

NCLIL/SEC/2018-2019

04.06.2018

Bombay Stock Exchange Limited Phiroze Jeejeebhoy Towers Floor.25, Dalal Street MUMBAI – 400001. Tel No.022-22721234	National Stock Exchange of India Limited Exchange Plaza, Bandra Kurla Complex, Bandra (E), MUMBAI - 400051 Tel:022-26598235
SCRIP CODE : 502168	SCRIP CODE : NCLIND

RE: Presentation - Schedule of Investors' Meet

Dear Sir,

With reference to the above, we wish to inform that our company is participating in Batlivala & Karani Securities India (P) Ltd Investor conference scheduled to be held on **6th June, 2018 at Hotel Trident, BKC, Mumbai,-400013.**

Mr.N.G.V.S.G.Prasad, Executive Director & CFO of the company will be making a presentation of the company. (Copy of presentation is enclosed).

This is for your kind information and records please.

Yours faithfully,

for **NCL INDUSTRIES LIMITED,**


T.ARUN KUMAR
Company Secretary

NCL Industries Limited

Corporate Presentation

May 2018








The material in this presentation has been prepared by NCL Industries Limited (NCL) and is general background information about NCL's current activities as at the date of this presentation. This information is given in summary form and does not purport to be complete. Information in this presentation, including forecast financial information, should not be considered as advice or a recommendation to investors or potential investors in relation to holding, purchasing or selling securities or other financial products or instruments and does not take into account your particular investment objectives, financial situation or needs. Before acting on any information you should consider the appropriateness of the information having regard to these matters, any relevant offer document and in particular, you should seek independent financial advice. All securities transactions involve risks, which include (among others) the risk of adverse or unanticipated market, financial or political developments and, in international transactions, currency risk.

This presentation may contain forward looking statements including statements regarding management's intent, belief or current expectations with respect to NCL's businesses and operations, market conditions, results of operation and financial condition. Readers are cautioned not to place undue reliance on these forward looking statements. NCL does not undertake any obligation to publicly release the result of any revisions to these forward looking statements to reflect events or circumstances after the date hereof to reflect the occurrence of unanticipated events. Due care has been used in the preparation of information, future performances may vary and are subject to uncertainty and contingencies outside NCL's control.

This document has not been and will not be reviewed or approved by a regulatory authority in India or by any stock exchange in India.



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NCL Industries Limited – Corporate Profile



NCL Industries - Corporate Profile

- Incorporated in 1979, NCL Industries Limited (“NCL”) operates in Cement, Cement Bonded Particle Board, Ready-mix Concrete, Prefab Shelters and Energy (Hydro Power) businesses
- NCL began the journey with an initial capacity of 0.07 MT, has increased its capacity by 40x to 2.7 MT (including recent expansion)
 - Built a strong brand over a period of last 3 decades – “Nagarjuna Cement”
 - Primarily manufacturers OPC, PPC & also specialty cement (IRS Grade 53 S)
 - Plants situated at Simhapuri in Suryapet district of Telangana and at Kondapalli in Krishna district of Andhra Pradesh
- NCL has become a major cement player in South India with a superior retail presence
 - Strong presence in South across all four key states – AP, Telangana, Tamil Nadu and Karnataka; Over the years, company has gained significant prominence in AP & Telangana especially in coastal districts of AP



NCL Industries has created a niche in the Southern markets & has ventured successfully into building products' markets in India



Key Milestones



2006

- Equity fund raise (INR 23.4 cr) through Rights issue

2002-03

- Expansion of Capacity to 2,97,000 TPA

1996

- Entry into Prefab Shelters business

1993

- Entry into Cement Bonded Particle Boards business.

1990-92

- Equity fund raise through Rights cum Public issue

1989

- Expansion of Capacity to 1,98,000 TPA

1984

- Commencement of Commercial Production of Cement at Simhapuri, Suryapet, Telangana 66,000 TPA

1982

- IPO

2017

- Expanded clinker capacity to 2.6 MPA & cement capacity to 2.7 MTPA
- Commissioned the 3rd CBPB Plant of 30,000 TPA capacity at Simhapuri, Telangana

2011

- Entry into Ready Mix Concrete business

2010

- Commissioning of 2nd Clinker Line with 9,90,000 TPA and 2nd Cement Line with 6,60,000 TPA at Simhapuri. With this Company's total clinker capacity reached 15,84,000 TPA and Cement capacity to 19,47,000 TPA

2009

- Commissioning of 2nd line with 6,60,000 TPA at Kondapalli

2008

- Expansion of Cement Clinker plant at Simhapuri, Telangana to 5,94,000 TPA

2007

- Expansion of cement capacity to 6,27,000 TPA – Established Grinding plant with 3,30,000 TPA at Kondapalli, AP
- Started Cement Bonded Particle Boards Plant at Paonta Sahib in Himachal Pradesh
- M/s NCL Energy amalgamated with NCL Industries



Cement	Ready Mix Concrete	Cement Particle Board	Prefab Houses	Hydel Power
<ul style="list-style-type: none"> ▪ Flag ship division ▪ Products: OPC, PPC, 53-S grade cement (specially made for Indian Railways) ▪ Capacity: 2.7 MTPA ▪ Manufacturing Location: Telangana and Andhra Pradesh ▪ Market Reach: AP, Telangana, TN and Karnataka ▪ Strong Retail Presence 	<ul style="list-style-type: none"> ▪ End to end service provided starting from order placement, mixing, delivery, to on site testing ▪ Four fully computerised batching plants in Hyderabad (2) & Visakhapatnam (2) with adequate number of transit mixers 	<ul style="list-style-type: none"> ▪ Panels manufactured with technology imported from Bison Werke of Germany ▪ Product variants – Plain Boards, Lams, Planks, Designer Boards ▪ Commissioned the 3rd Plant of 30,000 TPA capacity at Simhapuri, Suryapet District, Telangana in December 2017 ▪ Annual production capacity 90,000 TPA (Plants in HP & Telangana) 	<ul style="list-style-type: none"> ▪ Pioneers in Prefab technology & manufacturing Prefab structures in India ▪ Application includes instant housing solutions ▪ Marquee Projects: Air Force Station (Bidar), AP Police Academy, Rajiv Gandhi Knowledge University of Technologies ▪ Technology has subsequently been adopted by Small Scale entrepreneurs – NCL has consciously decided not to compete with them 	<ul style="list-style-type: none"> • Division established for setting up Mini-hydel projects • Presently operates two Mini-hydel projects <ul style="list-style-type: none"> • Srisailam Dam, AP • Tungabhadra Dam, Karnataka • Division contributes around INR 8-10 Cr towards revenue based on the water releases in to the canals

NCL Industries has successfully diversified across multiple businesses



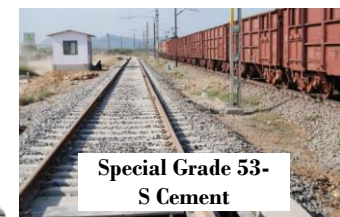
State of Art Plants

- 2.6 MTPA clinker manufacturing facilities at Simhapuri, Suryapet DistricTelangana
- Grinding units of ~ 1.7 MTPA & 1.0 MTPA respectively at Simhapuri, Telangana and Kondapalli, AP



Products

- Ordinary Portland Cement (OPC) and Pozzolana Portland Cement (PPC)
- One of the few players making special 53-S grade cement (specially made for supply to Indian Railways for sleepers)



Resources

- Limestone reserves of more than 200MT (541.88 acres) located close to the plant
- Part of Nalgonda Cement Cluster. Strategically located near coal mines (major fuel) & ports are less than 500 kms from the plant
- A dedicated railway siding Kondapalli Grinding Plant ensuring seamless connectivity for distribution



Distribution Reach

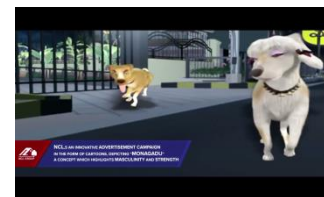
- Plant located in close proximity to major markets in South India - AP, Telangana, Tamil Nadu and Karnataka
- Distribution – Strong network of ~1,700 dealers
- Dedicated own fleet of trucks ~250 trucks



Strong Brand & Equity Recall



- Pioneer in initiating distribution through direct network i.e. Dealers rather than C&F agents in South India
- Strong brand recall in Northern Andhra Pradesh and adjoining areas
- Building the brand aggressively and innovatively in the markets of neighbouring states



Nagarjuna Cement – Award-winning ad campaigns



Integrated Cement Plant at Simhapuri, Telangana



Telangana Cement Plant



Cement Factory Automation & Control



Cooler



AP Cement Plant



Equipment



Wagon Loaders



Nagarjuna RMC -
Quality Product
backed by Modern
Technology

- Superior RMC output resulting from use of high-quality 53 grade Nagarjuna OPC
- Plants equipped with twin shaft concrete mixers to ensure homogenous mix
- Absolute control over size, shape, & grade of aggregates and water-cement ratio
- Capacity to pump concrete over 20 storeys with flexible end with hose pipe attached for effective pouring and segregation
- Adequate number of transit mixers with 6 cu. mtr capacity to ensure uninterrupted distribution



Strategically
Located Plants

- Four most modern RMC batching plants at Hyderabad (2) and Visakhapatnam (2), two of the largest urban centers of Telangana / AP regions
- Adequately geared up to cater demand from large urban housing developments as well as infrastructure projects





Bison Panel - Cement Bonded Particle Board (CBPB): Overview



“German Technology driven innovative building solutions”

- Offers cement bonded particle board (CBPB) under the brand “**Bison Panel**” (62% cement, 28% wood & 10% water & chemicals); which combines the strength of cement and easy workability of wood
- Technical collaboration with BISON WERKE, Germany, the world leaders in particle board technology (Patented)
- NCL over years has carried out considerable R&D and introduced new variants suitable for Indian conditions that has flexibility and adoptability to suit varying requirement







Manufacturing and Distribution Capacities

- Installed capacity of 90,000 TPA with three strategically located plants in Simhapuri, Suryapet (Telangana) and Poanta Sahib (Himachal Pradesh)
- Wide market reach through a network of 300+ distributors Pan India



Product Variants

 <p>Plain Board</p>	 <p>Lams</p>	 <p>Planks</p>	 <p>Designer Board</p>
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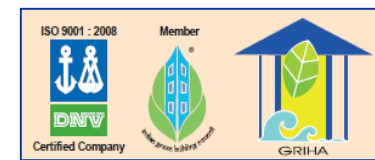
Applications

- Kitchen, Partitions, Furniture, Flooring, Decking, Doors, False Ceiling, Panel Houses etc.



Quality Certifications

- ISO 9001 : 2008 QMS
- India Green Building Council certified NCL’s Bison Panel as Eco-Friendly
- IS – 14276 : 1995, IS – 15786 : 2008, BIS Certification for Cement Boards
- EN 13986 : 2004, Marking for Bison Poanta Plant
- GRIHA Criterion 17, SVAGRIHA Criterion 5, for Bison Panel & Bison Lam



Termite Proof 	Fire Resistant 	Moisture Resistant 	Strong & Durable 	Weather Resistant 	Fungus Resistant 	Sound Insulation 
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Exterior Cladding



Wall Cladding & False Ceiling



Wall Cladding



Duct Covering



Acoustic Roof



Floor Decking



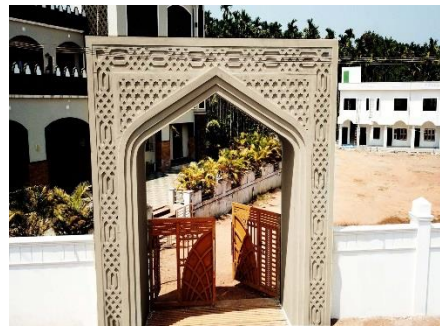
Mezzanine Floor



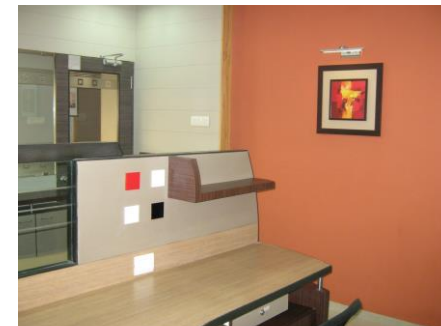
Furniture



Wardrobes



Mosque



Work Stations



Boat House



About the Division

- NCL's Doors division is established with an objective to set up ready made doors project
- Technology and Machinery has been sourced from AGT, Turkey.



Capacity & Revenue Contributions

- Plant can produce about 1,000 Doors per day
- Plant is under construction at Malkapur Village, Choutuppal, Hyderabad and is expected to be operational by December 2018.





About the Division

- NCL's energy division was established with an objective to monetize renewable and eco-friendly sources of energy
- Division currently operates two mini hydel-power plants in Andhra Pradesh and Karnataka



Capacity & Revenue Contributions

- Srisailam power house has a capacity of generating 7.5 MW, Tungabhadra plant can generate upto 8.25 MW (Total capacity ~15.75 MW)
- The Energy division contributes INR 8 – 10 cr annually to NCL's topline, subject to water availability in the dam

Hydel Power House at Srisailam Dam



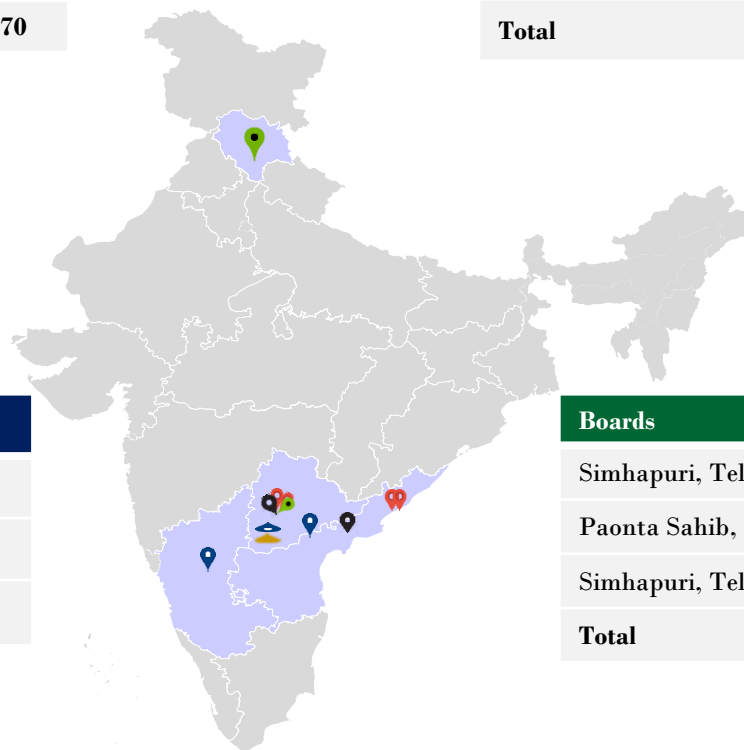
Hydel Power House at Tungabhadra Dam





Cement	Clinker	Cement
Simhapuri, Suryapet, Telangana	2.60	1.70
Kondapalli – Krishna, AP	-	1.00
Total Capacity	2.60	2.70

RMC Plant
Hyderabad (2 Batching Plants)
Visakhapatnam (2 Batching Plants)
Total



Energy	Capacity in MW
Plant at Srisailem Dam	7.50 MW
Plant at Tungabhadra Dam	8.25 MW
Total	15.75 MW

Boards	Capacity in MT
Simhapuri, Telangana (1 st Plant)	30,000 MT
Paonta Sahib, HP (2 nd Plant)	30,000 MT
Simhapuri, Telangana (3 rd Plant)	30,000 MT
Total	90,000 MT

Doors	Capacity in Nos.
Choutuppal, Telangana	1,000 Doors / Day



NCL Alltek & Seccolor Limited



- Engaged in manufacturing building materials
 - **Alltek division:** manufactures plasters, paints & putties.
 - **Seccolor division:** manufactures cold roll-formed, pre-painted steel profiles to make doors & windows
- **Technical collaboration:** International Coating Products of Sweden (ICP) and M/s Industrie Secco Spa of Italy
- Manufacturing facilities 2 in Andhra Pradesh, one each in Tamil Nadu and Rajasthan
- Introduced **NCL AAC Blocks:** lightweight fly-ash bricks manufactured with Autoclave Aerated Concrete Technology
 - Introduced **NCL ABS Doors:**
 - Acrylonitrile Butadiene Styrene moulded & ready to use for beautiful interiors
 - Collaboration with KOS, South Korea
 - Strong and impact resistant, maintenance free, real wood texturing effect, termite resistant

NCL Wintech India Limited



- Incorporated in 2008, engages in manufacture of uPVC windows and door systems at factory near Hyderabad
- Currently provides uPVC solutions to over 75,000 homes in India
- Manufactures over 7,000 TPA of uPVC profiles. Trained and developed largest network of dedicated fabricators in India
- Recently entered into a joint venture with VEKA AG, the world's largest uPVC manufacturer
- uPVC windows preferred choice for multi-storied buildings. Are maintenance free and offer world-class elegance.
- **Select Projects using uPVC windows & door systems include:**
 - **Hyderabad:** Indu-Fortune Fields, Kocept-Botanika, Meenakshi Sky Lounge, Raheja-Quiescent **Bangalore:** Diviksha Villa, Spectra Cypress, Sriram Aditya **Chennai:** VIT, Mantri Synergy **Pune:** Rohan Mithila

NCL Industries via other group companies have diversified across building products market creating unique niche



Professional & Experienced Management

<p>Mr K. Ravi <i>Managing Director</i></p>	<ul style="list-style-type: none"> Over 35 years experience, second generation entrepreneur. He was appointed as Managing Director in 1995 and has played a key role in steering the company to its present status Qualification: Electrical engineer (diploma) with specialisation in power stations network and systems
<p>Mr NGVSG Prasad <i>Executive Director & CFO</i></p>	<ul style="list-style-type: none"> More than 24 years of experience in Finance across various organisations Joined NCL in 2003, inducted to Board as Additional Director and Executive Director in 2016 Qualification: Chartered Accountant
<p>Mr K. Gautam <i>Executive Director</i></p>	<ul style="list-style-type: none"> Inducted on the Board in 2009, as a Executive Director (Corporate Affairs) Looks after operations for the cement division at NCL. Also, he has been instrumental in managing key projects for the company Qualification: BBM (Hons) ICFAI, Hyderabad and M.Sc (Entrepreneurship and Business Management) University of Bedfordshire, UK
<p>Mr S K Subramanian <i>President & CEO Cement Division</i></p>	<ul style="list-style-type: none"> More than 30 years experience as Finance & business head, Previously held senior positions with Tata Group and Ranbaxy Group Joined NCL in Jan 2017, Heads profit centre of Cement Division Qualification: BSc graduate and Chartered Accountant
<p>Mr KVRR Gopal Varma <i>President Boards Division</i></p>	<ul style="list-style-type: none"> More than 27 years experience Joined NCL in Feb 1996, Heads profit centre of Boards Division Qualification: Dip. in Mechanical Engineering.
<p>Mr G.Vivek <i>President & CEO Doors Division</i></p>	<ul style="list-style-type: none"> More than 21 years experience Joined NCL in Jan 2018, Qualification: B.S in Mechanical Engineering & MBA from New York University.
<p>Mr S. Narayanan <i>President (Projects & Materials)</i></p>	<ul style="list-style-type: none"> More than 35 years of experience in Engineering Qualification: Electrical Engineer Joined NCL in 2016, presently working as President Projects
<p>Mr T.Arun Kumar <i>Compliance Officer, Company Secretary</i></p>	<ul style="list-style-type: none"> He is working as Company Secretary & compliance officer at NCL Qualification: Post Graduate in Commerce and a Law Graduate He is also an Associate Member of the ICSI and a qualified Cost and Management Accountant from ICAI



<p align="center">Mr R. Anand <i>Chairman & Independent Director</i></p>	<ul style="list-style-type: none"> ▪ He has been associated with the Board since 1982 and elected as Chairman in 2008. He has vast experience in the textile industry. He is also the Chairman of Eastern Engineering Co (Bombay) Pvt Ltd, and Director in Nova Silk Pvt Ltd, Indo Count Industries Ltd, NSL Textiles Ltd and Pranavaditya Spinning Mills Ltd ▪ Qualification: Graduate in Science
<p align="center">Mr Kamlesh Suresh Gandhi <i>Independent Director</i></p>	<ul style="list-style-type: none"> ▪ Over 35 years experience in capital and financial markets of India ▪ Has been a member of BSE over 14 years ▪ Ramped up CIFCO, Centrum Capital Ltd & Religare Capital Markets Ltd. ▪ Was on the Board of Association of Merchant Bankers of India for 6 years ▪ Holds a Bachelor's Degree in Commerce from the Bombay University
<p align="center">Mr V. S. Raju <i>Independent Director</i></p>	<ul style="list-style-type: none"> ▪ Independent Director since November 2016 ▪ An Advocate with over 27 years standing in the High Court of Andhra Pradesh with specialization in corporate law matters ▪ Previously held senior positions including that of Registrar of Companies, Andhra Pradesh, Under Secretary and then Deputy Secretary to the GoI
<p align="center">Dr. R. Kalidas <i>Independent Director</i></p>	<ul style="list-style-type: none"> ▪ Independent Director since 2015 ▪ Over four decades of Engineering industry experience ▪ Was Chairman & Chief Executive at Nuclear Fuel Complex ▪ Commenced his career with BARC. ▪ Mechanical Engineer & PhD. Life Member of Indian Nuclear Society. Honorary Fellow of Indian Institute of Chemical Engineers
<p align="center">Lt. Gen. (Retd) Trevor Alloysius D’Cunha <i>Independent Director</i></p>	<ul style="list-style-type: none"> ▪ Independent Director since 2015 ▪ Was commissioned in the Indian Army in 1965 ▪ Over four decade military career ▪ Graduate from the National Defense Academy and an MBA from University of Bedfordshire, UK
<p align="center">Mr Vinodrai Vachhraj Goradia <i>Director</i></p>	<ul style="list-style-type: none"> ▪ Associated with NCL as a promoter director since 1982 except for a short spell from 1987-90 . He is part of the original promoters ▪ He has extensive commercial experience
<p align="center">Mr K. Madhu <i>Director</i></p>	<ul style="list-style-type: none"> ▪ He is a promoter of the company and a Director since 1991. Was Joint MD in 1991-92. Presently Managing Director of NCL Alltek & Seccolor Ltd, a group company dealing in coating products and building materials. Over 35 years cement & allied industry experience. ▪ Qualification: Graduate in Commerce and Law



Mr P N Raju
Director

- He is experienced in the cement and building material industry. He holds a bachelor's degree in mechanical engineering with specialization in marine engineering from Andhra University
- Executive Director (April 2006 – July 2015). Presently, Non-Executive Director on the Board

Mr Ashven Datla
Director

- Managing Director of NCL Wintech India Ltd. Director on the Boards of NCL Group companies
- Earlier employed with GE, IBM, Bank of America and Deloitte
- Qualification: MBA (Finance) from University of Hartford, CT, USA

Mrs Roopa Bhupatiraju
Director

- Joined NCL in 2006 as Marketing Manager in Boards division, elevated to EA to MD in 2007, Non-executive Director since 2014.
- Qualification: MBA (Marketing and Entrepreneurship), MS in Marketing Communications from Illinois Institute of Technology, USA

Mr K. Gautam
Executive Director

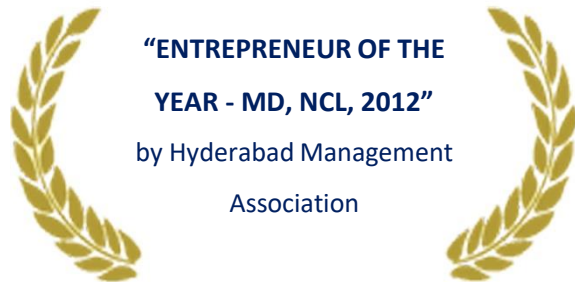
- He is the incharge of operations of the cement division. He has been instrumental for managing key projects. Inducted on the Board in 2009, as a Executive Director (Corporate Affairs)
- Qualification: BBM (Hons) ICFAI, Hyderabad, M.Sc (Entrepreneurship and Business Management) from University of Bedfordshire, UK

Mr NGVSG Prasad
Executive Director & CFO

- He has more than 24 years of experience in Finance. Joined NCL in 2003, inducted to Board as Additional Director and Executive Director in 2016
- Qualification: Graduate in Commerce & Chartered Accountant

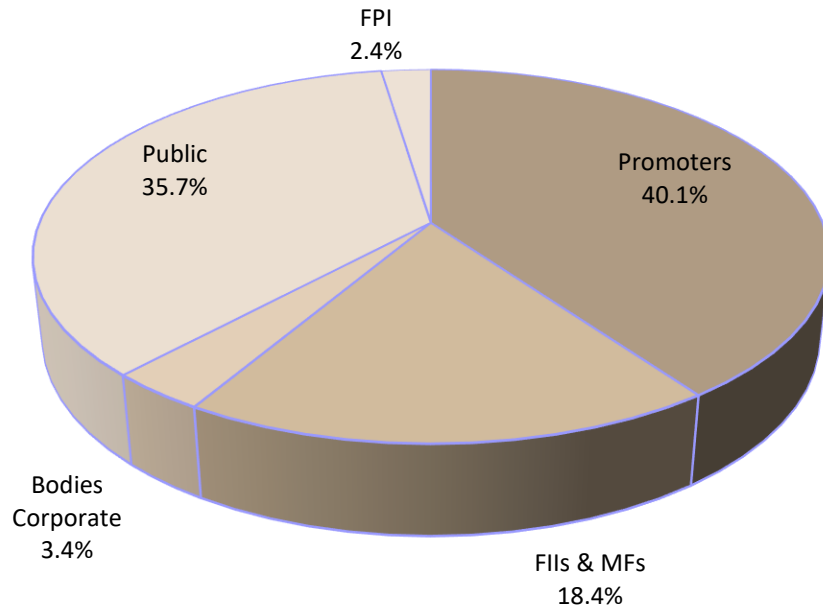
Mr K. Ravi
Managing Director

- Second generation promoter, he was appointed as Managing Director in 1995 and has played a key role in steering the company to its present status. He has over 35 years experience
- Qualification: electrical engineer (diploma), specialisation in power stations network and systems





Shareholding Pattern (As on 31st March 2018)



Select Investors

SN	Shareholders	% Holding
1	Reliance Capital Trustee Co. Ltd.	4.61
2	HDFC Trustee Co. Ltd.	3.76
3	Tata Hybrid Equity Fund	2.79
4	Sundaram Alternative Opportunities Fund	2.56
5	Tata Mutual Fund	1.21
6	HSBC Indian Equity Mother Fund	1.14
7	HSBC India Infrastructure Equity Mother Fund	1.05

Capital Structure (INR Cr)

Particulars	Nominal Amount
Authorised Share Capital	62,00,00,000
Issued, Subscribed and Paid up Share Capital	45,23,27,900

NCL Industries Limited – Key Business Highlights



Strong Track Record of Financial Performance

Consistent Revenue Growth & Improving Profitability

NCD Financing: Ensuring future growth not constraint

QIP Issue: Debt to Market Cap conversion

Strategic Expansion - Well timed & Executed

Industry shifting to an up-cycle back on Infrastructure growth...

...Leading demand revival in South

NCL: Uniquely positioned to benefit from cement up-cycle

Diversification Across Business Segments

CBPB: Strong traction in high growth & ROA business

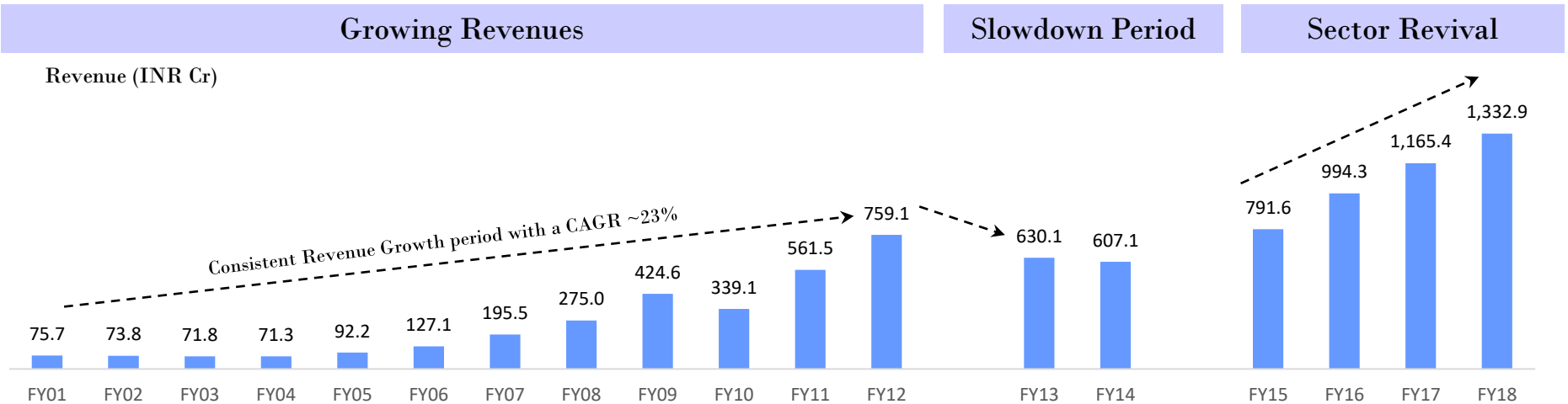
Professional Management with Strong Execution Track Record

Strong Track Record of Financial Performance

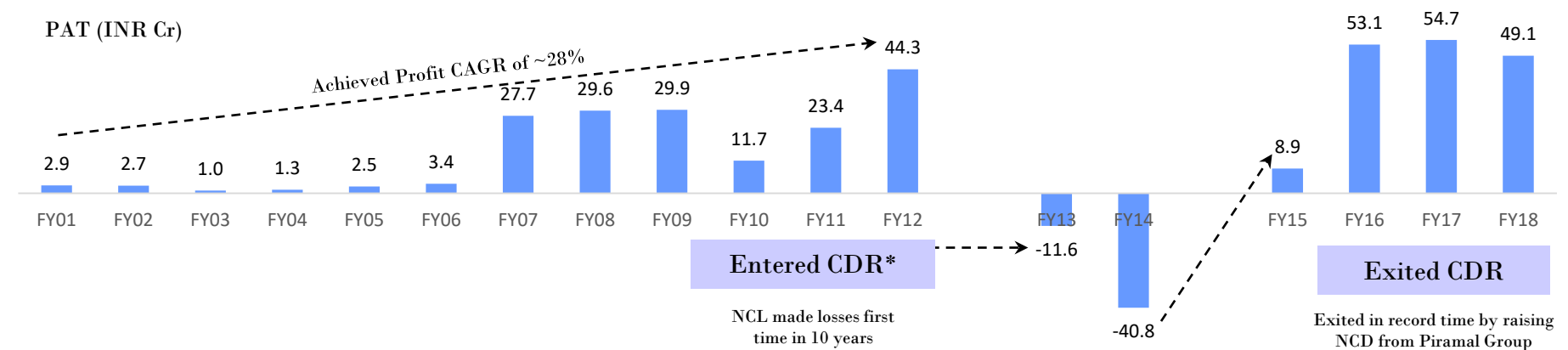
“Consistent Revenue Growth and Improving Profitability”



Consistent Revenue Growth



Profitability... Back on track



* Corporate Debt Restructuring

Strong Track Record of Financial Performance

“NCD Finance: pre-emptive move by management to ensure future growth is not constraint”



Cement Sector Upcycle (FY16 & beyond)

Sector Headwinds (FY12-FY14)

Entered CDR

A Preventive Measure

NCL entered CDR scheme in FY14 in view of significant slowdown in cement sector and deteriorating financial health

Restrictions Imposed

- No Capex
- Funding restriction
- No new market entry
- Constraint on diversification

Raised NCDs*

Pre-empted to fuel growth

INR ~325 Cr raised via NCD Instrument from Piramal Group

Exited CDR

Repaid all exiting lenders a total sum of INR ~110 Cr

Strategic Finance for Capex

Additional funding requirement secured as balance amount to be used for expansion of cement capacity & CBPB capacity

CDR Restrictions Removed

- No restrictions on capex or funding
- Free to pursue opportunities by enter new markets or diversify

Capex Plans Revived

- Expansion of Cement Capacity
- Expansion in CBPB Capacity

Visible Signs of Turnaround

- Revenue growth back with 30% y-o-y growth in FY15, 26% in FY16, 17% in FY 17 & 14% in FY18
- Turned profitable again (from 41 cr. loss in FY14 to 49 cr. profit in FY18)
- Improvement in credit rating (BBB+/Positive from CRISIL)

Returned to Dividend Paying Stage

- Paid 20% dividend for FY 16 and 20% for FY17
- Dividend of 25% proposed for FY18. Track record of consistent dividends (except for FY13 to FY15)

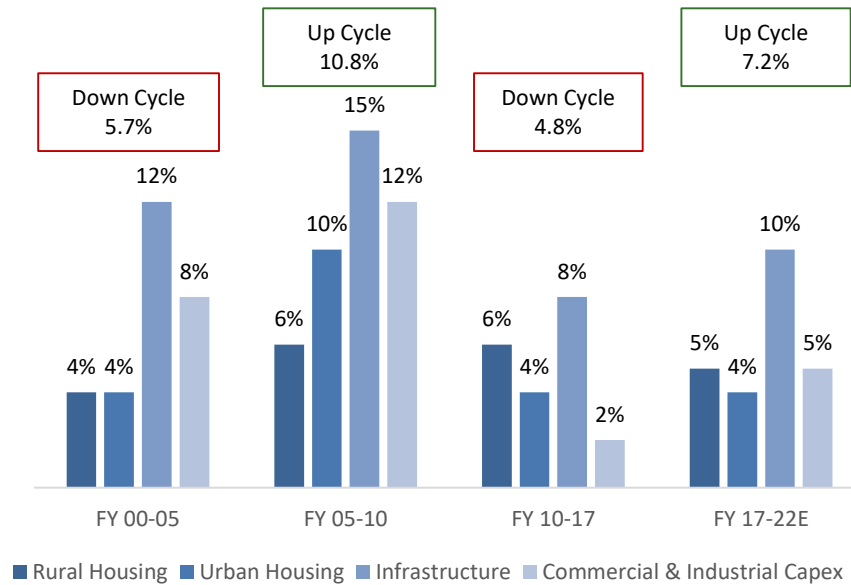
With CDR restructuring complete, NCL is back on growth path

Strategic Expansion - Well timed & Executed

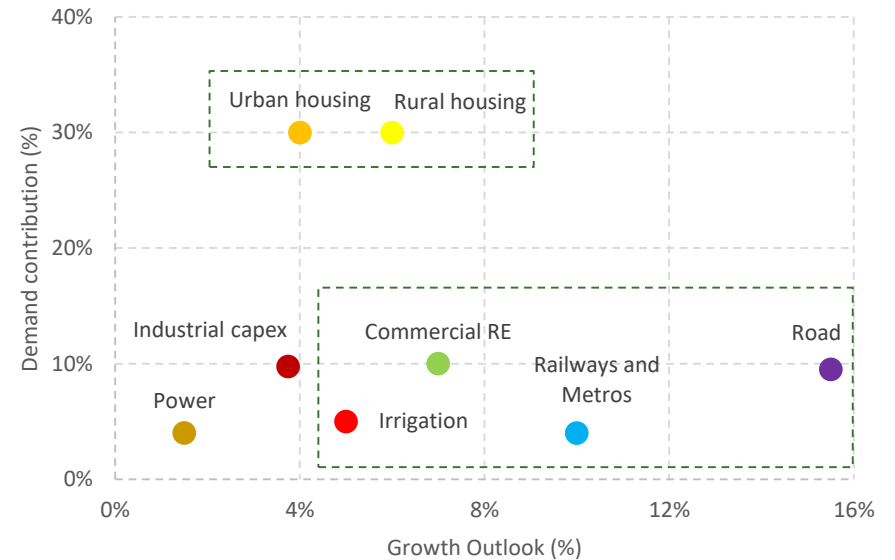
“Industry shifting to an up-cycle on back of Infrastructure growth ...”



Impact of various sectors on Pan India cement demand



Infrastructure growth key contributor for cement demand



Cement demand CAGR growth estimated at 7.2% from FY17-22

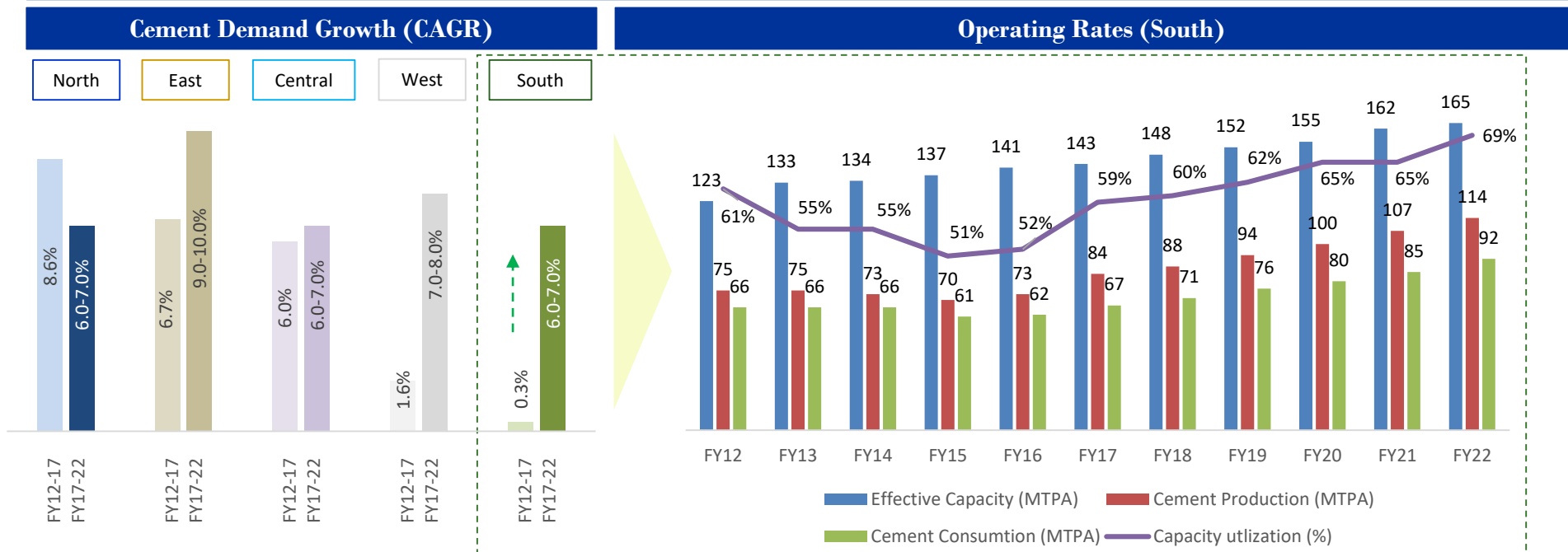
Road projects and housing to be key growth drivers

Key Demand Drivers

- Pro active Government initiatives like “Make in India”, “ Smart City Mission” to lead infrastructural development with increased rural and urban housing demand
- Rising salary levels, growing number of nuclear families have resulted into a booming demand from urban and rural housing
- Adoption of cement instead of bitumen for construction of roads to uptick cement demand
- Other key projects include Housing for All, Hriday, dedicated freight corridors & development of Industrial corridors of Delhi Mumbai, Amritsar Kolkata, Vizag Chennai and Bangalore Mumbai

Strategic Expansion - Well timed & Executed

...leading demand revival in South – Players with well timed expansion to benefit the most”



South Markets are expected to witness significant jump in growth of 6.0-7.0% (FY17-22) compared to 0.3% in last five years

Key Demand Drivers

- Demand revival in key Southern regions (mainly Andhra Pradesh and Telangana) will mainly be led by increased government spending on low cost housing, irrigation and other infra projects
- Andhra Pradesh & Telangana markets to lead this growth with 10-11% and 7-8% growth respectively for the next five years. Major projects include:
 - Development of Amaravati capital, Mega-transshipment, Polavaram project (INR360,000mn project), Telangana housing scheme (270,000 2BHK houses)
 - Development of irrigation projects under “Kakatiya Mission” with aim to restore all tanks and lakes in Telangana

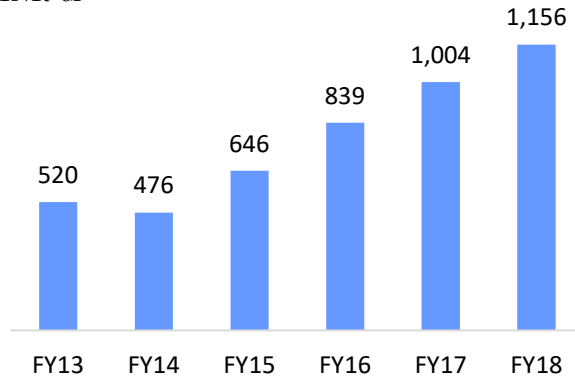
Strategic Expansion - Well timed & Executed

“Uniquely positioned to benefit from cement up-cycle”



Cement Division's Revenue

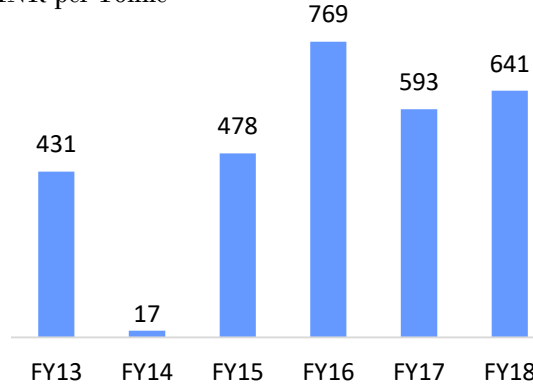
INR Cr



Consistent top line growth....

EBITDA per Tonne

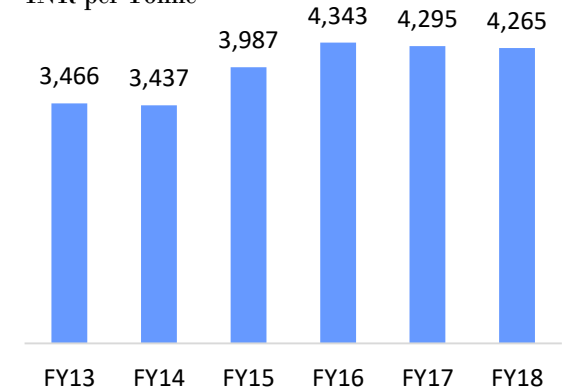
INR per Tonne



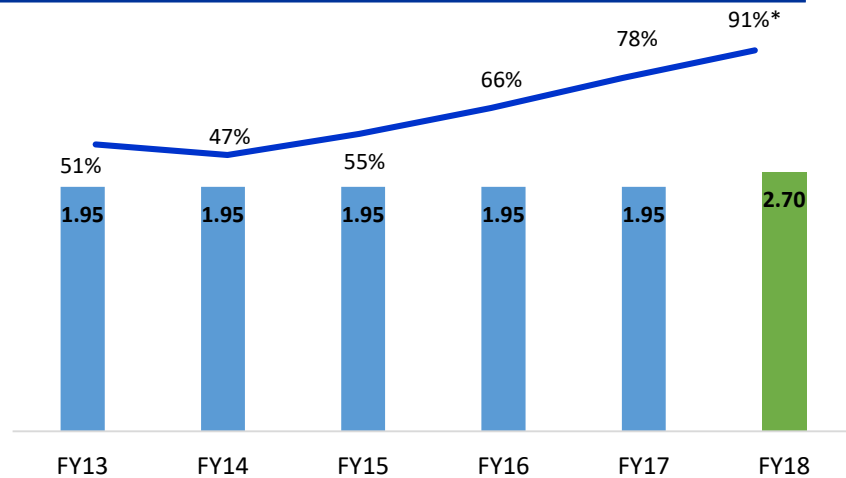
...backed by improving realisations

NSR per Tonne*

INR per Tonne



Capacity Utilization (%)



Operated at over 75% capacity prior to the expansion

35% Incremental increase in capacity post expansion

Low cost expansion to further drive ROA for the segment

Strong brand recall in Northern Andhra Pradesh

* Capacity expansion completed in Mar, 2018

Rightly timed expansion to maximise benefits during the current up-cycle in South Markets

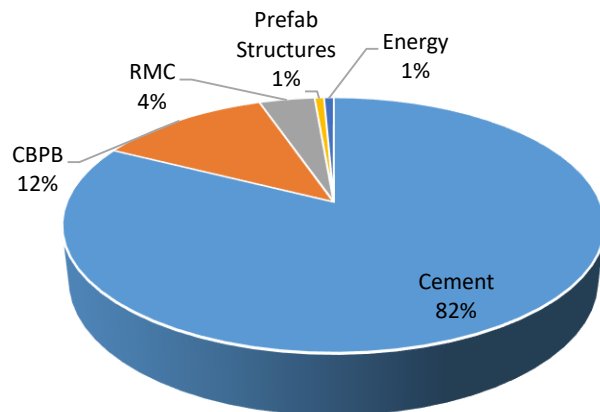
NSR: Net sales realization * Excluding Taxes including Transport

Successful Diversification Across Business Segment

“Improving contribution across segments”

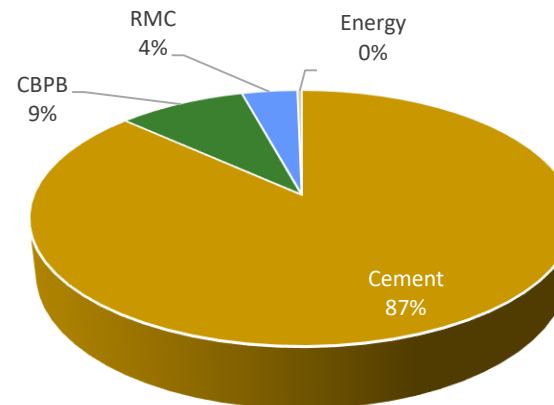


Gross Revenue Split (FY13)



FY13 Gross Revenue:
INR 630cr

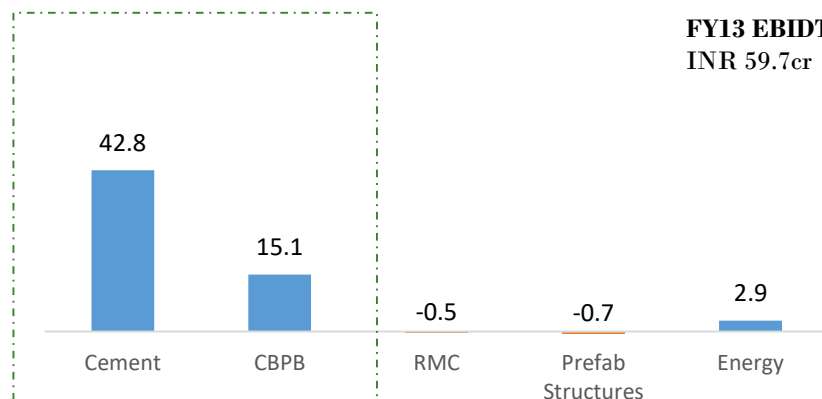
Gross Revenue Split (FY18)



FY18 Gross Revenue:
INR 1333cr

EBIDTA Share (FY13)

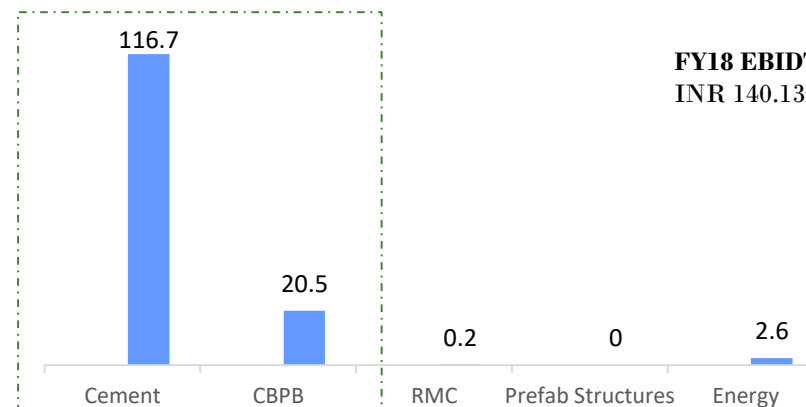
INR Cr



FY13 EBIDTA:
INR 59.7cr

EBIDTA Share (FY18)

INR Cr



FY18 EBIDTA:
INR 140.13r

Cement continued to be star performer for NCL

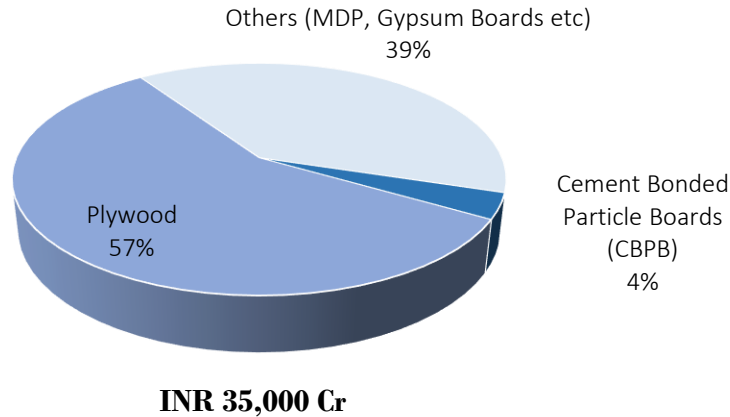
CBPB: Cement Bonded Particle Board

Successful Diversification Across Business Segment

“Cement Bonded Particle Board Industry – the rising star”



Indian Boards & Panel Industry

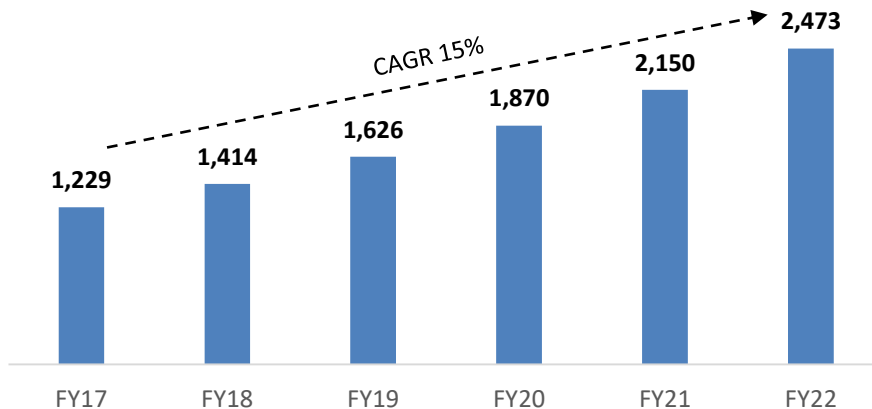


- Indian boards and panel industry is dominated by wood based products like plywood, MDP, particle boards and gypsum boards
- Cement bonded particle boards (CBPB) commands around 4% share with a significant scope of growth

Inherent Advantages of CBPB

- Cost & time efficient product

India- Cement Bonded Particle Board Demand (INR Cr)



Key Growth Drivers

- Rising spend on rural and urban housing
- Increased pace of industrialization / commercialization with rising need of space especially in *South India for IT/ITES offices*
- Government initiatives like “Smart City mission”, “Housing for all” will create need to develop office spaces, hospitals, educational institutes

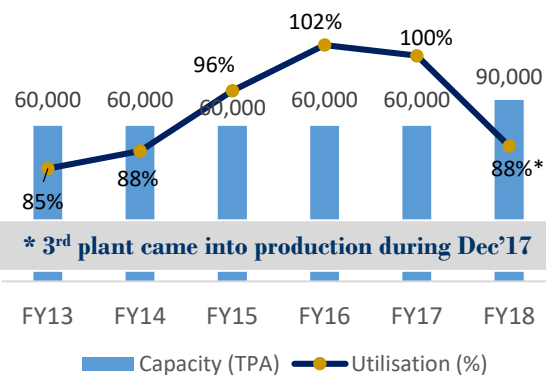
CBPB market size is expected to reach INR 2400+ Cr by FY 22 growing at 15% CAGR for next five years

Successful Diversification Across Business Segment

“CBPB Division: higher growth, margins & returns”

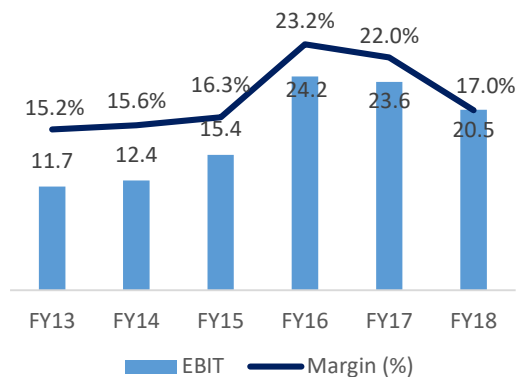


Capacity Utilization (%)



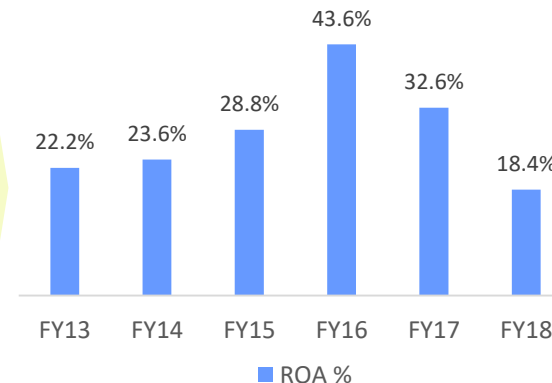
CBPB Demand has continuously outpacing the capacity

Revenue / EBIT Profile



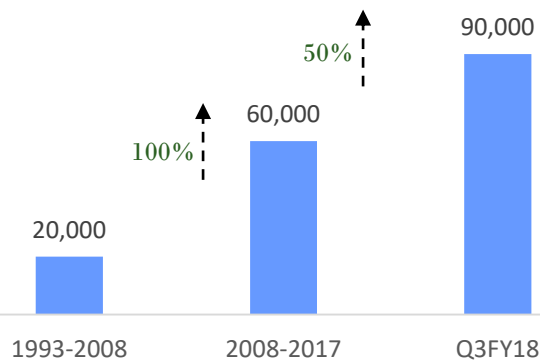
Stable Revenue & Superior EBIT Margins

ROA Profile



High ROA & High Margin Business

Capacity Expansion



3rd CBPB Plant at Simhapuri commissioned in Dec'17

CBPB margins and ROA are highest among the divisions

Operating at over full capacity – further expanded to 90,000 TPA

Low Capex capacity addition to further boost divisional ROA

Rightly timed expansion to meet the increasing demand in the sector – First two plants operating at 100+% CBPB capacity

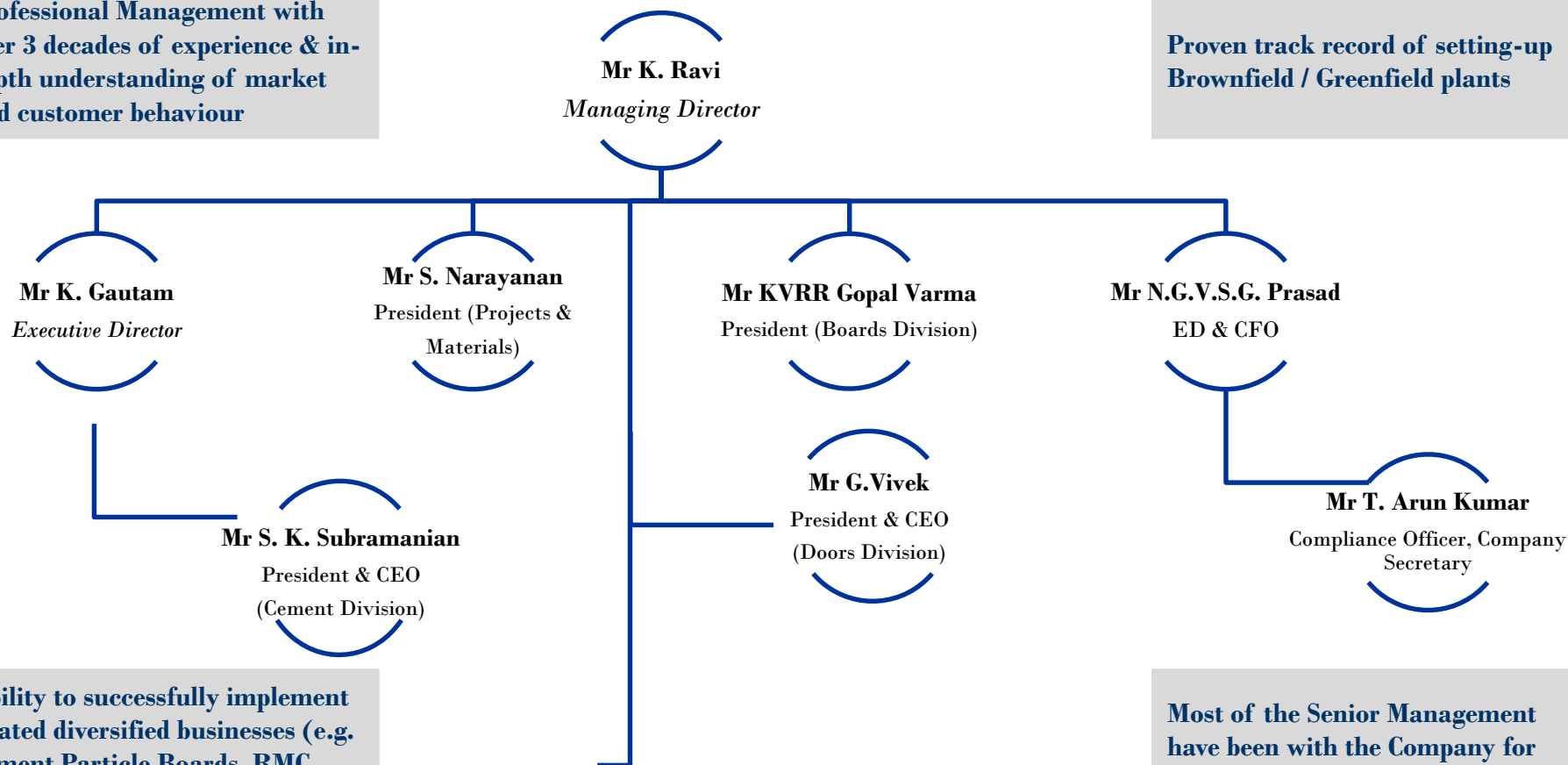
Professional Management

“Strong Execution Track Record”



Professional Management with over 3 decades of experience & in-depth understanding of market and customer behaviour

Proven track record of setting-up Brownfield / Greenfield plants



Ability to successfully implement related diversified businesses (e.g. Cement Particle Boards, RMC, Building Products)

Most of the Senior Management have been with the Company for more than a decade

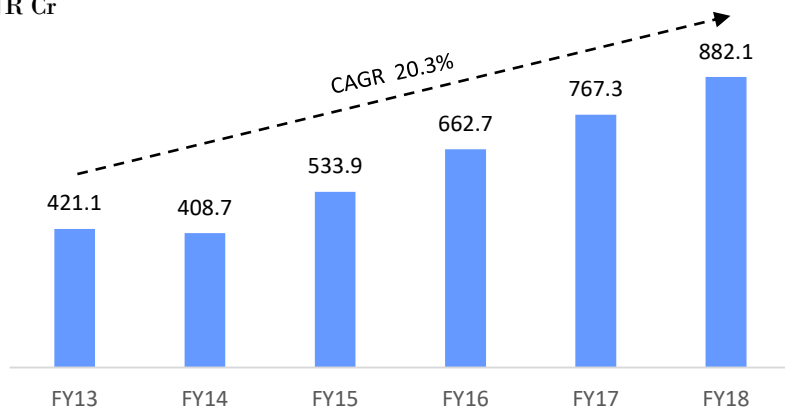
Strong Management Execution Track Record of turn-around and related diversification

NCL Industries Limited – Financial Summary

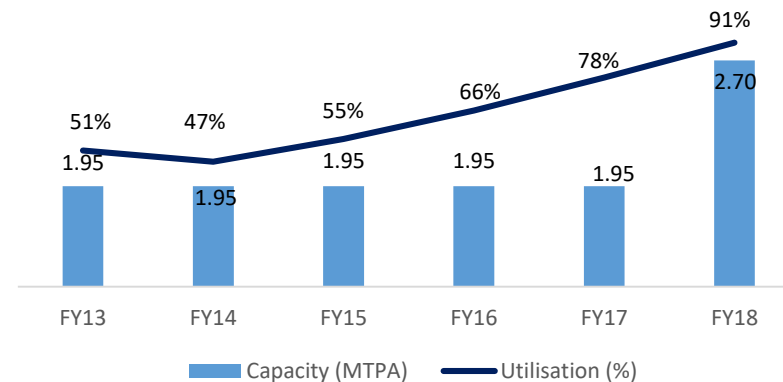


Net Revenue

INR Cr

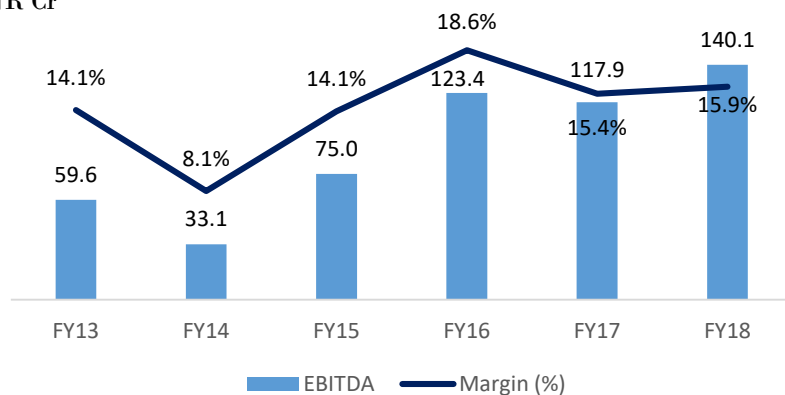


Capacity & Capacity Utilization



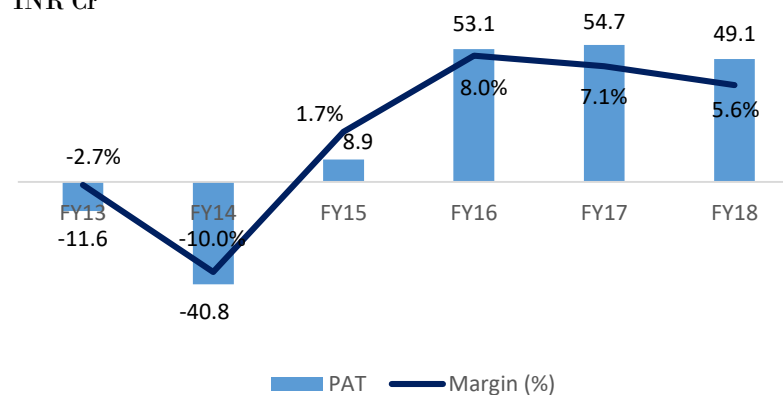
EBITDA

INR Cr



PAT

INR Cr



Revenue on an upward trend driven by volume growth coupled with margin improvement



Income Statement

INR Cr	FY15	FY16	FY17	FY18
Net Sales	533.9	660.8	765.5	880.4
Other Income	4.9	3.2	3.6	7.0
Total Income	538.8	664.0	769.1	887.4
Total Expenses	463.8	541.3	651.3	747.3
EBITDA	75.0	122.7	117.8	140.1
Interest	37.1	30.6	31.1	31.0
Depreciation	25.6	25.2	25.1	34.8
PBT	12.3	66.9	61.6	74.3
Tax	3.4	13.8	6.9	25.2
PAT	8.9	53.1	54.7	49.1

Balance Sheet

INR Cr	FY15	FY16	FY17	FY18
Equity Share Capital	34.9	36.7	36.7	45.2
Reserves	113.7	160.1	203.8	436.4
Long Term Loans	99.9	45.4	231.2	155.7
Non Current Liabilities	84.9	77.7	94.1	105.3
Short Term Borrowings	55.6	56.4	27.4	11.2
Other Current Liabilities	196.7	246.4	190.5	205.4
Non Current Assets	423.6	417.9	554.8	738.3
Cash & Cash Eq.	5.7	21.1	11.9	12.9
Inventories	63.3	72.1	70.9	79.1
Other Current Assets	97.1	111.5	146.2	128.9

Thank You
