinding plant with 330,000 tonnes per annum capacity.  
Merger of NCL Energy Ltd with the company and issued shares at 1:6 to NCL EL shareholders.

### 2008:

Issue of shares to the promoters on preferential basis at Rs.45 per share.  
Commencement of commercial production of expanded clinker capacity at Simhapuri.

### 2009:

Commencement of Commercial Production from Kondapalli Line 2 with a capacity of 6.60 Lakh Tons Per Annum.

### 2010:

Commencement of Commercial Production from Simhapuri Line 2 with a capacity of 9.90 Lakh Tons of Clinker and 6.60 Lakh Tons of Cement. With this expansion, company graduated from Mini cement plant category to become one of the major cement plants in Andhra Pradesh.

### 2011:

Company's Gross Turnover crossed Rs.500 Crores.  
Company forayed into RMC Business by setting Two Plants in Hyderabad & Vizag.

### 2012:

Company's Gross Turnover crossed Rs.750 Crores.

### 2015:

Allotment of 17,95,455 equity Shares to the Promoters on preferential basis @ Rs.22/- Per Share.

### 2016:

Issue of NCDs on private placement basis to pay off the term lenders and augmenting production capacities in cement & boards division. Exits from CDR.  
NCL High School completed 25 years Silver Jubilee.

### 2017:

Company's Gross Turnover crossed Rs.1,000 Crores.  
2nd RMC plant in Hyderabad at Rampalli commenced commercial production.

### 2018:

Successfully raised an amount of Rs. 202 crores by allotment of 85 Lakhs Equity Shares by way of Qualified Institutional Placement (QIP).

Commencement of commercial production of line 3 cement & clinker plants at Simhapuri.

Commencement of commercial production of 3rd Boards Plant at Simhapuri.

Commencement of commercial production at 4th RMC Plant at Vishakhapatnam.

# Notice

Notice is hereby given that the 37th Annual General Meeting of NCL Industries Limited will be held on Tuesday, the 25th September, 2018 at 10.30 A.M at KLN Prasad Auditorium, IIIrd Floor, 11-06-841, FTAPCCI Marg, Red Hills, Hyderabad- 500 004, to transact the following business.

## ORDINARY BUSINESS

1. To receive, consider and adopt the audited Financial Statements of the company for the year ended 31st March, 2018 together with the Reports of the Directors and Auditors thereon.
2. To declare Dividend
3. To appoint a Director in place of Mr. NGVSG Prasad who retires by rotation and is eligible for reappointment.
4. To appoint a Director in place of Mr.P.N.Raju who retires by rotation and is eligible for reappointment.
5. To ratify the appointment of M/s. Venugopal & Chenoy, Chartered Accountants (ICAI Firm Registration No.004671S) as Statutory Auditors of the Company and if thought fit to pass with or without modification(s), the following resolution as an Ordinary Resolution.

“RESOLVED THAT pursuant to Section 139 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules 2014 the company hereby ratifies the appointment of M/s. Venugopal & Chenoy, Chartered Accountants (ICAI Firm Registration No.004671S) as Statutory Auditors of the Company to hold office till the conclusion of the fifth Annual General Meeting to be held after the 33rd AGM held on 29th September 2014 and the Board of Directors be and are hereby authorized to fix their remuneration.”

## SPECIAL BUSINESS

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

“RESOLVED THAT pursuant to the provisions of Section 148 and other applicable provisions of the Companies Act, 2013 the remuneration payable to M/s. S R. and ASSOCIATES, Cost Accountants, the Cost Auditors appointed by the Board of Directors of the Company, fixed as Rs 1,00,000 /- (Rupees One Lakh only) for the financial year ending March 31, 2019, be and is hereby ratified.”

By Order of the Board.  
for **NCL INDUSTRIES LIMITED,**

Place: Hyderabad  
Date: 10th August, 2018

**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. A statement setting out the material facts pursuant to the provisions of Section 102 of the Companies Act, 2013 in respect of item No. 6 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 **19th September, 2018 to 25th September, 2018 (both days inclusive)** on account of the Annual General Meeting and determination of payment of dividend if any.
5. Members holding shares in electronic form are requested to inform the changes, if any, in their address or bank particulars etc., to the Depository Participant with whom the demat account is maintained.
6. Individual shareholders can avail the facility of nomination. Shareholders holding shares in physical form may write to the Registrar for assistance. Shareholders holding in electronic form may approach their DP with whom they maintain their account.
7. In terms of regulation 36(3) of SEBI (listing Obligations and Disclosure Requirements) Regulations, 2015 brief resumes of Directors proposed to be appointed or reappointed at the meeting are given.
8. Electronic copy of the Notice of the 37th 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 37th 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 SEBI has amended Regulation 40 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 vide Gazette notification dated June 8, 2018. As per the amendment, **with effect from December 5, 2018** it has been mandated that transfer of securities would be carried out in dematerialized form only. Share holders who are holding shares in Physical mode **should be ensured that shares which are lodged for transfer shall be in dematerialized form only with effect from December 5th, 2018.**
- 11 Shareholders who have not encashed their dividend warrants for the years 2010- 11, 2011-12, 2015-16 and 2016-17 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) and 124(6) of the Companies Act, 2013 dividend which remains unpaid /unclaimed over a period of 7 years, such unclaimed dividends and such shares whether held in demat form or in physical form are required to be transferred by the company to the Investor Education & Protection Fund (IEPF). Any person whose unclaimed dividends/shares so transferred to IEPF, may claim the shares for refund / apply to IEPF by submitting an online application form to IEPF along with fee specified by IEPF from time to time.
12. **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.**
- 13 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.
- 14 **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 22nd September, 2018 (10:00 AM) and ends on 24th September, 2018 (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 of 18th September, 2018 (Record date) may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter. Once the vote on a resolution is cast by the shareholder, the shareholder shall not be allowed to change it subsequently.

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

In case of members receiving e-mail:

- (ii) Shareholders should Log on to the e-voting website [www.evotingindia.com](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
  - a. For CDSL: 16 digits beneficiary ID,
  - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
  - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (vi) Next enter the Image Verification as displayed and Click on Login.
- (vii) If you are holding shares in demat form and had logged on to [www.evotingindia.com](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	<p>Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none"> <li>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.</li> <li>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 Radha Krishnan with sequence number 1 then enter RA00000001 in the PAN Field.</li> </ul>
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	<p>Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio.</p> <ul style="list-style-type: none"> <li>Please enter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (V)</li> </ul>

(ix) After entering these details appropriately, click on "SUBMIT" tab.

(x) Members holding shares in physical form will then reach directly the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

(xi) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.

(xii) Click on the EVSN for the relevant <NCL INDUSTRIES LIMITED> on which you choose to vote.

(xiii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.

(xiv) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.

(xv) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.

(xvi) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.

(xvii) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.

(xviii) If Demat account holder has forgotten the changed password then enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.

(xix) Shareholders can also cast their vote using CDSL's mobile app m-voting available for android based mobiles. The m-voting app can be down loaded from google play store. Please follow the instructions as prompted by the mobile app while voting on your mobile.

#### Note for Non-Individual Shareholders and Custodians

- Non individual/Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) and custodians are required to log on to <https://www.evotingindia.co.in> and register themselves as Corporates.
- They should submit a scanned copy of the Registration Form bearing the stamp and sign of the entity should be 'e' mailed to [helpdesk.evoting@cdslindia.com](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 **22nd September, 2018 at 10.00 AM and ends on 24th September, 2018 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 (18th September, 2018), 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)

15. 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 as on 18th September, 2018. (Record date) The Cut-off date fixed for determination of eligibility for dispatch of Annual Report is 24th August, 2018.
16. Mr. A.Ravishankar, (COP No.4318) and Mr.K.V.Subramanyam, (COP No.4815) Practicing Company Secretaries have been appointed as the Scrutinizers to scrutinize the e-voting process in a fair and transparent manner. Any of the above 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, (COP No 4318) Mr. K. V. Subramanyam, (COP No 4815) Practicing Company Secretaries not later than the close of working hours (17.00 hours) on 24th September, 2018. For this purpose, a self addressed prepaid 'Business Reply inland Letter ('BR Letter') is enclosed and postage will be paid by the company if posted in India. The BR letter bears the name and address of the Registered Office of the company and is to the attention of the Scrutinizer. However BR Letters containing the Ballot form(s) if deposited in person or sent by courier or registered / speed post at the express of the member will also be accepted.

- III The Form should be signed by the member as per the specimen signature registered with the company / Depository Participants. In case of joint holdings, the Form should be completed and signed by the first named member and in his / her absence, by the next named joint holder. There will be one Form for Folio / Client ID irrespective of the number of joint holders. A Power of Attorney (POA) holder may vote on behalf of a member mentioning the registration number of the POA or enclosing an attested copy of the POA. Exercise vote is not permitted through proxy.
- IV For shares held by companies, Bodies Corporate, Trusts, Societies etc, the duly completed Form should be accompanied by a certified true copy of the Resolution/Authorization together with attested specimen signature(s) of the duly authorized signatory (ies).
- V Votes should be cast in case of each resolution, either in favor or 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 shareholder does not indicate either "FOR" or "AGAINST" in case of any resolution, it will be treated as "ABSTAIN" for that resolution and the shares held will not be counted under either head.
- VI Duly completed Forms should reach the Scrutinizer not later than the close of working hours (1700 hours) on 24th September, 2018. Ballot Forms received after 24th September, 2018 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 the member not later than the date as specified at Sl. No.VI above.
- VIII Unsigned, incomplete improperly or incorrectly tick marked Ballot Forms will be rejected. A Form will also be rejected if it is received torn, defaced, or mutilated to an extent which makes it difficult for the Scrutinizer to identify either the member or the number of votes or as to whether the votes are in favor or against or if the signature cannot be verified.
- IX The Scrutinizer's decision on the validity of a Ballot is final.
- X Members are requested not to send any other paper along with the Ballot Form in the enclosed self addressed envelope as all such envelopes will be sent to the Scrutinizer and any other paper found in such envelope would be destroyed by him. They are also requested not to write anything on the Ballot Form except giving their assent or dissent and putting their signature.

**C: Other Instructions.**

- I The Scrutinizer will collect the votes downloaded from the e-voting system and votes received through physical ballot to declare the final result for each of the resolutions forming part of the Annual General Meeting Notice.
  - II The results of the voting shall be declared on or after the Annual General Meeting of the Company. The results declared along with the Scrutinizer's Report shall be placed on the Company's website www.nclind.com and be communicated to the Stock exchanges where the company is listed i.e BSE and NSE.
16. The company has paid the listing fees for the year 2018-19 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:  
 4th Floor, Vaishnavi's Cynosure  
 Near Gachibowli Flyover  
 Gachibowli, HYDERABAD-500032  
 e- mail cs@nclind.com

**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

**STATEMENT CONTAINING MATERIAL FACTS**

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

**ITEM NO. 6:**

The Board of Directors, on recommendation of the Audit committee, appointed M/s S R and Associates, Cost Accountants as Cost Auditors of the Company to conduct the audit of the cost records of the company for the financial year ending March 31, 2019 in respect of Cement and Ready Mixed Concrete, at a total remuneration of Rs.1,00,000 /-(Rupees One lakh only) .

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

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

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

The Board recommends that the Resolution be passed.



## 37<sup>th</sup> Report of the Board of Directors

Your Directors have pleasure in presenting their Report for the financial year ended March 31, 2018.

### Financial Results

The Audited Financial Statements for the year ended March 31, 2018, 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)

	2017-18	2016-17
<b>Total Revenue</b>	<b>1,33,998.75</b>	<b>1,16,902.06</b>
<b>Profit Before Tax</b>	<b>7,436.91</b>	<b>6,161.42</b>
Provision for Tax (including deferred tax)	2,526.15	694.10
<b>Profit for the year after tax</b>	<b>4,910.76</b>	<b>5,467.32</b>
Transfer to General Reserve	4,000.00	1,000.00

Your Directors are pleased to report that the year under review marked the highest turnover achieved since its inception of your Company. The total revenue of Rs. 1,339.99 Crores represented a growth of over 15% compared to the previous year. Improvement in cement production and sales during the year under review contributed to the healthy performance. The Boards Division recorded Turnover of Rs.120.26 Crores during the year under review.

The generation of hydel power during the year increased to 18.54 million units, compared to 7.91 million units in the previous year. However, optimal generation of power could not be achieved by the Energy Division in the absence of release of adequate water during the year under review.

Profit Before Tax (Rs. 74.37 Crores) recorded a 20.7% rise over the previous year (Rs. 61.61 crores), However, higher provision for tax including deferred tax resulted in a fall in the profit after tax (PAT) from Rs. 54.69 crores to Rs.49.11 Crores.

### MATERIAL CHANGES AND COMMITMENTS IF ANY AFFECTING FINANCIAL POSITION OF THE COMPANY

#### Change in Capital Structure - Qualified Institutional Placement (QIP)

During the year under review, your company has successfully raised an amount of Rs. 202 crores by way of Qualified Institutional Placement (QIP), and allotted 85,00,000 Equity Shares of Rs.10/- each at a premium of Rs.227.50ps per share to Qualified Institutional Buyers. With this, the paid up share capital of the company increased to Rs. 4,523.28 Lakhs (Previous Year Rs. 3,673.28 Lakhs).

Out of the proceeds of the QIP issue, an amount of Rs.165 Crores has been utilized for redemption of the Non Convertible Debentures (NCDs) and the balance amount was spent towards capital expenditure of ongoing projects.

### Cement Division

The project for expansion of clinker capacity from 1.60 MTPA to 2.60 MTPA and cement grinding capacity from 0.96 MTPA to 1.71 MTPA at Simhapuri, Suryapet District, Telangana State was successfully completed during the year. Commercial operations of these projects commenced from 7<sup>th</sup> March, 2018.

### Boards Division:

Your Company also successfully completed setting up a third Cement Particle Boards Plant of 30,000 TPA capacity at Simhapuri, Nalgonda District, Telangana State and commenced its commercial operations from 2<sup>nd</sup> December, 2017.

### Ready Mix Concrete:

Apart from the enhancement of the capacity of clinker, cement and boards, one more Ready Mix Concrete unit was set up at Visakhapatnam, which commenced its commercial operations from 14<sup>th</sup> December,2017.

### Readymade Doors:

An outlay of around Rs.40.00 Crores has been made for setting up Readymade Doors plant to produce 1000 doors per day at Malkapur near Hyderabad. As on the date of this report, civil works are in advanced stage of completion and erection of equipment will be taken up shortly.

### Dividend

Members are aware that the directors declared and paid an interim dividend @10% per Equity Share (i.e.Rs.1/- per Equity Share of Rs.10/-each) in February, 2018. Your Directors are pleased to recommend a further dividend of Re. 1.50 per share thus bringing the final dividend for the year 2017-18 to Rs. 2.50 per share.

### Financial Statements

During the financial year 2017-18, the company has adopted Indian Accounting Standards (Ind AS) as per the notification issued by the Ministry of Corporate Affairs. The company has published financial statements using Ind AS for the year ended 31<sup>st</sup> March, 2018 along with comparable figures as on 31<sup>st</sup> March, 2017 and 31<sup>st</sup> March, 2016.

### 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 31<sup>st</sup> March, 2018 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 were 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**

During the year under review, your Company had five independent directors as stipulated by Section 149(6) of the Companies Act, 2013, namely Mr. R. Anand, Mr. V. S. Raju, Mr. Kamlesh Gandhi, Dr. R. Kalidas and Lt. General T. A. D'Cunha (Retd). There are three Executive Directors including namely Mr. K Ravi, Managing Director, Mr.K.Gautam, Executive Director and Mr.N.G.V.S.G.Prasad (ED & CFO). There has been no change in the composition of Board during the year under review. Mr.T.Arun Kumar is the Company Secretary and Compliance officer.

The Company has received declarations from all the Independent Directors of the Company under Section 149(7) of the Companies Act, 2013 confirming that they continue to meet the criteria of independence as prescribed under sub-section (6) of Section 149 of the Companies Act, 2013 and Regulation 25 of the SEBI (LODR) Regulations, 2015.

##### **Directors**

Mr.N.G.V.S.G Prasad and Mr. P.N.Raju retire by rotation at the ensuing Annual General Meeting, and are eligible for reappointment. The necessary resolutions for the re-appointment of Mr.N.G.V.S.G Prasad and Mr.P.N.Raju have been included in the Notice convening the ensuing AGM.

Particulars of Directors whose appointment / reappointment is sought are given in **Annexure-A** to this Report, as part of the Report on Corporate Governance under SEBI (LODR) Regulations, 2015.

##### **BOARD MEETINGS**

During the year under review, six Board meetings were held on 27<sup>th</sup> May, 2017, 14<sup>th</sup> August, 2017, 22<sup>nd</sup> September, 2017, 2<sup>nd</sup> December, 2017, 17<sup>th</sup> January, 2018 and 9<sup>th</sup> February, 2018. 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 SEBI (LODR) Regulations, 2015. The details of such Committees are given in Annexure – 'A' as a part of the report on Corporate Governance.

##### **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 SEBI (LODR) Regulations, 2015 is enclosed as **Annexure 'A-1'** and 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 constituted headed by Independent Director as Chairman. One Independent Director and two other Non-Executive Directors are members. As and when required, the Committee and its members review various risks 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 (3) (h) of the companies Act, 2013 read with Rule 8(2) of the Companies (Accounts) Rules, 2014, the details of the Related Party Transactions are contained in Annexure A-2 to this Report.

##### **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 impairing its going concern status and operations in future.

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

The company has constituted a CSR Committee as prescribed by the Statute with Dr.R.Kalidas, Independent Director as Chairman. The Committee also includes one Executive and one Non-Executive Director. The CSR Committee meeting was held on 8<sup>th</sup> February, 2018 and reviewed the CSR Policy and CSR activities.

Under the provisions of Section 135 of the Companies Act, 2013 an amount of Rs.99.17 Lakhs was required to be spent on CSR activities for the financial year 2017-18. Your Directors are glad to report that the CSR expenditure incurred during the year towards education and health care exceeded the mandatory requirement. The total CSR

expenditure was Rs.145.55 Lakhs. The details of the CSR activities during the year under review are listed in **Annexure C** to this Report.

### 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.12.55 Lakhs relating to unpaid Dividend for the Financial Year 2009-10 to the Investor Education & Protection Fund. As required by Section 124 of the Companies Act, 2013 and the rules made there under, a total of 6,59,168 equity shares of Rs. 10/- each were transferred to the Investor Education and Protection Authority.

### Fixed Deposits

The details relating to Fixed Deposits are as follows:

As on 31<sup>st</sup> March 2018, Rs.5510.43 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. The details of deposits received from the directors / relatives of directors during the year under review in terms of MCA Notification No.GSR695 (E) dated 15<sup>th</sup> September, 2015 are as under:

S.No	Name of the Director / Relative of Director	Amount (Rs.in Lakhs)	Inter-se Relationship
1	Mr.K.Ravi	46.50	Managing Director
2	Master B.Arjun	13.55	Son of Mrs. Roopa Bhupatiraju
3	Mrs.K.Sailaja	31.00	Wife of Mr.K.Ravi
4	Mrs.K.Sarojini	3.00	Mother of Mr.K.Ravi & Mr.K.Madhu (Director)
5	Mr.R.Anand	20.00	Chairman
6	Mr.Vinodrai.V.Goradia	10.00	Director
7	Mrs.Charulatha V.Goradia	10.00	Wife of Mr.V.V.Goradia
8	Ms.N.Chaitra Sarada	60.00	Daughter of Mr.N.G.V.S.G.Prasad

### Particulars of Employees

The details of employees who have been in receipt of remuneration envisaged by Section 197 of the Companies Act, 2013 read with Rule 5 of the Companies (Appointment and Remuneration of Managerial personnel) vide MCA Notification dated 30<sup>th</sup> June, 2016 are 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 29<sup>th</sup> September, 2014 subject to ratification at ensuing Annual General Meeting.

### Cost Audit

M/s S.R. and ASSOCIATES, Cost Accountants have been reappointed to conduct the cost audit pertaining to Cement as well as RMC of the company for the year 2017-18.

The Cost Audit Report for the financial year ended March, 31<sup>st</sup>, 2017 was duly filed with Ministry of Corporate Affairs on 12/09/ 2017.

### Secretarial Audit

The Secretarial Audit Report pursuant to the provisions of Section 204 of the Companies Act, 2013 is attached as **Annexure-E** to this Report. The observations of the Report do not call for any explanation as envisaged by Section 204(3) of the said Act.

### Disclosure under the Sexual Harassment of Women at Workplace (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

Particulars required under Section 134 (3) (M) of the companies Act, 2013 are furnished under **Annexure - F**, Which forms part of this report

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 various operating Divisions has been fully absorbed.

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

#### **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 'G'** and forms part of this Report.

#### **Acknowledgements**

Your Directors wish to place on record their appreciation of the support and co-operation extended by SBI, Axis Bank, Yes Bank and Central and State Government Departments, Dealers, Stockists, 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  
DIN: 00040325

**Place: Hyderabad**  
**Date: 10<sup>th</sup> August, 2018**

**Annexure - A****Particulars of Directors whose appointment/reappointment is being sought**

Name of the Director	Mr. NGVSG Prasad	Mr.P.N.Raju
Date of Birth	01/01/1966	10/06/1951
Qualifications	B.Com, FCA	BE (Marine Engineering) from Andhra University.
Directorship in other companies	Nil	1
Membership of Audit/Stakeholders Relationship Committees of other public Ltd companies	Nil	Nil
No. of shares held in NCL Industries Ltd	50	11,63,119
Inter-se relationship with other Directors of the company	NA	NA
Awards/ Medals etc:	Nil	Nil

## Annexure “A-1” to the Directors’ Report

# Report On Corporate Governance

(In compliance with Regulation 27&72 SEBI (LODR) Regulations,2015)

### 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) Composition and category of Directors.

During the year under review, your Board of Directors had 13 Directors, 3 being Executive Directors and 10 Non-Executive Directors. Five of Non-Executive Directors are Independent Directors. The Chairman of the Board is an Independent Director and the Company was in compliance of the provisions relating to the number of independent directors prescribed under the Companies Act, and the SEBI (LODR) Regulations, 2015.

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

Six Board Meetings were held during the year 2017-18. The dates on which the said meetings were held areas under:

- (1) 27<sup>th</sup> May, 2017 (2) 14<sup>th</sup> August, 2017 (3) 22<sup>nd</sup> September, 2017  
(4) 2<sup>nd</sup> December, 2017 (5) 17<sup>th</sup> January, 2018 (6) 9<sup>th</sup> February, 2018. .

#### 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	Director-ship in other companies***	No. of memberships of other Committees **as	
					Chairman	Member
R. Anand	I & NED	4	Yes	3	-	1
Dr.R.Kalidas	I & NED	3	Yes	-	-	1
Lt.Gen.T.A.DCunha(Retd)	I & NED	4	Yes	-	-	-
Kamlesh Gandhi	I & NED	6	Yes	4	3	1
V.S.Raju	I & NED	5	Yes	3	2	1
V.V. Goradia	NED	5	Yes	-	-	-
Mrs.Roopa Bhupatiraju	NED/WD	1	No	-	-	-
K Madhu	NED	6	Yes	4	-	1
Ashven Datla	NED	5	Yes	5	-	1
P.N.Raju	NED	6	Yes	-	-	1
N.G.V.S.G.Prasad	ED & CFO	6	Yes	-	-	-
K.Gautam	ED	6	Yes	-	-	-
K. Ravi	MD	6	Yes	1	-	-

\*\*As per the explanation to Regulation 26 of SEBI (LODR) Regulations, 2015, 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

WD Woman Director

\*\*\*excluding directorships in private Ltd. companies

The inter se relationship between directors, as envisaged by Schedule V C (e) of the SEBI (LODR) Regulations, 2015) are as follows:

Name of Director	Inter se relationship
Mr. K Ravi	Managing Director
Mr. K Madhu	Brother of Mr. K Ravi
Mr. K Gautam	Son of Mr. K Madhu
Mrs. Roopa Bhupati Raju	Daughter of Mr. K Ravi
Mr. Ashven Datla	Son in law of Mr. K Ravi

#### 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. One separate meeting of the independent Directors was held on 8<sup>th</sup> February, 2018 during the year under review. Independent Directors evaluated the performance of other Non-Executive Directors and conveyed their views to other directors on the Board.

#### e) Familiarization programme for Independent Directors

All the present Independent Directors are already familiar with the company, its operations and policies as well as 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 sponsors independent directors to workshops 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 in compliance with Regulation 18 of the SEBI (LODR) Regulations, 2015. The role of the Audit Committee includes the following:

- 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.
- 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.
- Reviewing, with the management, the quarterly and annual financial statements before submission to the board for approval.
- Reviewing the adequacy of internal audit function and the adequacy of the internal control systems.
- Framing and reviewing policy on related Party transactions and recommend the same to Board. The Committee is empowered with the powers as prescribed under Regulation 18(3) of SEBI (LODR) Regulations, 2015 and Section 177 of the Companies Act, 2013.

During the year under review, four meetings of the Audit Committee were held on the following dates

27<sup>th</sup> May, 2017, 14<sup>th</sup> August, 2017, 2<sup>nd</sup> December, 2017 and 9<sup>th</sup> February, 2018.

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
Kamlesh Gandhi	Chairman	Independent	4
Dr.R.Kalidas	Member	Independent	2
Ashven Datla	Member	Non-Executive	3
V.S.Raju	Member	Independent	3

The constitution of the Audit Committee is in compliance of the provisions under SEBI (LODR) Regulations, 2015.

The Managing Director, Executive Director and the Executive Director & CFO are permanent invitees to this Committee. The terms of reference of the Audit Committee are in accordance with the provisions of the SEBI (LODR) Regulations, 2015.

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 meeting attended
Kamlesh Gandhi	Chairman	Independent	1
Lt. Gen. T.A. DCunha (Retd)	Member	Independent	1
Ashven Datla	Member	Non-Executive	-

This Committee considers and recommends the remuneration payable to Executive Directors. During the year under review, one meeting of the Committee was convened on 27<sup>th</sup> May, 2017.

#### 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 concerned director, 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 KMPs are determined by the Nomination and Remuneration Committee and recommend 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:

(Rs. in lakhs)

Name of the Director	Salary	Allowances/Benefits	Commission	Total
K. Ravi, MD	105.00	54.60	153.27	312.87
K.Gautam, ED	44.80	17.92	-	62.72
N.G.V.S.G.Prasad, ED & CFO	27.02	10.81	-	37.83

Allowances / Benefits include HRA, Contribution to PF, Gratuity and Superannuation etc

### 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.15,000/- per Board meeting and Rs.10,000/- for any Committee meeting thereof .

In addition, they are entitled to commission at the rate of not exceeding 1% of the net profits of the Company.

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)	Commission paid (Rs)
R.Anand	5	70,000	1,29,452
Dr.R.Kalidas	5	65,000	1,29,452
Lt.Gen(Retd).T.A.D'Cunha	5	70,000	1,29,452
V.V. Goradia	6	85,000	1,55,343
K. Madhu	9	1,20,000	2,33,014
Ashven Datla	10	1,25,000	2,58,904
Kamlesh Gandhi	12	1,50,000	3,10,685
Mrs.Roopa Bhoopathiraju	1	15,000	25,890
P.N.Raju	7	1,00,000	1,81,233
V.S.Raju	14	1,65,000	3,62,466
<b>Total</b>		<b>9,65,000</b>	<b>19,15,891</b>

### Shareholdings of Non-Executive Directors as on 31<sup>st</sup> March, 2018:

Non-Executive Directors	No.of Shares
R.Anand	540
Dr.R.Kalidas	Nil
Lt.Gen(Retd).T.A.D'Cunha	1,000
V.V. Goradia	5,48,602
K. Madhu	11,71,774
Ashven Datla	6,49,194
Kamlesh Gandhi	Nil
Mrs.Roopa Bhoopathiraju	5,61,882
P.N.Raju	11,63,119
V.S.Raju	1,040

### 5. Stakeholders Relationship Committee :

The Company has a "Stakeholders Relationship Committee" which consisted of Mr. V.S.Raju as its Chairman and Mr. K. Madhu and Mr. P.N.Raju 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 9<sup>th</sup> February, 2018. The attendance details of the members are given hereunder.



Name	Designation	Category	Committee meeting attended
V.S.Raju	Chairman	Independent	1
K. Madhu	Member	NED	1
P.N.Raju	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 31<sup>st</sup> March 2018.

Sl No	Nature of letter / complaints	Received	Disposed of	Pending
1	Non-receipt of Dividend warrant(s)	9	9	Nil
2	Non - Receipt of Share certificates after transfer / duplicate.	Nil	Nil	Nil
3	Non - Receipt of Annual Report	2	2	Nil
4	Miscellaneous - others	3	3	Nil

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

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

#### 6. CORPORATE SOCIAL RESPONSIBILITY (CSR) COMMITTEE

The Board has a CSR Committee comprising Dr.R.Kalidas as Chairman, Mr. K.Gautam (Executive Director), and Mr.Vinodrai.V.Goradia (Director) as members.

This Committee discharges the functions as envisaged by the Act. It recommends to the Board allocation of funds under CSR activities and considers additional voluntary allocations if any, for CSR activities of the company.

During the period under review, the Committee met once on 8<sup>th</sup> February, 2018. The attendance details of the members are given hereunder.

Name	Designation	Category	Committee meeting attended
Dr.R.Kalidas	Chairman	Independent	-
K. Gautam	Member	ED	1
Vinodrai.V. Goradia	Member	NED	1

#### 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
2016-2017	22.09.2017 at 10.30 AM	KLN Prasad Auditorium, FTAPCCI Hall, Lakdika pool, Hyderabad
2015-2016	20.09.2016 at 10.30 AM	KLN Prasad Auditorium, FTAPCCI Hall, Lakdika pool, Hyderabad
2014-2015	29.09.2015 at 11.00 AM	KLN Prasad Auditorium, FTAPCCI Hall, Lakdika pool, Hyderabad

b) Details of Special Resolutions passed in last three AGMs:

Year	Gist of the Resolutions
2016-17	<ol style="list-style-type: none"> <li>1. Appointment of Mr.V.S.Raju as an Independent Director for five years</li> <li>2. Approval of re-appointment and remuneration of Mr.K.Gautam as Executive Director</li> <li>3. Consent for payment of remuneration by way of commission to all the Non-Executive Directors</li> <li>4. Issue of Equity Shares under the provisions of Sections 23, 42 and 62 of the Companies Act,2013 under Qualified Institutional Placement (QIP).</li> </ol>
2015-16	<ol style="list-style-type: none"> <li>1. Approval of reappointment and remuneration of Mr.K.Ravi as Managing Director</li> <li>2. Approval of appointment and remuneration of Mr.N.G.V.S.G.Prasad as Executive Director &amp; CFO</li> <li>3. Appointment of Mr. R.Anand as Independent Director</li> <li>4. Alteration of Articles of Association by adopting Table 'F' in the Schedule 1 to the Companies Act, 2013.</li> </ol>
2014-15	<ol style="list-style-type: none"> <li>1. Approval of appointment and remuneration of Mr.N.V.Suvarna as Executive Director</li> <li>2. Approval of Share based employee benefit schemes under Regulation 6 of SEBI (share based employee benefits) Regulations, 2014 and creation of Trust under said Regulations.</li> <li>3. Invite subscription for Secured / unsecured redeemable Non-Convertible Debentures aggregating up to Rs.400.00 Crores on a private placement basis.</li> </ol>

#### 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 interests 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 has a formal whistle blower policy, which was adopted by the Board. The details of the policy are displayed in the company's website in the link <https://www.nclind.com/whistle-blower-policy>
- d) The Company has complied with the mandatory requirements stipulated under SEBI (LODR) Regulations, 2015 and / or the erstwhile listing agreement entered into with the stock exchanges.
- e) 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, Economic Times, EEnaadu 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 Economic times and EEnaadu / 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.

#### 10) Shareholders information:

i) AGM:	37th Annual General Meeting
Date :	25th September, 2018
Time :	10.30 A.M
Venue :	KLN Prasad Auditorium, 3 <sup>rd</sup> floor Federation House,11-06-841, FTAPCCI Marg, Red Hills, HYDERABAD.-500004
ii) Financial Year	April 1 to March 31 next.
iii) Date of Book Closure	19/09/2018 to 25/09/2018, (both days inclusive)
iv) Final Dividend payment date	Within 30 days from the date of AGM i.e.25 <sup>th</sup> September,2018.
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.	L33130TG1979PLC002521

## vii) Stock Market Data

**SHARE PRICE (BSE)**

<b>BOMBAY STOCK EXCHANGE LTD</b>				
<b>01/04/2017 to 31/03/2018</b>				
<b>Month</b>	<b>High Price</b>	<b>Low Price</b>	<b>Close Price</b>	<b>No of Shares</b>
April 2017	226.00	198.75	222.75	13,18,330
May 2017	228.65	186.50	202.90	7,31,580
June 2017	225.50	201.30	215.75	3,26,833
July 2017	227.00	194.00	196.25	2,59,640
August 2017	246.00	184.25	233.45	7,72,638
September 2017	249.70	208.05	223.70	3,67,112
October 2017	270.70	221.00	252.50	3,09,036
November 2017	277.00	240.10	252.45	4,99,458
December 2017	263.00	226.00	251.05	2,66,974
January 2018	310.00	245.10	274.85	4,95,466
February 2018	278.90	225.00	228.30	3,11,328
March 2018	241.50	203.60	218.05	3,92,174

**SHARE PRICE (NSE)**

<b>NATIONAL STOCK EXCHANGE LTD</b>				
<b>01/04/2017 to 31/03/2018</b>				
<b>Month</b>	<b>High Price</b>	<b>Low Price</b>	<b>Close Price</b>	<b>No of Shares</b>
April 2017	226.00	198.80	223.15	39,82,787
May 2017	229.40	187.05	203.05	26,25,384
June 2017	225.00	201.00	215.95	17,15,573
July 2017	228.00	194.55	195.65	14,73,927
August 2017	246.70	181.00	233.50	30,50,189
September 2017	247.00	207.50	223.75	17,06,982
October 2017	270.70	216.95	252.80	18,84,918
November 2017	278.00	239.00	252.40	20,50,010
December 2017	262.00	237.00	250.65	15,22,068
January 2018	303.00	245.90	275.10	36,50,060
February 2018	279.20	222.00	229.05	14,26,922
March 2018	241.20	203.45	219.40	11,86,987

## 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:**

All transfers of physical shares are duly effected within a period of 30 days from the date of their lodgment with the Registrars and Share Transfer Agents and the duly transferred share certificates will be dispatched 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 & Compliance Officer.

x) **Distribution of Shareholding as on 31.03.2018**

No. of Equity Shares Held	No. of Shareholders	Percentage	No. of Shares Held	Percentage
Up to 500	32359	89.95	37,77,479	8.35
501 - 1000	1825	5.07	14,35,146	3.17
1001 - 2000	824	2.29	12,48,680	2.76
2001 - 3000	289	0.80	7,36,890	1.63
3001 - 4000	137	0.38	4,88,667	1.08
4001 - 5000	113	0.32	5,32,832	1.18
5001 - 10000	194	0.54	14,36,880	3.18
10001 & ABOVE	235	0.65	3,55,76,216	78.65
<b>TOTAL</b>	<b>35,976</b>	<b>100.00</b>	<b>4,52,32,790</b>	<b>100.00</b>

xi) **Shareholding Pattern as on 31.03.2018**

Category	No. of Shares Held	Percentage
<b>Promoters/Promoter Group</b>		
Individuals	1,38,90,095	30.71
Individuals(NRIs)	1,00,000	0.22
Bodies Corporate	41,52,695	9.18
<b>Public shareholding</b>		
Individuals holding nominal share capital up to Rs.2 lakhs	98,90,802	21.87
Individuals holding nominal share capital in excess of Rs.2 lakhs	48,79,143	10.79
Body Corporates in excess of 1%	5,66,687	1.25
Mutual Funds/FI's / Central & State Governments	83,29,933	18.41
<b>Clearing Member/Trust</b>		
NRI's/FPIs	10,78,807	2.39
Trusts/others	23,44,628	5.18
<b>TOTAL</b>	<b>4,52,32,790</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 31<sup>st</sup> March 2018, 96.49 % of shares of the Company were held in Dematerialized form with the following depositories.

S.No	Depositories	No.of shares	% on Paid up Capital
1)	NSDL	3,69,54,815	81.70 %
2)	CDSL	66,90,682	14.79 %
	<b>Total</b>	<b>4,36,45,497</b>	<b>96.49 %</b>

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 constituted a Risk Management Committee chaired by an Independent Director, one Independent Director and two other Non-Executive Directors as members. The company had laid down procedures to inform Board members about the risk assessment and minimization procedures.

xv) **Plants Location:**

<b>CEMENT</b> Simhapuri Mattampally Mandal Suryapet Dist Pincode - 508204 Telangana State	<b>BOARDS</b> Simhapuri Mattampally Mandal Suryapet Dist Pincode - 508204 Telangana State	<b>ENERGY</b> Pothireddypadu Head Regulator Chabolu Village Pothulapadu Post Nandikotkur TQ, Pincode -518402 Kurnool District Andhra Pradesh	<b>Doors Division</b> Sy. No. 222, Malkapur (V), Choutuppal (M), Yadadri Bhuvanagiri (Dt.) Pincode - 508252 Telangana State	<b>READYMIX CONCRETE</b> Survey No.83 Plot No.91/C D-Block-IDA Auto Nagar Visakhapatnam- Pincode - 530026 Andhra Pradesh
Kadimpothavaram Village Kondapalli Krishna District Pincode - 521228 Andhra Pradesh	Bhothanwali Village Paonta Sahib Sirmour District Pincode - 173025 Himachal Pradesh	RBHLC Zero Mile Point Tungabhadra Dam Tungabhadra Board Amaravathi Village Hospet Pincode - 583225 Karnataka		Plot No.11 A/2-IDA Patancheru Hyderabad Pincode - 502319 Telangana State
Simhapuri Mattampally Mandal Suryapet Dist Pincode - 508204 Telangana State	Simhapuri Mattampally Mandal Suryapet Dist Pincode - 508204 Telangana State			Survey No.282 (P) Rampally (V) Keesara Mandal Medchal Dist Pincode - 501301 Telangana State
				Sy. No.228/1 & 228/5, Vellanki (V) Anandapuram (M) Visakhapatnam Pincode - 531163 Andhra Pradesh

xvi) **Address for Investor Correspondence** The Company Secretary  
NCL Industries Limited  
4<sup>th</sup> Floor, Vaishnavi's Cynosure  
Near Gachibowli Flyover,  
Gachibowli, Hyderabad 500032  
Mail ID:cs@nclind.com/  
ncl@nclind.com

xvii) **CEO/CFO Certification**

The CEO and CFO of the Company have issued a certificate to the Board on the matters specified under Regulation 17(8) of the SEBI (LODR) Regulations, 2015.

xiii) **Procedure for dealing with unclaimed shares in terms of Regulation 39(4) SEBI (LODR) Regulations, 2015.**

There are no unclaimed shares as envisaged by Regulation 39(4) SEBI (LODR) Regulations, 2015.

The above Report was adopted by the Board of Directors at their meeting held on 10<sup>th</sup> August, 2018.

**DECLARATION FOR COMPLIANCE WITH CODE OF CONDUCT**

The company 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 30<sup>th</sup> May,2015 and Pursuant to Regulation 26(3) and 46(2)(d) of SEBI (LODR)

Regulations,2015 posted the same on the company website. All the Board members and senior management personnel have affirmed compliance with the Code of Conduct.

**K. RAVI**

Managing Director

Date: 10<sup>th</sup> August, 2018.

#### **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 31.03.2018, as stipulated in SEBI (LODR) Regulations,2015 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 Regulations. 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 SEBI (LODR) Regulations, 2015.

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 Stakeholders Relationship 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  
P.V.Srihari  
Partner  
Membership No.21961

Place: Hyderabad

Dated: 10<sup>th</sup> August, 2018

## Annexure A-2

# Details Of Related Party Transactions

Pursuant to clause (h) of sub-section (3) of section 134 of the Act

and Rule 8(2) of the Companies (Accounts) Rules, 2014),

Parties and Nature of Relationship:

Name	Nature of Relationship
NCL Alltek & Seccolor Ltd	Director(s) holding more than 2% equity share capital in the other company or its holding company
NCL Homes Ltd	
NCL Wintech(I) Ltd	
Kakatiya Industries (P) Ltd	
NCL Green Habitat (P) Ltd	
Khandaleru Power Co Ltd	

## 1) Details of material contracts or arrangement or transactions at arm's length basis:

### A. Nature of Contract: Appointment of Key Managerial Personnel

Mr K Ravi- Managing Director	From 01/04/2016 To 31/03/2021	Total Remuneration of Rs 312.87 Lakhs for FY2017-18 (Including salary, other perks, benefits plus 2% Commission of Net profits U/s 198 of the Companies Act,2013)	Board Approval 29/01/2016 Shareholders' Approval 20.09.2016
Mr K. Gautam Executive Director	Up to 31/07/2017 and 01/08/2017 To 31/07/2022	Total Remuneration of Rs.62.72 lakhs for F.Y.2017-18 (Including salary and other perks and benefits .	Board Approval 30/05/2014 & 27/05/2017 and Shareholders' Approval 29/09/2014 & 22/09/2017
Mr. NGVSG Prasad Executive Director & CFO	From 30/05/2016 To 30/05/2021	Total Remuneration of Rs.37.83 Lakhs for F.Y.2017-18 (Including salary and other perks and benefits)	Board Approval 30/05/2016 Shareholders' Approval 20/09/2016

### B. Nature of Contract: Sale of Finished Goods

NCL Alltek & Seccolor Ltd	No fixed duration.	Rs. 1028.95 Lakhs	Omnibus Board Resolution dated 13/02/2017
NCL Homes Ltd	As per the requirement.	Rs. 45.02 Lakhs	
NCL Wintech(I) Ltd	Director(s) holding more than 2%	Rs. 28.53 Lakhs	
Kakatiya Industries (P) Ltd	Equity share capital in the other company.	Rs. 0.63 Lakhs	
NCL Green Habitat (P) Ltd		Rs. 19.38 Lakhs	

### C. Nature of Contract: Purchase of Goods/Services

NCL Alltek & Seccolor Ltd	No fixed duration. As per the requirement.	Rs.94.65 Lakhs for the year	Omnibus Board Resolution dated 13/02/2017
	Director(s) holding more than 2% equity share capital in the other company.	Terms as applicable to other parties	
Kakatiya Industries (P) Ltd		Rs.110.10 Lakhs	

### D. Nature of Contract: Rent Paid

Sri.K.Ravi	5 years w.e.f 15.12.2016	Lease Rent on 3.00 Acres of land situated at S.No.281&282 in Rampally (V) Keesara Mandal@Rs.25,000/- per month per Acre. Total amount paid in FY 2017-18 Rs. 9.08 Lakhs. .	11.11.2016
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<b>E. ICD Received</b>			
NCL Green Habitat (P) Ltd	Payable on demand. Since repaid in 2017-18	Rs.1130.00 Lakhs	14.02.2014
<b>ICD Returned</b>			
NCL Green Habitat (P) Ltd	Payable on demand. Since repaid in 2017-18	Rs.1130.00 Lakhs	14.02.2014
NCL Alltek & Seccolor Ltd	-Do-	Rs.335.00 Lakhs	
<b>F : Reimbursement of Expenses</b>			
<b>Name</b>	<b>Duration</b>	<b>Salient Features</b>	<b>Date of Board Approval if any</b>
NCL Alltek & Seccolor Ltd	As and when arise	Rs.44.23 Lakhs	NA
Khandaleru Power Co. Ltd.	As and when arise	Rs.0.56 Lakhs	NA



## Annexure - B

# Management Discussion And Analysis Report

The Company's performance during the year ended 31st March, 2018 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

Cement is indispensable for building and construction work and cement industry is considered one of the vital constituents of the country's economy. Indian cement industry is considered as second largest globally, providing employment to more than a million people directly or indirectly. After deregulation in 1982, this industry has grown at a tremendous pace attracting investments from both domestic and foreign investors. Being a major input along with steel in the construction of houses, roads and other buildings and other infrastructure projects, the fortunes of the cement industry are closely linked with the progress of infrastructure industry. Demand for housing is driven by income growth while infrastructure development largely depends on both state and central government expenditure.

#### Ready Mix Concrete (RMC)

RMC is a natural adjunct to the cement industry. Over the past decade, more and more cement manufacturers have been opting for setting up their in-house RMC units as an outlet for their main product of cement, and also to retain and propagate their brand image. RMC is also eco-friendly as it reduces the noise and air pollution because mixing is done in closed chamber as compared to site mix concrete. 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. Having achieved full capacity utilization of the existing plants, your company has set up its third plant in Simhapuri, Telangana State during the year under review, and has commenced its commercial operations.

#### Prefab

As mentioned in the report for the previous year, your

company is no more active in the direct retail business of the pre-fab structures. There were no operations in the Prefab Division during the year under review. Your Company's quest for appropriate advanced technology for prefab structures continues.

#### Hydel Energy (Small Hydro)

In India, hydro projects up to 25 MW station capacities have been categorized as Small Hydro Power (SHP) projects. The estimated potential for power generation in the country from such plants is about 20,000 MW. Projects in this segment, in which your company is operating, are normally economically viable. However, the viability is dependent upon the release of water in the reservoirs by the Government. With an installed capacity of 15.75 MW your company is a marginal player in this field.

### B OPPORTUNITIES AND THREATS

The continued focus of the Central and State Governments on infrastructure projects offer an ongoing opportunity to cement manufacturers. Projects such as Bharatmala for roads, Sagarmala for ports, Polavaram and Kaleswaram irrigation projects in Andhra Pradesh and Telangana states, Smart city projects and 'Housing for All' schemes collectively contribute to a sustained demand for cement.

However, the demand for cement also often triggers creation of fresh capacities. From time to time, cement industry has witnessed a scenario of supply outstripping the demand, resulting in reduced realisations and pressure on operating margins. This cyclical phenomenon is threat that every cement unit has to face. Continued quest for increasing efficiencies and optimizing costs is the only way forward to survive and thrive.

Its products being building materials, the Boards Division is also likely to be a beneficiary of the expected growth in the infrastructure industry. With more and more houses and commercial buildings coming up, the prospect of enhanced sales offers fresh opportunities for growth in sales. However the emergence of alternative and new products to the boards division and the resultant competition continues to be a challenge 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	Percentage contribution to total turnover	Quantity of production	Turnover (Rs. Lakhs)	Segment Profit before Interest & Tax (Rs. Lakhs)
Cement	86.75	18,20,439 Mt	1,15,618.88	8,651.09
Boards	9.02	61,787 Mt	12,025.55	1,821.72
Prefab	Nil	Nil	Nil	Nil
Energy	0.31	18.54 MU	417.26	98.14
Ready Mix Concrete	3.92	1,33,076 (Cu.Mtrs)	5,229.44	(32.50)

**D. OUTLOOK**

As already stated earlier, the outlook for the cement and building materials industry looks promising in the short and medium terms. Your Directors are looking forward to participating in the emerging growth story.

**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. 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.

**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 31<sup>st</sup> March 2018, the company has 828 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.

## Annexure - C

# Corporate Social Responsibility (CSR) Activities

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.

After the provisions relating to CSR became applicable, your company constituted a CSR Committee. As on the date of this Report, the CSR Committee consists of Dr.R.Kalidas as Chairman, Mr. K.Gautam (Executive Director), and Mr.Vinodrai.V.Goradia (Director) are members.

The Company has adopted a comprehensive CSR Policy, which can be accessed at the Web link <https://www.nclind.com/csr-policy>

The focus of your Company has mainly been in the fields of education and training and the health-care needs, and also creating awareness of hygiene and cleanliness of the society surrounding its plant locations.

The CSR activities of the Company during the year under review are briefly outlined below:

### EDUCATION

NCL has established Elementary and High School in English medium 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.

484 (including 210 girls) out of the school strength of around 802 are tribal children.

The school is equipped with digital smart classes to impart teaching with latest teaching aids. Facilities like computer lab and audio visuals also available to children.

The school has teaching staff strength of 28.

This high school achieved 100% pass in class X public examinations conducted by the Government of Telangana State during 2017-18 academic year. This high school achieved 1<sup>st</sup> place at the Mandal level. One student from this school achieved highest 9.5 Grade (GPA) in recent X class examination at Mandal level.

The Company has now taken the initiative to set up an Activity Room for the children of the Elementary School, to improve the creativity, initiative and innovativeness of the children at a very early stage.

The Company has also collaborated with the Department of Health Psychology of Hyderabad University as part of the Internship Programme for its students under the guidance of its faculty.

Under this program, Individual assessment of the students of Class VIII and IX to identify their strengths and weaknesses by conducting by scientific methods,

- Competence test
- Motivation test and
- Personality test

Based on the test results, intervention was planned for every child to improve specific skills as per the needs of individual children identified by the tests.

### JUNIOR COLLEGE

NCL has established the NCL Educational and Welfare Society to consolidate the activities in the field of education. This Society has taken active steps to set up a Junior College to fulfill the long-standing need of the locality. Necessary approvals for establishment of the college have been received and the infrastructural facilities are set up. The Junior College commenced its activities from the current academic year 2018-19 with a total of 70 students in M.P.C , Bi.P.C and C.E.C groups. It has now 11 teaching staff and 6 non teaching staff.

The total expenditure for the Education and related activity during the year 2017-2018 was Rs.102.75 Lakhs.

### HEALTHCARE

The Company has set up a regular well equipped five bed hospital with laboratory and E.C.G facilities in the factory campus. The hospital is manned by qualified and experienced medical and nursing staff. It caters to the healthcare needs of the nearby villages and also residents within a radius of 8 kilometers around the plant site.

On the average, the hospital treats and provides medical care to about 80 patients per day or over 29,000 patients per year. The treatment is free of cost, and free medicines are also given wherever possible. From the year of its establishment in 2002, this Health Center treated 3,92,920 patients till date.

The Health Center maintains anti snake venom drugs and providing treatment to the nearby villages round the clock. During the year under review this center treated 92 cases of snake, scorpion & unknown bites.

During the year 2017 -18 this Health Center has conducted 200 medical camps in nearby villages. The Health Camps, which help in early identification of diabetes, hypertension, dental, polio, cataract and other ailments. It also provides counseling with respect to the need for surgery in appropriate cases.

Specialists from various faculties visit the hospital every fortnight to provide Medicare to the patients. In addition

specialist doctors from super specialty hospitals from Hyderabad visit the hospital once in a month.

This Health Center bagged the 'best doctor' award from DM & HO Nalgonda District on the occasion of World T.B. day. During the year 2017-18, this health centre bagged best motivator award on the occasion of World voluntary blood donors' day.

Ambulance Services is also provided by the Company to the local community. The total expenditure for the health related activity during the year 2017-2018 was Rs. 37.80 Lakhs.

#### OTHER CSR EXPENDITURE

In addition an amount of Rs.5.00 Lakhs was donated towards CSR activities during the year under review through the Collector, Suryapet District.

#### 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 Paontasahib 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.

Further information required by the Companies (Corporate Social Responsibility Policy) Rules, 2014 are as follows:

#### Average Profits for the last three financial years. (Calculated U/s 198 of the Companies Act, 2013)

2016-17	Rs.7,409.75 Lakhs
2015-16	Rs 6,226.91 Lakhs
2014-15	Rs.1,238.16 Lakhs
	<b>Rs.14,874.82 Lakhs</b>
<b>Average</b>	<b>Rs 4,958.27 Lakhs</b>

#### Prescribed CSR Expenditure for 2017-18

(2% of the average as above) Rs. 99.17 Lakhs

Details of amounts spent during the year

Project/Activity	Sector	Amount spent (Rs Lakhs)	Mandatory Outlay(Fully utilized) (Rs Lakhs)	Amount Spent: Directly or through Implementing Agency
Elementary and High Schools	Promoting Education (Local Area)	98.55	98.55	Direct
Health Center	Promoting preventive Health-care (Local Area)	37.80	0.62	Direct
Contribution to District Collector, Suryapet District t/w CSR Activities	Suryapet District	5.00		Through District administration
Contribution to Junior College	Education (Local Area)	4.20		Direct
<b>Total</b>		<b>145.55</b>	<b>99.17</b>	

The entire expenditure has been incurred directly, and not through any implementing agency.

Statement:

The CSR Committee confirms that the implementation and monitoring of CSR Policy is in compliance with CSR Policy and its objectives of the company.

**K RAVI**  
Managing Director

**Dr. R KALIDAS**  
Chairman, CSR Committee

## Annexure - D

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	63 years
Qualification	Diploma holder in Electrical Engineering
Designation:	Managing Director
Date of commencement of employment	Since 11 <sup>th</sup> January 2003
No. of year of experience	over 41 years
Remuneration	Rs 312.87 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 10/08/2018)	6.54 %

**Notes:**

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

For and on behalf of the Board

Date: 10<sup>th</sup> August, 2018

**R. Anand**  
Chairman

DIN: 00040325

**Registered Office:**

4<sup>th</sup> Floor, Vaishnavi's Cynosure  
Near Gachibowli Flyover,  
Gachibowli, Hyderabad 500032.

## Annexure - E

Form No. MR-3

# Secretarial Audit Report

FOR THE FINANCIAL YEAR ENDED March 31, 2018

[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

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 L33130TG1979PLC002521. Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my 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, 2018 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, 2018 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made there under
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under
- (iv) Foreign Exchange Management Act, 1999 and the Rules and Regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings (**Not applicable during the audit period**).
- (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 and 2015
- (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009
- (d) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations') to the extent applicable during the Audit period;
- (e) The Securities Exchange Board of India (share based Employee benefits) Regulations 2014: No scheme was formulated and placed before the shareholders for approval during the Audit period.
- (f) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; **Not applicable during the Audit period as the Secured, unlisted redeemable Non-Convertible debentures issued and allotted during the year were on private placement basis**
- (g) 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
- (h) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 - **Not applicable during the audit period**
- (i) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998- **Not applicable to the Company during the audit period**
- vi) Other applicable laws including the following
  1. Factories Act, 1948
  2. Industrial Disputes Act, 1947
  3. Payment of Wages Act, 1936
  4. The Minimum Wages Act, 1948
  5. Employees State Insurance Act, 1948
  6. Employees Provident Funds and Miscellaneous Provisions Act, 1952
  7. Payment of Bonus Act, 1965
  8. Payment of Gratuity Act, 1972
  9. Contract Labour (Regulation & Abolition ) Act, 1970
  10. Maternity Benefit Act, 1961

11. Environment Protection Act,1986
12. Explosives Act,1884
13. Indian Boilers Act,1923
14. Mines Act,1952
15. Legal Metrology Act,2009
16. Income Tax Act,1961, Central Excise Act,1944 and VAT Act
17. Cement Quality Control Order 2003
18. Electricity Act,2003
19. Air (Prevention & Control of Pollution) Act,1981 and Water (Prevention & Control of Pollution) Act,1974

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India.
- (ii) The Listing Agreements entered into by the Company with National Stock Exchange and Bombay 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 subject to the following observations:

One meeting of Independent directors was held in terms of the provisions of Section 149 (8) Schedule IV (VII) of the Companies Act,2013 and clause 25 (3) of Securities Exchange Board of India (Listing obligations and disclosure requirements) Regulations 2015. The decisions were reported to have been communicated to other directors orally.

#### **I further report that**

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, 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.

As per the minutes of the Board and Board Committees I noticed that, all the decisions were carried through unanimously.

**I further report that**, there are 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.

**I further report that**, during the Audit period the company has issued and allotted Secured, unlisted, redeemable Non-Convertible debentures on private placement basis amounting to Rs 80 crores and repaid Rs 165 Crores. The outstanding amount of debentures as at March 31, 2018 was Rs 135 crores.

The Company during the audit period has issued and allotted 85,00,000 equity shares at a price of Rs 237.50 per share by way of Qualified Institutional Placement and necessary listing and trading approvals from BSE/NSE for the same was obtained

The Company has received the trading approval from BSE/NSE for 17,95,455 equity shares allotted to the Promoters group by way of Preferential allotment earlier in terms of CDR mechanism

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

For A.J.Sharma & Associates  
Company Secretaries

A.J.Sharma  
FCS-2120, CP-2176

Place: Hyderabad

Date: 10/08/2018

## Annexure

To,  
The Members,  
NCL Industries Limited,  
4<sup>th</sup> Floor, Vaishnavi Cynosure,  
Near Gachibowli Fly over,  
Reliance Mall, Hyderabad-500032

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. Our 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. I believe that the processes and practices, I followed provide a reasonable basis for my opinion.
3. I have not verified the correctness and appropriateness of financial records and Books of Account of the Company
4. Wherever required I have obtained the Management representation about the compliances of laws, rules and regulations and happening of events etc.,
5. The compliance of the provisions of Corporate and other applicable laws, rules and regulations, standards is the responsibility of management. My examination was limited to the verification of procedures on 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 A.J.Sharma & Associates  
Company Secretaries

A.J.Sharma  
FCS-2120, CP-2176

Place: Hyderabad

Date: 10/08/2018



## ANNEXURE -F

### Particulars of Energy Conservation, Technology Absorption and Foreign Exchange Earnings and Outgo required under the Companies (Accounts) Rules, 2014

(Information pursuant to Section 134(3) (m) of the Companies Act, 2013 read with Rule 8(3) of Companies (Accounts) Rules, 2014)

#### A. Conservation of Energy:

The following are the steps taken on conservation of energy and its impact:

- a) Improvement of raw mix design and continuous operation of pyro-process led to higher outputs which resulted in reduction of specific energy consumption.
- b) Reduction in specific power consumption of cement mills (ball mills) by optimizing the operations.
- c) Improvement of Raw mill output by using high efficiency fan and optimizing the VRM operations reduced the specific power consumption.
- d) Installation of high efficiency process fans to reduce the energy consumption.
- e) Installation of Variable Frequency Drives (VFDs) for process fans to reduce the electrical energy consumption.
- f) Replacement of normal lights with LED lights to conserve electrical energy.

#### B. Technology Absorption:

The Company is continuously endeavoring to upgrade its technology from time to time in all aspects through in-house R&D with a primary aim of improving the quality and reduction of cost of production. The Company has successfully achieved results in reducing the cost of production, improved technical efficiencies and productivity.

#### C. Foreign Exchange Earnings and Outgo:

		Rs. In Lakhs	
Sl. No.	Particulars	For the year 2017-18	For the year 2016-17
1	Earnings	41.35	56.26
2	Outgo	497.87	1361.92

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

As on the financial year ended on 31st March, 2018

[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	L33130TG1979PLC002521
ii)	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	Regd & Corporate Office: 4th Floor, Vaishnavi's Cynosure, Near Gachibowli Flyover, Gachibowli, Hyderabad - 500032 Telangana State, India Tel No : (040) 30120000 Fax No : (040) 29807871 Email : cs@nclind.com Website : www.nclind.com
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), Bharat Nagar, Hyderabad - 500 018. Tel No : (040) 23818475 / 76 & 23868023 Fax No : (040) 2386 8024 E-mail: info@vccilindia.com

**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	2523	86.75
2	Plain and laminated Cement Bonded Particle Boards	44	9.02

**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 Shareholding

Category of Shareholders	No. of Shares held at the end of the year (As on 01-04-2017)				No. of Shares held at the end of the year (As on 31-03-2018)				% Change during the Year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
(A) Promoters									
(1) Indian									
a) Individual/ HUF	12125414	1710300	13835714	37.67	13890095	0	13890095	30.71	0.15
b) Central Govt	0	0	0	0.00	0	0	0	0.00	0.00
c) State Govt(s)	0	0	0	0.00	0	0	0	0.00	0.00
d) Bodies Corporates	4067540	85155	4152695	11.31	4152695	0	4152695	9.18	0.00
e) Banks/Financial Institutions	0	0	0	0.00	0	0	0	0.00	0.00
i) Any Other...	0	0	0	0.00	0	0	0	0.00	0.00
Sub-total (A) (1):-	16192954	1795455	17988409	48.97	18042790	0	18042790	39.89	0.15
(2) Foreign									
a) NRIs -Individuals	100000	0	100000	0.27	100000	0	100000	0.22	0.00
b) Other -Individuals	0	0	0	0.00	0	0	0	0.00	0.00
c) Bodies Corp.	0	0	0	0.00	0	0	0	0.00	0.00
d) Banks / Financial Institutions	0	0	0	0.00	0	0	0	0.00	0.00
e) Any Other....	0	0	0	0.00	0	0	0	0.00	0.00
Sub-total (A) (2):-	100000	0	100000	0.27	100000	0	100000	0.22	0.00
Total shareholding of Promoter (A)=(A) (1)+(A)(2)	16292954	1795455	18088409	49.24	18142790	0	18142790	40.11	0.15
(B) Public Shareholding									
1 Institutions									
a) Mutual Funds / UTI	539589	7450	547039	1.49	6737375	5300	6742675	14.91	16.87
b) Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0.00
c) Alternate Investment Funds	0	0	0	0.00	1544851	0	1544851	3.42	4.21
d) Foreign Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0.00
e) Foreign Portfolio Investors - Individual (FPI)	0	0	0	0.00	0	0	0	0.00	0.00
f) Foreign Portfolio Investors - Corporate (FPI)	0	0	0	0.00	1078807	0	1078807	2.39	2.94
Financial Institutions/Banks	31874	9290	41164	0.11	26307	8750	35057	0.08	0.02
f) Insurance Companies	0	0	0	0.00	0	0	0	0.00	0.00
Provident Funds / Pension Funds	0	0	0	0.00	0	0	0	0.00	0.00
Any Other	0	0	0	0.00	0	0	0	0.00	0.00
Foreign Institutional Investors	0	0	0	0.00	0	0	0	0.00	0.00
Qualified Foreign Investor	0	0	0	0.00	0	0	0	0.00	0.00
Qualified Foreign Investor-Corporate	0	0	0	0.00	0	0	0	0.00	0.00
Foreign Bodies Corp	0	0	0	0.00	0	0	0	0.00	0.00
Foreign Nation	0	0	0	0.00	0	0	0	0.00	0.00
Sub-total (B)(1):-	571463	16740	588203	1.60	9387340	14050	9401390	20.78	23.99
Central Government/State Government(s)	0	7350	7350	0.02	0	7350	7350	0.02	0.00
Sub-Total(B)(2)	0	7350	7350	0.02	0	7350	7350	0.02	0.00
2. Non-Institutions									
i) Individual shareholders holding nominal share capital up to Rs.2 Lakh	8522982	2300516	10823498	29.47	8353937	1536865	9890802	21.86	2.54
ii) Individual shareholders holding nominal share capital in excess of Rs 2 lakh	4389635	22083	4411718	12.01	4857060	22083	4879143	10.79	1.27
NBFCs Registered with RBI	0	0	0	0.00	0	0	0	0.00	0.00
Employee Trusts	0	0	0	0.00	0	0	0	0.00	0.00
Overseas Depositories (Holding DRs) (Balancing Figure)	0	0	0	0.00	0	0	0	0.00	0.00
Any Other	0	0	0	0.00	0	0	0	0.00	0.00
a) Bodies Corporates	2027382	22845	2050227	5.58	1540636	6650	1547286	3.42	1.37
c) Others									
Clearing Member	393815	0	393815	1.07	116171	0	116171	0.26	0.76
Trust	4550	0	4550	0.02	23550	0	23550	0.05	0.05
NRI'S	364665	355	365020	0.99	564845	295	565140	1.25	0.54
IEPF Authority	0	0	0	0.00	659168	0	659168	1.46	1.79
Sub-Total(B)(3)	15703029	2345799	18048828	49.14	16115367	1565893	17681260	39.09	1.00
Total Public Shareholding B = (B)(1)+(B) (2)+(B)(3)	16274492	2369889	18644381	50.76	25502707	1587293	27090000	59.89	22.99
C. Shares held by Custodian for GDRs & ADRs	0	0	0	0.00	0	0	0	0.00	0.00
Grand Total (A+B+C)	32567446	4165344	36732790	100.00	43645497	1587293	45232790	100.00	23.14

## ii) Shareholding of Promoters:

Sl. No.	Shareholders Name	Shareholding at the beginning of the year 01.04.2017			Shareholding at the end of the year 31.03.2018			% change in shareholding during the year
		No of Shares	% of total Shares of the Company	% of Shares Pledged/ encumbered to total shares	No of Shares	% of total Shares of the Company	% of Shares Pledged/ encumbered to total shares	
1	Nirhmal V Goradia Geeta Goradia	85963	0.23	100.00	85963	0.19	100.00	0.04
2	Geeta Goradia Nirhmal V Goradia	133815	0.36	88.11	133815	0.30	100.00	0.06
3	Meena Shah	20753	0.06	55.08	13253	0.03	86.24	0.03
4	Ashwin Goradia Bharti Goradia	82844	0.23	71.67	82844	0.18	94.99	0.05
5	Vinodrai V Goradia Charulata V Goradia	548602	1.49	78.25	548602	1.21	96.35	0.28
6	Meera Bimal Goradia Bimal V Goradia	114049	0.31	79.57	114049	0.25	99.50	0.06
7	Bimal V Goradia Meera B Goradia	289537	0.79	87.44	289537	0.64	61.36	0.15
8	G Jyothi	166992	0.45	91.02	166992	0.37	91.02	0.08
9	Kanumilli Malathi	8493	0.02	100.00	8493	0.02	100.00	0.00
10	Ashven Datla	649194	1.77	23.92	649194	1.44	93.94	0.33
11	G D L S N Raju	165437	0.45	92.45	165437	0.37	43.65	0.08
12	G Subbayamma	98307	0.27	98.76	0	0.00	0.00	0.27
13	Kalidindi Ravi	2840433	7.73	96.23	2914656	6.44	81.41	1.29
14	Madhu Kalidindi	1171674	3.19	95.34	1171774	2.59	93.85	0.60
15	Bharti Goradia Ashwin Goradia	43441	0.12	79.07	45941	0.10	94.56	0.02
16	Penumatsa Satyanarayana Raju	54234	0.15	100.00	54234	0.12	7.81	0.03
17	Valli P	0	0.00	0.00	2575	0.01	0.00	0.01
18	Penmetcha Ramalinga Raju	31321	0.09	100.00	31321	0.07	100.00	0.02
19	Vijaya Lakshmi Kanumilli	6692	0.02	100.00	6692	0.01	100.00	0.01
20	Kalidindi Sarojini	317094	0.86	97.01	317094	0.70	87.91	0.16
21	K Anuradha	770128	2.10	92.03	770128	1.70	86.20	0.40
22	N Janaki	45155	0.12	82.38	45155	0.10	100.00	0.02
23	Goradia Charulata Vinodrai Goradia Vinodrai Vachharaj	311515	0.85	73.74	311515	0.69	93.58	0.16
24	Utkal B Goradia Bimal V Goradia	57019	0.16	64.04	57019	0.13	99.91	0.03
25	Penmettsa Narasimha Raju	1163119	3.17	84.35	1163119	2.57	97.29	0.60
26	Penmettsa Vara Lakshmi	350355	0.95	93.58	350355	0.77	95.92	0.18
27	G V V R P Varma	72445	0.20	53.99	72445	0.16	53.99	0.04
28	Kalidindi Durga Devi	106761	0.29	0.00	0	0.00	0.00	0.29
29	Madhavi Penumasta	12000	0.03	0.00	12000	0.03	0.00	0.00
30	Kanumilli Sudheer	63710	0.17	100.00	63710	0.14	64.06	0.03
31	Gautam Kalidindi	685959	1.87	73.16	688029	1.52	88.36	0.35
32	Kalidindi Shilpa	1166210	3.17	82.55	1201797	2.66	82.48	0.51
33	Sridhar Bhupatiraju	204642	0.56	100.00	204642	0.45	100.00	0.11
34	Harini Gokul	60022	0.16	100.00	60022	0.13	100.00	0.03
35	Gokul S	81910	0.22	72.25	81910	0.18	83.98	0.04
36	Pooja Kalidindi	927792	2.53	96.57	928292	2.05	78.00	0.48
37	G.t.sandeep	54597	0.15	100.00	152904	0.34	35.71	0.19
38	Vegeesana Sailaja	0	0.00	0.00	10500	0.02	0.02	0.02
39	K Mallika	36263	0.10	100.00	36263	0.08	100.00	0.02
40	Roopa Kalidindi	526295	1.43	72.44	561882	1.24	80.27	0.19
41	Divya Penumacha	249942	0.68	100.00	249942	0.55	100.00	0.13

42	Diti Ashwin Goradia	27500	0.07	100.00	30000	0.07	91.67	0.00
43	Nishi Ashwin Goradia	27500	0.07	100.00	30000	0.07	91.67	0.00
44	Bhupatiraju Subba Raju	100000	0.02	100.00	100000	0.02	100.00	0.00
45	Sai Sreedhar Kanumilli	6000	0.02	100.00	6000	0.01	100.00	0.01
46	Blue Valley Developers (P) Ltd	205658	0.56	100.00	205658	0.45	100.00	0.11
47	Deccan Nitrates Private Ltd	1209470	3.29	98.57	1209470	2.67	89.66	0.62
48	Ncl Homes Ltd	437347	1.19	100.00	437347	0.97	100.00	0.22
49	Kakatiya Industries Private Ltd	507827	1.38	89.87	507827	1.12	100.00	0.26
50	Nagarjuna Cerachem Private Ltd	116567	0.32	90.56	116567	0.26	100.00	0.06
51	Vikram Chemicals Private Limited	125455	0.34	95.65	125455	0.28	100.00	0.06
52	Ncl Alltek And Seccolor Ltd	1550371	4.22	100.00	1550371	3.43	100.00	0.79

### iii) Change in Promoters' Shareholding:

S. 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	
	At the beginning of the year	18088409	49.24	18088409	49.24	
1	Date wise Increase / Decrease in Promoters	Date - 05/4/2017 - Purchase (Increase)	12300	0.03	18100709	49.28
2		Date - 19/4/2017 - Interse-tr Sale (Decrease)	7500	0.02	18093209	49.26
3		Date - 19/4/2017 - Interse-tr Purchase (Increase)	7500	0.02	18100709	49.28
4	Share holding during the year	Date - 19/4/2017 - Sale ( Decrease )	2300	0.01	18098409	49.27
5	specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	Date - 21/4/2017 - Sale ( Decrease )	5000	0.01	18093409	49.26
6		Date - 29/4/2017 - Sale ( Decrease )	5000	0.01	18088409	49.24
7		Date - 05/05/2017 - Purchase(Increase)	100	0.00	18088509	49.24
8		Date - 11/05/2017 - Purchase(Increase)	1000	0.00	18089509	49.25
9		Date - 12/05/2017 - Purchase(Increase)	3151	0.01	18092660	49.25
10		Date - 16/05/2017 - Purchase(Increase)	4009	0.01	18096669	49.27
11		Date - 02/06//2017 - Sale (Decrease)	5585	0.02	18091084	49.25
12		Date - 10/06/2017 - Purchase (Increase)	5000	0.01	18096084	49.26
13		Date - 21/07/2017 - Purchase (Increase)	22	0.00	18096106	49.26
14		Date - 27/07/2017 - Purchase (Increase)	6609	0.02	18102715	49.28
15		Date - 28/07/2017 - Purchase (Increase)	2550	0.01	18105265	49.29
16		Included in Promoter Group from Public Category w.e.f 27/08/2017	10500	0.03	18115765	49.32
17		Date - 28/09/2017 - Purchase (Increase)	11375	0.03	18127140	49.35
18		Date - 14/10/2017 - Purchase(Increase)	500	0.00	18127640	49.35
19		Date - 08/12/2017 - Purchase (Increase)	4130	0.01	18131770	49.36
20		Date - 08/12/2017 - Purchase (Increase)	2070	0.01	18133840	49.37
21		Date - 11/01/2018 - Transmission (Decrease)	106761	0.24	18027079	39.85
22		Date - 11/01/2018 - Purchase (Increase)	35587	0.08	18062666	39.93
23		Date - 11/01/2018 - Purchase (Increase)	35587	0.08	18098253	40.01
24		Date - 11/01/2018 - Purchase (Increase)	35587	0.08	18133840	40.09
25		Date - 16/02/2018 - Transmission (Decrease)	98307	0.22	18035533	39.87
26		Date - 16/02/2018 - Transmission (Increase)	98307	0.22	18133840	40.09
27		Date - 28/2/2018 - Purchase (Increase)	4200	0.01	18138040	40.10
28		Date - 14/03/2018 - Purchase (Increase)	4750	0.01	18142790	40.11
	At the end of the year	18142790	40.11	18142790	40.11	

## iv) Shareholding Pattern of Top Ten Shareholders ( other than Promoters, Directors and Holder of GDRs &amp; ADRs) :

S. No	Shareholders	Client Id /Folio	Date	Shareholding at the beginning of the year 01/04/2017		Comulative Shareholding during the year		
				Purchase	Sale	%	No. of Shares	As a percentage
				(P)	(S)			
1	Chandravadan Desai	1202770000021644	01-04-2017	0	0	0	473041	1.05
		1202770000021644	7-7-2017	0	-383622	(0.85)	89419	0.20
		1202770000021644	14-7-2017	0	-89419	(0.20)	0	0.00
		1202770000021644	28-7-2017	2000	0	0.00	2000	0.00
		1202770000021644	3-11-2017	89419	0	0.20	91419	0.20
		1202770000021644	24-11-2017	0	-89419	(0.20)	2000	0.00
	Chandravadan Desai	1202770000390929	01-04-2017	0	0	0.00	0	0.00
		1202770000390929	7-7-2017	383622	0	0.85	383622	0.85
		1202770000390929	24-11-2017	89419	0	0.20	473041	1.05
		1202770000027061	01-04-2017	0	0	0%	368963	0.82
2	CD EQUIFINANCE PRIVATE LIMITED*	1202770000027061	14-4-2017	15000	0	0.03	383963	0.85
		1202770000027061	21-4-2017	16000	0	0.04	399963	0.88
		1202770000027061	28-4-2017	1882	0	0.00	401845	0.89
		1202770000027061	12-5-2017	2500	0	0.01	404345	0.89
		1202770000027061	2-6-2017	3800	0	0.01	408145	0.90
		1202770000027061	9-6-2017	6000	0	0.01	414145	0.92
		1202770000027061	16-6-2017	20166	0	0.04	434311	0.96
	CD EQUIFINANCE PRIVATE LIMITED	1202770000027192	01-04-2017	0	0	0.00	0	0.00
		1202770000027192	11-8-2017	185058	0	0.41	185058	0.41
		1202770000027192	18-8-2017	8450	0	0.02	193508	0.43
1202770000027192		3-11-2017	69375	0	0.15	262883	0.58	
1202770000027192		29-12-2017	51750	0	0.11	314633	0.70	
CD EQUIFINANCE PRIVATE LIMITED*	1202770000027192	31-3-2018	54330	0	0.12	368963	0.82	
	1202770000027042	01-04-2017		0		47369	0.10	
	1202770000027042	3/31/2018		0		47369	0.10	

S. No	Shareholders	Client Id /Folio	Date	Shareholding at the beginning of the year 01/04/2017		Cumulative Shareholding during the year		
				Purchase (P)	Sale (S)	%	No. of Shares	As a percentage
3	PRANAY DESAI	1202770000203960	01-04-2017	0	0	0	265867	0.59
		1202770000203960	7-4-2017	105444	0	0.23	371311	0.82
		1202770000203960	28-4-2017	3061	0	0.01	374372	0.83
		1202770000203960	12-5-2017	7791	0	0.02	382163	0.84
		1202770000203960	26-5-2017	0	-5163	(0.01)	377000	0.83
		1202770000203960	4-8-2017	9830	0	0.02	386830	0.86
		1202770000203960	11-8-2017	0	-15000	(0.03)	371830	0.82
		1202770000203960	18-8-2017	7750	0	0.02	379580	0.84
		1202770000203960	25-8-2017	20206	0	0.04	399786	0.88
		1202770000203960	1-9-2017	0	-10298	(0.02)	389488	0.86
		1202770000203960	30-9-2017	0	-3516	(0.01)	385972	0.85
		1202770000203960	6-10-2017	10861	0	0.02	396833	0.88
		1202770000203960	17-11-2017	0	-50000	(0.11)	346833	0.77
		1202770000203960	24-11-2017	32491	0	0.07	379324	0.84
		1202770000203960	1-12-2017	0	-8302	(0.02)	371022	0.82
		1202770000203960	8-12-2017	4139	0	0.01	375161	0.83
		1202770000203960	15-12-2017	8198	0	0.02	383359	0.85
		1202770000203960	5-1-2018	3896	0	0.01	387255	0.86
		1202770000203960	12-1-2018	0	-4386	(0.01)	382869	0.85
		1202770000203960	26-1-2018	70215	0	0.16	453084	1.00
		1202770000203960	2-2-2018	9263	0	0.02	462347	1.02
		1202770000203960	9-2-2018	0	-6080	(0.01)	456267	1.01
		1202770000203960	16-2-2018	0	-3306	(0.01)	452961	1.00
		1202770000203960	22-2-2018	8167	0	0.02	461128	1.02
		1202770000203960	9-3-2018	0	-75388	(0.17)	385740	0.85
		1202770000203960	16-3-2018	6017	0	0.01	391757	0.87
1202770000203960	23-3-2018	0	-65421	(0.14)	326336	0.72		
1202770000203960	30-3-2018	0	-22670	(0.05)	303666	0.67		

S. No	Shareholders	Client Id /Folio	Date	Shareholding at the beginning of the year 01/04/2017			Cumulative Shareholding during the year	
				Purchase (P)	Sale (S)	%	No. of Shares	As a percentage
4	MILI CAPITAL MANAGEMENT PVT. LTD. - INV. DIV.*	120654000000791	01-04-2017	0	0	0%	140460	0.31
		120654000000791	26-5-2017	0	-5000	(0.01)	135460	0.30
		120654000000791	2-6-2017	0	-4000	(0.01)	131460	0.29
		120654000000791	9-6-2017	0	-1000	(0.00)	130460	0.29
		120654000000791	16-6-2017	0	-3000	(0.01)	127460	0.28
		120654000000791	30-6-2017	0	-2697	(0.01)	124763	0.28
		120654000000791	18-8-2017	0	-2844	(0.01)	121919	0.27
		120654000000791	25-8-2017	0	-1400	(0.00)	120519	0.27
		120654000000791	1-9-2017	0	-1000	(0.00)	119519	0.26
		120654000000791	8-9-2017	0	-1000	(0.00)	118519	0.26
		120654000000791	13-10-2017	0	-3000	(0.01)	115519	0.26
		120654000000791	31-10-2017	0	-16945	(0.04)	98574	0.22
		120654000000791	3-11-2017	0	-3258	(0.01)	95316	0.21
		120654000000791	10-11-2017	0	-6000	(0.01)	89316	0.20
		120654000000791	24-11-2017	0	-1217	(0.00)	88099	0.19
		120654000000791	1-12-2017	0	-60	(0.00)	88039	0.19
		120654000000791	8-12-2017	0	-2284	(0.01)	85755	0.19
		120654000000791	15-12-2017	0	-24334	(0.05)	61421	0.14
		120654000000791	22-12-2017	0	-23910	(0.05)	37511	0.08
		120654000000791	26-1-2018	0	-500	(0.00)	37011	0.08
120654000000791	2-3-2018	0	-2162	(0.00)	34849	0.08		
120654000000791	16-3-2018	0	-1000	(0.00)	33849	0.07		
5	TATA HYBRID EQUITY FUND	IN30005410012636	01-04-2017	0	0	0.00	0	0.00
		IN30005410012636	22-12-2017	1263100	0	2.79	1263100	2.79
6	TATA MUTUAL FUND - TATA INDIA TAX SAVINGS FUND	IN30012611186869	01-04-2017	0	0	0.00	0	0.00
		IN30012611186869	22-12-2017	547400	0	1.21	547400	1.21
7	HDFC TRUSTEE CO LTD A/C HDFC HOUSING OPPORTUNITIES FUND-1140D NOVEMBER 2017 (1)	IN30012611266703	01-04-2017	0	0	0.00	0	0.00
		IN30012611266703	22-12-2017	1700000	0	3.76	1700000	3.76
8	HSBC INDIAN EQUITY MOTHER FUND	IN30014210540671	01-04-2017	0	0	0.00	0	0.00
		IN30014210540671	22-12-2017	517169	0	1.14	517169	1.14
9	THE MASTER TRUST BANK OF JAPAN, LTD. AS TRUSTEE OF HSBC INDIA INFRASTRUCTURE EQUITY MOTHER FUND	IN30014210679066	01-04-2017	0	0	0.00	0	0.00
		IN30014210679066	22-12-2017	427478	0	0.95	427478	0.95
		IN30014210679066	29-12-2017	16006	0	0.04	443484	0.98
		IN30014210679066	19-1-2018	33559	0	0.07	477043	1.05



S. No	Shareholders	Client Id /Folio	Date	Shareholding at the beginning of the year 01/04/2017		Cumulative Shareholding during the year		
				Purchase (P)	Sale (S)	%	No. of Shares	As a percentage
10		IN30016710027968	01-04-2017	0	0	0.00	0	0.00
		IN30016710027968	16-6-2017	18255	0	0.04	18255	0.04
		IN30016710027968	23-6-2017	30126	0	0.07	48381	0.11
	RELIANCE CAPITAL TRUSTEE CO LTD- A/C RELIANCE MID & SMALL CAP FUND	IN30016710027968	30-6-2017	228046	0	0.50	276427	0.61
		IN30016710027968	7-7-2017	70682	0	0.16	347109	0.77
		IN30016710027968	14-7-2017	95869	0	0.21	442978	0.98
		IN30016710027968	21-7-2017	43972	0	0.10	486950	1.08
		IN30016710027968	22-12-2017	1600000	0	3.54	2086950	4.61

Notes:

Not reflected in the Top Ten shareholders list as on 01/04/2017

v) Shareholding of Directors and Key Managerial Personnel:

Shareholding of Directors:

Sl. No.	Name of Director	Shareholding as at 1st April, 2017		Shareholding as at 31st March, 2018	
		Number of shares	% of total shares of the Company	Number of Shares	% of total shares of the Company
1	Mr. Anand Ramanna	540	0.00	540	0.00
2	Mr. K. Ravi	2840433	7.73	2914656	6.44
3	Mr. K. Madhu	1171674	3.19	1171774	2.59
4	Mr. Vinodrai V. Goradia	548602	1.49	548602	1.21
5	Mr. Ashven Datla	649194	1.77	649194	1.44
6	Mr. Kamlesh Gandhi	Nil	Nil	Nil	Nil
7	Mrs.Roopa Bhupatiraju	526295	1.43	561882	1.24
8	Mr.P.N.Raju	1163119	3.17	1163119	2.57
9	Dr.Kalidas Raghavapudi	Nil	Nil	Nil	Nil
10	Lt.Gen.T.A.DCunha (Retd )	Nil	Nil	1000	0.00
11	Mr.V.Sitarama Raju	1,040	0.00	1040	0.00
12	Mr. K.Gautam	685959	1.87	688029	1.52
13	Mr.N.G.V.S.G.Prasad	Nil	Nil	50	0.00

Notes :

1. Details of changes in the shareholding during the year are as under :

Name of the Director	Particulars	Number of shares	% to total shares of the Company
K.Ravi	As at 1st April, 2017	2840433	7.73
	Purchase	38636	0.09
	Inter-se Transfer -Transmission (Increase)	35587	0.08
	Sale	-	-
	As at 31st March, 2018	2914656	6.44

Name of the Director	Particulars	Number of shares	% to total shares of the Company
K.Madhu	As at 1st April, 2017	1171674	3.19
	Purchase	100	0.00
	Sale	NIL	
	As at 31st March, 2018	1171774	2.59

Name of the Director	Particulars	Number of shares	% to total shares of the Company
Kalidindi Roopa	As at 1st April, 2017	526295	1.43
	Inter-se Transfer -Transmission ( Increase)	35587	0.08
	Sale	NIL	NIL
	As at 31st March, 2018	561882	1.24

Name of the Director	Particulars	Number of shares	% to total shares of the Company
Trevor Aloysius D'Cunha	As at 1st April, 2017	NIL	NIL
	Purchase	1000	0.00
	Sale	-	-
	As at 31st March, 2018	1000	0.00

Name of the Director	Particulars	Number of shares	% to total shares of the Company
Gautam Kalidindi	As at 1st April, 2017	685959	1.87
	Purchase	2070	NIL
	Sale	NIL	NIL
	As at 31st March, 2018	688029	1.52

- 1 There are no purchase and sale of shares by other Directors during the year.
- 2 The above details are based on the legal ownership and not on beneficial ownership.
- 3 The shareholding above reflects the ownership post the person being appointed as a Director or KMP.

#### Shareholding of Key Managerial Personnel:

Sl No	Name of Key Managerial Person	Shareholding as at 1st April, 2017		Shareholding as at 31st March, 2018	
		Number of shares	% to total shares of the Company	Number of shares	% to total shares of the Company
1	Mr. K. Ravi Managing Director	2840433	7.73	2914656	6.44
2	K.Gautam - Executive Director	685959	1.87	688029	1.52
3	Mr.N.G.V.S.G Prasad Executive Director & CFO	50	0.00	50	0.00
4	Mr. T. Arun Kumar Company Secretary & Compliance officer	4650	0.01	4650	0.01

#### Notes :

1. Details of changes in the shareholding of Mr. K.Ravi and Mr.K.Gautam 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
<b>Indebtedness as at 1st April,2017</b>				
i) Principal Amount	26,509.25	124.78	4,886.10	31,520.13
ii) Interest Due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	604.59	604.59
Total (i+ii+iii)	26,509.25	124.78	5,490.69	32,124.72
Change in Indebtedness during the financial year				
Addition	1,880.01		682.91	2,562.92
(Reduction)	(9,806.79)	(124.78)	-	(9,931.57)
Net Change	(7,926.78)	(124.78)	682.91	(7,368.65)
<b>Indebtedness as at 1st April,2018</b>				
i) Principal Amount	18,582.47	-	5,510.43	24,092.90
ii) Interest Due but not paid	-	-	-	-
iii) Interest accrued but not due			663.17	663.17
Total (i+ii+iii)	18,582.47	-	6,173.60	24,756.07

**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	2,47,54,709
	(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	1,53,27,129
	- as percentage of profit	2 %
	- others	
5.	Others	12,60,000
	Total	<b>4,13,41,838</b>
	Ceiling as per the Act (as Section 197 & 198 of the Companies Act,2013 )	7,66,35,651

**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	
<b>1</b>	<b>Independent Directors</b>				
	Mr. Anand Ramanna	70,000	1,29,452	-	1,99,452
	Mr. Kamlesh Gandhi	1,50,000	3,10,685	-	4,60,685
	Dr. Kalidas Raghavapudi	65,000	1,29,452	-	1,94,452
	Lt.Gen.T.A.D'Cunha ( Retd )	70,000	1,29,452	-	1,99,452
	V.S.Raju	1,65,000	3,62,466	-	5,27,466
	<b>Total (1)</b>	<b>5,20,000</b>	<b>10,61,507</b>	<b>-</b>	<b>15,81,507</b>
<b>2.</b>	<b>Other Non-Executive Directors</b>				
	Mr.K.Madhu	1,20,000	2,33,014	-	3,53,014
	Mr.Ashven Datla	1,25,000	2,58,904	-	3,83,904
	Mrs.Roopa Bhupatiraju	15,000	25,890	-	40,890
	Mr. P.N. Raju	1,00,000	1,81,233	-	2,81,233
	Mr.Vinodrai V.Goradia	85,000	1,55,343	-	2,40,343
	<b>Total (2)</b>	<b>4,45,000</b>	<b>8,54,384</b>	<b>-</b>	<b>12,99,384</b>
	<b>Total (B)=(1+2)</b>	<b>9,65,000</b>	<b>19,15,891</b>	<b>-</b>	<b>28,80,891</b>
	Ceiling as per the Act	-	-	-	76,63,565
	<b>Total Managerial Remuneration</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>4,42,22,729</b>
	<b>Overall Ceiling as per the Act</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>8,42,99,216</b>

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

(Amount in rupees)

Sl. No.	Particulars of Remuneration	Company Secretary	Total Amount
		T.Arun Kumar	
<b>1.</b>	<b>Gross Salary</b>		
	(a) Salary as per provisions contained in Section 17(1) of the Income-tax Act, 1961	11,04,396	11,04,396
	(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		-
<b>2.</b>	<b>Stock Option</b>		-
<b>3.</b>	<b>Sweat Equity</b>		-
	Commission		-
<b>4.</b>	<b>- as percentage of profit</b>		-
	- others		-
<b>5.</b>	<b>Others</b>		-
	<b>Total</b>	<b>11,04,396</b>	<b>11,04,396</b>

## ANNEXURE - D

Sr. No.	Name of the Director	Ratio of remuneration of each Director to the median remuneration of the employees of the Company
1	Mr. Anand Ramanna	0.89
2	Mr. K. Madhu	1.57
3	Mr. Vinodrai V. Goradia	1.07
4	Mr. Ashven Datla	1.71
5	Mr. Kamlesh Gandhi	2.05
6	Mrs.Roopa Bhupatiraju	0.18
7	Mr.P.N.Raju	1.25
8	Dr.Kalidas Raghavapudi	0.86
9	Lt.Gen.T.A.D'Cunha (Retd )	0.89
10	Mr.V.Sitarama Raju	2.34
11	Mr. K.Gautam	27.86
12	Mr.N.G.V.S.G.Prasad	16.80
13	Mr. K. Ravi	138.97

## Note:

- Median is computed on the basis of permanent employees on the rolls of the Company. No. of permanent employees on the rolls of the company as on 31/03/ 2018 : 828

## ANNEXURE - E

Sr. No.	Name of the Director/KMP	Designation	% Increase / (Decrease) in the Remuneration
1	Mr. R. Anand	Director	17.10
2	Mr. K. Madhu	Director	19.43
3	Mr. Vinodrai V. Goradia	Director	17.02
4	Mr. Ashven Datla	Director	0.82
5	Mr. Kamlesh Gandhi	Director	3.31
6	Mrs.Roopa Bhupatiraju	Director	-41.69
7	Mr.P.N.Raju	Director	36.93
8	Dr.Kalidas Raghavapudi	Director	-39.36
9	Lt.Gen.T.A.D'Cunha (Retd )	Director	-32.52
10	Mr.V.Sitarama Raju	Director	454.09
11	Mr. K. Ravi	Managing Director and KMP	12.73
12	Mr. K.Gautam	Executive Director & KMP	20.43
13	Mr. N.G.V.S.G.Prasad	Executive Director & CFO & KMP	11.75
14	Mr. T. Arun Kumar	Company Secretary /KMP	21.61

## 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.

# Independent Auditor's Report

To  
The Members,  
**NCL Industries Limited,**  
Hyderabad.

## Report on the Standalone Financial Statements

We have audited the accompanying financial statements of **NCL Industries Limited** ("the Company"), which comprise the Ind AS Balance Sheet as at March 31, 2018, the Statement of Profit and Loss, including the statement of other comprehensive Income, the cash flow statement and the statement of changes in Equity for the year then ended on that date, and a summary of the significant accounting policies and other explanatory information.

## Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters 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 including other comprehensive income, cash flows and statement of changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, (as amended). This responsibility also includes the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting the frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of internal financial control, 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.

## Auditor's Responsibility

Our responsibility is to express an opinion on these Ind AS financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.

We conducted our audit of the Ind AS financial statements in accordance with the Standards on Auditing specified under section 143(10) of the Act and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India. 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 Ind AS financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Ind AS 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 of the Ind AS financial statements that give true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by Company's Directors, as well as evaluating the overall presentation of the Ind AS 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 Ind AS financial statements.

## Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS 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, 2018, including other comprehensive Income, its cash flows and the statement of changes in equity for the year ended on that date.

## Other Matters

The comparative financial information of the Company for the year ended March 2017 and the transition date opening Balance Sheet as at April 1, 2016 included in these Ind AS financial statements, are based on the previously issued statutory financial statements for the years ended March 31, 2017 and March 31, 2016 prepared in accordance with the Companies (Accounting Standards) Rules 2006 (as amended). The adjustments to those financial statements for the differences in accounting principles adopted by the Company on transition to the Ind AS have been audited by us.

Our opinion is not modified in respect of these matters.

## Report on Other Legal and Regulatory Requirements

- As required by the Companies (Auditor's Report) Order, 2016, issued by the Central Government of India in term of Sub-section (11) of section 143 of the Act, and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, we give in the Annexure A, a statement on the matters specified in the paragraphs 3 and 4 of the Order, to the extent applicable.

2. As required by Section 143(3) of the Act, we report 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;
  - b. In our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
  - c. The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;
  - d. In our opinion, the aforesaid Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standard) Rules, 2015, as amended;
  - e. On the basis of written representations received from the directors as on 31 March, 2018, taken on record by the Board of Directors, none of the directors are disqualified as on 31 March, 2018, from being appointed as a director in terms of Section 164(2) of the Act.
  - f. With respect to the adequacy of the internal financial controls over financial reporting of the company and the operating effectiveness of such controls, refer to our separate report in "Annexure B" to this report.
  - g. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion, and to the best of our information and according to the explanations given to us:
    - i. The Company has disclosed the impact, if any, of pending litigations as at March 31, 2018 on its financial position in its Ind AS financial statements – Refer Note No. 34;
    - ii. The Company did not have any long-term contracts including derivative contracts as at March 31, 2018;
    - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company during the year ended March 31, 2018.
    - iv. The reporting on disclosures relating to the Specified Bank Notes is not applicable to the Company for the year ended March 31, 2018.

**For VENUGOPAL & CHENOY,**  
CHARTERED ACCOUNTANTS,  
FRN: 004671S

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

Partner

Membership No.021961

Hyderabad

Date: 30.05.2018

## Annexure A to the Independent Auditors' Report

The Annexure A referred to in our Independent Auditor's Report to the members of the Company on the Standalone financial statements for the year ended 31 March 2018, we report that:

- (i) In respect of its fixed assets:
  - a. The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets, on the basis of available information.
  - b. As explained to us, the fixed assets have been physically verified by the management at reasonable intervals. No material discrepancies were noticed on such physical verification.
  - c. According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties are held in the name of the Company.
- (ii) In respect of Inventories:
  - a. The Inventory has been physically verified by the management during the year.
  - b. In our opinion and according to the information and explanation given to us, the procedures of physical verification of inventory followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
  - c. According to the information and explanation given to us, the company is maintaining proper records of inventory. The discrepancies noticed on physical verification of inventory as compared to book records were not material.
- (iii) The Company has not granted any loans, secured or unsecured, to Companies, firms, Limited Liability partnerships or other parties covered in the register maintained under section 189 of the Act, during the year ended March 31, 2018.
- (iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of section 185 and 186 of the Act, in respect of the grant of loans, making investments, providing guarantees and securities, as applicable
- (v) In our opinion and according to the information and explanations given to us, the Company has complied with the directives issued by the Reserve Bank of India and the provisions of Section 73 to 76 or any other relevant provisions of the Act and the Rules framed there under in respect of deposits accepted. We are informed that no order was passed by the Company Law Board or National Company Law Tribunal or Reserve Bank of India or any Court or Tribunal in respect of the aforesaid 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) In respect of statutory dues:

- 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, Service Tax, Duty of Customs, Duty of Excise, Value Added Tax, Cess, Goods and Service Tax 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, Service Tax, Duty of Customs, Duty of Excise, Value Added Tax or Cess, Entry Tax, Goods And Service Tax and other material statutory dues which were in arrears as at March 31, 2018, for a period of more than six months from the date they became payable

- b. According to the information given to us and records of the Company examined by us, the particulars of Income Tax, Sales Tax, Value Added Tax, Wealth Tax, Service Tax, Customs Duty, Excise Duty or Cess, Goods and Service Tax as at 31st March 2018 which have not been deposited on account of any disputes pending, are as under:



Name of the statute	Nature of dues	Amount (Rs in Lakhs)	Forum where dispute is pending
A.P. General Sales Tax Act	VAT	4.26	Sales Tax Appellate Tribunal
A.P. General Sales Tax Act	VAT/Penalty	16.88	Sales Tax Appellate Tribunal
A.P. General Sales Tax Act	VAT/Interest/Penalty	37.26	Sales Tax Appellate Deputy Commissioner
Central Excise Department	Excise Duty	163.18	CESTAT
Central Excise Department	Excise Duty	80.85	CESTAT
Central Excise Department	Excise Duty/Penalty	2	CESTAT
Central Excise Department	Excise Duty	63.85	Commissioner of Appeals
A.P. General Sales Tax Act	VAT	8.97	Sales Tax Appellate Tribunal
Central Excise Department	Excise Duty	977.68	CESTAT
Central Excise Department	Excise Duty	13.60	CESTAT
Central Excise Department	Excise Duty	22.46	CESTAT
Central Excise Department	Excise Duty	24.92	CESTAT
Telangana State Tax on Entry of Goods into Local Areas Act, 2001	Entry Tax	1.01	Appellate Joint Commissioner of Sales Tax
Telangana State Tax on Entry of Goods into Local Areas Act, 2001	Entry Tax	15.35	Appellate Joint Commissioner of Sales Tax
Telangana State Tax on Entry of Goods into Local Areas Act, 2001	Entry Tax	2.19	Appellate Joint Commissioner of Sales Tax
Telangana State Tax on Entry of Goods into Local Areas Act, 2001	Entry Tax	78.99	High Court of Judicature at Hyderabad
Telangana State Tax on Entry of Goods into Local Areas Act, 2001	Entry Tax	192.60	High Court of Judicature at Hyderabad
Telangana State Tax on Entry of Goods into Local Areas Act, 2001	Entry Tax	333.29	High Court of Judicature at Hyderabad
Central Excise Department	Excise Duty	6.15	CESTAT
Central Excise & Customs Department	Customs Duty	42.19	Appellate Commissioner of Customs & Central Excise (Appeals)
Central Excise & Customs Department	Customs Duty	87.79	CESTAT

- (viii) According to the information and explanations given to us and on the basis of examination of the records, the Company has not defaulted in the repayment of loans along with interest to any financial institutions, Banks or dues to debenture holders as at the Balance Sheet date.
- (ix) In our opinion and according to the information and explanations given to us, the Company did not raise any money by way of public issue (including debt instruments). Accordingly, paragraph 3 (ix) of the Order is not applicable.
- (x) To the best of our knowledge and according to the information and explanations given to us, no material fraud on or by the Company and no material fraud on the Company by its officers or employees has been noticed or reported during the year, that causes the financial statements to be materially misstated.
- (xi) According to the information and explanations give to us and based on our examination of the records of the Company, the Company has paid/provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Companies Act 2013.
- (xii) In our opinion and according to the information and explanations given to us, the Company is not a nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.
- (xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable Accounting Standards.
- (xiv) According to the information and explanations give to us and based on our examination of the records of the Company, the Company has made private placement of 85,00,000 Equity Shares of Rs. 10/- each at premium of Rs. 227.50/- each through Qualified Institutional Placement (QIP) during the year and the requirement of Section 42 of the Companies Act, 2013, as applicable, has been complied with and the monies so raised were used for the purposes for which they were raised
- (xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.
- (xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934.

**For VENUGOPAL & CHENOY,**  
**CHARTERED ACCOUNTANTS,**  
 FRN: 004671S

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

Partner

Membership No.021961

Hyderabad  
 Date: 30.05.2018

## Annexure - B to the Auditors' Report

### Report on the Internal Financial Controls under Clause (i) of Sub-Section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of **NCL Industries Limited** ("the Company") as of 31 March, 2018 in conjunction with our audit of the Standalone financial statements of the Company for the year ended on that date.

#### Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

#### Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit

opinion on the Company's internal financial controls system over financial reporting.

#### Meaning of Internal Financial Controls over Financial Reporting

A Company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorisations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

#### Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

#### Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2018, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **VENUGOPAL & CHENOY,**  
 CHARTERED ACCOUNTANTS,  
 FRN: 004671S

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

Partner

Hyderabad  
 Date: 30.05.2018

Membership No.021961

# Balance Sheet as at 31st March 2018

(₹ in lakhs)

Particulars	Note No	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
<b>ASSETS</b>				
<b>Non-current assets</b>				
(a) Property, Plant and Equipment	3	69,250.64	38,537.36	39,161.45
(b) Capital work-in-progress		3,296.92	15,220.05	1,055.74
(c) Investment Property				-
(d) Other intangible assets				
<b>(e) Financial Assets</b>				
<b>(i) Investments</b>				
(ii) Trade Receivables	4	63.43	55.33	35.93
(iii) Loans				
(iv) Other Financial Assets	5	1,197.51	1,641.45	1,486.67
<b>(f) Deferred tax Assets (net)</b>				
(g) Other non-current Assets	6	84.09	75.90	84.88
<b>Current Assets</b>				
(a) Inventories	7	7,907.77	7,088.80	7,214.38
<b>(b) Financial Assets</b>				
<b>(i) Investments</b>				
(ii) Trade Receivables	8	7,823.57	4,709.13	5,233.68
(iii) Cash & Cash Equivalents	9	1,216.03	847.25	1,899.25
(iv) Bank Balances other than (iii) above	10	392.28	338.39	213.51
(v) Loans	11	-	335.00	450.00
(vi) Other Financial Assets	12	593.32	1,733.43	1,797.36
<b>(c) Current Tax Assets</b>				
(d) Other Current Assets	13	4,416.48	7,785.26	3,635.33
<b>Total</b>		<b>96,242.04</b>	<b>78,367.35</b>	<b>62,268.18</b>

(₹ in lakhs)				
Particulars	Note No	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
<b>EQUITY AND LIABILITIES</b>				
<b>Equity</b>				
(a) Equity Share Capital	14	4,523.28	3,673.28	3,673.28
(b) Other Equity	15	41,596.88	18,993.04	14,409.94
<b>Liabilities</b>				
<b>Non-current liabilities</b>				
(a) Financial Liabilities				
(i) Borrowings	16	20,464.06	27,680.46	7,602.09
(ii) Trade Payables				
(iii) Other Financial Liabilities				
(b) Provisions	17	562.29	524.05	454.79
(c) Deferred Tax Liabilities (Net)	18	7,114.01	6,362.08	6,284.00
(d) Other non-current liabilities				
<b>Current liabilities</b>				
(a) Financial Liabilities				
(i) Borrowings	19	1,437.55	2,744.34	5,642.06
(ii) Trade payables	20	4,802.77	4,477.38	2,872.69
(iii) Other Financial Liabilities	21	9,656.68	9,030.57	17,257.92
(b) Provisions	22	170.25	160.31	154.13
(c) Current Tax Liabilities (Net)	23	1,587.16	1,360.00	901.53
(d) Other current liabilities	24	4,327.11	3,361.84	3,015.75
<b>Total Equity and Liabilities</b>		<b>96,242.04</b>	<b>78,367.35</b>	<b>62,268.18</b>

The accompanying notes are an integral part of the financial statements

As per our report of even date  
**For Venugopal & Chenoy,**  
 Chartered Accountants  
 Firm Registration No. 004671S

**P.V. Sri Hari**  
 Partner  
 Membership No. 21961

Hyderabad  
 Dated: 30th May 2018

For and on behalf of the Board

**K. Ravi**  
 Managing Director

**N. G. V. S. G. Prasad**  
 Executive Director & CFO

**R. Anand**  
 Chairman

**T. Arun Kumar**  
 Company Secretary

# Statement of Profit and Loss for the year ended 31st March 2018

(₹ in lakhs)

Particulars	Note No.	Year Ended March 31, 2018	Year Ended March 31, 2017
<b>Income</b>			
i) Revenue From Operations			
Gross Revenue from Operations	25	133,291.13	116,538.09
Less: Inter Segment Transfers & Taxes on Sales	v	42,335.40	28,426.40
Revenue From Operations (Net)		90,955.73	88,111.69
ii) Other Income	26	707.62	363.97
<b>Total Income</b>		<b>91,663.35</b>	<b>88,475.66</b>
<b>Expenses</b>			
i) Cost of materials consumed			
	27	12,333.68	12,241.02
ii) Purchases of stock-in-trade			
	28	-	130.47
iii) Changes in inventories of finished goods, work-in-progress and stock-in trade			
	29	(292.10)	633.69
iv) Excise Duty			
		2,915.61	11,564.22
v) Employee benefits expense			
	30	3,955.40	3,506.33
vi) Manufacturing Expenses			
	31	35,538.07	27,994.41
vii) Administration Expenses			
		1,838.91	1,889.46
viii) Selling and Distribution Expenses			
		21,360.56	18,729.71
ix) Finance Costs			
	32	3,101.53	3,111.33
x) Depreciation and amortisation expense			
	33	3,474.78	2,513.60
<b>Total expenses</b>		<b>84,226.44</b>	<b>82,314.24</b>
<b>Profit/(loss) before exceptional items and tax</b>		<b>7,436.91</b>	<b>6,161.42</b>
Exceptional Items			
<b>Profit Before Tax</b>		<b>7,436.91</b>	<b>6,161.42</b>
Tax Expenses			
-Earlier Years' Tax		187.06	-
-Current Tax		1,587.16	616.02
-Deferred Tax		751.93	78.08

(₹ in lakhs)			
Particulars	Note No.	Year Ended March 31, 2018	Year Ended March 31, 2017
<b>Profit/(loss) for the period from continuing operations</b>		4,910.76	5,467.32
Profit/(loss) from discontinued operations			-
Tax expense of discontinued operations			-
<b>Profit/(loss) from discontinued operations After Tax</b>		-	-
<b>I Profit/(loss) for the Period</b>		<b>4,910.76</b>	<b>5,467.32</b>
<b>II Other Comprehensive Income</b>			
<b>i) Items that will not be reclassified to profit or loss:</b>			
-Impairment of allowances in doubtful debt			
-Re measurements of the defined benefit plans			
-Equity Instruments through other comprehensive income			
-Income Tax relating to these items			
<b>ii) Items that will be reclassified to profit or loss:</b>			
-Debt Instruments through Other Comprehensive Income			
-The effective portion of gains and loss on hedging instruments in a cash flow hedge			
-Income Tax relating to these items			
Other Comprehensive Income		-	-
<b>Total Comprehensive Income for the period</b>		<b>4,910.76</b>	<b>5,467.32</b>
<b>Earnings per Equity Share :</b>			
(1) Basic		12.51	14.90
(2) Diluted		12.51	14.90

The accompanying notes are an integral part of the financial statements

As per our report of even date  
**For Venugopal & Chenoy,**  
 Chartered Accountants  
 Firm Registration No. 004671S

For and on behalf of the Board

**K. Ravi**  
 Managing Director

**R. Anand**  
 Chairman

**P.V. Sri Hari**  
 Partner  
 Membership No. 21961

**N. G. V. S. G. Prasad**  
 Executive Director & CFO

**T. Arun Kumar**  
 Company Secretary

Hyderabad  
 Dated: 30th May 2018

**Statement of Changes in Equity for the period ended 31.03.2018****A. Equity Share Capital**

(In Rupees lakhs)

Particulars	No of Shares	Amount
Balance as on 1st April, 2016	36,732,790	3,673.28
Changes in Equity Share Capital during the year	-	-
Balance as on 31st March, 2017	36,732,790	3,673.28
Changes in Equity Share Capital during the year ( refer note no. )	8,500,000	850.00
Balance as on 31st March, 2018	45,232,790	4,523.28



**B. Other Equity**

	Reserves and Surplus					
	General Reserve	Capital Reserve	Securities Premium Reserve	Debenture Redemption Reserve	Retained Earnings	Total
<b>Balance as on 31st March, 2016</b>	<b>11,000.00</b>	<b>240.91</b>	<b>2,321.59</b>	<b>1,000.00</b>	<b>1,445.39</b>	<b>16,007.89</b>
Changes in Accounting Policy or Prior period errors					(1,597.95)	(1,597.95)
<b>Balance as on 1st April, 2016</b>	<b>11,000.00</b>	<b>240.91</b>	<b>2,321.59</b>	<b>1,000.00</b>	<b>(152.56)</b>	<b>14,409.94</b>
Profit for the year					5,472.99	5,472.99
Payment of Dividend and Dividend Distribution Tax					(884.22)	(884.22)
Deferred Tax on fixed assets					(1.31)	(1.31)
Prior Period Adjustments					(4.36)	(4.36)
Securities Premium on shares issued		-				-
Transfer to Debenture Redemption Reserve	(4,500.00)			4,500.00		-
Transfer to General Reserve	1,000.00				(1,000.00)	-
<b>Balance as on 31st March, 2017</b>	<b>7,500.00</b>	<b>240.91</b>	<b>2,321.59</b>	<b>5,500.00</b>	<b>3,430.54</b>	<b>18,993.04</b>
Profit for the year					4,910.76	4,910.76
Payment of Dividend and Dividend Distribution Tax					(1,208.17)	(1,208.17)
Deferred Tax on fixed assets					-	-
Prior Period Adjustments					-	-
Securities Premium on shares issued net of expenses		-	18,901.25			18,901.25
Transfer to/from Debenture Redemption Reserve	2,125.00			(2,125.00)		-
Transfer to General Reserve	4,000.00				(4,000.00)	-
<b>Balance as on 31st March, 2018</b>	<b>13,625.00</b>	<b>240.91</b>	<b>21,222.84</b>	<b>3,375.00</b>	<b>3,133.13</b>	<b>41,596.88</b>

The accompanying notes are an integral part of the financial statements

As per our report of even date  
**For Venugopal & Chenoy,**  
Chartered Accountants  
Firm Registration No. 004671S

For and on behalf of the Board

**K. Ravi**  
Managing Director

**R. Anand**  
Chairman

**P.V. Sri Hari**  
Partner  
Membership No. 21961

**N. G. V. S. G. Prasad**  
Executive Director & CFO

**T. Arun Kumar**  
Company Secretary

Hyderabad  
Dated: 30th May 2018

# Cash Flow Statement for the year ended 31st March 2018

(₹ in lakhs)

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
<b>Cash flow from operating activities</b>		
Profit before income tax from		
Continuing operations	7,436.91	6,161.42
Discontinued operations	-	-
<b>Profit before income tax including discontinued operations</b>	<b>7,436.91</b>	<b>6,161.42</b>
Adjustments for		
Depreciation and amortisation expense	3,474.78	2,513.60
Finance costs	3,101.53	3,111.33
	<b>14,013.22</b>	<b>11,786.35</b>
<b>Change in operating assets and liabilities, net of effects from purchase of controlled entities and sale of subsidiary:</b>		
(Increase)/Decrease in trade receivables	(3,122.54)	505.15
(Increase) in inventories	(818.97)	125.58
Increase in trade payables	325.39	1,604.69
(Increase) in other financial assets	1,919.05	24.15
(Increase)/decrease in other non-current assets	(8.19)	8.98
(Increase)/decrease in other current assets	3,368.78	(2,905.95)
Increase/(decrease) in provisions	9.94	6.18
Increase in employee benefit obligations	38.24	69.26
Increase (decrease) in other current liabilities	965.26	346.09
Increase ( decrease) in financial liabilities	495.51	(8,351.69)
Increase( decrease) in other non current liabilities	-	-
<b>Cash generated from operations</b>	<b>17,185.69</b>	<b>3,218.80</b>
Income tax paid	1,547.06	1,401.53
<b>Net cash inflow from operating activities</b>	<b>15,638.64</b>	<b>1,817.27</b>
<b>Cash flows from investing activities</b>		
Payments for property, plant and equipment	(22,283.06)	(16,056.60)
Proceeds from sale of property, plant and equipment	18.13	2.78
<b>Net Cash outflow from investing activities</b>	<b>(22,264.93)</b>	<b>(16,053.82)</b>

Particulars	(₹ in lakhs)	
	For the year ended March 31, 2018	For the year ended March 31, 2017
<b>Cash flows from financing activities</b>		
Proceeds from issues of shares	20,187.50	-
Share issue costs	(436.25)	-
Proceeds from borrowings	-	17,180.65
Repayment of borrowings	(8,523.19)	
Interest paid	(2,970.92)	(2,987.00)
Dividends paid to Company's share holders	(1,208.17)	(884.22)
Dividends paid to non-controlling interests		
<b>Net cash inflow (outflow) from financing activities</b>	<b>7,048.97</b>	<b>13,309.43</b>
<b>Net increase (decrease) in cash and cash equivalents</b>	<b>422.67</b>	<b>(927.12)</b>
Cash and cash equivalents at the beginning of the financial year	1,185.64	2,112.76
<b>Cash and cash equivalents at end of the year</b>	<b>1,608.31</b>	<b>1,185.64</b>

The accompanying notes are an integral part of the financial statements

As per our report of even date  
**For Venugopal & Chenoy,**  
 Chartered Accountants  
 Firm Registration No. 004671S

For and on behalf of the Board

**K. Ravi**  
 Managing Director

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 Executive Director & CFO

**T. Arun Kumar**  
 Company Secretary

Hyderabad  
 Dated: 30th May 2018

# Notes forming part of the Financial Statements

## Note 1: Company Overview And Significant Accounting Policies:

### Company Overview

NCL Industries Limited ("the Company"), is a Public Limited Company domiciled in India and was incorporated on 10th September, 1979 under the provisions of the Companies Act, 1956 applicable in India. Its shares are listed on National Stock Exchange of India (NSE) and Bombay Stock Exchange (BSE) of India. The Registered office of the Company is located at Vaishanavi's Cynosure, 4th floor, Sy No 18 Gachibowli Village, Serilingampally Mandal, Hyderabad, Telangana State. The Company is principally engaged in the business of manufacturing and selling of Cement, Ready Mix Concrete (RMC), Cement Bonded Particle Boards (CBPB), and operates Small Hydro Power (SHP) projects. The Company has manufacturing facilities in the states of Telangana State, Andhra Pradesh, Karnataka and Himachal Pradesh in India and caters mainly to the domestic market.

### Basis of Preparation of Financial Statements:

These financial statements are prepared in accordance with Indian Accounting Standards (Ind AS), the provisions of the Companies Act, 2013 ("the Companies Act"), as applicable and guidelines issued by the Securities and Exchange Board of India ("SEBI"). The Ind AS are prescribed under Section 133 of the Act read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016.

For the year ended March 31, 2017 and in the years prior to 2017, the Company prepared its financial statements in accordance with the requirements of the Indian GAAP ("Previous GAAP"), which included Standards notified under the Companies (Accounting Standards) Rules, 2006. The date of transition to Ind AS is April 1, 2016.

The accounting policies have been applied consistently to all periods presented in these financial statements.

These financial statements were approved for issue in accordance with the resolution passed by Board of Directors on May 30, 2018.

### Basis of Measurement

These financial statements have been prepared on a historical cost convention and on an accrual basis, except for certain assets and liabilities which have been measured at fair value as per Ind AS.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if market participants

would take those characteristics into account when pricing the asset or liability at the measurement date.

The financial statements are presented in Indian Rupees (INR) being the functional currency of the Company. All financial information presented in Indian Rupees has been rounded to the nearest lakhs, except otherwise indicated.

### Use of Estimates

The preparation of financial statements in conformity with Ind AS requires management to make estimates, judgments' and assumptions (including revisions, if any). These estimates, judgments and assumptions affect the application of accounting policies and reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of financial statements and the reported amounts of revenue and expenses during the period.

Appropriate changes in the estimates are made as management becomes aware of changes in circumstances. Changes in the estimates are reflected in the financial statements in the period in which changes are made.

### Classification of Current / Non-Current Assets and Liabilities

All the assets and liabilities have been classified as current or non current as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013.

Assets: An asset is classified as current when it satisfies any of the following criteria:

It is expected to be realized in, or is intended for sale or consumption in, the Company's normal operating cycle;

- it is held primarily for the purpose of being traded;
- it is expected to be realized within twelve months after the reporting date; or
- it is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting date.

Liabilities: A liability is classified as current when it satisfies any of the following criteria:

- it is expected to be settled in the Company's normal operating cycle;
- it is held primarily for the purpose of being traded;
- it is due to be settled within twelve months after the reporting date; or
- the Company does not have an unconditional right to defer settlement of the liability for at least twelve months after the reporting date. Terms of a liability that could, at the option of the counter party, result in its settlement by the issue of equity instruments do not affect its classification.

All other assets/ liabilities are classified as non-current.

Based on the nature of products and the time between the acquisition of assets for processing and their realization in Cash or Cash equivalents, the Company has ascertained its normal operating cycle as 12 months for the purpose of Current / Non-Current classification of assets and liabilities.

#### Revenue of Recognition:

Revenue is net of GST wherever applicable, recognized on accrual basis, to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured.

**Sale of Goods:** Revenue from sale of goods is recognized when all the significant risks and rewards of ownership of the goods have been passed to the buyer on delivery of the goods.

**Income from Services:** Revenues from maintenance contracts are recognized pro-rata over the period of the contract as and when services are rendered.

**Rendering of services:** Revenue from services is recognised with reference to the stage of completion of a contract when outcome can be measured reliably. Stage of completion is measured by the services performed till Balance Sheet date as a percentage of total services contracted.

Interest income is recognized using the effective interest rate method.

#### Property Plant and Equipment:

Property, Plant and Equipment are stated at cost net of GST, if any and subsequently at cost less depreciation and impairment losses if any.

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 . 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). Depreciation for assets purchased/sold during the period is proportionately charged. Individual low cost assets (acquired for Rs. 5,000/- or less) are depreciated at 100 % in the year of acquisition/ purchase.

#### Inventories

Inventories are valued at lower of Cost or net realizable value.

Basis of determination of cost remain as follows:

Raw Materials, Packing materials - On Weighted average Cost basis.

Spares- at Cost

Work-in-process: At cost of inputs plus overheads up to the stage of completion.

Finished goods are valued at lower of cost or net realizable value.

#### Impairment:

As at the end of each Balance Sheet date, the carrying amount of assets is assessed as to whether there is any indication of impairment. If the estimated recoverable amount is found less than its carrying amount, the impairment loss is recognized and assets are written down to their recoverable amount.

#### Borrowing Costs

**Borrowing Costs:** Borrowing cost directly attributable to acquisition and construction of assets that necessarily takes substantial period of time are capitalised as part of the cost of such assets up to the date when such assets are ready for intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur.

Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

#### Foreign Exchange Transactions/Translation

Transactions in foreign currencies are accounted at functional currency, at the exchange rate prevailing on the date of transactions. Gains/losses arising out of the fluctuations in the exchange rate between functional currency and foreign currency are recognized in the Statement of Profit & Loss in the period in which they arise. The fluctuations between foreign currency and functional currency relating to monetary items at the year ending are accounted as gains / losses in the Statement of Profit & Loss.

#### Research and Development

All expenses incurred for Research & Development are charged to revenue as incurred. Capital Expenditure incurred during the year on Research & Development is shown as additions to Fixed Assets.

#### Provisions, Contingent Assets/ Contingent Liabilities

Provisions are recognized when the company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

Show cause notices issued by Government Authorities where the probability of outflow of economic resources is remote are not considered as obligations. When the demands are raised against show-cause notices and are disputed by the company, these are treated as disputed obligations along with other contingent liabilities. Such contingent liabilities are not recognized but are disclosed in the notes. Contingent Assets are neither recognized nor disclosed in the financial statements.

**Warranty Provisions:** Provisions for Warranty related costs are recognized when the product is sold or service is provided. Provision is based on historical experience. The estimate of such warranty related costs is revised annually

#### Leases

Where the company is a lessee Operating lease payments are recognized as expense on a straight line basis over the lease term.

**Income Tax:**

Income Tax Expenses represents the sum of Current Tax payable and Deferred Tax. Current Tax: The tax currently payable is based on the current year taxable profit for the year. The Current Tax is calculated using the tax rates that have been enacted or substantively enacted at the end of the reporting period.

Deferred Tax: Deferred Tax is provided using the Balance Sheet method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date. Deferred Tax assets are generally recognized for all deductible temporary differences to the extent that it is probable that the taxable profits will be available against which those deductible temporary differences can be utilized. Deferred Tax is calculated using the tax rates that have been enacted or substantively enacted at the end of the reporting period. The carrying amount of Deferred Tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the Deferred Tax asset to be utilized.

**Minimum Alternate Tax (MAT) Credit entitlement**

Minimum Alternative Tax ('MAT') under the provisions of the Income Tax Act, 1961 is recognised as current tax in the statement of profit and loss. The credit available under the Act in respect of MAT paid is recognised as an asset only when and to the extent there is convincing evidence that the company will pay normal income tax during the period for which the MAT credit can be carried forward for set-off against the normal tax liability. MAT credit recognised as an asset is reviewed at each Balance Sheet date and written down to the extent the aforesaid convincing evidence no longer exists.

**Earnings per Share**

The Company presents basic and diluted earnings per share data for its ordinary shares. Basic earnings per share is calculated by dividing the profit or loss attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the year, adjusted for shares held. Diluted earnings per share is determined by adjusting the profit or loss attribute to ordinary shareholders and the weighted average number of ordinary shares outstanding, adjusted for shares held, for the effects of all dilutive potential ordinary shares.

**Employee benefits:**

Defined Contribution Plans: Payments made to a defined contribution plan such as provident Fund are charged as an expense in the Profit and Loss Account as they fall due.

Defined Benefit Plans: Company's liability towards gratuity to past employees is determined using the projected unit credit method which considers each period of service as giving rise to an additional unit of benefit entitlement and measures each unit separately to build up the final obligation. Past services are recognized on a straight-line basis over the average period until the amended benefits become vested. Actuarial gain and losses are recognized immediately in the statement of profit and loss Account as income or expense.

Obligation is measured at the present value of estimated future cash flows using a discounted rate that is determined by reference to market yields at the Balance Sheet date on Government Securities where the currency and terms of the Government Securities are consistent with the currency and estimate terms of the defined benefit obligations.

**Financial Instruments:****Non-derivative financial instruments**

Non-derivative financial instruments consist of:

Financial assets, which include cash and cash equivalents, trade receivables, other advances and eligible current and non-current assets;

Financial liabilities, which include long and short-term loans and borrowings, , trade payables, eligible current and non-current liabilities.

Non derivative financial instruments are recognized initially at fair value including any directly attributable transaction costs. Financial assets are derecognised when substantial risks and rewards of ownership of the financial asset have been transferred. In cases where substantial risks and rewards of ownership of the financial assets are neither transferred nor retained, financial assets are derecognised only when the Company has not retained control over the financial asset.

Subsequent to initial recognition, non-derivative financial instruments are measured as described below:

**Cash and Cash equivalents**

For the purposes of the cash flow statement, cash and cash equivalents include cash in hand, at banks and demand deposits with banks, net of outstanding bank overdrafts, if any, that are repayable on demand and are considered part of the Company's cash management system.

**Loans and receivables**

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are presented as current assets, except for those maturing later than 12 months after the reporting date which are presented as non-current assets. Loans and receivables are initially recognized at fair value plus directly attributable transaction costs and subsequently measured at amortized cost, less any impairment losses. Loans and receivables comprise trade receivables and other assets.

The Company estimates the uncollectability of accounts receivable by analyzing historical payment patterns, customer concentrations, customer credit-worthiness and current economic trends. If the financial condition of a customer deteriorates, additional allowances may be required.

**Borrowings**

Borrowings are initially recognized when a Company becomes a party to the contractual provisions subsequently measured at amortised cost using the EIR method.

**Trade and payable**

Liabilities are recognized for amounts to be paid in future for goods or services received, whether billed by the supplier or not.

**Cash Flow Statement:**

Cash flows are reported using the indirect method, whereby profit before tax is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated.

**Segment Information:**

Identification of segments: An operating segment is a component of the Company that engages in business activities from which it may earn revenues and incur expenses, whose operating results are regularly reviewed by the company's Chief Operating Decision Maker ("CODM") to make decisions for which discrete financial information is available. The Company has identified Managing Director and Executive Director & Chief Finance Officer as CODM.

The Company's operating businesses are organized and managed separately according to the nature of products and services provided, with each segment representing a strategic business unit that offers different products and serves different markets.

**Allocation of common costs:** Common allocable costs are allocated to each segment according to the relative contribution of each segment to the total common costs. Inter-segment transfers Inter-segment revenue has been accounted for based on the transaction price agreed to between segments which is based on current market prices.

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.

**Unallocated items:** Revenue, expenses, assets and liabilities which relate to the Company as a whole and not allocable to segments on reasonable basis have been included under 'unallocated revenue / expenses / assets / liabilities'. Segment Policies

The Company prepares its segment information in conformity with the accounting policies adopted for preparing and presenting the financial statements of the Company as a whole.

Operating segment is reported in a manner consistent with the internal reporting provided to Chief Operating Decision Maker (CODM)

**Events after the reporting period :**

Adjusting events are events that provide further evidence of condition that existed at the end of the reporting period. The financial statements are adjusted for such events before authorization for issue.

**Prior Period Errors**

Errors of material amount relating to prior period(s) are disclosed by a note with nature of prior period errors, amount of correction of each such prior period presented retrospectively, to the extent practicable along with change in basic and diluted earnings per share. However, where retrospective restatement is not practicable for a particular period then the circumstances that lead to the existence of that condition and the description of how and from where the error is corrected are disclosed in Notes to Accounts.

**2 Transition to Ind AS :**

All companies having that are being listed with stock exchange are required to adopt Ind AS. Accordingly, the company has adopted Ind AS, in accordance with Notification dated February 16, 2015 issued by Ministry of Corporate Affairs, Government of India, with effect from April 01, 2017 with transition date on April 01, 2016.

**Transition from IGAAP to Ind AS:**

These financial statements, for the year ended March 31, 2018, are the first financial statements prepared by the Company in accordance with Ind AS. For years up to and including the year ended March 31, 2017, the company prepared its financial statements in accordance with Accounting Standards notified under Section 133 of the Companies Act, 2013 read together with paragraph 7 of Companies (Accounts) Rules, 2014 and Accounting Standards notified under the Companies (Accounting Standards) Rules, 2006 (as amended) (herein after referred as IGAAP).

The Company has prepared Ind AS compliant financial statements for the year ending March 31, 2018. Accordingly, the Company has prepared opening Ind AS Balance Sheet as at April 01, 2016, the Company's date of transition to Ind AS in accordance with requirement of Ind AS 101, "First-time Adoption of Indian Accounting Standards". The principal adjustments made by the company in restating its IGAAP financial statements, including the Balance Sheet as at April 01, 2016 and the balance sheet as at and the Statement of Profit & Loss for the year ended March 31, 2017, are explained in detail in the accompanying reconciliation statement and the basic approach adopted is summarized hereunder:

- i) All assets and liabilities have been classified into financial assets/liabilities and non-financial assets/liabilities.
- ii) In accordance with Ind AS 101, the resulting adjustments are considered as arising from events and transactions entered before the date of transition and

recognized directly in the retained earnings at the date of transition to Ind AS.

- iii) Ind AS 101 also allows first time adopter certain exemptions from the retrospective application of certain requirements under Ind AS. Accordingly, the Company has availed the following exemptions/mandatory exceptions as per Ind AS 101:
- a) **Deemed Cost for Property, Plant & Equipment and Intangible assets (PPE):** The Company has availed exemption under para D7AA of appendix D to Ind AS 101 which permits a first time adopter to continue with the carrying values as per IGAAP for its PPE as at the date of transition to Ind AS.
- b) **The classification of Trade receivables:** The Trade receivables have been classified on the basis of facts existing as at the date of transition to Ind AS and there is no impact on the profit.
- c) **Classification & Fair value measurement of financial assets or financial liabilities at initial recognition:** The financial assets and financial liabilities have been classified on the basis of facts existing as at the date of transition to Ind AS.
- d) **Deferred Tax:** The Company recalculated the deferred tax using balance sheet method as defined under Ind-AS. Accordingly, the deferred tax liability is Rs. 1.31 lakhs as at March 31, 2017 and deferred tax liability is Rs. 2,039.45 Lakhs as at April 01, 2016. Consequently, the retained earnings have been adjusted accordingly.
- e) **Excise Duty:** Under the IGAAP revenue from operations was presented exclusive of excise duty. Under the Ind AS revenue from operations is presented inclusive of Excise duty. The Excise duty shown separately in the Statement of Profit and Loss as part of expense. This change has resulted in an increase in total revenue and total expenses for the year ended 31st March 2017 by Rs. 11,564.22 lakhs. There is no impact on profit.
- f) **Proposed Dividend:** Under the IGAAP the dividends proposed by the Board of Directors, after the Balance Sheet date but before the approval of financial statements was considered as an adjusting event. Accordingly, provision for proposed dividend including dividend tax was recognised as liability under Provisions. Under Ind AS such dividend including dividend tax are recognised as and when the same is approved by the shareholders in the General Meeting. Accordingly, the liability for provision for dividend including dividend tax of Rs. 663.16 lakhs as at 31st March 2017 and Rs. 442.11 lakhs as at 1st April 2016 included under the provisions have been reversed with a corresponding adjustment to retained earnings. Consequently, the total equity is increased by an equivalent amount.
- g) **Prior Period Income/ Expenses:** Under the IGAAP, prior period items identified in a particular period were disclosed separately in the Statement of Profit and Loss. Under Ind AS, prior period items are recognised by restating the comparative figures to which period the error pertains. Where the error pertains to a period

prior to the earlier reporting period, adjustments are to be made to the opening balances of assets, liabilities and equity of the earliest reporting period. As a result, as at 31st March 2017, on account of prior period items, other equity stands decreased by Rs. 4.36 lakhs with a corresponding decrease in assets with the equivalent amount (decrease in other equity as at 1st April, 2016 by 0.61 lakhs with a corresponding increase in liabilities by Rs. 0.61 lakhs).

h) **Retained Earnings:**

Retained earnings as at April 1, 2016 and as at March 31, 2017 have been adjusted consequent to the above Ind AS transition adjustments, details are given in annexure below.



## Reconciliation between previous GAAP and Ind AS

### Reconciliation of Equity as at the date of transition to Ind AS ( April 1 2016)

(₹ in lakhs)

Particulars	Note to transition to Ind AS 2 above	As at 01.04.2016		
		Previous GAAP*	Adjustments	Ind AS
<b>ASSETS</b>				
<b>1. Non-Current Assets</b>				
(a) Property, Plant and Equipment	a	39,161.45	-	39,161.45
(b) Capital work-in-progress		1,055.74		1,055.74
(c) Investment Property				-
(d) Other intangible assets				-
(e) Intangible Assets Under Development				-
(f) Financial Assets				-
(i) Investments				-
(ii) Trade Receivables	b	-	35.93	35.93
(iii) Loans				-
(iv) Other Financial Assets		1,486.67	-	1,486.67
(g) Deferred Tax Assets (net)		-	-	-
(h) Other Non-Current Assets		84.88	-	84.88
				-
<b>2. Current Assets</b>				
(a) Inventories		7,214.38	-	7,214.38
(b) Financial Assets				-
(i) Investments				-
(ii) Trade Receivables	b	5,269.61	(35.93)	5,233.68
(iii) Cash & Cash Equivalents		1,899.25	-	1,899.25
(iv) Bank Balances other than (iii) above		213.51	-	213.51
(v) Loans		450.00	-	450.00
(iv) Other Financial Assets		1,797.36	-	1,797.36
				-
(c) Current Tax Assets			-	-
(d) Other Current Assets		3,635.33	-	3,635.33
<b>Total Assets</b>		<b>62,268.18</b>	<b>-</b>	<b>62,268.18</b>

(₹ in lakhs)

Particulars	Note to transition to Ind AS 2 above	As at 01.04.2016		
		Previous GAAP*	Adjustments	Ind AS
<b>EQUITY AND LIABILITIES</b>				
<b>EQUITY</b>				
(a) Equity Share Capital		3,673.28		3,673.28
(b) Other Equity	h	16,007.89	(1,597.95)	14,409.94
				-
<b>LIABILITIES</b>				
<b>1. Non-current liabilities</b>				
(a) Financial Liabilities				-
(i) Borrowings		7,602.09	-	7,602.09
(ii) Trade Payables				-
(iii) Other Financial Liabilities				-
(b) Provisions		454.79	-	454.79
(c) Deferred Tax Liabilities (Net)	d	4,244.55	2,039.45	6,284.00
(d) Other non-current liabilities				-
				-
<b>2. Current liabilities</b>				
(a) Financial Liabilities				-
(i) Borrowings		5,642.06	-	5,642.06
(ii) Trade payables		2,872.69	-	2,872.69
(iii) Other Financial Liabilities	c	17,257.31	0.61	17,257.92
(b) Provisions	f	596.23	(442.11)	154.13
(c) Current Tax Liabilities		901.53	-	901.53
(d) Other current liabilities		3,015.75	-	3,015.75
				-
<b>Total Equity and Liabilities</b>		<b>62,268.18</b>	<b>0.00</b>	<b>62,268.18</b>

## Reconciliation between previous GAAP and Ind AS

### Reconciliation of Equity as at the date of transition to Ind AS (March 31 2017)

(₹ in lakhs)

Particulars	Note to transition to Ind AS	As at 31.03.2017		
		Previous GAAP*	Adjustments	Ind AS
<b>ASSETS</b>				
<b>1. Non-Current Assets</b>				
(a) Property, Plant and Equipment		38,537.36	-	38,537.36
(b) Capital Work-in-progress		15,220.05		15,220.05
(c) Investment Property		-	-	-
(d) Other Intangible Assets		-	-	-
(e) Intangible Assets Under Development		-	-	-
(f) Financial Assets				-
(i) Investments				-
(ii) Trade Receivables	b	-	55.33	55.33
(iii) Loans				-
(iv) Other Financial Assets		1,641.45	-	1,641.45
(g) Deferred Tax Assets (net)		-	-	-
(h) Other Non-Current Assets		75.90	-	75.90
				-
<b>2. Current Assets</b>				
(a) Inventories		7,088.80	-	7,088.80
(b) Financial Assets				-
(i) Investments				-
(ii) Trade Receivables	b & g	4,768.82	(59.69)	4,709.13
(iii) Cash & Cash Equivalents		847.25	-	847.25
(iv) Bank Balances other than (iii) above		338.39	-	338.39
(v) Loans		335.00	-	335.00
(iv) Other Financial Assets		1,733.43	-	1,733.43
				-
(c) Current Tax Assets			-	-
(d) Other Current Assets		7,785.26	-	7,785.26
				-
<b>Total Assets</b>		<b>78,371.71</b>	<b>(4.36)</b>	<b>78,367.35</b>
<b>EQUITY AND LIABILITIES</b>				
<b>EQUITY</b>				
(a) Equity Share Capital		3,673.28		3,673.28
(b) Other Equity	h	20,375.61	(1,382.57)	18,993.04
				-
<b>LIABILITIES</b>				
<b>1. Non-Current Liabilities</b>				
(a) Financial Liabilities				-
(i) Borrowings		27,680.46	-	27,680.46
(ii) Trade Payables				-
(iii) Other Financial Liabilities				-

(₹ in lakhs)

Particulars	As at 31.03.2017			
	Note to transition to Ind AS	Previous GAAP*	Adjustments	Ind AS
(b) Provisions		524.05	-	524.05
(c) Deferred Tax Liabilities (Net)	d	4,321.32	2,040.76	6,362.08
(d) Other Non-Current Liabilities				-
<b>2. Current liabilities</b>				-
(a) Financial Liabilities				-
(i) Borrowings		2,744.34	-	2,744.34
(ii) Trade payables		4,477.38	-	4,477.38
(iii) Other Financial Liabilities	c	9,029.96	0.61	9,030.57
(b) Provisions	f	823.46	(663.16)	160.31
(c) Current Tax Liabilities		1,360.00	-	1,360.00
(d) Other Current Liabilities		3,361.84	-	3,361.84
<b>Total Equity and Liabilities</b>		<b>78,371.71</b>	<b>(4.36)</b>	<b>78,367.35</b>

## Reconciliation of total comprehensive income for the year ended 31 March 2017

### Statement of Profit and Loss for the year ended March 31, 2017

Particulars	Previous GAAP*	Adjustments	Ind AS
<b>Income</b>			
i) Revenue From Operations			
Gross Revenue from Operations	116,542.45	(4.36)	116,538.09
Less: Inter Segment Transfers & Taxes on Sales	39,990.62	(11,564.22)	28,426.40
Revenue From Operations (Net)	76,551.83	11,559.86	88,111.69
ii) Other Income	363.97	-	363.97
<b>Total Income</b>	<b>76,915.80</b>	<b>11,559.86</b>	<b>88,475.66</b>
<b>Expenses</b>			
i) Cost of materials consumed	12,241.02		12,241.02
ii) Purchases of stock-in-trade	130.47		130.47
iii) Changes in inventories of finished goods, work-in-progress and stock-in-trade	633.69		633.69
iv) Excise Duty	-	11,564.22	11,564.22
v) Employee benefits expenses	3,506.33	-	3,506.33
vi) Manufacturing Expenses	27,994.41	-	27,994.41
vii) Administration Expenses	1,889.46		1,889.46
viii) Selling and Distribution Expenses	18,729.71		18,729.71
ix) Finance Costs	3,111.33		3,111.33
x) Depreciation and amortisation expenses	2,513.60		2,513.60
<b>Total expenses</b>	<b>70,750.02</b>	<b>11,564.22</b>	<b>82,314.24</b>
<b>Profit/(loss) Before exceptional items and Tax</b>	<b>6,165.78</b>	<b>(4.36)</b>	<b>6,161.42</b>
Exceptional Items		-	-
<b>Profit Before Tax</b>	<b>6,165.78</b>	<b>(4.36)</b>	<b>6,161.42</b>
<b>Tax Expenses</b>			
-Current Tax	616.02	-	616.02
-Deferred Tax	76.77	1.31	78.08
<b>Profit/(loss) for the period from continuing operations</b>	<b>5,472.99</b>	<b>(5.67)</b>	<b>5,467.32</b>
Profit/(loss) from discontinued operations			
Tax expense of discontinued operations			
<b>Profit/(loss) from discontinued operations After Tax</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>I Profit/(loss) for the Period</b>	<b>5,472.99</b>	<b>(5.67)</b>	<b>5,467.32</b>

## II Other Comprehensive Income

### i) Items that will not be reclassified to profit or loss:

- Impairment of allowances in doubtful debt
- Re-measurements of the defined benefit plans
- Equity Instruments through other comprehensive income
- Income Tax relating to these items

### ii) Items that will be reclassified to profit or loss:

- Debt Instruments through Other Comprehensive Income
- The effective portion of gains and loss on hedging instruments in a cash flow hedge
- Income Tax relating to these items

Other Comprehensive Income	-	-	-
Total Comprehensive Income for the period	5,472.99	(5.67)	5,467.32

\* The previous GAAP figures have been reclassified /regrouped to conform to Ind AS presentation requirements for the purposes of this note.

## 3 Property, Plant and Equipment

(In Rupees lakhs)

Particulars	Gross carrying value as at April 1, 2017	Additions	Disposal/adjustments	Gross carrying value as at March 31, 2018	Accumulated depreciation as at April 1, 2017	Additions	Disposal/adjustments	Accumulated depreciation as at March 31, 2018	Carrying Value as at March 31, 2018
Land	1,610.56	2,753.24	-	4,363.80	-	-	-	-	4,363.80
Buildings	6,999.93	4,078.83	15.45	11,063.31	262.12	282.91	0.11	544.92	10,518.39
Plant and Machinery	27,062.44	24,941.91	-	52,004.35	1,343.27	1,458.75	-	2,802.02	49,202.33
Electrical Installations	2,322.41	-	-	2,322.41	652.92	590.69	-	1,243.62	1,078.79
Railway Siding	521.41	-	-	521.41	59.08	59.08	-	118.16	403.24
Furniture and Fixtures	68.14	15.51	-	83.65	15.68	14.93	-	30.61	53.04
Office Equipment & Appliances	93.10	28.01	-	121.11	26.25	39.16	-	65.41	55.70
Vehicles	2,372.98	2,388.69	2.79	4,758.88	154.28	1,029.25	-	1,183.53	3,575.35
<b>Total</b>	<b>41,050.96</b>	<b>34,206.19</b>	<b>18.24</b>	<b>75,238.91</b>	<b>2,513.60</b>	<b>3,474.78</b>	<b>0.11</b>	<b>5,988.27</b>	<b>69,250.64</b>

Particulars	Deemed cost as at April 1, 2016	Additions	Disposal/adjustments	Gross carrying value as at March 31, 2017	Accumulated depreciation as at April 1, 2017	Additions	Disposal/adjustments	Accumulated depreciation as at March 31, 2017	Carrying Value as at March 31, 2017	Deemed Cost as at April 1, 2017
Land	1,420.79	189.77	-	1,610.56	-	-	-	-	1,610.56	1,610.56
Buildings	6,957.69	42.24	-	6,999.93	-	262.12	-	262.12	6,737.81	6,737.81

Plant and Machinery	26,731.37	331.07	-	27,062.44	-	1,343.27	-	1,343.27	25,719.17	25,719.17
Electrical Installations	2,322.41	-	-	2,322.41	-	652.92	-	652.92	1,669.49	1,669.49
Railway Siding	521.41	-	-	521.41	-	59.08	-	59.08	462.32	462.32
Furniture and Fixtures	58.57	9.57	-	68.14	-	15.68	-	15.68	52.46	52.46
Office Equipment & Appliances	48.52	44.66	0.08	93.10	-	26.25	-	26.25	66.85	66.85
Vehicles	1,100.70	1,274.98	2.70	2,372.98	-	154.28	-	154.28	2,218.70	2,218.70
	-	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-	-
<b>Total</b>	<b>39,161.45</b>	<b>1,892.29</b>	<b>2.78</b>	<b>41,050.96</b>	<b>-</b>	<b>2,513.60</b>	<b>-</b>	<b>2,513.60</b>	<b>38,537.36</b>	<b>38,537.36</b>

**Note:**

a) The Third Cement Bonded particle Boards Plant of the Company at Simhapuri, Suryapet District, Telangana State was successfully commissioned and commenced its commercial operations with effect from 2nd December, 2017. The expenditure capitalised during the year is Rs. 4959.71 lakhs

b) The Fourth RMC Plant of the Company at Vellanki, Visakhapatnam District, Andhra Pradesh was successfully commissioned and commenced its commercial operations with effect from 14th December, 2017. The expenditure capitalised during the year is Rs. 258.15 lakhs

c) The capacity expansion of Clinker and Cement production of the Company at Simhapuri, Suryapet District, Telangana State was successfully commissioned and commenced its commercial operations with effect from 7th March, 2018. The expenditure capitalised during the year is Rs. 23472.77 lakhs.

**Capital Work in Progress**

Balance as at April 1, 2016	1,055.74
Additions/ Adjustments during the year	14,564.05
Capitalized during the year	399.74
<b>Balance as at March 31, 2017</b>	<b>15,220.05</b>
Additions/ Adjustments during the year	17163.68
Capitalized during the year	29086.81
<b>Balance as at March 31, 2018</b>	<b>3,296.92</b>

**4. Trade Receivables Non Current**

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
<b>Other Trade Receivables</b>			
Secured, considered good			
Unsecured, considered good	135.43	91.33	35.93
Doubtful			
Allowances for doubtful debts	72.00	36.00	
<b>Total</b>	<b>63.43</b>	<b>55.33</b>	<b>35.93</b>

The Company applies Expected Credit Loss and provision is made for recognition of impairment loss on its trade receivables.

**Movement in allowances for doubtful debt**

Particulars	As at March 31, 2018	As at March 31, 2017
Balance at the beginning of the year	36.00	36.00
Impairment losses recognised	36.00	-
<b>Balance at the end of the year</b>	<b>72.00</b>	<b>36.00</b>

**5. Other Financial Assets Non Current**

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Unsecured (considered good)			
Security Deposits			
Deposits with AP & TS SEB	847.94	1,264.43	1,163.37
Deposits with Government Departments	198.24	233.87	201.76
Deposits with Others	15.95	17.37	17.37
Rental Deposits	135.37	125.77	104.18
<b>Total</b>	<b>1,197.51</b>	<b>1,641.45</b>	<b>1,486.67</b>

**6. Other Non-Current Assets**

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Deposits in disputed cases			
Taxes paid under protest	84.09	75.90	84.88
<b>Total</b>	<b>84.09</b>	<b>75.90</b>	<b>84.88</b>

**7. Inventories**

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Raw Materials	1,275.77	858.84	942.50
Finished Goods	1,925.96	1,869.16	2,368.19
Work in Progress	506.49	271.19	405.85
Packing & Other Materials	1,466.75	1,380.75	1,110.19
Stores & Spares	2,732.80	2,708.86	2,387.65
<b>Total</b>	<b>7,907.77</b>	<b>7,088.80</b>	<b>7,214.38</b>

**8. Trade Receivables Current**

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
<b>(i) Trade Receivables from related parties</b>			
Secured, considered good			
Unsecured, considered good	321.45	20.62	-
Doubtful			
Allowances for doubtful debts			
Sub-Total	321.45	20.62	-
<b>(ii) Other Trade Receivables</b>			
Secured, considered good			
Unsecured, considered good	7,502.12	4,688.51	5,233.68
Doubtful			
Allowances for doubtful debts		-	
Sub-Total	7,502.12	4,688.51	5,233.68
<b>Total</b>	<b>7,823.57</b>	<b>4,709.13</b>	<b>5,233.68</b>

Out of the above, amount due by directors or other officers of the company or any of them either severally or jointly with any other person or amounts due by firms or private companies respectively in which any director is a partner or a director or a member is Rs. 321.45 lakhs (Rs. 20.62 lakhs, 31st March 2017 and Rs. NIL 1st April 2016).



**9. Cash & Cash Equivalents**

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Cash on hand	10.64	14.06	26.04
Cheques, Drafts on hand			
Balances with Banks			
(a) in Current Account	437.00	155.05	1,317.11
(b) in Cash Credit Account			
Fixed Deposits Redemption Reserve	768.39	678.14	556.10
<b>Total</b>	<b>1,216.03</b>	<b>847.25</b>	<b>1,899.25</b>

**10. Bank Balances other than above**

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Unclaimed Dividend	129.43	115.29	107.83
Margin money deposits with Banks	260.66	218.19	102.52
Others	2.19	4.91	3.16
<b>Total (A)</b>	<b>392.28</b>	<b>338.39</b>	<b>213.51</b>

**11. Loans**

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
<b>Inter Corporate Deposit</b>			
Unsecured, considered good	0	335.00	450.00
<b>Total</b>	<b>-</b>	<b>335.00</b>	<b>450.00</b>

**12. Other Financial Assets Current**

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Unsecured (considered good)			
Incentives Receivable from A.P./Telangana State Governments	593.32	1,733.43	1,797.36
Cash Ledger balance in GST			
Other Advances			
Unsecured Doubtful			
Less : Provision for Doubtful Loans			
<b>Total</b>	<b>593.32</b>	<b>1,733.43</b>	<b>1,797.36</b>

**13. Other Current Assets**

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Un Secured Considered Good			
Advances to Suppliers	2,191.90	847.49	929.19
Advances for Capital Goods	626.78	4,160.14	1,203.74
Advances to Others	123.48	145.77	378.87
GST, Central Excise, Service Tax, VAT & Other Receivables	552.28	1,052.64	777.62
MAT Credit Entitlement Account	796.37	1,469.67	225.69
Accrued Interest	57.23	71.17	105.21
Prepaid expenses	68.44	38.38	15.01
<b>Total</b>	<b>4,416.48</b>	<b>7,785.26</b>	<b>3,635.33</b>

**14 Equity Share Capital**

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
<b>Authorized</b>			
6,20,00,000 (31 March 2016: 6,20,00,000) Equity shares of Rs. 10/- each	6,200.00	6,200.00	6,200.00
<b>Issued,Subscribed &amp; Paid up</b>			
4,52,32,790 (Previous Year 3,67,32,790) Equity Shares of Rs.10/- each	4,523.28	3,673.28	3,673.28
<b>Total</b>	<b>4,523.28</b>	<b>3,673.28</b>	<b>3,673.28</b>

(a) The Company has one class of share capital, comprising ordinary shares of Rs. 10/- each. Subject to the Company's Articles of Association and applicable law, the Company's ordinary shares confer on the holder the right to receive notice of and vote at general meetings of the Company, the right to receive any surplus assets on a winding-up of the Company, and an entitlement to receive any dividend declared on ordinary shares.

The Company does not have any Subsidiary companies.

**(b) No. of Shares in the company held by shareholder holding more than 5 percent**

Name of the Shareholder	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Mr. K. Ravi	2,914,656	2,840,433	2,431,807
% of Holding	6.44	7.73	6.62

**(c) Reconciliation of shares outstanding at the beginning and at the end of the reporting period**

Equity shares	31 Mar 2018		31 Mar 2017	
	No. of shares	Rs. Lakhs	No. of shares	Rs. Lakhs
At the beginning of the year	36,732,790	3,673.28	36,732,790	3,673.28
Equity Shares issued during the year	8,500,000	850.00	-	-
At the end of the year	<b>45,232,790</b>	<b>4,523.28</b>	<b>36,732,790</b>	<b>3,673.28</b>

(d) The Company has raised amounts of Rs. 850 lakhs (PY Rs. Nil ) with a securities premium net of expenses of Rs. 18,901.25 lakhs by issue of equity shares through Qualified Institutional Placement (QIP). Out of the proceeds of the funds raised through equity shares through Qualified Institutional Placement (QIP), an amount of Rs. 16,500 lakhs of the debentures were repaid and balance was utilised for meeting the working capital requirements .

## 15. Other Equity

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
<b>Capital Reserve</b>	<b>240.91</b>	<b>240.91</b>	<b>240.91</b>
<b>Securities Premium Reserve</b>			
Balance as per the last Financial statement	2,321.59	2,321.59	2,106.14
Add: Premium on shares issued during the current year	18,901.25	-	215.45
<b>Closing balance</b>	<b>21,222.84</b>	<b>2,321.59</b>	<b>2,321.59</b>
<b>General Reserve</b>			
Balance as per the last Financial statement	7,500.00	11,000.00	11,565.80
Less: Transfer to/from Debenture Redemption Reserve	2,125.00	4,500.00	1,000.00
Add: Amount transferred from surplus	4,000.00	1,000.00	434.20
<b>Closing balance</b>	<b>13,625.00</b>	<b>7,500.00</b>	<b>11,000.00</b>
<b>Debenture Redemption Reserve</b>			
Balance as per the last Financial statement	5,500.00	1,000.00	-
Add: Amount transferred to/from General Reserve	(2,125.00)	4,500.00	1,000.00
<b>Closing balance</b>	<b>3,375.00</b>	<b>5,500.00</b>	<b>1,000.00</b>
<b>Retained Earnings</b>			
Balance as per the Last Financial Statement	3,430.54	(152.56)	(2,544.10)
Add: Profit / (Loss) for the Year	4,910.76	5,467.32	3,267.85
Less: Interim Dividend Paid	1,208.17	884.22	367.33
Less: Interim Dividend Tax Paid	-	-	74.78
Less: Final Dividend and Dividend Tax paid			-
Less: Transfer to General Reserve	4,000.00	1,000.00	434.20
Total Appropriations			
<b>Closing Balance</b>	<b>3,133.13</b>	<b>3,430.54</b>	<b>(152.56)</b>
<b>Total</b>	<b>41,596.88</b>	<b>18,993.04</b>	<b>14,409.94</b>

**Nature of Reserves:**

Capital Reserve: Represent the Capital Subsidies received from government.

Securities Premium Reserve: Amounts received in excess of the face value of the equity shares issued.

General Reserve: This represents the appropriation of Profit

Debenture Redemption Reserve: This is a reserve created as per the Companies Act, 2013 for the debentures issued.

**Retained Earnings: Represents the undistributed earnings post taxes.**

**Dividends:**

Particulars	As at March 31, 2018	As at March 31, 2017
<b>Dividends Recognised</b>		
Final Dividend for the year ended March 31, 2017 of Rs. 1.50 (Rs 1.00 for year 2016) per fully paid up share.	550.99	367.33
Interim Dividend for the year ended March 31, 2018 of Rs. 1.00 (Rs 1.00 for year 2017) per fully paid up share.	452.33	367.33
<b>Dividends not recognised at the end of reporting period</b>		
In addition to above, dividend proposed of Rs 1.50 ( Rs.1.50 for year ended March 31, 2017) per fully paid equity share. This proposed dividend is subject to the approval of shareholders in the ensuing annual general meeting	678.49	550.99

**Non Current Liabilities****16. Borrowings**

	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
<b>Secured</b>			
Term Loans			
- From Other parties			
Secured Redeemable Non Convertible Debentures (Refer Note 'a')	13,500.00	22,000.00	4,000.00
Vehicle & Equipment Finance Loans from Banks & Financial Companies (Refer Note 'b')	2,067.54	1,119.54	410.05
<b>Total Secured Loans</b>	<b>15,567.54</b>	<b>23,119.54</b>	<b>4,410.05</b>
<b>Un Secured</b>			
Deferred Payment Liabilities (Sales Tax Deferment Loan) (Note 'c')		-	124.78
Deposits from Dealers / Stockists (Note 'd')	3,675.76	3,326.58	2,228.17
Deposits from Public & Shareholders (Note 'e')	1,220.76	1,234.34	839.09
<b>Total Un Secured Loans</b>	<b>4,896.52</b>	<b>4,560.92</b>	<b>3,192.04</b>
<b>Total</b>	<b>20,464.06</b>	<b>27,680.46</b>	<b>7,602.09</b>

- a. Secured Redeemable Non Convertible debentures carrying an interest @ 15% per annum payable monthly are secured by the first charge on all the fixed assets and second charge on all the current assets and pledge of the shares held by promoters of the Company.  
The Company has raised amounts of Rs. 8000 lakhs (18000 lakhs) through issue of Secured Redeemable Non Convertible Debentures and repaid Rs. 16,500 lakhs (PY Nil). The objective of raising funds through debentures was to meet the capital expenditure requirements of the capacity expansion projects of Cement and Boards divisions .
- b. Vehicle and Equipment Loans from various Banks are secured by Hypothecation of respective assets financed for a tenure of 35 to 47 months and carries Interest @ 7.85% to 12.25% p.a.
- c. Sales Tax Deferment Loan received from Government of Andhra Pradesh/Telangana State. The loan shall be repaid based on the deferment availed.
- d. 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.
- e. Public Deposits aggregating to Rs. 4,289.67 lakhs (Previous year Rs 3,651.76 lakhs, as at 1st April 2016 Rs. 3,773.64 lakhs) is repayable within one year and Rs 1,220.76 lakhs (Previous Year Rs 1,234.34 lakhs, as at 1st April 2016 Rs 839.09 lakhs) is repayable within next two years.

**17. Provisions Non Current**

	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
<b>Provision for Employee Benefits</b>			
Provision for Gratuity	446.92	412.52	344.34
Provision for Leave benefits	115.37	111.53	110.45
<b>Total Provisions</b>	<b>562.29</b>	<b>524.05</b>	<b>454.79</b>

**18. Deferred Tax Assets and Liabilities**

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
<b>Deferred Tax Liability</b>			
Property, plant and equipment	7,379.98	6,676.77	6,600.00
Intangible assets			
<b>Sub Total</b>	<b>7,379.98</b>	<b>6,676.77</b>	<b>6,600.00</b>

<b>Deferred Tax Assets</b>			
Unabsorbed Depreciation as per Income Tax			
Short Term Capital Loss as per Income Tax			
Employee benefits	(253.52)	(196.00)	(196.00)
Provisions	(12.46)	(118.69)	(120.00)
<b>Sub Total</b>	<b>(265.98)</b>	<b>(314.69)</b>	<b>(316.00)</b>
<b>Net Deferred Tax Assets</b>	<b>7,114.01</b>	<b>6,362.08</b>	<b>6,284.00</b>

**Movement in Deferred Tax balances during the year**

Particulars	Balance As at March 31, 2017	Recognised in Profit and Loss	Recognised in OCI	Recognised Directly in equity	Reclassified from Equity to Profit and Loss Statement	Balance As at March 31, 2018
Property, plant and equipment	6,676.77	1017.90				7,694.67
Intangible assets						-
Employee benefits	(196.00)	(253.52)				(449.52)
Provisions	(118.69)	(12.46)				(131.15)
Unabsorbed Depreciation as per Income Tax						-
Short Term Capital Loss as per Income Tax						-
<b>Total</b>	<b>6,362.08</b>	<b>751.93</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>7,114.01</b>

**Movement in Deferred Tax balances during the year**

Particulars	Balance As at April 01, 2016	Recognised in profit & loss	Recognised in OCI	Recognised Directly in equity	Reclassified from Equity to Profit and Loss Statement	Balance As at March 31, 2017
Property, plant and equipment	6600	76.77				6,676.77
Intangible assets						-
Employee benefits	-196	0				(196.00)
Provisions	-120	1.31				(118.69)
Unabsorbed Depreciation as per Income Tax						-
Short Term Capital Loss as per Income Tax						-
<b>Total</b>	<b>6,284.00</b>	<b>78.08</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>6,362.08</b>

**19. Borrowings Current**

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
<b>Loans payable on Demand</b>			
- From Banks			
- Secured			
- Cash Credit Loans from Banks	1,437.55	2,744.34	5,642.06
<b>Total</b>	<b>1,437.55</b>	<b>2,744.34</b>	<b>5,642.06</b>

Cash credit Loans from Banks viz. Axis Bank Ltd, and Yes Bank are secured by pari passu first charge on Current Assets of the Company (both present & future) and second charge on Fixed Assets of the Company and are guaranteed by promoter directors in their personal capacity.

**20. Trade Payable Current**

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
<b>CURRENT</b>			
Other than MSMEs			
-Trade Payables	4,073.52	3,244.96	2,790.96
-Sundry Creditors - Capital goods	729.25	1,232.42	81.73
<b>Total</b>	<b>4,802.77</b>	<b>4,477.38</b>	<b>2,872.69</b>

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 2018 is Rs. Nil (2016-17 : Rs. Nil, as at 1st April 2016 Rs. Nil)

**21. Other Financial Liabilities Current**

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Vehicle & Equipment Finance Loans from Banks & Financial Companies	1,577.38	645.37	271.93
Deposits from Public & Shareholders	4,289.67	3,651.76	3,773.64
Interest accrued and not due	663.17	604.58	542.51
Unclaimed Dividend	129.43	115.29	107.83
Other Expenses including Provisions	2,967.82	3,866.96	2,804.58
Sales Tax Deferment Loan	-	124.78	134.46
Employee related payables PF, ESI & Others	29.21	21.83	19.06
Current Maturities of Long term Debt	-	-	9,603.91
<b>Total</b>	<b>9,656.68</b>	<b>9,030.57</b>	<b>17,257.92</b>

**22. Provisions Current**

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
<b>Provision for Employee Benefits</b>			
Provision for Gratuity	35.89	35.89	39.60
Provision for Leave benefits	10.04	9.86	13.03
Provision for Employee Bonus & Ex-Gratia	124.32	114.56	101.50
<b>Total Provisions</b>	<b>170.25</b>	<b>160.31</b>	<b>154.13</b>

**23. Current Tax Liabilities (Net)**

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Opening Balance	1,360.00	901.53	901.53
Current Tax Payable for the Year	1,774.22	1,860.00	-
Less: Taxes Paid	1,547.06	1,401.53	-
<b>Total</b>	<b>1,587.16</b>	<b>1,360.00</b>	<b>901.53</b>

**24. Other Current Liabilities**

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Advance Received from Customers	2,301.86	2,142.69	1,814.83
<b>Statutory dues Payable</b>			
GST, Value Added Tax & CST Payable	1,935.20	1,101.36	1,105.72
Service Tax, Swachh Bharat Cess and Krishi Kalyan Cess Payable	-	28.56	21.09
TDS Payable	90.05	89.24	74.11
<b>Total</b>	<b>4,327.11</b>	<b>3,361.84</b>	<b>3,015.75</b>

**25. Revenue From Operations**

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
Sale/ Transfer of Products		
Finished Goods	116,963.17	100,784.44
Semi Finished Goods (Clinker Transfer to Kondapalli Grinding Unit)	16,327.96	15,609.55
Traded Goods	-	144.10
Total Gross Sales	133,291.13	116,538.09
Less: Inter segment Transfers	18,754.60	18,135.60
Less: Taxes on Sales	23,580.80	10,290.80
<b>Revenue from Operations</b>	<b>90,955.73</b>	<b>88,111.69</b>

**Note on Revenue from operations:** With the introduction of GST from 01.07.2017 revenue from operations is accounted Net of GST. However, up to 30th June 2017 revenue from operations includes Excise duty in line with Ind AS compliance

**26. Other Income**

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
<b>Interest Income</b>	-	-
- From Fixed Deposits	106.15	34.99
- Income from Operation of Trucks	123.72	116.85
- Others*	67.90	148.46
Scrap Sales	196.91	52.69
<b>Other Non Operating Revenue (Net of expenses directly attributable to such income)</b>		
-Profit on Sale of Assets	210.66	(0.10)
-Foreign Exchange Gain	0.23	0.31
-Misc. Receipt	2.05	10.76
<b>Total</b>	<b>707.62</b>	<b>363.97</b>

\* Includes interest on power consumption deposits of Rs. 66.61 lakhs ( Previous Year Rs. 78.27 lakhs)

**27. Cost of Materials Consumed**

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
<b>Details of Rawmaterials Consumed</b>		
Limestone	4,020.48	3,393.40
Al. Laterite	1,494.88	1,117.69
Gypsum	1,450.40	1,144.94
Iron ore / Iron ore powder	732.52	641.56
Fly Ash	1,226.02	813.10
Clinker Consumption at Kondapalli Plant	15,200.23	16,277.31
Cement Consumption in other Divisions	3,156.93	3,167.55
Wood	1,593.64	1,587.00
Chemicals	414.95	394.52
Paper	241.36	212.65
Ready Mix Concrete Materials	1,548.61	1,609.90
Other Materials	8.25	17.00
<b>Total</b>	<b>31,088.28</b>	<b>30,376.62</b>
<b>Less: Inter Segment Transfers</b>	<b>18,754.60</b>	<b>18,135.60</b>
<b>Net Consumption of Materials</b>	<b>12,333.68</b>	<b>12,241.02</b>

**28. Purchase of Stock-in-Trade**

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
Purchases	-	130.47
<b>TOTAL</b>	<b>-</b>	<b>130.47</b>

**29. Changes in Inventory**

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
<b>A. Finished Goods</b>		
Opening Balance	1,869.16	2,368.19
Closing Balance	1,925.96	1,869.16
Changes in Inventory of Finished Goods	(56.80)	499.03
<b>B. Work in Progress</b>		
Opening Balance	271.19	405.85
Closing Balance	506.49	271.19
Changes in Inventory of Work in Progress	(235.30)	134.66
Net (Increase) /Decrease	(292.10)	633.69



**30. Employees' Benefit Expenses**

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
Salaries and Wages		
Salaries, Wages and Bonus	3127.96	2626.68
Leave Encashment	15.51	52.78
Gratuity	60.30	107.05
Managerial Remuneration	432.59	404.87
Contribution to Provident Fund & Other Funds	170.25	135.39
Staff Welfare Expenses	148.79	179.56
<b>TOTAL</b>	<b>3,955.40</b>	<b>3,506.33</b>

**31. Other Expenses**

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
<b>Manufacturing Expenses :</b>		
Cost of Fuel	17,630.31	12,291.75
Cost of Power	10,341.35	8,349.82
Packing Materials	3,005.84	3,362.61
Stores & Spares consumed	2,768.14	2,592.41
Repairs & Maintenance Plant & Machinery	1,159.07	925.70
Repairs & Maintenance Others	72.44	100.70
Direct Manufacturing Expenses	560.92	371.42
Sub total (a)	35,538.07	27,994.41
<b>Administrative Expenses :</b>		
Rent	254.16	232.56
Security Expenses	164.36	128.57
Directors' Sitting fees	9.68	10.44
Licenses, Fees & Taxes	134.74	78.25
Insurance	28.19	26.42
Computer Maintenance	98.82	72.09
Office Maintenance	108.58	107.40
Printing & Stationery	38.46	41.46
Postage & Courier	14.04	15.75
Telephone	44.31	50.72
Traveling	271.00	277.50
Vehicle Maintenance	64.52	59.57
Legal & Professional Charges	108.36	208.31
Auditors' Remuneration (i)	8.68	8.87
Bank Charges	110.50	74.88
Staff recruitment and training	63.59	14.86
CSR Expenditure	145.55	152.93
Donations	1.55	104.49
Repairs & Maintenance - Vehicles	12.35	19.42
R & D Expenses	0.23	6.03
Allowance for Bad and Doubtful Debts	36.00	36.00
Miscellaneous Expenses	121.24	162.94
Sub Total (b)	1,838.91	1,889.46

<b>Selling &amp; Distribution Expenses</b>		
Transportation Paid	14,310.56	12,638.27
Advertisement & Publicity	693.00	458.56
Selling Expenses	6,357.00	5,632.88
Sub Total (c)	21,360.56	18,729.71
<b>TOTAL (a+b+c)</b>	<b>58,737.54</b>	<b>48,613.58</b>

(i) Amount paid to auditors'

<b>Particulars</b>	<b>For the year ended March 31, 2018</b>	<b>For the year ended March 31, 2017</b>
As Auditor	7.68	7.87
For Taxation Matters/Tax Audit	0.50	0.50
For Reimbursement of Expenses	0.50	0.50
<b>TOTAL</b>	<b>8.68</b>	<b>8.87</b>

### 32. Finance Cost

<b>Particulars</b>	<b>For the year ended March 31, 2018</b>	<b>For the year ended March 31, 2017</b>
Interest Expenses & Other Borrowing Costs	3,101.53	3,111.33
<b>TOTAL</b>	<b>3,101.53</b>	<b>3,111.33</b>

### 33. Depreciation And Amortization Expenses

<b>Particulars</b>	<b>For the year ended March 31, 2018</b>	<b>For the year ended March 31, 2017</b>
<b>Depreciation / Amortisation for the year</b>		
Depreciation on Plant, Property & Equipment	3,474.78	2,513.60
<b>TOTAL</b>	<b>3,474.78</b>	<b>2,513.60</b>

### 34. Contingent Liabilities:

i) Based on the Legal opinion/advice obtained, no financial implication to the Company with respect to the following cases is perceived as on the Date of the Balance Sheet

<b>Claims against the Company not acknowledged as Debts</b>	<b>As at 31st March, 2018</b>		<b>As at 31st March, 2017</b>	
	<b>Disputed Amount</b>	<b>Paid Under Protest</b>	<b>Disputed Amount</b>	<b>Paid Under Protest</b>
Indirect Taxes Related	2,175.47	84.09	1,493.64	75.90
Others	666.39	221.80	559.89	186.33

ii) The Company has given Counter Guarantees to Banks / Financial Institutions for Rs.618.67 lakhs as at 31st March 2018 (Rs. 531.51 lakhs as at 31st March 2017) (Rs. 262.85 lakhs as at 1st April 2016) against the Bank Guarantees obtained.

### 35. Capital Commitments

Capital expenditure contracted for at the end of the reporting period but not recognised/provided in the books as liabilities is as follows:

<b>Description</b>	<b>As at 31st March, 2018</b>	<b>As at 31st March, 2017</b>	<b>As at 1st April 2016</b>
Estimated amount Plant, Property and Equipment of Projects	2462.13	7,612.00	6,903.69

### 36. Employee Benefits

- a) **Provident Fund:** Company pays fixed contribution to provident fund at predetermined rates to the government authorities. The contribution of Rs. 144.23 lakhs (Previous year Rs. 124.28 lakhs ) including administrative charges is recognized as expense and is charged in the Statement of Profit and Loss.
- b) **Gratuity:** Gratuity is provided as per the payment of Gratuity Act 1972, covering all the eligible employees. Gratuity is a non fund based Defined Benefit Plan payable to the qualifying employees on separation. Company considers the liabilities with regard to gratuity, are independently measured on actuarial valuation carried out as on Balance Sheet date. The liability has been assessed using Projected Unit Credit Method.

Reconciliation of opening and closing balances of the present value of the defined benefit obligation as at the year ended March 31, 2018 are as follows:

#### a) Expense recognized during the year

Description	For the year ended March 31, 2018		For the year ended March 31, 2017	
	Gratuity	Leave encashment	Gratuity	Leave encashment
Current Service Cost	44.41	54.02	36.40	59.07
Interest Cost	29.13	7.74	27.05	7.17
Net Actuarial (Gain) / Loss	(30.01)	(46.25)	43.60	(13.46)
Past Service Cost	16.77	-	-	-
Short Term Compensated Absence Liability	-	-	-	-
<b>Total Cost</b>	<b>60.30</b>	<b>15.51</b>	<b>107.05</b>	<b>52.78</b>

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

Description	As at 31st March, 2018		As at 31st March, 2017	
	Gratuity	Leave encashment	Gratuity	Leave encashment
Present Value of Obligations at beginning of the year	448.41	121.39	383.93	123.48
Changes in Present Value of Obligations		-		-
Current Service Cost	44.41	54.02	36.40	59.07
Interest Cost	29.13	7.74	27.05	7.17
Actuarial Loss / (Gain)	(30.01)	(46.25)	43.60	(13.46)
Past Service Cost	16.77	-	-	-
Settlements	(25.90)	(11.49)	(42.57)	(54.87)
Short Term Compensated Absence Liability	-	-	-	-
<b>Present Value of Obligations at the end of the year</b>	<b>482.81</b>	<b>125.41</b>	<b>448.41</b>	<b>121.39</b>
Present Value of Obligations - Current	28.17	10.04	35.89	9.86
Present Value of Obligations - Non - Current	454.64	115.37	412.52	111.53

#### Actuarial assumptions

- a) Mortality IALM 2006-08 (ultimate)
- b) Discounting rate – 7.65% Previous year 6.69 %
- d) Expected average remaining working lives of employees–12.90 Years (PY12.47 Years)
- e) Rate of escalation in salary – 6 %

#### Sensitivity Analysis:

Sensitivity to significant actuarial assumptions is computed by varying one actuarial assumption used for the valuation of the defined benefit obligation by one percentage, keeping all other actuarial assumptions constant.

**Gratuity**

Particulars	As at As at		As at As at	
	March 31, 2018	March 31, 2018	March 31, 2017	March 31, 2017
	1% Increase	1% decrease	1% Increase	1% decrease
Effect of 1% change in assumed discount rate	443.39	528.57	410.81	492.16
Effect of 1% change in assumed salary rate	526.53	443.62	490.17	411.80
Effect of 1% change in assumed attrition rate	487.72	477.25	449.79	446.83

**Leave Encashment**

Particulars	As at As at		As at As at	
	March 31, 2018	March 31, 2018	March 31, 2017	March 31, 2017
	1% Increase	1% decrease	1% Increase	1% decrease
Effect of 1% change in assumed discount rate	112.71	140.52	109.5	135.53
Effect of 1% change in assumed salary rate	140.45	112.57	135.35	109.45
Effect of 1% change in assumed attrition rate	127.21	123.36	121.84	120.89

**37. Income Tax Expenses:**

	For the year ended 31.03.2018	For the year ended 31.03.2017
Income Tax recognised in the statement of Profit and Loss		
Current Tax		
(i) In respect of Current Year	1,587.16	1,860.00
MAT Credit entitlement adjusted	-	(1,243.98)
(ii) In respect of Previous Year	187.07	-
Total Current Tax	1774.23	616.02
Deferred Tax		
(i) In respect of Current Year	751.93	78.08
Total Deferred Tax	751.93	78.08
Total Tax Expense	2,526.16	694.10

### 38. Financial Instruments- Fair Values and Risk Management

#### a. Financial Instruments by Categories

The following tables show the carrying amounts and fair values of financial assets and financial liabilities by categories. It does not include fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value

Amount in Rs as of March 31, 2018

Particulars	Cost	Financial assets/ liabilities at FVTPL	Financial assets/ liabilities at fair value through OCI	Total carrying value	Total fair value
<b>Assets:</b>					
Cash & Cash Equivalents	1,216			1,216	1,216
Trade Receivable	7,824			7,824	7,824
Other Financial Assets	593			593	593
<b>Liabilities:</b>					
Trade Payable	4,803			4,803	4,803
Borrowings	1,438			1,438	1,438
Other Financial Liabilities	9,657			9,657	9,657

Amount in Rs as of March 31, 2018

Particulars	Cost	Financial assets/ liabilities at FVTPL	Financial assets/ liabilities at fair value through OCI	Total carrying value	Total fair value
<b>Assets:</b>					
Cash & Cash Equivalents	847			847	847
Trade Receivable	4,709			4,709	4,709
Other Financial Assets	1,733			1,733	1,733
<b>Liabilities:</b>					
Trade Payable	4,477			4,477	4,477
Borrowings	2,744			2,744	2,744
Other Financial Liabilities	9,031			9,031	9,031

Amount in Rs as of March 31, 2018

Particulars	Cost	Financial assets/ liabilities at FVTPL	Financial assets/ liabilities at fair value through OCI	Total carrying value	Total fair value
<b>Assets:</b>					
Cash & Cash Equivalents	1,899			1,899	1,899
Trade Receivable	5,234			5,234	5,234
Other Financial Assets	1,797			1,797	1,797
<b>Liabilities:</b>					
Trade Payable	2,873			2,873	2,873
Borrowings	5,642			5,642	5,642
Other Financial Liabilities	17,258			17,258	17,258

Fair Value Hierarchy Management considers that, the carrying amount of those financial assets and financial liabilities that are not subsequently measured at fair value in the Financial Statements approximate their transaction value. No financial instruments are recognized and measured at fair value for which fair values are determined using the judgments and estimates. The fair value of Financial Instruments referred below has been classified into three categories depending on the inputs used in the valuation technique. The hierarchy gives the highest priority to quoted prices in active market for identical assets or liabilities. (Level-1 measurements) and lowest priority to unobservable (Level-3 measurements).

The Company does not hold any equity investment and no financial instruments hence the disclosures are nil.

**b) Financial Risk Management:**

The Company's actual exposure to a variety of financial risks viz., market risk, credit risk and liquidity risk. The Company's focus is to foresee the unpredictability of financial markets and seek to minimize potential adverse effects on its financial performance. The primary market risk to the Company is credit risk and liquidity risk.

**c) Management of Market Risk:**

Market risks comprises of Price risk and Interest rate risk. The Company does not designate any fixed rate financial assets as fair value through Profit and Loss nor at fair value through OCI. Therefore, the Company is not exposed to any interest rate risk. Similarly, the Company does not have any Financial Instrument which is exposed to change in price.

**d) Foreign Currency Risks:**

The Company is exposed to foreign exchange risk arising from various Currency exposures primarily with respect to the US Dollars (USD)/EURO, for the imports being made by the Company.

The Company exposure to foreign currency risk as at the end of the reporting period expressed in INR as on March 31, 2018 is as follows:

Particulars	Amount in Rs. Lakhs
<b>Financial Assets:</b>	
Cash & Cash Equivalents	-
Trade Receivable	-
Deposits	-
Other Financial Assets	-
<b>Financial Liabilities:</b>	
Trade Payable	-
Borrowings	-
Other Financial Liabilities	-

The Company exposure to foreign currency risk as at the end of the reporting period expressed in INR as on March 31, 2017 is as follows:

Particulars	Amount in Rs. Lakhs
<b>Financial Assets:</b>	
Cash & Cash Equivalents	-
Trade Receivable	-
Deposits	-
Other Financial Assets	-
<b>Financial Liabilities:</b>	
Trade Payable	-
Borrowings	-
Other Financial Liabilities	-

The Company exposure to foreign currency risk as at the end of the reporting period expressed in INR as on April 1, 2016 is as follows:

Particulars	Amount in Rs. Lakhs
<b>Financial Assets:</b>	
Cash & Cash Equivalents	-
Trade Receivable	-
Deposits	-
Other Financial Assets	-
<b>Financial Liabilities:</b>	
Trade Payable	12.11
Borrowings	-
Other Financial Liabilities	689.08

#### e) Credit Risk:

Credit risk is the risk of financial loss to the Company if a customer fails to meet its contractual obligations. The maximum exposure to the credit risk at the reporting date is primarily from trade receivables. The company considers that, all the financial assets that are not impaired and past due as on each reporting dates under review are considered credit worthy

Credit risk is the risk arising from credit exposure to customers, cash and cash equivalents held with banks and current and non-current financial assets.

With respect to credit exposure from customers, the Company has a procedure in place aiming to minimize collection losses. Credit Control team assesses the credit quality of the customers, their financial position, past experience in payments and other relevant factors. Cash or other collaterals are obtained from customers as and when required.

The carrying amount of trade receivables represents company's maximum exposure to the credit risk. No other financial asset carry a significant exposure with respect to the credit risk. Bank deposits and cash balances are placed with reputable banks .

The credit quality of financial assets is satisfactory, taking into account the allowance for credit losses. The management also considers the factors that may influence the credit risk of its customer base, including default risk associated with the industry and country in which customers operate. Credit quality of a customer is assessed based on the past track record.

An impairment analysis is performed at each reporting date on an individual basis for receivables. The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets. The Company also holds deposits as security from certain customers to mitigate credit risk.

Credit risk on trade receivables and other financial assets is evaluated as follows:

For the year ended March 31, 2018

Particulars	Gross Carrying Amount	Less than one year	More than one year	More than two year	More than three year
Gross Carrying Amount	7,959.00	7,823.57	44.10	55.40	35.93
Expected Credit loss	72.00			36.07	35.93
Carrying amount (net of impairment)	7,887.00	7,823.57	44.10	19.33	(0.00)

For the year ended March 31, 2017

Particulars	Gross Carrying Amount	Less than one year	More than one year	More than two year	More than three year
Gross Carrying Amount	4,800.46	4,709.13	55.40	35.93	
Expected Credit loss	36.00		0.07	35.93	
Carrying amount (net of impairment)	4,764.46	4,709.13	55.33	(0.00)	-

As on April 1, 2016

Particulars	Gross Carrying Amount	Less than one year	More than one year	More than two year	More than three year
Gross Carrying Amount	5,269.61	5,233.68	35.93	-	-
Expected Credit loss	-				
Carrying amount (net of impairment)	5,269.61	5,233.68	35.93	-	-

**f) Liquidity Risk:**

The company's liquidity needs are monitored on the basis of monthly projections. The principal sources of liquidity are cash and cash equivalents, cash generated from operations and availability of cash credit and overdraft facilities to meet the obligations as and when due.

Short term liquidity requirements consist mainly of sundry creditors, expenses payable and employee dues during the normal course of business. The company maintains sufficient balance in cash and cash equivalents and working capital facilities to meet the short term liquidity requirements.

The company assesses long term liquidity requirements on a periodical basis and manages them through internal accruals and committed credit lines.

The following table shows the maturity analysis of the Companies Financial Liabilities based on contractually agreed, undiscounted cash flows as at the balance sheet date

Particulars	Gross Carrying Amount	Less than one year	More than one year	More than two year	More than three year
<b>As on March 31 2018</b>					
Trade Payables	4,803	4,803			
Other Financial liabilities	9,657	9,657			
<b>As on March 31 2017</b>					
Trade Payables	4,477	4,477			
Other Financial liabilities	9,031	9,031			
<b>As on April 1 2016</b>					
Trade Payables	2,873	2,873			
Other Financial liabilities	17,258	17,258			

**39. Capital Management**

The Company's objectives when managing capital are to safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders, and maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

Consistent with others in the industry, the group monitors capital on the basis of the following gearing ratio:

Net debt (total borrowings net of cash and cash equivalents) divided by Total 'Equity' (as shown in the Balance Sheet, including non-controlling interests).

The gearing ratio at the end of the reporting period was as follows:

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
<b>Borrowings</b>			
Current	1,437.55	2,744.34	5,642.06
Current maturities of Non-Current borrowings	5,867.05	4,297.13	13,649.48
Non Current	20,464.06	27,680.46	7,602.09
Less: Cash & Bank Balances	1,216.03	847.25	1,899.25
Net Debt	26,552.63	33,874.68	24,994.38
<b>Equity</b>			
Equity Share Capital	4,523.28	3,673.28	3,673.28
Other Equity	41,596.88	18,993.04	14,409.94
Total Capital	46,120.16	22,666.32	18,083.22
Gearing ratio in % (Debt/Capital)	57.57	149.45	138.22

In order to achieve the overall objective, the Company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements.

There are no changes in the objectives, policies or processes for managing capital during the years ended 31 March 2018 and 31 March 2017.



**40 Segmental Reporting :**

Based on the "management approach" as defined in Ind AS 108, the Chief Operating Decision Maker (CODM) evaluates the company's performance and allocates resources based on an analysis of various performance indicators by business segments. Accordingly, information has been presented for each business segment. The accounting principles used in the preparation of the financial statements are consistently applied to record revenue and expenditure in individual business segments, and are as set out in the significant accounting policies. Business segments of the company are:

1. Cement
2. Boards
3. RMC
4. Energy
5. Prefab

Types of products and services in each business segments (1) OPC/PPC/53 S Cement (2) Plain and laminated Cement Bonded Particle Boards . (3) Ready Mix Concrete. (4) Generation of Hydel power. (5) Prefab Shelters

**Segment Revenue and Expense****Details regarding revenue and expenses attributable to each segment must be disclosed**

Segment assets include all operating assets in respective segments comprising of net fixed assets and current assets, loans and advances etc. Assets relating to corporate and construction are included in unallocated segments. Segment liabilities include liabilities and provisions directly attributable to respective segment.

**Segment revenues and results:****For the year ended March 31, 2018****Amount in Rs lakhs**

Particulars	Cement	Boards	Prefab	Energy	RMC	Unallocable	Total
<b>Segment Revenue from External Customers</b>							
Within India	75,460.24	10,779.80	-	417.26	4,298.44	-	90,955.73
Outside India		-					-
<b>Inter-Segment Revenue</b>	18,382.35	174.09	-	-	198.16	-	18,754.60
<b>Total Segment Revenue</b>	<b>93,842.59</b>	<b>10,953.89</b>	<b>-</b>	<b>417.26</b>	<b>4,496.60</b>	<b>-</b>	<b>109,710.33</b>
<b>Segment Results</b>							
Within India	8,651.09	1,821.72	-	98.14	(32.50)	-	10,538.45
Outside India	-	-	-	-	-	-	-
<b>Total segmental results</b>	<b>8,651.09</b>	<b>1,821.72</b>	<b>-</b>	<b>98.14</b>	<b>(32.50)</b>	<b>-</b>	<b>10,538.45</b>
<b>Unallocated Corporate expenses:</b>							
Interest expenses (net)						3,101.54	3,101.54
Other unallocated expenses net of other income						0	0
Profit before tax from ordinary activities	8,651.09	1,821.72	-	98.14	(32.50)	(3,101.54)	7,436.91

**For the year ended March 31, 2017****Amount in Rs lakhs**

Particulars	Cement	Boards	Prefab	Energy	RMC	Unallocable	Total
<b>Segment Revenue from External Customers</b>							
Within India	79,292.39	10,498.81	-	204.78	5,100.47	-	95,096.45
Outside India							-
<b>Inter-Segment Revenue</b>	17,975.87	103.86	-	-	55.88	-	18,135.60
<b>Total Segment Revenue</b>	<b>97,268.26</b>	<b>10,602.67</b>	<b>-</b>	<b>204.78</b>	<b>5,156.35</b>	<b>-</b>	<b>113,232.05</b>
<b>Segment Results</b>							
Within India	6,895.85	2,358.64	0.79	(122.00)	139.47	-	9,272.75
Outside India	-	-	-	-	-	-	-
<b>Total segmental results</b>	<b>6,895.85</b>	<b>2,358.64</b>	<b>0.79</b>	<b>(122.00)</b>	<b>139.47</b>	<b>-</b>	<b>9,272.75</b>

<b>Unallocated Corporate expenses:</b>		
Interest expenses (net)	3,111.33	3,111.33
Other unallocated expenses net of other income		-
Profit Before Tax from ordinary activities	3,111.33	6,161.42

**Segment assets and liabilities** Amount in Rs lakhs

**For the year ended March 31, 2018**

Particulars	Cement	Boards	Prefab	Energy	RMC	Unallocable	Total
<b>Segment Assets :</b>							
Assets	66,901.39	10,983	84.81	3,076.53	2,214.87	12,981.29	96,242.04
<b>Total Assets</b>							
<b>Segment Liabilities :</b>							
Liabilities	27,126.89	1,615.88	24.69	33.54	723.98	12,874.05	42,399.03
<b>Total Liabilities</b>							

**For the year ended March 31, 2017** Amount in Rs lakhs

Particulars	Cement	Boards	Prefab	Energy	RMC	Unallocable	Total
<b>Segment Assets :</b>							
Assets	58,318.08	8,806.68	80.81	3,210.45	1,714.81	6,236.52	78,367.35
<b>Total Assets</b>							
<b>Segment Liabilities :</b>							
Liabilities	33,868.90	1,320.47	24.69	25.77	607.09	13,584.78	49,431.72
<b>Total Liabilities</b>							

**For the year ended March 31, 2016** Amount in Rs lakhs

Particulars	Cement	Boards	Prefab	Energy	RMC	Unallocable	Total
<b>Segment Assets :</b>							
Assets	45,592.46	5,685.07	79.51	3,620.21	1,523.08	5,767.85	62,268.18
<b>Total Assets</b>							
<b>Segment Liabilities :</b>							
Liabilities	20,875.45	907.34	24.99	868.94	789.21	14,369.12	37,835.04
<b>Total Liabilities</b>							

**41 Earnings Per Share**

	31st March 2018	31st March 2017
Net Profit / (Loss) for the Period	4,910.76	5,467.32
<b>Shares</b>		
Number of shares at the beginning and at the end of the year	36,732,790	36,732,790
Number of shares at the beginning and at the end of the year	45,232,790	36,732,790
<b>Earnings per share of par value Rs. 10/ - Basic and Diluted in Rupees.</b>		
Basic	12.51	14.90
Diluted	12.51	14.90

**42. Expenditure in Foreign Currency:**

Particulars	2017-2018	2016-2017
Foreign Travel	6.35	9.61
Raw Materials	105.69	-
Components, Stores & Spares	39.39	109.54
Capital Goods	42.10	1,135.85
Advance for Capital Goods	294.57	-

Fees paid for certification	4.26	1.15
Others	5.50	105.77
<b>Total</b>	<b>497.87</b>	<b>1,361.92</b>

**Note 43: Corporate Social Responsibility (CSR)**

As per Section 135 of the Companies Act, 2013 and rules made there under on CSR Activities, the Company has incurred an amount of Rs.145.55 (2017 year Rs.152.93) towards Corporate Social Responsibility activities during the Financial Year 2017-18 and debited to Statement of Profit and Loss.

The amount of expenditure to be spent on CSR activities and financial details as per the Companies Act, 2013 for the F.Y 2017-18 are as under:

Particulars	2017-2018	2016-2017
Aggregate net profits of last three financial years as per Section 198 of the Companies Act, 2013	14830.61	3704.85
Average of net profits	4943.54	1234.95
Earmarked percentage U/s 135 of the Companies Act, 2013 towards CSR Activities	2%	2%
Amount to be spent towards CSR Activities	98.87	24.7
Amount actually incurred on CSR Activities	145.55	152.93

As per Paragraph 17(b) of the Guidance Note on CSR issued by ICAI, the details of expenditure incurred by the Company on CSR activities are as follows:

Particulars	In Cash	Yet to be paid in Cash	Total
i) Construction/Acquisition of asset			
ii) Other than (i) above:	145.55	0	145.55

\*\* Pursuant to section 135(5) of the Companies Act 2013, CSR obligation for the year 2016-17 is Rs. 99.17 lakhs (PY Rs. 24.70 lakhs). Amount spent by the Company during the year on education and health sectors is Rs. 145.55 lakhs (PY Rs. 152.93 lakhs).

#### 44. Related Party Transactions

<b>a) Names of related parties and nature of relationships:</b>	
<b>i) Key Managerial Personnel (KMP):</b>	
1. Mr. K Ravi	Managing Director
2. Mr. K Gautam	Executive Director
3. Mr. N G V S G Prasad	Executive Director & CFO
4. Mr. T Arun Kumar	Company Secretary
<b>ii) Non Whole Time Directors</b>	
1. Mr. Ramanna Anand	<b>Chairman</b>
2. Mr. Kamlesh Gandhi	Director
3. Dr. R Kalidas	Director
4. Lt. Gen. T A D'Cunha (Retd.)	Director
5. Mr. V S Raju	Director
6. Mr. V V Goradia	Director
7. Mr. K Madhu	Director
8. Mr. P N Raju	Director
9. Mr. Ashven Datla	Director
10. Mrs. Roopa Bhoopathiraju	Director
<b>iii) Relatives of Key Management Personnel</b>	
1. Mrs. K Sarojini	Mother of Mr. K Ravi
2. Mrs. Charulatha V Goradia	Wife of Mr V V Goradia
3. Mrs. K Sailaja	Wife of Mr. K Ravi
4. Ms. N Chaitra Sarada	Daughter of Mr. N G V S G Prasad
5. Ms. D Ananya	Daughter of Mr. Ashven Datla
6. Ms. D Katyayani	Daughter of Mr. Ashven Datla
7. Master B Arjun	Son of Mrs. Roopa Bhoopathiraju
<b>iv) Enterprises controlled by Key Management Personnel / Relatives of Key Management Personnel</b>	
1. NCL Alltek & Seccolor Limited	
2. NCL Homes Limited	
3. Kakatiya Industries (P) Limited	
4. Nagarjuna Cerachem (P) Limited	
5. NCL Wintech India Limited	
6. Khandaleru Power Company Limited	
7. Vikram Chemicals Pvt Limited	
8. Deccan Nitrates Pvt Limited	
9. NCL Green Habitat Pvt Limited	

**b. Related Party Transactions for the Year**

<b>i) Remuneration to Key Managerial Personnel</b>	<b>31st March 2018</b>		<b>31st March 2017</b>	
Mr. K Ravi, Managing Director		312.87		277.54
Mr. K Gautam, Executive Director		62.72		52.08
Mr. N G V S G Prasad, Executive Director & CFO		37.83		28.21
Mr. T Arun Kumar, Company Secretary		11.04		9.08
Mr. N V Suvarna, Executive Director		-		30.58
<b>ii) Transactions during the year where related party relationship was existing:</b>				
	<b>31st March 2018</b>	<b>31st March 2018</b>	<b>31st March 2017</b>	<b>31st March 2017</b>
<b>Sale of Finished Goods</b>				
NCL Alltek & Seccolor Limited	1,028.95		808.12	
NCL Homes Limited	45.02		52.94	
NCL Wintech India Limited	28.53		-	
Kakatiya Industries (P) Limited	0.63		0.21	
NCL Green Habitat Pvt Limited	19.38	1,122.51	85.57	946.84
<b>Purchases / Services</b>				
NCL Alltek & Seccolor Limited	94.65		45.88	
Nagarjuna Cerachem (P) Limited	-		1.55	
Kakatiya Industries (P) Limited	111.10	205.75	120.80	168.22
<b>Rent Paid</b>				
Sri K Ravi	9.08		1.91	
Vikram Chemicals Pvt Limited	-	9.08	1.53	3.44
<b>ICD Received</b>				
NCL Green Habitat Pvt Limited	1,130.00	1,130.00	-	-
<b>ICD Repaid</b>				
NCL Green Habitat Pvt Limited	1,130.00	1,130.00	-	-
<b>ICD Returned</b>				
NCL Alltek & Seccolor Limited	335.00	335.00	115.00	115.00
<b>Interest Received</b>				
NCL Alltek & Seccolor Limited	-	-	69.53	69.53
<b>Reimbursement of Expenses</b>				
NCL Alltek & Seccolor Limited	44.23		12.27	
Khandaleru Power Company Ltd	0.56		5.83	
Nagarjuna Cerachem (P) Limited	-	44.79	0.14	18.24
<b>Fixed Deposits Received</b>				
Mr. K Ravi	46.50		45.00	
Mrs. K Sarojini	3.00		-	
Mrs. Roopa Bhoopathiraju	-		4.50	
Mr. Ramanna Anand	20.00		20.00	
Mr. V V Goradia	10.00		10.00	
Mrs. Charulatha V Goradia	10.00		10.00	
Mrs. K Sailaja	31.00		1.00	
Ms. N Chaitra Sarada	60.00		23.50	
Ms. D Ananya	-		2.00	
Ms. D Katyayani	-		1.00	
Master B Arjun	13.55	194.05	8.05	125.05

**Note 45 Confirmations**

The Company requested its debtors and creditors to confirm the balances as at the end of year in respect of trade payables, trade receivables and advances .

**Note 46**

Previous year's figures have been regrouped/reclassified/recasted wherever necessary to confirm to the current year's presentation.



# NCL INDUSTRIES LTD

CIN. L33130TG1979PLC002521

4th Floor, Vaishnavi's Cynosure, Gachibowli, Hyderabad - 500 032.

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

(Pursuant 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 37th Annual General Meeting of the Company held on Tuesday, the 25th September, 2018 at 10:30A.M. at KLN Prasad Auditorium, 3rd Floor, 11-06-841, FTAPCCI Marg. Red Hills, Hyderabad - 500 004.

Regd. Folio No/Client Id

No. of Shares held

Name of the Share holder (In block letter) \_\_\_\_\_

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.

e-mail id: \_\_\_\_\_

Signature of Shareholder / proxy



# NCL INDUSTRIES LTD

CIN. L33130TG1979PLC002521

4th Floor, Vaishnavi's Cynosure, Gachibowli, Hyderabad - 500 032.

## PROXY FORM



(Pursuant 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 : \_\_\_\_\_

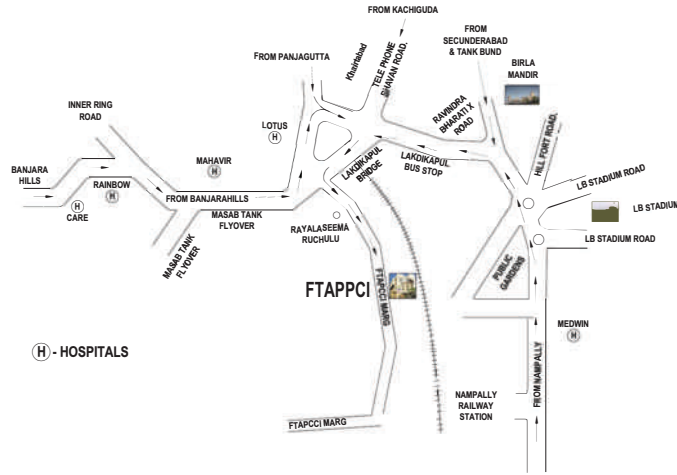
E-mail ID : \_\_\_\_\_

I/We, being the Members(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 37th Annual General Meeting of the Company, to be held on Tuesday, the 25th September, 2018 at 10:30 A.M. at KLN Prasad Auditorium, 3rd Floor, 11-06-841, FTAPCCI Marg. Red Hills, Hyderabad - 500 004. and at any adjournment there of in respect of such resolutions as are indicated below:

**ROAD MAP (VIA LAKDIKAPUL) TO FTAPCCI**



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, 2018 and Profit & Loss A/c for the year ended 31st March, 2018 together with Report of the Directors and Auditors			
2.	Approval of interim dividend paid and declaration of final dividend.			
3.	Re-appointment of Mr.N.G.V.S.G.Prasad, Director who retires by rotation.			
4.	Re-appointment of Mr.P.N.Raju, Director who retires by rotation.			
5.	Ratification of appointment of M/s Venugopal & Chenoy, Chartered Accountants as auditors and fix their remuneration.			
<b>Special Business :</b>				
6.	Ratification of remuneration payable to S.R and Associates, Cost Auditors for the Financial Year 2018-19. <b>Ordinary Resolution</b>			

Date :

Place :

**Signature of Shareholder/Authorized Representative**

**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 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.





If undelivered, Please return to:

## **NCL Industries Limited**

CIN L33130 TG1979PLC002521

4th Floor, Vaishnavi Cynosure,  
Near Gachibowli Flyover,  
Gachibowli, Hyderabad, INDIA-500032.  
T: +91-40-30120000, E: [ncl@nclind.com](mailto:ncl@nclind.com)

