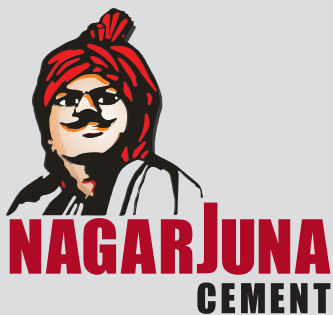


A LEGACY OF
TRUST

35th
ANNUAL REPORT
2015-16



NCL INDUSTRIES LIMITED



BOARD OF DIRECTORS

Mr. R. Anand, Chairman
Mr. Vinodrai V. Goradia
Mr. M. Bhaskara Rao (IREDA Nominee) (up to 12/11/2015)
Mr. M. Kanna Reddy
Mr. K. Madhu
Mr. Ashven Datla
Mr. Kamlesh Gandhi
Mr. P.N. Raju
Dr. Kalidas Raghavapudi
Lt. General T.A.DCunha (Retd) (PVSM)
Ms. Meena Gupta, IAS (Retd.) (IREDA Nominee)
(from 13/11/2015 to 21/04/2016)
Mr. K. Gautam - Executive Director
Mr. N.V. Suvama - Executive Director
Mr. N.G.V.S.G. Prasad - Executive Director & CFO (w.e.f 30/05/2016)
Mr. K. Ravi - Managing Director

COMPANY SECRETARY

Mr. T. Arun Kumar

AUDITORS

VENUGOPAL & CHENYOY

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

COST AUDITOR

R. SREENIVASA RAO

Cost Accountant
411, Raghava Ratna Towers,
Chirag Ali Lane, Abids, Hyderabad - 500 001.

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

UNIT - I

Simhapuri
Mattampally Mandal
Nalgonda Dist.
Telangana
Pincode - 508204

UNIT - II

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

BOARDS DIVISION

UNIT - I

Simhapuri,
Mattampally Mandal,
Nalgonda Dist.
Telangana
Pincode - 508204

UNIT - II

Bhatanwadi 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

ENERGY DIVISION

UNIT - II

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

READY MIX CONCRETE DIVISION

UNIT - I

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

UNIT - II

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

PREFAB DIVISION

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

BANKERS

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

Regd. & Admn. Office
CIN : L3130TG1979PLC002521

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



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AGM on Tuesday the 20th September, 2016 at 10.30 A.M. at KLN Prasad Auditorium,
3rd Floor, 11-06-841, FAPCCI Marg. Red Hills, Hyderabad - 500 004.



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

ORDINARY BUSINESS

- 1 To receive, consider and adopt the audited Financial Statements of the company for the year ended 31st March, 2016 together with the Reports of the Directors and Auditors thereon.
- 2 To declare Dividend
- 3 To appoint a Director in place of Mr.K.Madhu who retires by rotation and is eligible for reappointment.
- 4 To appoint a Director in place of Mr.Vinodrai. V.Goradia who retires by rotation and is eligible for reappointment.
- 5 To ratify the appointment of M/s. Venugopal & Chenoy, Chartered Accountants (ICAI Firm Registration No.004671S) as Statutory Auditors of the Company and if thought fit to pass with or without modification(s), the following resolution as an ordinary resolution.

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

SPECIAL BUSINESS

- 6 To consider and if thought fit, to pass, with or without modification(s), the following resolution as **Special Resolution**
"RESOLVED that pursuant to the provisions of Sections 149(4) of the Companies Act, 2013, Mr. R.Anand (DIN: 00040325), be and is hereby appointed as an Independent Director of the Company to hold office for a period of five years from the date of his appointment."

- 7 To consider and if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution**:
"RESOLVED THAT pursuant to the provisions of Section 148 and other applicable provisions of the Companies Act, 2013 the remuneration payable to M/s. S.R. and Associates, Cost Accountants, the Cost Auditors appointed by the Board of Directors of the Company, fixed as Rs 75,000/- (Rupees Seventy five thousand only for the financial year ending March 31, 2017, be and is hereby ratified."

- 8 To consider and if thought fit, to pass with or without modification(s) the following resolution as **Special Resolution**:
"RESOLVED that pursuant to the provisions of Sections 196, 197, 198, 203, Schedule V and other applicable provisions, if any of the Companies Act, 2013 the reappointment of Mr. K Ravi as

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

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

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

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

Housing/HRA: @ 40% of the salary

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

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

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

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

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

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

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

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

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

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

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

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



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

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

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

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

Housing/HRA: @ 40% of the salary

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

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

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

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

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

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

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

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

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

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

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

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

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

Place:Hyderabad
Date: 29th July, 2016

NOTES:

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

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

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

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

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

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

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



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

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

13 Instructions about Voting:

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

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

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

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

In case of members receiving e-mail:

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



For Members holding shares in Demat Form and Physical Form

PAN	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) - Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field. - In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.
DOB	Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format.
Dividend Bank Details	Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio. Please enter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field. as mentioned in instruction (V)

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

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

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

Note for Non-Individual Shareholders and Custodians

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

In case of members receiving the physical copy:

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



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

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

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

B) Voting by using the postal Ballot Form:

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

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

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

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

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

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

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

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

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

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

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

C. Other Instructions.

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

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



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

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

**Company Secretary,
NCL Industries Limited**

**Address of Registrar and
Share Transfer Agents**

Regd. Office: Venture Capital & Corporate
4th Floor, Vaishnavi's Cynosure Investments (P)Ltd 12-10-167 (MIG)
Near Gachibowli Flyover Bharath Nagar, Hyderabad.500018
Gachibowli, Hyderabad-500032 Ph:040-23818475/76&23868023
e-mail: cs@nclind.com e-mail: info@vccilindia.com

EXPLANATORY STATEMENT

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

ITEM NO. 6

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

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

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

The Company has received from Mr. R.Anand

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

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

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

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

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

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

ITEM NO. 7

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

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

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

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

The Board recommends that the Resolution be passed.

ITEM NO. 8

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

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



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

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

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

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

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

I. GENERAL INFORMATION:

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

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

including dividend Tax

* interim dividend @10% paid.

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

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

II. INFORMATION ABOUT THE APPOINTEES:

Mr. K. Ravi

1 Background Details :-

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

2 Past remuneration - (Rs.in Lakhs)

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

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

4 Job profile and his suitability :-

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

- 5 **Remuneration proposed** - As set out in the resolution for the Item No 8. The remuneration proposed to be paid to the Managing Director has the approval of the Nomination & Remuneration Committee.

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

- 7 **Pecuniary relationship directly or indirectly with the company, or relationship with managerial personnel, if any -** Besides, the remuneration proposed, Mr.K.Ravi is holding 24,31,807 equity shares in the Company and also having fixed deposits worth Rs. 165.00 Lakhs in the company.



III OTHER INFORMATION

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

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

ITEM NO. 9 AND 10

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

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

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

He holds 3,000 Equity shares in the company.

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

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

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

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

I. GENERAL INFORMATION:

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

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

including dividend Tax

* interim dividend@10% paid.

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

II. INFORMATION ABOUT THE APPOINTEE:

1 Background Details :-

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

2 Past remuneration - (Rs.in Lakhs)

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



Financial Year	2013-14	2014-15	2015-16
	Rs.15.29	Rs.15.86	Rs.23.32
3 Recognition and Awards:	Nil		
4 Job profile and his suitability :-	Mr. N.G.V.S.G. Prasad is the in- charge of operations of the Finance & Accounts, Energy division, HR, Admin, Corporate planning and secretarial subject to the superintendence, direction and control of the Managing Director. His qualifications and experience make him eminently suitable to hold the position to which he has been appointed		
5 Remuneration proposed	- As set out in the resolution for the Item No 10. The remuneration proposed to be paid to Mr. N.G.V.S.G. Prasad has the approval of the Nomination & Remuneration Committee.		
6 Comparative remuneration profile with respect to industry, size of the company, profile of the position and person:	The proposed remuneration is comparable to the remuneration being paid to the Executive Director in other companies of similar size and operations.		
7 Pecuniary relationship directly or indirectly with the company, or relationship with managerial personnel, if any -	Besides, the remuneration proposed, Mr.N.G.V.S.G.Prasad is holding 3,000 equity shares in the Company. Mr. N.G.V.S.G.Prasad does not have any other pecuniary relationship with the Company.		

III OTHER INFORMATION

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

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

ITEM NO. 11

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

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

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

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

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

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

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

Your Directors recommend that the Resolution be passed.

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



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

Preliminary

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

Share capital

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

Directors

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

Compliance with Listing Regulations

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

DIRECTORS' REPORT



Your Directors have pleasure in presenting their Report for the financial year ended March 31, 2016.

Financial Results

The Audited Financial Statements for the year ended March 31, 2016, 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)	
	2015-16	2014 - 2015
Gross Income	99748.01	79643.09
Profit Before Tax	6686.54	1233.72
Provision for Tax (including deferred tax)	1378.63	343.71
Profit for the year after tax	5307.91	890.01
Transfer to General Reserve	434.20	Nil

Your Directors are pleased to report that the year under review constituted a record in the history of the Company both in terms turnover and profitability. Several favorable factors contributed to this performance. There was a turnaround in the cement industry for the region after a spell of sluggish growth in terms of demand. Improvement in capacity utilization and net realization during the year under review resulted in a healthy performance. Simultaneously, Boards Division recorded a satisfactory performance.

With the prospects of increased spending on infrastructure, your Directors are optimistic about sustaining the good performance.

However bad monsoon affected the operations of Energy division involving generation of hydel power during the year under review.

Material changes and commitments if any affecting financial position of the company

Exit from CDR Mechanism:

Your Directors felt that the Upturn in the financial performance and the optimistic outlook of the industry provided the right opportunity to plan for growth and further capital expenditure. However, the restrictions under the CDR mechanism were an inhibiting factor for further borrowing and planning growth.

Your Directors therefore embarked upon a plan for raising funds through Non Convertible Debentures (NCDs) by private placement to be utilised to pay off the term lenders and finance further capital expenditure to augment the existing capacities for Cement and Boards Divisions.

Your Company has made arrangements for raising an amount of Rs. 325 crores by issue of NCDs. An amount of Rs. 165 crores has been raised so far, out of which Rs. 102 crores has been paid to settle the dues of the existing term loans from Banks in full.

Capital Expenditure and enhancement of capacities

The balance proceeds of the proposed NCD Issue will be utilized to augment the capacities as follows:

Cement Division

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, Nalgonda District, Telangana with an outlay of Rs 180 crores.

Boards Division:

Setting up Third Boards Plant of 30,000 tpa capacity at Simhapuri, Nalgonda District, Telangana with an outlay of Rs. 35 crores.

Orders for all major equipment have been placed, and the project implementation is progressing satisfactorily. Your Directors expect that the expansion projects to be completed by March 2017.

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 January 2016. Your Directors are pleased to recommend a further dividend Rs.1/- per share at the ensuing Annual General Meeting, thus bringing the total dividend for the year 2015-16 to Rs. 2/- per share.

DIRECTORS' RESPONSIBILITY STATEMENT

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

- I. All applicable accounting standards have been followed in the preparation of annual accounts and that there are no material departures.
- II. The Directors selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company as at 31st March, 2016 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

The Company has five independent directors as stipulated by Section 149(6) of the Companies Act, 2013, namely Mr. R. Anand, Mr. M. Kanna Reddy, Mr. Kamlesh Gandhi, Dr. Kalidas Raghavapudi and Lt. General T.A. Dcunha(Retd). The current tenure of Mr. R Anand, who has been an Independent Director before the promulgation of the Companies Act, 2013 is coming to an end at the ensuing Annual General Meeting. A Special Resolution is being proposed for appointment of Mr. R. Anand as an Independent Director for another tenure of five years.

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.

Executive Directors

At its meeting held on 30 May 2016, the Board appointed Mr. N.G.V.S.G. Prasad as an Additional Director and Executive Director & Chief Financial Officer (CFO). A resolution is being proposed at the ensuing Annual General Meeting appointing Mr. N.G.V.S.G. Prasad as a Director and Executive Director & CFO.

IREDA nominated Ms. Meena Gupta as Director of the company in place of Mr. M. Bhaskara Rao w.e.f 13th November, 2015. Consequent to the repayment of the entire loan due it, IREDA withdrew the nomination of Ms. Meena Gupta on the Board of the company w.e.f. 22nd April, 2016.

The Board records its profound appreciation of the contribution made by Mr. M. Bhaskara Rao and Ms. Meena Gupta as Nominee Directors of IREDA.

Mr. K Madhu and Mr. Vinodrai Goradia retire by rotation at the ensuing Annual General Meeting, and are eligible for reappointment. The necessary resolutions for the re-appointment of Mr. K Madhu and Mr. Vinodrai Goradia have been included in the Notice convening the ensuing AGM.

Particulars of Directors whose appointment/reappointment is sought are given in **Annexure A-1** to this Report, as part of the Report on Corporate Governance under SEBI (LODR) Regulations, 2015.

BOARD MEETINGS

During the year under review, six board meetings were held on 26th May, 2015, 30th May, 2015, 11th August, 2015, 29th September, 2015, 13th November, 2015, and 29th January, 2016. 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.

Key Managerial Personnel

During the year under review, Mr. N. Krishnan (President & CFO) resigned from the company with effect from 25th September, 2015. The Board of Directors at its meeting held on 29th September, 2015 appointed Mr. N.G.V.S.G. Prasad as President & CFO. At the Board meeting held on 30th May, 2016 Mr. N.G.V.S.G. Prasad has been elevated to Board and designated as Executive Director & CFO w.e.f 30th May, 2016.

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'** 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 has been constituted with Independent Director as Chairman and one Executive Director and one Non Executive Director as members. The Committee meeting was held on 28th March, 2016 and discussed 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 existence of the company in the immediate future.

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

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

Related Party Transactions

Pursuant to Section 134 of the companies Act, 2013 read with Rule 8(2) of the Companies (Accounts) Rules, 2014, the particulars of contracts or arrangements entered into by the company with related parties have been done at arm's length and are in the ordinary course of business. The details of the Related Party Transactions are contained in the Audited Financial Statements (See Note 2.33(b) in Notes on Account)

Management Discussion and Analysis Report

The Management Discussion & Analysis Report is annexed as



Annexure 'B' to this Report.

Litigations

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

Corporate Social Responsibility (CSR) Activities

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

At the meeting of the Board held on 11th August 2015, your Board has adopted a CSR Policy, and will comply with the provisions relating to CSR as and when they become applicable to the company. A CSR Committee has been constituted with Mr. Kamlesh Gandhi, Independent Director as Chairman and one Executive director and one Non Executive director as members. The CSR Committee meeting was held on 28th January, 2016 and reviewed the CSR Policy.

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.27.52 Lakhs relating to unpaid Dividend for the Financial Year 2007-08 to the Investor Education & Protection Fund.

Fixed Deposits

The details relating to Fixed Deposits are as follows:

As on 31st March 2016, Rs.4612.73 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 15th September,2015 are as under:

S.No	Name of the Director/ Relative of Director	Amount (Rs.in Lakhs)	Interse Relationship
1	Mr.M.Kanna Reddy	15.00	Director
2	Mrs.Roopa Bhupatiraju	4.50	Director
3	Master Arjun	7.05	S/o Mrs. Roopa Bhupatiraju
4	Ms.D.Aanya	1.00	D/o Mr.Ashven Datla
5	Mr.K.Ravi	165.00	Managing Director

Particulars of Employees

The details of employees who have been in receipt of the remuneration envisaged by Section 197 of the Companies Act, 2013 read with Rule 5 of the Companies (Appointment and Remuneration of Managerial personnel) vide MCA Notification dated 30th June,2016 is annexed as **Annexure D** to this Report.

Auditors

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

Cost Audit

M/s S.R. and Associates, Cost Accountants have been appointed to conduct the cost audit pertaining to Cement as well as RMC of the company for the year 2016-17.

The Cost Audit Reports for the financial year ended March, 31st, March, 2015 were duly filed with Ministry of Corporate Affairs on 30/09/2015.

Secretarial Audit

The Secretarial Audit Report pursuant to the provisions of Section 204 of the Companies Act, 2013. The observations of the Report are self contained, and do not call for any explanation as envisaged by Section 204(3) of the said Act.

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

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

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

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

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

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

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

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

Earnings :Rs. 139.98 Lakhs

Outgo :Rs. 301.35 Lakhs

Additional Information

The information relating to conservation of energy, technology absorption and foreign exchange etc., is furnished in Form A & B and forms part of the report.



Extract of Annual Return

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

Acknowledgements

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

Place: Hyderabad
29th July, 2016

R. ANAND
Chairman

FORM-A

FORM FOR DISCLOSURE OF PARTICULARS WITH RESPECT TO CONSERVATION OF ENERGY

	Current Year 2015-16	Previous Year 2014-15
A. POWER AND FUEL CONSUMPTION		
1 ELECTRICITY		
a. Purchased		
Units -Lacs	1389	1132
Total Amount (Rs.In lacs)	7829	6261
Rate/Unit(Rs)	5.63	5.53
b. Own Generation		
Through Diesel Generator (Units lakhs)	1.69	2.76
Total Amount (Rs. In Lacs)	26	46
Rate/Unit(Rs)	15.65	16.70
2 COAL		
Quantity (Tonnes)	218523	193178
Total Cost (Rs.Lacs)	10144	10812
Average Rate/Tonne(Rs)	4642	5597
3 FIRE WOOD		
Quantity (MT)	7229	6062
Total Cost (Rs.Lacs)	209	204
Average Rate/Tonne(Rs)	2894	3366
4 CONSUMPTION PER UNIT OF PRODUCTION		
Electricity -Units		
Cement Division (per MT)	94.18	96.09
Boards Division (per Sq Mtr)	2.20	2.37
Coal -MT (Cement Division)	0.167	0.182
Kcal/Kg clinker	793	787

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

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

For and on behalf of the Board

Place: Hyderabad
29th July, 2016

R. ANAND
Chairman

Annexure “A” 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) Constitution & Size of the Board

During the year under review, your Board of Directors had 13 Directors, 3 being Executive Directors and 10 Non-Executive Directors (including a Nominee Director). Five of them being 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.

At the Board meeting held on 30th May, 2016, Mr. N.G.V.S.G. Prasad (President & CFO) has been elevated to Board and appointed as additional Director and Executive Director w.e.f 30th May, 2016.

IREDA nominated Ms. Meena Gupta as a Director in place of Mr. M. Bhaskara Rao w.e.f 13th November, 2015. Consequent to the repayment of dues, IREDA withdrew the nomination of Ms. Meena Gupta w.e.f. 22nd April, 2016.

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

Six Board Meetings were held during the year 2015-16. The dates on which the said meetings were held are as under:

- (1) 26th May, 2015 (2) 30th May, 2015 (3) 11th August, 2015
(4) 29th September, 2015 (5) 13th November, 2015 (6) 29th January, 2016



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 Meetings 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	4	-	3
M. Kanna Reddy	I & NED	6	Yes	1	-	1
Dr.KalidasRaghavapudi (wef 11/08/2015)	I & NED	2	Yes	-	1	2
Lt.Gen.T.A.DCunha (Retd)(wef11/08/2015)	I & NED	4	Yes	-	-	-
Kamlesh Gandhi	I & NED	5	Yes	4	2	2
M. Bhaskara Rao (up to 12/11/2015)	NED	3	Yes	-	-	1
Ms.Meena Gupta (from 13/11/2015 to 21/04/2016)	NED	1	NA	1	-	-
V.V. Goradia	NED	4	Yes	-	-	-
Ms.Roopa Bhupatiraju	NED/WD	1	Yes	-	-	-
K. Madhu	NED	5	Yes	4	-	1
Ashven Datla	NED	5	Yes	5	-	1
K. Gautam	ED	4	Yes	-	-	-
P.N. Raju	ED	5	Yes	-	-	-
N.V. Suvar na****	ED	5	Yes	-	-	-
K. Ravi	MD	4	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

****w.e.f 30.05.2015.

Mr.K.Ravi, Mr.K.Madhu, Mr.Ashven Datla, Mr.K.Gautam and Mrs.Roopa Bhupatiraju are related inter-se among themselves. (Disclosure Under Schedule V(C)(e) of the SEBI (LODR) Regulations,2015).

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. Two separate meetings of the independent Directors were held on 11th August,2015 and 7th November,2015 during the year under review. Independent directors evaluated the performance of other Non executive Directors and elicited 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 and also their rights and responsibilities. For new inductees, the familiarization process consists of plant visits, interaction with the executive directors, other members of the Board and senior management personnel. The company also 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, five meetings of the audit committee were held on the following dates

30th May, 2015, 11th August, 2015, 21st September, 2015, 12th November, 2015 and 29th January, 2016.

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

Name	Designation	Category	Committee meetings attended
M.Kanna Reddy	Chairman	Independent	5
M. Bhaskara Rao (Up to 12/11/2015)	Member	Non executive (IREDA Nominee)	2
K. Madhu(up to 10/08/2015)	Member	Non Executive	2
Kamlesh Gandhi	Member	Independent	5
Dr. Kalidas Raghavapudi (from 11/08/2015)	Member	Independent	2
Ashven Datla (from 11/08/2015)	Member	Non Executive	3

The Audit Committee has been reconstituted w.e.f 11th August, 2015 and its constitution is in compliance of the provisions under SEBI (LODR) Regulations, 2015.

The Managing Director, Executive Directors and CFO are permanent invitees to this Committee. The terms of reference of the Audit Committee are in accordance with the provisions of Clause 49 of the Listing Agreement / 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. The Nomination & Remuneration Committee has been reconstituted w.e.f 11th August, 2015 with Mr. Kamlesh Gandhi as Chairman, Mr. Ashven Datla and Lt. General T.A. DCunha (Retd) as new members.



Name	Designation	Category	Committee meetings attended
M.Kanna Reddy (up to 10/08/2015)	Chairman	Independent	1
M. Bhaskara Rao (up to 10/08/2015)	Member	Non Executive (IREDA Nominee)	-
K. Madhu (up to 10/08/2015)	Member	Non Executive	1
Kamlesh Gandhi	Chairman	Independent	3
Lt.Gen.T.A.DCunha(Retd) (from 11/08/2015)	Member	Independent	2
Ashven Datla	Member	Non Executive	2

This Committee considers and recommends the appointment of directors and remuneration payable to Executive Directors. During the year under review, three Meetings of the Committee were convened on 30th May, 2015, 21st September 2015, and 29th January, 2016.

Remuneration Policy

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

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

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

Remuneration paid to Executive Directors

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

(Rs. in lakhs)

Name Name of the Director	Salary	Allowances/ Benefits	Commission	Total
K. Ravi, M.D	87.00	45.24	132.08	264.32
P.N. Raju, E.D*	11.70	35.87	16.51	64.08
K. Gautam, E.D	33.60	13.44	-	47.04
N. V. Suvarna, E.D	20.00	10.40	-	30.40

*up to 2nd July, 2015.

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.7,500/- per Board / Committee Meeting up to 10th August, 2015 and Rs.15,000/- per Board meeting and Rs.10,000/- for any Committee meeting thereof w.e.f 11/08/2015.

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)
M. Kanna Reddy	16	1,67,500
M. Bhaskara Rao (IREDA Nominee)	4	57,500
Meena Gupta (IREDA Nominee)	1	15,000
V.V. Goradia	5	62,500
R. Anand	4	60,000
Ashven Datla	13	1,47,500
K. Madhu	10	1,05,000
Kamlesh Gandhi	16	1,70,000
Mrs. Roopa Bhupatiraju	1	15,000
Lt. Gen. T.A. DCunha	8	1,00,000
Dr. R. Kalidas	5	60,000
P.N. Raju	6	80,000
Total Sitting Fees Paid		10,40,000

Shareholdings of Non Executive Directors as on 31st March, 2016:

Non-executive Directors	No. of Shares
R. Anand	540
M. Kanna Reddy	NIL
Dr. R. Kalidas	Nil
Lt. Gen. T.A. DCunha(Retd)	Nil
V.V. Goradia	5,48,602
K. Madhu	11,71,674
Ashven Datla	6,49,194
Kamlesh Gandhi	NIL
Mrs. Roopa Bhoopathiraju	1,79,688
P.N. Raju	11,63,119

5. Stakeholders Relationship Committee :

The Company has a Stakeholders Relationship Committee which consists of Mr. M. Kanna Reddy as its Chairman, Mr. K. Madhu and Mr. Ashven Datla as its members. This Committee has been reconstituted w.e.f 11th August, 2015 with Dr.R.Kalidas as Chairman and Mr.K.Madhu and Mr.P.N.Raju as 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 28th March, 2016. The attendance details of the members are given hereunder.

Name	Designation	Category	Committee meeting attended
Dr.R.Kalidas	Chairman	Independent	-
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 31st March 2016.

Sl. No	Nature of letter / complaints	Received	Disposed of	Pending
1	Non-receipt of Dividend warrant(s)	18	18	Nil
2	Non - Receipt of Share certificates after transfer / duplicate.	3	3	Nil
3	Non – Receipt of Annual Report	9	9	Nil
4	Miscellaneous - others	-	-	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

In view of the losses in the previous years, your company is not covered by the provisions relating to Corporate Social Responsibility during the year under review. However, the Board at its meeting held on August, 14 2014, constituted the CSR Committee comprising Mr.Kamlesh Gandhi as Chairman, Mr. K.Gautam (Executive Director), and Mr.Vinodrai.V.Goradia (Director) as members. During the year under review, one Committee meeting was held on 28th January,2016 and adopted CSR Policy of the company.

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

7) Subsidiaries:

There are no subsidiaries of the Company.

8) General Body Meetings:

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

Year	Date & time of AGM	Place
2014-2015	29.09.2015 at 11.00 AM	KLN Prasad Auditorium, FAPCCI Hall, Lakdika pool, Hyderabad
2013-2014	29.09.2014 at 12.00 Noon	Bharatiya Vidya Bhavan, King Koti, Hyderabad
2012-2013	28.09.2013 at 11.30 AM	Bharatiya Vidya Bhavan, King Koti, Hyderabad

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

Year	Gist of the Resolutions
2014-15	1. Appointment and remuneration of Mr.N. V.Suvarna as Executive Director 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. 3. Invite subscription for Secured/unsecured redeemable Non convertible Debentures aggregating up to Rs.400.00 Crores on a private placement basis.
2013-14	1. Re appointment and remuneration payable to Mr.P.N.Raju as Executive Director for a period of 3 years w.e.f 1st August,2014 2. Re appointment and remuneration payable to Mr.K.Gautam as Executive Director for a period of 3 years w.e.f 1st August,2014. 3. Acceptance /invitation/renewal of deposits U/s73 and 76 of the Companies Act,2013 from time to time by the board of directors of the company.



	4. Consent to borrow/create/mortgage on movable and immovable properties of the company U/s180(1)(a) and 180(1)(c) of the Companies Act, 2013.
2012-13	Confirmation of remuneration paid to Mr.K.Ravi, Managing Director for the FY 2012-13 and approval of Minimum remuneration to him in the event of inadequacy of profits from FY2013-14 onwards.

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

9) Disclosures

- a) The related party transactions made by the Company with its Promoters, Directors, Management or Relatives are disclosed in the Notes to the Account. There have been no related party transactions that may have conflict with the 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 formulated a formal whistle blower policy, which was adopted by the Board at its meeting held on 30th May 2015.
- 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 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 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 and BSE & NSE websites.

10) Shareholders Information:

I) AGM :	35th Annual General Meeting
Date :	20th September, 2016
Time :	10.30 A.M
Venue :	KLN Prasad Auditorium, 3rd floor, Federation House, 11-06-841, FAPCCI Marg, Red Hills, HYDERABAD-500004.
ii) Financial Year	April 1 to March 31 next.
iii) Date of Book Closure	14 /09/2016 to 20 /09/2016, (both days inclusive)
iv) Final Dividend payment date	Within 30 days from the date of AGM i.e. 20th September, 2016.
v) Listing on Stock Exchanges and status of Listing fees	BSE&NSE Listing Fees paid up to date.
vi) A) Script Code B) Demat ISIN No in NSDL & CDSL for equity shares C) Corporate Id. No.	BSE- 502168, NSE – NCLIND INE 732C01016 L33130TG1979PLC002521



vii) Stock Market Data
SHARE PRICE (BSE)

Month & Year	High (Rs.)	Low (Rs.)	Close(Rs.)	No of Shares Traded (in Lakhs)
Apr- 15	56.35	45.75	48.65	2,50,136
May-15	62.70	47.75	59.10	3,46,302
Jun- 15	83.55	56.50	79.95	12,21,782
Jul- 15	89.40	69.80	82.50	13,18,429
Aug- 15	113.00	77.45	93.15	31,02,696
Sep- 15	109.90	82.00	108.25	10,98,196
Oct- 15	135.00	105.50	124.40	22,67,161
Nov- 15	164.90	120.00	161.90	16,96,679
Dec- 15	184.30	152.30	162.80	18,27,399
Jan-16	166.40	114.30	132.70	13,81,124
Feb-16	129.00	80.40	87.90	15,96,628
Mar-16	102.35	86.20	94.00	11,85,705

SHARE PRICE (NSE)

Month & Year	High (Rs.)	Low (Rs.)	Close(Rs.)	No of Shares Traded (in Lakhs)
Apr- 15	56.20	45.50	48.90	4,07,173
May-15	63.00	47.45	59.05	9,26,411
Jun- 15	83.45	54.20	79.90	29,80,072
Jul- 15	88.20	69.80	82.40	36,04,825
Aug- 15	113.00	77.10	93.25	1,00,87,166
Sep- 15	109.90	81.95	108.55	38,03,861
Oct- 15	134.90	105.50	124.50	62,03,614
Nov- 15	164.90	119.25	161.45	57,26,090
Dec- 15	184.50	153.00	163.15	69,62,872
Jan-16	166.40	114.30	133.00	45,05,221
Feb-16	129.00	80.00	87.40	47,90,564
Mar-16	102.40	86.10	93.80	39,40,420

viii) Address of Registrar and Share Transfer Agents

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

ix) Share transfer system:

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



x) Distribution of Shareholding as on 31.03.2016

NO. OF EQUITY SHARES HELD	NO. OF SHAREHOLDERS	%	NO. OF SHARES HELD	%
Up to 500	35,654	89.26	44,88,602	12.22
501 - 1000	2,165	5.42	16,87,558	4.59
1001 - 2000	1019	2.55	15,48,110	4.21
2001 - 3000	329	0.83	8,31,058	2.26
3001 - 4000	173	0.43	6,19,639	1.69
4001 - 5000	113	0.28	5,27,869	1.44
5001 - 10000	231	0.58	16,92,649	4.61
10001 & ABOVE	260	0.65	2,53,37,305	68.98
TOTAL	39,944	100.00	3,67,32,790	100.00

xi) Shareholding Pattern as on 31.03.2016

	NO. OF SHARES HELD	%
Promoters/Promoter Group		
Individuals	1,37,65,696	37.48
Individuals(NRIs)	1,00,000	0.27
Bodies Corporate	41,52,695	11.31
Public Shareholding		
Individuals holding nominal share capital upto Rs.2 lakhs	1,12,07,563	30.51
Individuals holding nominal share capital in excess of Rs.2 lakhs	46,90,267	12.77
Body Corporates	19,39,172	5.28
Mutual Funds/FI's /Central & State Governments	96,921	0.26
Clearing Member/Trust	3,76,627	1.02
NRI's	4,01,571	1.09
FII's	2,278	0.01
TOTAL	3,67,32,790	100.00

xii) Dematerialization of Shares

The shares of the Company are compulsorily traded in DEMAT form by all categories of investors. The Company has arrangements with National Securities Depositories Ltd (NSDL) and Central Depository Services India Ltd (CDSL) to establish electronic connectivity of our shares for script-less trading. As stipulated by SEBI, a practicing Company secretary carries secretarial Audit to reconcile the total admitted capital with National Securities depository Ltd(NSDL) and Central depository Services Ltd(CDSL) and total issued and listed capital. As on 31st March 2016, 88.52% of shares of the Company were held in Dematerialized form with the following depositories.

Depository	No. Of Shares	% on Paid up Capital
1) NSDL	2,75,01,638	74.87 %
2) CDSL	50,15,306	13.65 %
Total	3,25,16,944	88.52 %



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 and one Executive Director and one Non Executive Director as members. The company had laid down procedures to inform Board members about the risk assessment and minimization procedures. One Committee Meeting was held on 28th March, 2016, discussed the various risks and suggested procedures to be adopted to overcome the same.

xv) Plants Location:

CEMENT	UNIT-I	: Simhapuri, Mattampally Mandal, Nalgonda Dist-508204, Telangana
	UNIT-II	: Kadimpothavaram Village, Kondapalli, Krishna District-521228, Andhra Pradesh.
BOARDS	UNIT-I	: Simhapuri, Mattampally Mandal, Nalgonda Dist-508204, Telangana
	UNIT-II	: Bhothanwali Village, Paonta Sahib, Sirmour District-173025. Himachal Pradesh.
ENERGY	UNIT-I	: Pothireddypadu, Head Regulator, Chabolu Village, Pothulapadu Post, Nandikotkur TQ., Kurnool District-518402, Andhra Pradesh.
	UNIT-II	: RBHLC Zero Mile Point, Tungabhadra Dam, Tungabhadra Board, Amaravathi Village, Hospet-583225, Karnataka.
PREFAB	UNIT-I	: Bhothanwali Village, Paonta Sahib, Sirmour District-173025, Himachal Pradesh.
READYMIX	UNIT-I	: Plot No.11, A/2-IDA, Patancheru, Hyderabad- 502319. Telangana
CONCRETE	UNIT-II	: Survey No.83, Plot No.91/C, D-Block-IDA, Auto Nagar, Visakhapatnam-530026., Andhra Pradesh.

xvi) Address for Investor Correspondence

The Company Secretary
NCL Industries Limited
4th Floor, Vaishnavi's Cynosure
Near Gachibowli Flyover,
Gachibowli, Hyderabad 500032
e-Mail ID:cs@nclind.com /
ncl@nclind.com

xvii) CEO/CFO Certification

The CEO/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.

The above Report was adopted by the Board of Directors at their meeting held on 29th July, 2016.

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 30th 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: 29th July, 2016.

**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 31.03.2016, 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: 29th July, 2016.


Annexure A- 1
Particulars of Directors whose appointment/reappointment is being sought

Name of the Director	R.Anand	K.Ravi	K.Madhu	V.V.Goradia	N.G.V.S.G. Prasad
Date of Birth	05/11/1933	27/09/1954	01/07/1956	29/08/1937	01/01/1966
Qualification	B.A.	Diploma in Electrical Engineering	B.Com., LLB.	PUC	B.Com, FCA
Directorship in other companies	Pranavaditya Spining Mills Ltd. NSL Textiles Ltd. Indo Count Industries Ltd. Eastern Engineering Company (Bombay) Pvt. Ltd. Nova Silk Pvt. Ltd. ETS Eastern Service Pvt. Ltd. Marzoli Textile Machinery Manufacturers Pvt. Ltd. Smit Textile Machinery Manufacturers Pvt. Ltd. Ferrari Eastern Fans India Pvt. Ltd.	Kakatiya Industries P. Ltd. Viram Chemicals P. Ltd. Nagarjuna Cerachem P. Ltd. Deccan Nitrates P. Ltd. Hampi Energy Ltd. Sorachem Industries P. Ltd.	NCL Alltek & Seccolor Ltd. NCL Homes Ltd. NCL Wintech (India) Ltd. Kakatiya Industries P. Ltd. Eastern Ghat Renewable Energy Ltd. Span Tile Mfg. Co. P. Ltd. NCL Green Habitats P. Ltd.	Nil	Nil
Membership of Audit/Stakeholders Relationship Committees of other public Ltd companies	3	Nil	Nil	Nil	Nil
No.of shares held in NCL Industries Ltd.	540	24,31,807	11,71,674	5,48,602	3,000
Inter-se relationship with other Directors of the company	None	Brother of Mr.K. Madhu, Mr. K. Gautam (Mr. K. Madhu's son), Mrs Roopa Bhupatiraju (daughter) and Mr. Asven Datla (Son in Law)	Brother of Mr. K. Ravi, Mr. K. Gautam (son) and Mrs Roopa Bhupatiraju (Mr.K.Ravi's daughter)	None	None
Awards/Medals etc:	-	Entrepreneur of the Year 2012 by Hyderabad Management Association	-	-	-



The Company's performance during the year ended 31st March, 2016 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 Industry is considered one of the vital constituents of the country's economy. It provides employment to more than a million people directly or indirectly. 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.

The Indian Cement Industry is also witnessing a consolidation phase, with a few major merger and acquisition proposals in the pipeline.

Ready-Mix Concrete (RMC)

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

Boards

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

its capacity by setting up one more Cement Boards unit of 30,000 tpa capacity.

Prefab

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

Hydel Energy (Small Hydro)

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

B. OPPORTUNITIES AND THREATS

The expected growth in infrastructure spending by the Governments both at the Centre and the States offers an opportunity to all manufacturers of core materials like cement used in infrastructure sectors. However, the composition in the cement industry is undergoing a change with the ongoing proposals for mergers and acquisitions of cement majors – both domestic and global. This is likely to result in a more intense competition, which will have its own impact on prices and profitability.

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

Boards Division is also likely to be a beneficiary of the expected growth in the infrastructure industry. The rise in the construction activity is expected to result in enhanced opportunity for incremental sales. However the emergence of alternative and new products to the boards division constitutes a constant threat and the resultant competition continues to be a matter requiring constant attention.

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



A. SEGMENT-WISE OR PRODUCT-WISE PERFORMANCE

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

Segments	%age contribution to total turnover	Quantity of production	Turnover (Rs. Lakhs)	Segment Profit before Interest & Tax (Rs. Lakhs)
Cement	84.43	12,77,099 Mt	83,946.69	7,594.20
Boards	10.49	61,152 Mt	10,430.98	2,421.72
Prefab*	-	Nil	Nil	376.95
Energy	0.24	122.74U	237.32	(74.74)
Ready Mix Concrete	4.84	1,24,255 (Cu.Mtrs)	4,816.75	122.68

*Since the company did not accept the new DGS&D rates, no prefabricated orders were accepted during the year.

B. 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 participate in the emerging growth story.

A. 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.

B. INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY.

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

C. DISCUSSION ON FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE.

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

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

The senior management team has been strengthened with the recruitment of additional personnel to provide leadership below the executive director level. The Company has cordial relations with employees and staff. As on 31st March 2016, the company has 693 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)**

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

The ongoing CSR activities are being sustained and improved. The company constituted a CSR committee to review the CSR activities. The activities are briefly summarized below:

EDUCATION

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

The education provided is absolutely free to tribal children without charging any fees. In addition, the company also extends subsidized transportation to the Tribal children to facilitate their attending the classes.

317 out of the school strength of around 676 are tribal children.

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

The school has teaching strength of 28.

Children from the school including tribal children got admission in prestigious institutions like I.I.I.T and Indian Institute of Science & Technology, Kolkata. This high school achieved 100% pass in class X public examinations conducted by the govt. of Telangana. This high school achieved 1st place at mandal level. In sports, one student from this high school got selected in state level volleyball competition.

As reported in last annual report, the demand for setting up a Junior College to provide facilities for further education considered by the company and necessary steps have been taken to implement the same. Recently this high school completed 25 years.

The total expenditure for the Education and related activity during the year 2015-2016 was Rs. 66.02 Lakhs.

HEALTHCARE

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

On an average around 2550 local villagers avail free Out Patient facility every month. Wherever possible, free medicines are provided by the Company to the patients.

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

In addition, your Company organizes several medical and health camps each year in surrounding villages to provide health care and to improve the awareness of health and sanitation among villagers. During the year under review, your company conducted 48 such camps including dental, pulse polio, diabetic screen, DEC tablets distribution, E.N.T. etc. NCL is also conducting blood donation camps on special occasions like annual day, world health day etc. NCL engaged child specialist, dentist, eye specialist, children specialist and gynecologists on retainer basis to visit the health center to provide free consultation for the benefit of villagers. Best Doctor award in Nalgonda district given to NCL Health Center on the occasion of Republic day and World T.B. day. So far this hospital bagged 21 awards.

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

ENVIRONMENT

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

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

**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	62 years
Qualification	Diploma in Electrical Engineering
Designation	Managing Director
Date of commencement of employment	Since 11th January 2003
No. of year of experience	over 39 years
Remuneration	Rs 264.32 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 29/07/2016)	6.62 %

Notes:

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

For and on behalf of the Board

Date: 29th July, 2016

R. Anand
Chairman

Registered Office:
4th Floor, Vaishnavi's Cynosure
Near Gachibowli Flyover,
Gachibowli, Hyderabad-500032.



Annexure - E
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED March 31st, 2016

[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, 2016 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, 2016 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
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009
 - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 and The Securities Exchange Board of India (share based Employee benefits) Regulations 2014 (**Not applicable during the audit period as the employee welfare trust through which the benefits to employees are to be granted is yet to be created**)
 - (e) 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**
 - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client
 - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009-**Not applicable during the audit period**
 - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998-**Not applicable to the Company during the audit period**

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:

1. The Company has allotted 17,95,455 equity shares to the Promoters group by way of Preferential allotment during the year in terms of CDR mechanism. The in principle approval of stock exchanges is not received during the year. The Company has provided necessary clarifications to the stock exchanges as asked for.
2. Two meetings of Independent directors were 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.
3. The Company has filed all the required forms with the Ministry of Corporate affairs in time except Form MR-1, which was filed belatedly on 21st October 2015 and was informed that the delay was due to technical problems faced in online filing.
4. The Company is required to authorize one or more KMP in terms of Regulation 30(5) of LODR Regulations 2015 for determining materiality of any event or information for disclosure to stock exchanges and on Company's website

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 40 crores during the year.

This report is to be read with our letter of even date which is annexed as Annexure-A 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: July 20, 2016



To,
The Members,
NCL Industries Limited,
4th 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: July 20, 2016

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

1. Para 4 of the observation:

The company complied with the Regulation 30(5) of LODR Regulations, 2015 at the board meeting held on 29th July, 2016.



Form No. MGT-9

EXTRACT OF ANNUAL RETURN

As on the financial year ended on 31st March, 2016

[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	2394	84.43
2	Plain and laminated Cement Bonded Particle Boards	23949	10.49

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

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


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

Category of Shareholders	No. of Shares held at the beginning of the year (As on 01-04-2015)				No. of Shares held at the end of the year (As on 31-03-2016)				% Change during the Year
	Demat	Physical	Total	% of total shares	Demat	Physical	Total	% of total shares	
(A) Promoters									
(1) Indian									
a) Individual/ HUF	12389610	0	12389610	35.46	12055396	1710300	13765696	37.48	2.02
b) Central Govt	0	0	0	0	0	0	0	0	0.00
c) State Govt(s)	0	0	0	0	0	0	0	0	0.00
d) Bodies Corporates	4284906	0	4284906	12.27	4067540	85155	4152695	11.30	0.97
e) Banks/Financial Institutions	0	0	0	0	0	0	0	0	0.00
i) Any Other...	0	0	0	0	0	0	0	0	0.00
Sub-total (A) (1):-	16674516	0	16674516	47.73	16122936	1795455	17918391	48.78	1.05
(2) Foreign									
a) NRIs –Individuals	0	0	0	0	100000	0	100000	0.27	0.27
b) Other –Individuals	0	0	0	0	0	0	0	0	0.00
c) Bodies Corp.	0	0	0	0	0	0	0	0	0.00
d) Banks / Financial Institutions	0	0	0	0	0	0	0	0	0.00
e) Any Other....	0	0	0	0	0	0	0	0	0.00
Sub-total (A) (2):-	0	0	0	0	100000	0	100000	0.27	0.27
Total shareholding of Promoter (A)=(A)(1)+(A)(2)	16674516	0	16674516	47.73	16222936	1795455	18018391	49.05	1.32
(B) Public Shareholding									
1 Institutions	0	0	0	0	0	0	0	0	0.00
a) Mutual Funds		7450	7450	0.02	52625	7450	60075	0.16	0.14
b) Banks / Financial Institutions	4900	9290	14190	0.04	20206	9290	29496	0.08	0.04
c) Central Govt.		7450	7450	0.02		7350	7350	0.02	0.00
d) State Govt	0	0	0	0	0	0	0	0	0.00
e) Venture Capital Funds	0	0	0	0	0	0	0	0	0.00
f) Insurance Companies	0	0	0	0	0	0	0	0	0.00
g) Foreign Institutional Investors (FIIS)	0	0	0	0	2278	0	2278	0.01	0.01
h) Foreign Venture Capital Funds	0	0	0	0	0	0	0	0	0.00
i) Others (Specify)	0	0	0	0	0	0	0	0	0.00
Sub-total (B)(1):-	4900	24190	29090	0.08	75109	24090	99199	0.27	0.19
2. Non-Institutions									
a) Bodies Corporates	2077222	23655	2100877	6.01	1911994	22975	1934969	5.27	0.74
i) Indian	0	0	0	0	0	0	0	0	0.00
ii) Overseas	0	0	0	0	0	0	0	0	0.00
b) Individuals	0	0	0	0	0	0	0	0	0.00
i) Individual shareholders holding nominal share capital upto Rs. 1Lakh	6151865	2411713	8563578	24.51	7970287	2318979	10289266	28.01	3.50
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	6750476	630731	7381207	21.13	5554572	53992	5608564	15.27	5.86
c) Others (specify)	0	0	0	0	0	0	0	0	0.00
Clearing Member	50843	0	50843	0.15	354080	0	354080	0.97	0.81
Trust	2750	0	2750	0.01	26750	0	26750	0.07	0.06
NRI'S	134119	355	134474	0.38	401216	355	401571	1.09	0.71
Foreign Nations									
Sub-total (B)(2):-	15167275	3066454	18233729	52.19	16218899	2396301	18615200	50.68	1.51
Total Public Shareholding (B)=(B)(1)+(B)(2)	15172175	3090644	18262819	52.27	16294008	2420391	18714399	50.95	1.32
C. Shares held by Custodian for GDRs & ADRs	0	0	0	0	0	0	0	0	0.00
Grand Total (A+B+C)	31846691	3090644	34937335	100.00	32516944	4215846	36732790	100.00	0.00



Annexure(s) to the Director's Report

ii) Shareholding of Promoters:

Category of Shareholders	Shareholding at the beginning of the year 01.04.2015			Shareholding at the end of the year 31.03.2016			% 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 Blue Valley Developers (p) Ltd	205658	0.59	77.11	205658	0.56	100.00	0.03
2 Deccan Nitrates Private Ltd	1338537	3.83	99.95	1209470	3.29	98.57	0.54
3 Ncl Homes Ltd	494451	1.42	100.00	437347	1.19	100.00	0.23
4 Kakatiya Industries Private Limited	456400	1.31	99.91	507827	1.38	89.87	0.07
5 Nagarjuna Cerachem Private Limited	105567	0.30	100.00	116567	0.32	90.56	0.02
6 Vikram Chemicals Private Limited	120000	0.34	100.00	125455	0.34	95.65	0.00
7 Nirmal Goradia	81219	0.23	99.73	85963	0.23	100.00	0.00
8 Geeta Goradia	113731	0.33	100.00	133815	0.36	88.11	0.03
9 Ncl Alltek And Seccolor Ltd	1550371	4.44	100.00	1550371	4.22	100.00	0.22
10 Krb Securities Limited	13922	0.04	0.00	0.00	0.00	0.00	0.00
11 Meena Shah	11430	0.03	0.00	20753	0.06	55.08	0.03
12 Ashwin Goradia	54693	0.16	99.65	78694	0.21	75.45	0.05
13 Goradia Vinodrai Vachharaj	419784	1.20	100.00	548602	1.49	78.25	0.29
14 Meera Bimal Goradia	46509	0.13	94.64	74249	0.20	68.63	0.07
15 Bimal V Goradia	248655	0.71	100.00	289537	0.79	87.44	0.08
16 Penumatcha Krishnam Raju	100000	0.29	100.00	0.00	0.00	0.00	0.00
17 G Jyothi	166992	0.48	99.91	166992	0.45	91.02	0.03
18 Kanumilli Malathi	8493	0.02	0.00	8493	0.02	100.00	0.00
19 Kanumilli Satyanarana Rao	20323	0.06	54.39	20323	0.06	100.00	0.00
20 Ashven Datla	194649	0.56	100.00	649194	1.77	23.92	1.21
21 G D L S N Raju	165437	0.47	92.45	165437	0.45	92.45	0.02
22 G Subbayamma	98307	0.28	98.76	98307	0.27	98.76	0.01
23 Himanshu Ray Parekh	99980	0.29	100.00	0.00	0.00	0.00	0.00
24 Kalidindi Ravi	2355123	6.74	99.86	2431807	6.62	95.59	0.12
25 Madhu Kalidindi	1117129	3.20	100.00	1171674	3.19	95.34	0.01
26 Bharti Goradia	31850	0.09	98.90	43441	0.12	79.07	0.03
27 Penumatsa Satyanarayana Raju	57193	0.16	87.42	54234	0.15	100.00	0.01
28 Vijaya Lakshmi Kanumilli	12692	0.04	100.00	6692	0.02	100.00	0.02
29 Kalidindi Sarojini	307612	0.88	98.51	313294	0.85	98.19	0.03
30 K Anuradha	706764	2.02	100.00	770128	2.10	92.03	0.08
31 N Janaki	37200	0.11	100.00	45155	0.12	82.38	0.01
32 Goradia Charulata Vinodrai	223721	0.64	100.00	311515	0.85	73.74	0.21
33 Utikal B Goradia	27440	0.08	100.00	56969	0.16	64.09	0.08
34 Penmetsa Narasimha Raju	915926	2.62	100.00	1163119	3.17	84.35	0.55
35 Penmetsa Vara Lakshmi	347855	1.00	100.00	350355	0.95	93.58	0.05
36 G V V R P Varma	72445	0.21	100.00	72445	0.20	53.99	0.01
37 Kalidindi Durga Devi	1042458	2.98	99.71	1146583	3.12	81.22	0.14
38 Madhavi Penumasta	14000	0.04	0.00	12000	0.03	0.00	0.01
39 Kanumilli Sudheer	38356	0.11	100.00	43387	0.12	100.00	0.01
40 Gautam Kalidindi	494907	1.42	99.61	685959	1.87	73.16	0.45
41 Kalidindi Shilpa	1091136	3.12	99.80	819603	2.23	75.17	0.89
42 Sridhar Bhupatiraju	227380	0.65	100.00	204642	0.56	100.00	0.09
43 Harini Gokul	60022	0.17	0.00	60022	0.16	100.00	0.01
44 Gokul S	53085	0.15	24.72	81910	0.22	72.25	0.07
45 Pooja Kalidindi	889013	2.54	100.00	927792	2.53	96.57	0.01
46 G. t. sandeep	45000	0.13	100.00	54597	0.15	100.00	0.02
47 K Mallika	36263	0.10	100.00	36263	0.10	100.00	0.00
48 Roopa Kalidindi	64096	0.18	15.06	179688	0.49	19.28	0.31
49 Divya Penumacha	249942	0.72	100.00	249942	0.68	100.00	0.04
50 P Aparna Krishna	1000	0.00	0.00	0.00	0.00	0.00	0.00
51 Meera Goradia Bimal Goradia	39800	0.11	100.00	39800	0.11	100.00	0.00
52 Penmetcha Ramalinga Raju	0.00	0.00	0.00	31321	0.09	100.00	0.09
53 Diti Ashwin Goradia	0.00	0.00	0.00	27500	0.07	100.00	0.07
54 Nishi Ashwin Goradia	0.00	0.00	0.00	27500	0.07	100.00	0.07
55 Sai Sreedhar Kanumilli	0.00	0.00	0.00	6000	0.02	100.00	0.02


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

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	16674516	47.73	16674516	47.73
1	Date wise Increase / Decrease in				
2	Promoters Share holding during				
3	the year specifying the reasons :				
4	for increase /decrease				
5	(e.g. allotment / transfer / bonus/				
6	sweat equity etc)				
7	Date – 03-04-2015 – Sale (Decrease)	1000	0.00	16673516	47.72
8	Date – 03-04-2015 – Sale (Decrease)	99980	0.29	16573536	47.44
9	Date – 28-04-2015 – Purchase (Increase)	5000	0.01	16578536	47.45
10	Date – 29-04-2015 – Purchase Transfer (Increase)	4127	0.01	16582663	45.14
11	Date – 30-04-2015 – Purchase(Increase)	6368	0.02	16589031	45.16
12	Date – 04-05-2015 – Purchase(Increase)	10000	0.03	16599031	45.19
13	Date – 07-05-2015 – Purchase(Increase)	2000	0.01	16601031	45.19
14	Date – 11-05-2015 – Purchase(Increase)	1900	0.01	16602931	45.20
15	Date – 13-05-2015 – Purchase(Increase)	2000	0.01	16604931	45.20
16	Date – 19-05-2015 – Purchase(Increase)	5106	0.01	16610037	45.22
17	Date – 26-05-2015 – Purchase(Increase)	1795455	4.89	18405492	50.11
18	Date – 29-05-2015 – Purchase(Increase)	1800	0.00	18407292	50.11
19	Date – 26-06-2015 – Sale (Decrease)	3900	0.01	18403392	50.10
20	Date – 26-06-2015 – Sale (Decrease)	7000	0.02	18396392	50.08
21	Date – 30-06-2015 – Sale (Decrease)	2000	0.01	18394392	50.08
22	Date – 19-08-2015 – Sale (Decrease)	6281	0.02	18388111	50.06
23	Date – 20-08-2015 – Sale (Decrease)	18825	0.05	18369286	50.01
24	Date – 05-09-2015 – Purchase(Increase)	30020	0.08	18399306	50.09
25	Date – 24-09-2015 – Interse Transfer (Decrease)	66449	0.18	18332857	49.91
26	Date – 24-09-2015 – Interse Transfer (Increase)	66449	0.18	18399306	50.09
27	Date – 05-10-2015 – Interse Transfer (Decrease)	6098	0.02	18393208	50.07
28	Date – 06-10-2015 – Interse Transfer (Increase)	6098	0.02	18399306	50.09
29	Date – 19-10-2015 – Interse Transfer (Increase)	18110	0.05	18417416	50.14
30	Date – 19-10-2015 – Interse Transfer (Decrease)	41309	0.11	18376107	50.03
31	Date – 19-10-2015 – Interse Transfer (Increase)	23199	0.06	18399306	50.09
32	Date – 02-11-2015 – Interse Transfer (Decrease)	5599	0.02	18393707	50.07
33	Date – 02-11-2015 – Interse Transfer (Increase)	5031	0.01	18398738	50.09
34	Date – 16-11-2015 – Interse Transfer (Decrease)	100000	0.27	18298738	49.82
35	Date – 16-11-2015 – Interse Transfer (Increase)	100000	0.27	18398738	50.09
36	Date – 17-11-2015 – Interse Transfer (Decrease)	100000	0.27	18298738	49.82
37	Date – 17-11-2015 – Interse Transfer (Increase)	100000	0.27	18398738	50.09
38	Date – 27-11-2015 – Interse Transfer (Decrease)	13922	0.04	18384816	50.05
39	Date – 27-11-2015 – Interse Transfer (Increase)	13922	0.04	18398738	50.09
40	Date – 05-12-2015 – Interse Transfer (Decrease)	57104	0.16	18341634	49.93
41	Date – 05-12-2015 – Interse Transfer (Increase)	57104	0.16	18398738	50.09
42	Date – 11-12-2015 – Interse Transfer (Decrease)	25000	0.07	18373738	50.02
43	Date – 11-12-2015 – Interse Transfer (Increase)	50000	0.14	18423738	50.16
44	Date – 15-12-2015 – Sale (Decrease)	100000	0.27	18323738	49.88
45	Date – 17-12-2015 – Sale (Decrease)	60391	0.16	18263347	49.72
46	Date – 18-12-2015 – Interse Transfer (Increase)	7500	0.02	18270847	49.74
47	Date – 21-12-2015 – Sale (Decrease)	147123	0.40	18123724	49.34
48	Date – 21-12-2015 – Interse Transfer (Decrease)	2636	0.01	18121088	49.33
49	Date – 21-12-2015 – Interse Transfer (Increase)	2636	0.01	18123724	49.34
50	Date – 24-12-2015 – Sale (Decrease)	92682	0.25	18031042	49.09
51	Date – 24-12-2015 – Interse Transfer (Decrease)	6000	0.02	18025042	49.07
52	Date – 24-12-2015 – Interse Transfer (Increase)	6000	0.02	18031042	49.09
53	Date – 28-12-2015 – Interse Transfer (Decrease)	22542	0.06	18008500	49.03
54	Date – 11-01-2016 – Interse Transfer (Increase)	568	0.00	18009068	49.03
55	Date – 31-03-2016 – Interse Transfer (Increase)	9323	0.03	18018391	49.05
	At the end of the year	18018391	49.05	18018391	49.05


iv) Shareholding pattern of top ten Shareholders (other than Directors, Promoters and holders of GDRs and ADRs)
Shareholding pattern of top ten shareholders as at 1st April, 2015

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

Shareholding pattern of top ten shareholders as at 31st March, 2016

S. No.	Name of Shareholder	Number of shares	% of total shares of the Company
1	B SUMANTHKUMAR REDDY	845175	2.30
2	K JAGDEESH REDDY	338154	0.92
3	SANGEETHAS	231990	0.63
4	SAVITHAS	145690	0.40
5	RAKESH BHASIN	132260	0.36
6	VIJAYADEVI NAHAR	119282	0.32
7	MEERABHUPAL	116750	0.32
8	BHARAT KRISHNALAL THAKKAR	116614	0.32
9	NARENDRAKUMAR K MEHTA	113439	0.31
10	KISHORE M.BANG	110621	0.30

Notes:

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


v) Shareholding of Directors and Key Managerial Personnel:
Shareholding of Directors:

S. No.	Name of Director	Shareholding as at 1st April, 2015		Shareholding as at 31st March, 2016	
		No of Shares	% of total shares of the company	No. of shares	% of total shares of the company
1	Mr. R. Anand	540	0.00	540	0.00
2	Mr. K. Ravi	2355123	6.74	2431807	6.62
3	Mr. K. Madhu	1117129	3.20	1171674	3.19
4	Mr. Vinodrai V. Goradia	419784	1.20	548602	1.49
5	Mr. Ashven Datla	194649	0.56	649194	1.77
6	Mr. M.Bhaskara Rao	Nil	Nil	Nil	Nil
7	Mr. M.Kanna Reddy	Nil	Nil	Nil	Nil
8	Mr. Kamlesh Gandhi	Nil	Nil	Nil	Nil
9	Mrs.Roopa Bhupatiraju	64096	0.18	179688	0.49
10	Mr.P.N.Raju	915926	2.62	1163119	3.17
11	Dr.R.Kalidas	Nil	Nil	Nil	Nil
12	Lt.Gen.T.A.DCunha	Nil	Nil	Nil	Nil
13	Ms. Meena Gupta	Nil	Nil	Nil	Nil
14	Mr. N.V.Suvarna	Nil	Nil	Nil	Nil
15	Mr. K.Gautam	494907	1.42	685959	1.87

Notes :

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

Name of the Director	Particulars	No of Shares	% to total shares of the company
K.Ravi	As at 1stApril, 2015	2355123	6.74
	Purchase	26800	0.07
	Preferential Shares allotment	107208	0.29
	InterseTransfer (Increase)	115223	0.31
	InterseTransfer (Decrease)	(172547)	0.47
	As at 31st March, 2016	2431807	6.62

Name of the Director	Particulars	No of Shares	% to total shares of the company
K.Madhu	As at 1stApril, 2015	1117129	3.20
	Purchase	-	-
	Preferential Shares allotment	54545	0.15
	As at 31st March, 2016	1171674	3.19

Name of the Director	Particulars	No of Shares	% to total shares of the company
P.Narasimha Raju	As at 1stApril, 2015	915926	2.62
	Preferential Shares allotment	182045	0.50
	InterseTransfer (Increase)	65148	0.18
	As at 31st March, 2016	1163119	3.17



Name of the Director	Particulars	No of Shares	% to total shares of the company
Vinodrai V. Goradia	As at 1st April, 2015	419784	1.20
	Preferential Shares allotment	119318	0.32
	Interse Transfer (Increase)	22000	0.06
	Interse Transfer (Decrease)	12500	0.03
	As at 31st March, 2016	548602	1.49

Name of the Director	Particulars	No of Shares	% to total shares of the company
Kalidindi Roopa	As at 1st April, 2015	64096	0.18
	Preferential Shares allotment	115592	0.31
	Interse Transfer (Increase)	-	-
	Interse Transfer (Decrease)	-	-
	As at 31st March, 2016	179688	0.49

Name of the Director	Particulars	No of Shares	% to total shares of the company
Ashven Datla	As at 1st April, 2015	194649	0.56
	Purchase	-	-
	Preferential Shares allotment	454545	1.24
	Interse Transfer (Increase)	-	-
	Interse Transfer (Decrease)	-	-
	As at 31st March, 2016	649194	1.77

Name of the Director	Particulars	No of Shares	% to total shares of the company
Gautam Kalidindi	As at 1st April, 2015	494907	1.42
	Purchase	6961	0.02
	Preferential Shares allotment	184091	0.50
	Interse Transfer (Increase)	-	-
	Interse Transfer (Decrease)	-	-
	As at 31st March, 2016	685959	1.87

- 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 a Director or KMP.

Shareholding of Key Managerial Personnel:

S. No.	Name of Key Managerial Person	Shareholding as at 1st April, 2015		Shareholding as at 31st March, 2016	
		No of Shares	% to total shares of the company	No. of shares	% to total shares of the company
1	Mr. K. Ravi, Managing Director	23,55,123	6.74	24,31,807	6.62
2	Mr. T. Arun Kumar, Company Secretary	4,600	0.01	4,600	0.01
3	Mr. N. Krishnan, Chief Financial Officer (up to 25.09.2015)	Nil	Nil	Nil	Nil
4	Mr. NGVSG Prasad, Chief Financial Officer (from 30.09.2015)	9,000	0.03	400	0.00

Notes :

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


V. INDEBTEDNESS

Indebtedness of the company including interest outstanding / accrued but not due for payment

(Rupees in Lakhs)

	Secured Loans Excluding deposits	Un Secured Loans	Deposits	Total Indebtedness
Indebtedness as at 1st April, 2015				
i) Principal Amount	17466.81	457.62	3129.66	21054.09
ii) Interest accrued but not claimed	0	0.00	32.41	32.41
iii) Interest accrued but not due	0	0.00	316.48	316.48
Total (i+ii+iii)	17466.81	457.62	3478.55	21402.98
Change in Indebtedness during the financial year			1483.07	1483.07
Addition	2461.13	0.00	-1.91	2459.22
(Reduction)	0	-198.38	88.79	-109.59
Net Change	2461.13	-198.38	1569.95	3832.70
Indebtedness as at 1st April, 2016				
i) Principal Amount	19927.94	259.24	4612.73	24799.91
ii) Interest accrued but not claimed	0	0.00	30.50	30.50
iii) Interest accrued but not due	0	0.00	405.27	405.27
Total (i+ii+iii)	19927.94	259.24	5048.50	25235.68

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	2,27,46,400
	(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	1,48,58,826
	- as percentage of profit	3 %
	- others	
5.	Others	29,78,520
	Total (A)	4,05,83,746
	Ceiling as per the Act (as Section 197&198 of the Companies Act, 2013)	6,60,39,226


B. Remuneration to other Directors :

(Amount in Rupees)

Sl. No.	Name of Director	Particulars of Remuneration			Total Amount
		Fees for attending board/ committee meetings	Commission	Others	
1.	Independent Directors				
	Mr. Anand Ramanna	60,000	90713	-	1,50,713
	Mr. M. Kanna Reddy	1,67,500	2,90,282	-	4,57,782
	Mr. Kamlesh Gandhi	1,70,000	2,90,282	-	4,60,282
	Dr.R.Kalidas	60,000	90,713	-	1,50,713
	Lt.Gen.T.A.DCunha	1,00,000	1,45,141	-	2,45,141
	Total (1)	5,57,500	9,07,131	-	14,64,631
2.	Other Non Executive Directors				
	Mr. K. Madhu	1,05,000	1,81,427	-	2,86,427
	Mr. Ashven Datla	1,47,500	2,35,855	-	3,83,355
	Mr. Mr.M.Bhaskara Rao	57,500	90,713	-	1,48,213
	Mr. Mrs.Meena Gupta	15,000	18,143	-	33,143
	Mrs.Roopa Bhupatiraju	15,000	18,143	-	33,143
	Mr. Vinodrai V. Goradia	62,500	90,713	-	1,53,213
	Mr.P.Narasimha Raju	80,000	1,08,856	-	1,88,856
	Total (2)	4,82,500	7,43,850	-	12,26,350
	Total (B)=(1+2)	10,40,000	16,50,981	-	26,90,981
	Ceiling as per the Act				66,03,923
	Total Managerial Remuneration				4,32,74,727
	Overall Ceiling as per the Act				7,26,43,148/-

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

(Amount in rupees`)

Sl. No.	Particulars of Remuneration	CFO	CFO	Company Secretary T.Arun Kumar	Total Amount
		N.G.V.S.G. Prasad (from 29.09.2015)	N.Krishnan (up to 25.09.2015)		
1.	Gross Salary				
	(a) Salary as per provisions contained in Section 17(1) of the Income-tax Act, 1961	11,83,998	28,62,774	7,39,932	48,62,040
	(b) Value of perquisites under Section 17(2) of the Income-tax Act, 1961				
	(c) Profits in lieu of salary under Section 17(3) of the Income-tax Act, 1961		-		-
2.	Stock Option		-		-
3.	Sweat Equity		-		-
4.	Commission		-		-
	- as percentage of profit		-		-
	- others		-		-
5.	Others				
	Total	11,83,998	28,62,774	7,39,932	48,62,040


VII. PENALTIES / PUNISHMENT / COMPOUNDING OF OFFENCES

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

ANNEXURE "F-1"

Sl. No.	Name of Director	Ratio of remuneration of each Director to the median remuneration of the employees of the Company
1	Mr. R. Anand	0.64
2	Mr. Ashven Datla	1.63
3	Mr. Vinodrai V. Goradia	0.65
4	Mr. K. Madhu	1.22
5	Mr. M. Bhaskara Rao (up to 12/11/2015)	0.63
6	Ms. Meena Gupta (w.e.f. 13/11/2015)	0.14
7	Mr. Kamlesh Gandhi	1.96
8	Mr. M. Kanna Reddy	1.95
9	Lt.Gen.T.A. DCunha (Retd)	1.04
10	Dr.Kalidas Raghavapudi	0.64
11	Mrs. Roopa Bhupatiraju	0.14
12	Mr. P.N.Raju	28.07
13	Mr. K.Gautam	20.01
14	Mr.N.V. Suvarna	12.93
15	Mr. K. Ravi	112.46

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 31.03.2016 : 693.

ANNEXURE "F-2"

Sl. No.	Name of the Director/KMP	Designation	% Increase / (Decrease) in the Remuneration
1	Mr. R. Anand	Director	402
2	Mr. Ashven Datla	Director	922
3	Mr. Vinodrai V. Goradia	Director	581
4	Mr. K. Madhu	Director	173
5	Mr. M. Bhaskara Rao (upto 12/11/2015)	Director (IREDA Nominee)	147
6	Ms. Meena Gupta (w.e.f. 13/11/2015)	Director (IREDA Nominee)	NA
7	Mr. Kamlesh Gandhi	Director	372
8	Mr. M. Kanna Reddy	Director	338
9	Lt. Gen. T.A. DCunha (Retd)	Director	NA
10	Dr.Kalidas Raghavapudi	Director	NA
11	Mrs. Roopa Bhupatiraju	Director	121
12	Mr.N.V. Suvarna	Executive Director & KMP(w.e.f30.05.2015)	NA
13	Mr. K.Gautam	Executive Director & KMP	43.59
14	Mr. P.N.Raju	Executive Director & KMP(up to 02.07.2015)	NA
15	Mr. K. Ravi	Managing Director and KMP	197
16	Mr. N.G.V.S.G.Prasad	KMP (from 29/09/2015)	NA
17	Mr. N. Krishnan	KMP (up to 25/09/2015)	NA
18	Mr. T.Arun Kumar	KMP	12.95

**Notes:**

The sitting fees of the Non Executive Directors has been increased to Rs.15,000/-per Board and Rs.10,000/-per Committee meeting w.e.f.11th August, 2015. (Previously sitting fee for attending Board or any Committee is Rs.7,500/-)

Further, in the absence of profits, Non Executive Directors were not paid any commission in the previous years. Where as a commission of Rs.16.51 Lakhs is being paid for FY 2015-16. This accounts for the seemingly high increase in the remuneration of Non Executive Directors.

Similarly, The Managing Director and the other Executive Directors took a voluntary cut in their remuneration during the previous years in the absence of profits. They were also not paid any commission since there were no profits. The payment of commission in view of profits accounts for the high increase in their remuneration. In absolute terms, the increase in substantive remuneration was only 30.93 % without taking in to account the commission which varies with the profits.

NCL INDUSTRIES LTD

INDEPENDENT AUDITOR'S REPORT



To

The Members,

NCL Industries Ltd.

Report on Financial Statements

We have audited the accompanying standalone financial statements of NCL INDUSTRIES LIMITED ("the Company"), which comprise the Balance Sheet as at 31 March 2016, the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information..

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation and presentation of these standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting 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 adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these standalone 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 thereunder.

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

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. 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. In making those risk

assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone 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, 2016, and its profit and its cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure A to this report, a statement on the matters specified in the paragraph 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 it appears from our examination of those books;
 - c) The Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement dealt with by this Report are in agreement with the books of account;
 - d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
 - e) On the basis of the written representations received from the directors as on 31 March 2016 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2016 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"; and



- 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. There are no pending litigations for the company that will impact the financial position of the company;
 - ii. There are no foreseeable losses on long-term contracts including derivative contracts;
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

For VENUGOPAL & CHENROY,

Chartered Accountants

FRN: 004671S

Place: Hyderabad

(P.V. SRI HARI)

Date: 30-05-2016

Partner

Membership No. 21961

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 March 31, 2016, we report that:

- I) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) As explained to us, all the fixed assets have been physically verified by the management in a phased periodical manner, which in our opinion is reasonable having regard to the size of the Company and nature of its assets. No material discrepancies have been 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) (a) The inventories have been physically verified by the management during the year. In our opinion, the frequency of such verification is reasonable.
- (b) The procedures of physical verification of inventories followed by the management are reasonable and

adequate in relation to the size of the Company and the nature of its business.

- (c) The Company has maintained proper records of the said stocks. As explained to us, there were no material discrepancies noticed on physical verification of inventory as compared to the book records.
- iii) The Company has granted Inter Corporate Deposit to companies covered in the register maintained under section 189 of the Companies Act, 2013.
 - a) In our opinion, the terms and conditions on which the Inter Corporate Deposit has been granted to the party listed in the register maintained under section 189 of the Act are not prejudicial to the interest of the Company.
 - b) The payment of principal and the interest, wherever applicable, are regular.
 - c) There are no overdue amounts in respect of the Inter Corporate Deposits granted to the party listed in the register maintained under section 189 of the Act.
- 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, with respect to the loans, investments, guarantees and securities.
- 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 thereunder 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.
- vi) We have broadly reviewed the books of account relating to materials, labour and other items of cost maintained by the Company pursuant to the Rules made by the Central Government for the maintenance of cost records under sub-section (1) of Section 148 of the Act in respect of the activities carried on by the Company, wherever applicable and we are of the opinion that prima facie the prescribed accounts and records have been made and maintained. However, we have not made a detailed examination of the records



- vii)(a) According to the information and explanations given to us and on the basis of examination of the records of the Company, amounts deducted/ accrued in the books of account in respect of undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues have been regularly deposited during the year by the Company with the appropriate authorities.

According to the information and explanations given to us, no undisputed amounts are payable in respect of income tax, sales tax, service tax, duty of customs, duty of excise, value added tax or cess and other material statutory dues which were in arrears as at March 31, 2016, for a period of more than six months from the date they became payable.

- (b) According to information and explanations 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 as at 31st March 2016 which have not been deposited on account of any disputes pending, are as under:

Name of the Statute/ Authority	Nature of dues	Amount (Rs. In Lakhs)	Forum where dispute is pending
A.P. General Sales Tax Act	Tax on cost recovery from usage of HSD oil on Hired tippers	4.26	Sales Tax Appellate Tribunal
A.P. General Sales Tax Act	Penalty on delayed payment	16.88	Sales Tax Appellate Tribunal
A.P.VAT Tax Act	Penalty on delayed payment	37.26	Sales Tax Appellate Tribunal
A.P.VAT Tax Act	Penalty on delayed payment	3.10	Appellate Deputy Commissioner (CT)
Central Excise Department	Denying benefit of Cenvat Credit	464.98	CESTAT
Central Excise Department	Denying benefit of Cenvat Credit	163.18	CESTAT
Central Excise Department	Denying benefit of Cenvat Credit	116.34	CESTAT
Central Excise Department	Denying benefit of Cenvat Credit	80.85	CESTAT
Central Excise Department	Denying benefit of Cenvat Credit	16.88	CESTAT
Central Excise Department	Denying benefit of Cenvat Credit	2.00	CESTAT
Central Excise Department	Denying benefit of Cenvat Credit	55.87	Commissioner of Customs & Central Excise (Appeals)
Central Excise Department	Miscellaneous issues	6.15	CESTAT
Customs Department	Demand due to wrong classification of imported coal	42.19	Appellate Commissioner of Customs & Central Excise Appeals)
Customs Department	Demand due to wrong classification of imported coal	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 the Banks.
- 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. Accordingly, paragraph 3 (ix) of the Order is not applicable.
- x) To the best of our knowledge and belief and according to the information and explanations given to us, we report that no fraud by the company or by its officers or employees has been noticed or reported during the year.
- xi) According to the information and explanations given 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 Act.
- 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 given to us and based on our examination of the records of the Company, the Company has made preferential allotment of equity shares and also has issued Secured Redeemable Non-Convertible Debentures during the year 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 & CHENOEY,

Chartered Accountants

FRN: 004671S

Place: Hyderabad
Date: 30-05-2016

(P.V. SRI HARI)

Partner

Membership No. 21961

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 2016 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 2016, 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

Place: Hyderabad
Date: 30-05-2016

(P.V. SRI HARI)

Partner

Membership No. 21961

NCL INDUSTRIES LTD

BALANCE SHEET AS AT 31ST MARCH 2016

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



	Notes	31 Mar 2016	31 Mar 2015
EQUITY AND LIABILITIES			
Share holders' Funds			
Share Capital	2.1	3,673.28	3,493.73
Reserves and Surplus	2.2	16,007.89	11,368.75
Sub-Total : Shareholders' Funds		19,681.17	14,862.48
Share Application Money Pending Allotment	2.3	400.00	400.00
Non-Current Liabilities			
Long - Term Borrowings	2.4	4,534.83	9,992.71
Deferred Tax Liabilities	2.5	4,244.55	4,154.81
Other - Long Term Liabilities	2.6	3,067.26	3,983.76
Long - Term Provisions	2.7	454.79	351.82
Sub-Total : Non Current Liabilities		12,301.43	18,483.10
Current Liabilities			
Short - Term Borrowings	2.8	5,642.06	5,558.03
Trade Payables	2.9	2,790.96	4,980.38
Other Current Liabilities	2.10	20,354.79	14,363.04
Short - Term Provisions	2.11	1,497.76	324.32
Sub-Total : Current Liabilities		30,285.58	25,225.77
TOTAL EQUITY AND LIABILITIES		62,268.18	58,971.35
ASSETS			
Non-Current Assets			
Fixed Assests			
Tangible Assets	2.12	39,161.45	40,675.82
Capital Work - in- Progress		1,055.74	236.31
Long - Term Loans & Advances	2.13	1,571.55	1,448.48
Sub-Total : Non - Current Assets		41,788.74	42,360.61
Current Assets			
Inventories	2.14	7,214.38	6,333.39
Trade Receivables	2.15	5,269.61	4,447.89
Cash and Cash Equivalents	2.16	2,112.76	567.61
Short- Term Loans and Advances	2.17	3,965.11	2,604.55
Other Current Assets	2.18	1,917.58	2,657.30
Sub-Total : Current Assets		20,479.44	16,610.74
TOTAL-ASSETS		62,268.18	58,971.35
Summary of Significant Accounting Policies	1		

The accompanying notes are an integral part of the financial statements

As per our report of even date

For and on behalf of the Board

For Venugopal & Chenoy,

Chartered Accountants

Firm Registration No. 004671S

K. Ravi
Managing Director

R. Anand
Chairman

P.V. Sri Hari

Partner

Membership No. 21961

Hyderabad

Dated: 30th May 2016

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

T. Arun Kumar
Company Secretary

NCL INDUSTRIES LTD

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH 2016

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



	Notes	31 Mar 2016	31 Mar 2015
REVENUE			
Revenue from Operations (Gross)	2.19	99,431.74	79,157.37
Less: Inter Segment Transfers & Taxes on Sales		23,516.36	18,062.93
Revenue from Operations		75,915.38	61,094.44
Less : Excise Duty		9,838.49	7,702.78
Revenue from Operations (Net)		<u>66,076.89</u>	<u>53,391.66</u>
Other Income	2.20	316.27	485.72
Total Revenue		<u>66,393.16</u>	<u>53,877.38</u>
EXPENSES			
Net Consumption of Materials	2.21	11,038.49	9,650.69
Change in Inventories of Finished goods and Work-in-Progress	2.22	(767.95)	(116.21)
Employee Benefit Expenses	2.23	3,174.82	2,513.52
Other Expenses	2.24	40,533.03	34,327.56
Finance Costs	2.25	3,060.48	3,712.03
Depreciation & Amortisation	2.26	2,516.00	2,556.07
Total Expenses		<u>59,554.87</u>	<u>52,643.66</u>
Profit /(Loss) Before Exceptional Items		<u>6,838.29</u>	<u>1233.72</u>
Exceptional Items	2.27	<u>(151.75)</u>	<u>0</u>
Profit before Tax		<u>6686.54</u>	<u>1233.72</u>
Tax Expense:			
Tax- Earlier Years		-	69.25
Tax- Current Year		1,401.53	112.64
Deferred Tax Charge / (Credit)		89.74	161.82
MAT Credit Entitlement (Credit)		(112.64)	-
Total of Tax Expenses		<u>1,378.63</u>	<u>343.71</u>
Profit for the Period		<u>5,307.91</u>	<u>890.01</u>
Basic Earnings per Share of Rs 10/- each		14.56	2.55
Diluted Earnings per Share of Rs 10/- each	2.28	14.45	2.42
Cash Earnings per share of Rs. 10/- each	2.28	21.71	10.33
Summary of Significant Accounting Policies	1		

The accompanying notes are an integral part of the financial statements
As per our report of even date

For and on behalf of the Board

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

K. Ravi
Managing Director

R. Anand
Chairman

P.V. Sri Hari
Partner
Membership No. 21961
Hyderabad
Dated: 30th May 2016

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

T. Arun Kumar
Company Secretary

NCL INDUSTRIES LTD

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2016

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



	31 Mar 2016		31 Mar 2015	
Cash flow from Operating Activities				
Profit Before Tax		6,686.54		1,233.72
Less:				
Profit on Sale of Assets		542.07		
		6,144.47		1,233.72
Adjustments for:				
Depreciation & Amortisation		2,516.00		2,556.07
Finance Costs		3,060.48		
Profit on Sale of Assets		542.07		
		12,263.02		3,789.79
Less :				
Income Tax Paid		681.89		-
		11,581.13		3,789.79
Operating Profit Before Working Capital Changes				
Movement of Working Capital:				
Increase/(Decrease) in Trade Payables	(2,189.42)		19.79	
Increase/(Decrease) in Long Term Provisions	102.97		43.89	
Increase/(Decrease) in Short Term Provisions	11.70		28.73	
Increase/(Decrease) in Other Current Liabilities	5,991.75		2,436.30	
Decrease/(Increase) in Trade Receivables	(821.72)		(56.04)	
Decrease/(Increase) in Inventories	(880.99)		(595.58)	
Decrease/(Increase) in Long Term Loans & Advances	(152.29)		(23.70)	
Decrease/(Increase) in Short Term Loans & Advances	(1,360.56)		(616.04)	
Decrease/(Increase) in Other Current Assets	852.36		538.00	
Net Movement in Working Capital		1,553.80		1,775.35
		13,134.94		5,565.14
Cash Generated from Operations				
Cash Flow from Investing Activities				
Purchase of Fixed Assets including CWIP	(1,852.43)		(48.15)	
Reimbursement of expenses incurred on Land Development	-		450.00	
Sale of Net Fixed Assets	60.59		4.55	
		(1,791.84)		406.40
Net Cash Used in Investing Activities				
Cash flow from Financing Activities				
Finance Costs	(3,060.48)			
Proceeds / (Repayment) of Long Term Borrowings	(5,457.88)		(2,385.50)	
Proceeds / (Repayment) of Other Long Term Liabilities	(916.50)		(1,135.62)	
Proceeds / (Repayment) of Short Term Borrowings	84.03		(2,162.88)	
Dividend & Dividend Tax Paid	(442.11)		-	
Proceeds/(Refund of) from Share Application Money	(5.00)		-	
		(9,797.95)		(5,684.00)
Net Cash used in Financing Activities				
Net Increase in Cash and Cash Equivalent		1,545.15		287.55
Cash and Cash Equivalent at the Beginning of the Year		567.61		280.06
Cash and Cash Equivalent at the End of the Year		2,112.76		567.61

The accompanying notes are an integral part of the financial statements

As per our report of even date

For and on behalf of the Board

For Venugopal & Chenoy,

Chartered Accountants

Firm Registration No. 004671S

K. Ravi
Managing Director

R. Anand
Chairman

P.V. Sri Hari

Partner

Membership No. 21961

Hyderabad

Dated: 30th May 2016

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

T. Arun Kumar
Company Secretary

NCL INDUSTRIES LTD

Notes to Financial Statements for the year ended 31 March 2016

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



1. SIGNIFICANT ACCOUNTING POLICIES

a) Accounting Concepts

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

b) Fixed Assets and Depreciation

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

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

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

c) Inventories

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

d) Employee Benefits

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

e) Income Tax Expense

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

f) Foreign Currency Transactions

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

2. Notes to Financial Statements for the year ended 31 March 2016

2.1 SHARE CAPITAL	31 Mar 2016	31 Mar 2015
Authorized 6,20,00,000 (31 March 2015: 6,20,00,000) Equity shares of Rs. 10/- each	6,200.00	6,200.00
Issued,Subscribed & Paid up 3,67,32,790 (31 March 2015: 3,49,37,335) Equity shares of Rs 10/- each	3,673.28	3,493.73
Total	3,673.28	3,493.73

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

Equity shares	31 Mar 2016		31 Mar 2015	
	No. of shares	Rs. Lakhs	No. of shares	Rs. Lakhs
At the beginning of the year	34,937,335	3,493.73	34,937,335	3,493.73
Equity Shares issued during the year	1,795,455	179.55	-	-
At the end of the year	36,732,790	3,673.28	34,937,335	3,493.73

1. The Company has only one class of equity shares having a par value of Rs. 10/- per share. Each holder of Equity shares is entitled to one vote per share. The company declares and pays dividends in Indian rupees.
2. For the Year Ended 31st March, 2016, the amount of per share dividend recognized as distribution to equity share holders was Rs.2/- (31st March 2015: Rs. Nil per share)
3. In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

NCL INDUSTRIES LTD

Notes to Financial Statements for the year ended 31 March 2016

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



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

	31 Mar 2016		31 Mar 2015	
	No. of shares	% of holding	No. of shares	% of holding
Sri K. Ravi	2,431,807	6.62	2,355,123	6.74

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

2.2 RESERVES AND SURPLUS

	31 Mar 2016	31 Mar 2015
Capital Reserve	240.91	240.91
Securities Premium Reserve		
Balance as per the last Financial statement	2,106.14	-
Add: Premium on shares issued during the current year	215.45	-
Closing balance	2,321.59	2,106.14
General Reserve		
Balance as per the last Financial statement	11,565.80	11,500.00
Add: Adjustments (Depreciation - Schedule II)	-	65.80
Less: Transfer to Debenture Redemption Reserve	1,000.00	-
Add: Amount transferred from surplus	434.20	-
Closing Balance	11,000.00	11,565.80
Debenture Redemption Reserve	1,000.00	-
Profit & Loss Account		
Balance as per the Last Financial Statement	(2,544.10)	(3,434.11)
Add: Profit / (Loss) for the Year	5,307.91	890.01
Less: Proposed Dividend	734.66	-
Less: Tax on Proposed Dividend	149.56	-
Less: Transfer to General Reserve	434.20	-
Total Appropriations	1,318.42	-
Closing Balance	1,445.39	(2,544.10)
Total	16,007.89	11,368.75

2.3 SHARE APPLICATION MONEY PENDING ALLOTMENT

	31 Mar 2016	31 Mar 2015
Share Application Money	0.00	400.00

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

NCL INDUSTRIES LTD

Notes to Financial Statements for the year ended 31 March 2016

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



2.4 LONG-TERM BORROWINGS

	31 Mar 2016	31 Mar 2015	31 Mar 2016	31 Mar 2015
	Non-Current portion		Current Maturities	
Secured				
Term Loans from Fls & Banks (Refer Note Nos. 'a' & 'b')	-	9,733.47	9,603.91	1,922.84
Secured Redeemable Non Convertible Debentures (Refer Note 'c')	4,000.00	-	-	-
Vehicle & Equipment Loans (Secured)				
Vehicle & Equipment Finance Loans from Banks (Refer Note No 'd')	410.05	0.00	271.92	252.47
Total Secured Borrowings (I)	4,410.05	9,733.47	9,875.83	2,175.31
Other Loans & Advances (Unsecured)				
Sales Tax Deferment Loan (Refer Note No. 'e')	124.78	259.24	134.46	198.38
Total Unsecured Borrowings (ii)	124.78	259.24	134.46	198.38
Total of Secured & Unsecured (i+ii)	4,534.83	9,992.71	10,010.29	2,373.69

The outstanding Term Loans which have been rescheduled under Corporate Debt Restructuring mechanism (CDR) are repaid in full including the recompense amount in April 2016 and has exited the CDR Mechanism.

Details of the security existing as on 31st March 2016 on these Term Loans are given below:

- Term Loans from the Banks and Financial Institutions viz. Axis Bank Ltd, Canara Bank, Central Bank of India, Corporation Bank, Indian Renewable Energy Development Agency Ltd (IREDA), Oriental Bank of Commerce, State Bank of Hyderabad and State Bank of Mysore are secured by a pari passu first charge on all movable and immovable properties of the Company and second charge on current assets of the Company (both present and future) except receivables of Energy Division.
- Term Loans availed from all Banks and Financial Institutions are guaranteed by Four Promoter Directors in their personal capacity. Further, entire unencumbered shareholdings of Promoters have also been pledged as additional security.
- Secured Redeemable Non Convertible Debentures carrying an interest @ 16.67% per annum payable monthly are the part of the aggregate of Rs. 325 Crores of debentures to be issued on private placement basis 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 debentures are to be redeemed in the 4th, 5th and 6th years.
- 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 @ 9% to 12.25% p.a.
- Represents Interest free Sales Tax Deferment Loan received from Government of Andhra Pradesh/Telangana. Based on the deferment availed, the loans shall be repaid in the years 2016-17 and 2017-18.

2.5 DEFERRED TAX LIABILITIES

	31 Mar 2016	31 Mar 2015
Deferred Tax Liabilities	4,244.55	4,154.81

2.6 OTHER LONG TERM LIABILITIES

	31 Mar 2016	31 Mar 2015	31 Mar 2016	31 Mar 2015
	Non-Current portion		Current Maturities	
Deposits from Dealers / Stockists (Note 'a')	2,228.17	3,614.71	-	-
Deposits from Public & Shareholders (Note 'b')	839.09	369.05	3,773.64	2,760.61
Sundry Creditors - Capital goods	-	-	81.73	-
Total	3,067.26	3,983.76	3,855.37	2,760.61

NCL INDUSTRIES LTD

Notes to Financial Statements for the year ended 31 March 2016

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



- 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.
- Public Deposits aggregating to Rs 3,773.64 lakhs (Previous year Rs 2,760.61 lakhs) is repayable within one year and Rs 839.09 lakhs (Previous Year Rs 369.05 lakhs) is repayable within next two years.

2.7 LONG TERM PROVISIONS

	31 Mar 2016	31 Mar 2015	31 Mar 2016	31 Mar 2015
	Non-Current portion		Current Maturities	
Provision for Employee Benefits				
Provision for Gratuity	344.34	290.98	39.60	54.74
Provision for Leave benefits	110.45	60.84	13.03	34.26
Total (i)	454.79	351.82	52.63	89.00
Other Provisions				
Provision for Income Tax	-	-	901.53	181.89
Provision for Dividend	-	-	367.33	-
Provision for Dividend Tax	-	-	74.78	-
Total (ii)	-	-	1,343.64	181.89
Total (i+ii)	454.79	351.82	1,396.27	270.89

2.8 SHORT TERM BORROWINGS

	31 Mar 2016	31 Mar 2015
Cash Credit Loans from Banks (Secured)	5,642.06	5,558.03
Total Short Term Borrowings	5,642.06	5,558.03

Cash credit Loans from Banks viz. Axis Bank Ltd, IDBI Bank Ltd and State Bank of Hyderabad are secured by pari passu first charge on current assets of the Company excluding receivables of Energy Division (both present & future) and second charge on fixed assets of the company and are guaranteed by four promoter directors in their personal capacity. These facilities also have been restructured under CDR Mechanism and the Company has exited the CDR Mechanism by paying the recompense amounts during April 2016.

2.9 TRADE PAYABLES

	31 Mar 2016	31 Mar 2015
Trade Payables	2,790.96	4,980.38

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 2016 is Rs. Nil (Previous Year: Rs. Nil)

NCL INDUSTRIES LTD

Notes to Financial Statements for the year ended 31 March 2016

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



2.10 OTHER CURRENT LIABILITIES

	31 Mar 2016	31 Mar 2015
1. Current Maturities of Long term Borrowings		
Term Loans from Banks & Fis	9,603.91	1,922.84
Vehicle & Equipment Loans	271.92	252.47
Sales Tax Deferment Loan	134.46	198.38
Total of Current Maturities on Long Term Borrowings	10,010.29	2,373.69
2. Other Liabilities		
Deposits from Public & Shareholders	3,773.64	2,760.61
Sundry Creditors - Capital Goods	81.73	-
Advances from Customers & Others	1,814.83	5,949.21
Value Added Tax & CST Payable	1,105.72	628.31
Service Tax Payable	21.09	4.54
TDS Payable	74.11	35.05
Employee related payables PF, ESI & Others	19.07	17.71
Unclaimed Dividends (Note)	107.83	115.58
Interest Accrued but not Due	542.51	700.95
Other Expenses including Provisions	2,803.97	1,777.38
Total Other Liabilities	10,344.50	11,989.35
Total Other Current Liabilities	20,354.79	14,363.04

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

2.11 SHORT TERM PROVISIONS

	31 Mar 2016	31 Mar 2015
Provision for Income Tax	901.53	181.89
Provision for Dividend	367.33	-
Provision for Dividend Tax	74.78	-
Current Maturities of Long-Term Provisions of Employee Benefits	52.63	89.00
Provision for Employee Bonus & Ex-gratia	101.50	53.43
Total	1,497.76	324.32

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



2.12 FIXED ASSETS (TANGIBLE)

	Land	Buildings	Plant & Machinery	Electrical Installations	Railway Siding	Furniture & Fixtures	Office Equipment	Vehicles	Total
At 1st April 2014	1,458.70	9,378.65	46,634.88	5,029.85	862.50	116.91	315.15	2,338.29	66,134.93
Additions		6.41	24.59	-	-	0.32	9.44	-	40.76
Disposals		-	-	-	-	0.85	-	28.10	28.95
At 31st March, 2015	1,458.70	9,385.06	46,659.47	5,029.85	862.50	116.38	324.59	2,310.19	66,146.74
Additions	-	89.27	40.33			41.08	55.74	806.58	1,033.00
Disposals	37.91	32.68	-	-	-	0.50	9.43	17.51	98.03
At 31st March, 2016	1,420.79	9,441.65	46,699.80	5,029.85	862.50	156.96	370.90	3,099.26	67,081.71
Depreciation									
At 1st April 2014	-	1,958.47	17,489.11	1,404.52	222.97	77.96	203.22	1,785.22	23,141.47
Charge for the year	-	260.65	1,350.60	652.01	59.06	10.37	66.86	140.28	2,539.83
Disposals	-	(13.37)	227.24	-	-	(3.07)	(25.05)	24.63	210.38
At 31st March, 2015	-	2,232.49	18,612.47	2,056.53	282.03	91.40	295.13	1,900.87	25,470.92
Charge for the year	-	266.15	1,355.96	650.91	59.06	7.47	36.21	111.01	2,486.78
Disposals	-	14.68	-	-	-	0.48	8.96	13.32	37.44
At 31st March, 2016	-	2,483.96	19,968.43	2,707.44	341.09	98.39	322.38	1,998.56	27,920.26
Net Block									
At 31st March, 2015	1,458.70	7,152.57	28,047.00	2,973.32	580.47	24.98	29.46	409.32	40,675.82
At 31st March, 2016	1,420.79	6,957.69	26,731.37	2,322.41	521.41	58.57	48.52	1,100.70	39,161.45

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Notes to Financial Statements for the year ended 31 March 2016

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



2.13 LONG-TERM LOANS & ADVANCES

	31 Mar 2016	31 Mar 2015	31 Mar 2016	31 Mar 2015
	Non-Current portion		Current Maturities	
Unsecured, considered good				
Security Deposits				
Deposits with AP & TS SEB	1,163.37	962.58	-	-
Deposits with Government Departments	201.76	252.42	-	-
Deposits with Others	17.37	19.16	-	-
Total of Security Deposits	1,382.49	1,234.16	-	-
Other Loans & Advances				
Rental Deposit	104.18	54.58	-	-
Deposit South Central Railways & Suppliers		-	-	-
Total of Loans & Advances	104.18	54.58	-	-
Deposits in disputed cases				
Taxes paid under Protest	84.88	125.44	-	-
Total of Deposits in Disputed Cases	84.88	125.44	-	-
Non-Current portion of Other Current Assets (Refer Note.2.18)	-	34.30		
Total	1,571.55	1,448.48	-	-

2.14 INVENTORIES

	31 Mar 2016	31 Mar 2015
Raw Materials	942.50	678.54
Work In Progress	405.85	186.17
Finished goods	2,368.19	1,819.92
Stores	2,387.65	2,664.85
Packing & Other Materials	1,110.19	983.91
Total	7,214.38	6,333.39

2.15 TRADE RECEIVABLES

	31 Mar 2016	31 Mar 2015
Debtors outstanding for a period exceeding six months from the date they are due		
Secured, considered good	-	-
Unsecured, considered good	263.34	391.96
Total	263.34	391.96
Debtors outstanding for a period less than six months from the date they are due		
Secured, considered good	-	-
Unsecured, considered good	5,006.27	4,055.93
Total	5,006.27	4,055.93
Total Trade Receivables	5,269.61	4,447.89

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



2.16 CASH & CASH EQUIVALENTS

	31 Mar 2016	31 Mar 2015	31 Mar 2016	31 Mar 2015
	Non-Current		Current	
Cash in Hand	-	-	26.04	11.14
Cash at Banks*	-	-	1,981.04	459.38
Cash with Branches	-	-	3.16	1.50
Margin Money Deposits with Banks	-	-	102.52	95.59
Total	-	-	2,112.76	567.61

* Includes Unclaimed Dividend of Rs. 107.83 Lakhs (Previous Year : Rs. 115.58 Lakhs)

2.17 SHORT TERM LOANS & ADVANCES

	31 Mar 2016	31 Mar 2015	31 Mar 2016	31 Mar 2015
	Non-Current		Current	
Unsecured, considered good				
Advances to Suppliers	-	-	929.19	1,170.91
Advances for Capital Goods	-	-	1,203.74	-
Inter Corporate Deposit	-	-	450.00	-
Advances to Others	-	-	378.87	111.61
Central Excise, Service Tax, VAT & Other Receivables	-	-	777.62	1,208.98
MAT Credit Entitlement Account	-	-	225.69	113.05
Total	-	-	3,965.11	2,604.55

2.18 OTHER CURRENT ASSETS

	31 Mar 2016	31 Mar 2015	31 Mar 2016	31 Mar 2015
	Non-Current		Current	
Incentives Receivable from A.P/Telangana Governments	-	-	1,797.36	2,566.07
Other Current Assets	-	34.30	120.22	91.23
Total	-	34.30	1,917.58	2,657.30

2.19 REVENUE FROM OPERATIONS

	31 Mar 2016	31 Mar 2015
Sale / Transfer of Products:		
Finished Goods	86,776.50	69,557.35
Semi Finished Goods (Clinker Transfer to Kondapalli Grinding Unit)	12,635.48	9,577.28
Traded Goods	19.76	22.74
Total Sales	99,431.74	79,157.37
Less: Inter Segment Transfers	14,568.29	11,472.22
Less: Taxes on Sales (Note)	8,948.07	6,590.71
Net Sales of Products	75,915.38	61,094.44
Less: Excise Duty	9,838.49	7,702.78
Net Sales	66,076.89	53,391.66
Other Operating Income	316.27	485.72
Total	66,393.16	53,877.38

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

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Notes to Financial Statements for the year ended 31 March 2016

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



2.20 OTHER INCOME

	31 Mar 2016	31 Mar 2015
Interest Income	118.78	91.55
Profit / (Loss) on Sale of Assets	-	(0.45)
Scrap Sales	57.31	37.60
Income from Operations of Trucks	122.83	(91.16)
Other Income	12.71	238.65
Exchange Fluctuation	2.30	3.21
Net Prior Year Adjustments	2.33	206.32
Total	316.27	485.72

NET PRIOR YEAR ADJUSTMENTS

	31 Mar 2016	31 Mar 2015
Taxes & Duties	0.95	(0.63)
Power	1.38	207.88
Others	-	(0.93)
Total Income / (Expense)	2.33	206.32

2.21 COST OF MATERIAL CONSUMED

	31 Mar 2016	31 Mar 2015
Rawmaterials Inventory at the Beginning of the year	678.54	744.78
Add: Purchases	25,870.74	21,056.67
Total	26,549.28	21,801.45
Less: Inventory at the End of the year	942.50	678.54
Cost of Raw materials Consumed	25,606.78	21,122.91
Details of Rawmaterials Consumed		
Limestone	2,488.30	1,887.87
Al. Laterite	767.28	572.61
Gypsum	858.81	692.96
Iron ore / Iron ore powder	825.12	664.73
FlyAsh	748.68	531.47
Purchased Clinker Consumption	-	41.54
Clinker Consumption at Kondapalli Plant	13,106.62	10,020.48
Cement Consumption in Other Divisions	3,081.17	2,968.07
Wood	1,693.89	1,861.21
Chemicals	364.38	361.49
Paper	200.43	173.14
Bison Panel Boards Consumption in Prefab Division	-	1.06
Steel	-	47.10
Ready Mix Concrete Materials	1,446.08	1,291.87
Other Materials	9.61	-
Cost of Trading Goods	16.41	7.33
Total	25,606.78	21,122.91

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Notes to Financial Statements for the year ended 31 March 2016

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



2.21 COST OF MATERIAL CONSUMED (Contd.....)

	31 Mar 2016	31 Mar 2015
Less: Inter Segment Transfers	14,568.29	11,472.22
Net Consumption of Materials	11,038.49	9,650.69
Details of Inventory		
Limestone	19.21	33.49
Al. Laterite	50.72	45.18
Gypsum	52.64	22.94
Iron ore / Iron ore powder	21.36	31.75
FlyAsh	9.96	3.05
Clinker at Kondapalli Plant	103.75	31.22
Cement in Boards & RMC Divisions	40.31	17.20
Wood	523.30	360.60
Chemicals	29.07	23.05
Bison Panel Boards in Prefab Division	21.45	36.15
Steel	36.73	45.11
Other Materials	34.01	28.80
Total	942.50	678.54

2.22 CHANGES IN INVENTORIES OF FINISHED GOODS AND WORK IN PROGRESS

	31 Mar 2016	31 Mar 2015
Closing stock of Work in Progress	405.85	186.17
Closing stock of Finished goods	2,368.19	1,819.92
Total	2,774.04	2,006.09
Opening stock of Work in Progress	186.17	177.40
Opening stock of Finished goods	1,819.92	1,712.48
Total	2,006.09	1,889.88
Increase / (Decrease) in Stocks	(767.95)	(116.21)

2.23 EMPLOYEE BENEFIT EXPENSES

	31 Mar 2016	31 Mar 2015
Salaries, Wages, Bonus & Allowances	2,503.62	2,148.98
Managerial Remuneration	422.35	173.25
Contribution to Provident Fund & Other Funds	110.28	103.59
Staff Welfare Expenses	138.57	87.70
Total	3,174.82	2,513.52

2.24 OTHER EXPENSES

	31 Mar 2016	31 Mar 2015
Cost of Fuel	10,353.24	10,989.87
Cost of Power (Note)	7,855.76	6,307.44
Packing Materials	2,801.91	2,539.34
Stores & Spares consumed	2,581.49	1,453.64
Rep & Maintenance Plant & Machinery	952.58	1,169.34
Rep & Maintenance Buildings	0.10	1.23

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Notes to Financial Statements for the year ended 31 March 2016

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



2.24 OTHER EXPENSES (Contd.....)

	31 Mar 2016	31 Mar 2015
Rep & Maintenance Others	59.63	49.79
Direct Manufacturing Expenses	320.97	282.89
a. Sub-Total: Other Manufacturing Expenses	24,925.68	22,793.54
Transportation Paid	10,677.00	8,411.02
Advertisement & Publicity	167.85	99.62
Selling Expenses	2,788.53	1,963.03
b. Sub-Total: Selling & Distribution Expenses	13,633.38	10,473.67
Security Services	77.81	52.30
Bank Charges*	86.99	32.19
Administrative Expenses	456.96	301.35
Legal & Professional Expenses	89.36	81.06
Retainer Charges	54.35	93.64
Payments to Auditors (refer details below)	6.53	6.50
Internal Audit Fees	6.62	5.40
Insurance	23.15	24.97
Travelling & Conveyance	265.03	243.58
Rent	154.79	96.47
Rates, Taxes & Licenses	79.80	62.79
Donations	89.75	23.09
Bad Debts	229.53	1.01
Provision for Bad Debts	353.30	36.00
c. Sub-Total: Other Administrative Expenses	1,973.97	1,060.35
Total Other Expenses (a+b+c)	40,533.03	34,327.56

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

* Bank Charges includes Rs 62.90 lakhs (PY Rs 17.49 lakhs) incurred towards Processing Charges, BG Commission Charges and other Charges.

PAYMENT TO AUDITORS

	31 Mar 2016	31 Mar 2015
Statutory Audit Fees	5.53	5.50
Tax Audit Fees	0.50	0.50
Cost Audit Fees	0.50	0.50
Total Payment to Auditors	6.53	6.50

2.25 FINANCE COST

	31 Mar 2016	31 Mar 2015
Interest		
on Term Loans	1,370.48	1,404.28
on Working Capital	647.56	841.06
on Deposits & Others	1,042.44	1,466.69
Total Finance Cost*	3,060.48	3,712.03

* In addition to the above Finance Cost, Rs 62.90 lakhs (PY Rs 17.49 lakhs) incurred towards Processing Charges, BG Commission Charges and Other Expenses accounted under Bank Charges and grouped under Administrative Expenses.

2.26 DEPRECIATION AND AMORTISATION EXPENSE

	31 Mar 2016	31 Mar 2015
Depreciation & Obsolescence	2,486.78	2,539.83
Amortisation	29.22	16.24
Total	2,516.00	2,556.07

NCL INDUSTRIES LTD

Notes to Financial Statements for the year ended 31 March 2016

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



2.27 Exceptional Items

	31 Mar 2016	31 Mar 2015
Profit on Sale of Assets	542.07	-
Right of Recompense payable to Banks	(693.82)	-
Total	(151.75)	-

b) Segment Revenue and Expenses:

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

2.28 Earnings Per Share

	31 Mar 2016	31 Mar 2015
Net Profit / (Loss) for the Period	5,307.91	890.01
Cash Profit / (Loss) for the Period	7,913.65	3,607.90
Shares		
Number of shares at the beginning and at the end of the year	34,937,335	34,937,335
Number of shares at the beginning and at the end of the year	36,732,790	34,937,335
Earnings per share of par value Rs. 10/- Basic and Diluted in Rupees.		
Basic	14.56	2.55
Diluted	14.45	2.42
Cash	21.71	10.33

2.29 Contingent Liabilities

	31 Mar 2016		31 Mar 2015	
	Disputed Amount	Paid Under Protest	Disputed Amount	Paid Under Protest
Demand by Sales tax authorities -Interest on HSD Oil used in Tippers for transportation of lime stone (Note 'a')	4.26	-	4.26	-
Demand by Sales tax authorities-Penalty on delayed payment (Note 'b')	16.88	4.00	16.88	4.00
Demand by Sales tax authorities-Penalty on delayed payment (Note 'c')	37.26	12.80	-	-
Demand by Sales tax authorities-Penalty on delayed payment (Note 'd')	3.10	0.39	-	-
Demand of Central Excise Department denying benefit of Cenvat credit on capital goods (Note 'e')	464.98	50.00	464.98	50.00
Demand of Central Excise Department denying benefit of Cenvat credit on capital goods (Note 'f')	163.18	5.00	163.18	5.00
Demand of Central Excise Department denying benefit of Cenvat credit on capital goods (Note 'g')	116.34	-	116.34	-
Demand of Central Excise Department denying benefit of Cenvat credit on capital goods (Note 'h')	80.85	-	80.85	-
Demand of Central Excise Department denying benefit of Cenvat credit on capital goods (Note 'i')	16.88	10.44	16.88	10.44
Demand of Central Excise Department denying benefit of Cenvat credit on cement transferred to Kondapalli unit from Mattapally unit for despatch in a railway rake (Note 'j')	2.00	-	2.00	-

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Notes to Financial Statements for the year ended 31 March 2016

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



2.29 Contingent Liabilities (Contd.....)

	31 Mar 2016		31 Mar 2015	
	Disputed Amount	Paid Under Protest	Disputed Amount	Paid Under Protest
Demand of Central Excise Department denying benefit of Cenvat credit on capital goods (Note 'k')	55.87	2.25	-	-
Miscellaneous Issues pending with Excise department	6.15	-	6.15	-
Customs department raised a demand classifying imported steam coal as Bituminous coal (Note 'l')	42.19	-	42.19	-
Customs department raised a demand classifying imported steam coal as Bituminous coal (Note 'm')	87.79	-	87.79	-
Demand of NALA Tax pertaining to Non Agricultural Tax in Mining Areas by the state government (Note 'n')	43.56	-	43.56	-
Demand raised for payment of permit fee by the forest department for mining and transportation of Lime Stone (Note 'o') **	471.45	156.88	382.45	127.41
Counter Guarantees given to Banks / FIs	262.85	-	258.11	-

- Sales Tax Authorities treated the usage of HSD oil on Hired tippers on cost recovery basis for transport of Lime Stone From Mines to Factory, on the presumption that it is a sale. The company filed an appeal before the Sales Tax Appellate Tribunal.
- In the year 1999-00, Sales Tax Authorities raised a demand for Rs. 16.88 lakhs as penalty on delayed payment. The Company has preferred an Appeal before the Sales Tax Appellate Tribunal. The company has paid an amount of Rs. 4.00 lakhs and obtained a stay from the Commissioner of Commercial Taxes
- Sales Tax Authorities raised a demand for Rs.37.26 lakhs as penalty, for the Period April to June 2013, on delayed payment. Commercial Taxes department granted instalments for this period considering the difficult financial situation of the Company .The Company has paid an amount of Rs. 12.80 lakhs in protest and preferred an Appeal which is pending before the Sales Tax Appellate Deputy Commissioner.
- Commercial Taxes department has denied the benefit of SEZ supplies for supplies made to contractors of SEZ units for the period from June 2014 to March 2015. Company has agreed for the same and paid the tax but the Sales Tax Department has raised a demand of Rs. 03.10 lakhs towards penalty on the delayed payment. The Company has paid Rs. 0.39 lakhs under protest and preferred an appeal which is pending before the Appellate Deputy Commissioner.
- The Excise Department has raised a demand of Rs.464.98 lakhs disallowing the Cenvat credit on Steel items used in construction of plant structure at both Mattapally and Kondapalli. Company has preferred an appeal before CESTAT and is pending. CESTAT ordered payment of Rs. 2.50 crores in the case of Mattapally unit and the Company filed a writ before the Honourable High Court of Andhra Pradesh. A stay on payment of pre-deposit was granted on a payment of Rs. 50.00 lakhs.
- The Excise Department has raised a demand of Rs.163.18 lakhs disallowing the Cenvat credit on Steel items used in construction of plant structure at both Mattapally and Kondapalli. Company has preferred an appeal before CESTAT and a stay was granted on payment of a pre-deposit of Rs. 5.00 lakhs.
- The Excise Department has raised a demand of Rs.116.34 lakhs disallowing the Cenvat credit on Steel items used in construction of plant structure at both Mattapally and Kondapalli. Company has preferred an appeal before CESTAT and a stay was granted.
- The Excise Department has initially raised a demand of Rs.101.61 lakhs disallowing the Cenvat credit on Steel items used in construction of plant structure at both Mattapally and Kondapalli. On an appeal, CESTAT has remanded the cases back to the Commissioner of Central Excise. The Appellate Commissioner decided the case partially in Company's favour and confirmed the balance demand of Rs. 80.85 lakhs along with interest and penalty. Company preferred an appeal before CESTAT.
- Excise department has raised a demand of Rs. 16.88 lakhs denying the cenvat credit on usage of Cement, Steel, M.S. Plates, M.S.Flats, M.S.Angles, M.S.Channels M.S.Coils, Steel Tubes, Pipes, beams, Plates/Sheets, Rebars, Conductors in construction of civil structures like Silo, Dump Hopper etc. The matter was contested and pending before the Appellate Authority and a stay was obtained on payment of Rs. 8.44 lakhs being 50% of the demand raised and it was subsequently rejected. The Company preferred an appeal before CESTAT and further predeposit of Rs. 2 lakhs was paid.
- Excise department has raised a demand of Rs. 11.18 lakhs denying the cenvat credit taken on transfer of cement from Mattapally unit to Kondapalli unit for despatch by rail. On an appeal before the Commissioner of Central Excise the demand was dropped but imposed a penalty of

NCL INDUSTRIES LTD

Notes to Financial Statements for the year ended 31 March 2016

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



Rs. 2.00 lakhs. Company preferred an appeal before CESTAT and obtained a stay.

- k. Excise department has raised a demand of Rs. 55.87 lakhs for the period May 2010 to March 2015, denying the cenvat credit on usage of Cement, Steel, M.S. Plates, M.S.Flats, M.S.Angles, M.S.Channels M.S.Coils, Steel Tubes, Pipes, beams, Plates/Sheets etc. The matter was contested and pending before the Appellate Commissioner, Hyderabad on a payment of Rs. 2.25 lakhs being 7.50% of the demand raised.
- l. The Customs Department raised a demand of Rs. 42.19 lakhs classifying imported steam coal as bituminous coal. Company preferred an appeal before the Appellate Commissioner of Customs & Central Excise (Appeals), Visakhapatnam.
- m. The Customs Department raised a demand of Rs. 87.79 lakhs classifying imported steam coal as bituminous coal. Company preferred an appeal before CESTAT, Bengaluru.
- n. The State Government has issued a notice claiming NALA Tax of Rs. 43.56 lakhs regarding Non Agricultural Tax on Mining areas. On dismissal of our appeal by the Joint Collector of Nalgonda, Company filed a writ petition before the Honourable High Court of Andhra Pradesh.
- o. Forest department demanded payment of permit fee for Lime Stone mining & Transportation @ 10/- per ton. Company filed a writ petition before the Honourable High Court of Andhra Pradesh. High Court has granted an interim stay subject to payment of 1/3 amount of the imposed permit fee.

** Though Rs. 156.88 lakhs was paid under protest, this amount was not shown as a current asset. This was included in consumption of materials in the respective years.

2.30. Capital Commitments:

During the year the Company is committed to incur capital expenditure of Rs. 18,150 lakhs on its Cement Expansion Project and Rs. 4,170 lakhs on its Boards Division expansion project. The Orders placed/ Contracts entered into so far by the company and not provided in the books are as follows:

Description	31 Mar 2016	31 Mar 2015
Estimated amount of Orders Placed/ Contracts entered into - Cement Expansion Project	5963.54	-
Estimated amount of Orders Placed/ Contracts entered into Boards Expansion Project	940.15	-

2.31 Future Minimum Lease Payments:

Description	31 Mar 2016	31 Mar 2015
Minimum Lease Rentals expenses		
- Within one Year	75.11	-
- Later than one Year and not Later than 5 years	101.53	-

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

a) Expense recognized during the year

Description	31 Mar 2016		31 Mar 2015	
	Gratuity	Leave encashment	Gratuity	Leave encashment
Current Service Cost	29.72	41.21	42.11	33.66
Interest Cost	25.04	4.11	25.88	4.06
Net Actuarial (Gain) / Loss	30.35	41.53	16.22	(2.50)
Short Term Compensated Absence Liability	-	-	-	13.00
Total Cost	85.11	86.85	84.21	48.22

NCL INDUSTRIES LTD

Notes to Financial Statements for the year ended 31 March 2016

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



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

Description	31 Mar 2016		31 Mar 2015	
	Gratuity	Leave encashment	Gratuity	Leave encashment
Present Value of Obligations at beginning of the year	345.71	95.10	301.66	65.92
Changes in Present Value of Obligations		(13.00)		1.50
Current Service Cost	29.72	41.21	42.11	33.66
Interest Cost	25.04	4.11	25.88	4.06
Actuarial Loss / (Gain)	30.35	41.53	16.22	(2.50)
Settlements	(46.89)	(45.47)	(40.16)	(20.54)
Short Term Compensated Absence Liability	-	-	-	13.00
Present Value of Obligations at the end of the year	383.93	123.48	345.71	95.10
Present Value of Obligations - Current	39.60	13.03	54.74	34.26
Present Value of Obligations - Non - Current	344.33	110.45	290.97	60.84

Actuarial assumptions

- Mortality IALM 2006-08 (ultimate)
- Discounting rate – 7.46% (Previous year 7.77 %)
- Expected average remaining working lives of employees – 13.01 Years
- Rate of escalation in salary – 6 %

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

a. List of related parties and relationships

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

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

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

b. Related Party Transactions for the Year

	31 Mar 2016	31 Mar 2015
Remuneration to Key Managerial Personnel*	264.32	88.92
Remuneration to Relatives of Key Managerial Personnel (Mr. K Gautam)	47.04	32.76
Remuneration to Other Managerial Personnel (Mr. N V Suvama)	30.40	-
Remuneration to Other Managerial Personnel (Mr. P N Raju)*	64.08	51.56

* Mr. P N Raju, resigned from the position of Executive Director in the month of July 2015

NCL INDUSTRIES LTD

Notes to Financial Statements for the year ended 31 March 2016

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



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

	31 Mar 2016		31 Mar 2015	
Sale of Finished Goods				
NCL Alltek & Seccolor Limited	466.36	-	120.07	-
NCL Homes Limited	157.61	-	96.37	-
Nagarjuna Cerachem (P) Limited	0.14	-	-	-
NCL Wintech (India) Limited	1.44	-	12.33	-
Khandaleru Power Company Ltd	38.86	664.41	-	228.77
Purchases / Services				
NCL Alltek & Seccolor Limited	4.30	-	4.83	-
Nagarjuna Cerachem (P) Limited	25.50	-	-	-
Kakatiya Industries (P) Limited	86.64	-	63.52	-
NCL Wintech India Limited	-	116.44	2.99	71.34
Advances Received				
NCL Alltek & Seccolor Limited	-	-	200.91	-
Kakatiya Industries (P) Limited	-	-	143.77	-
Mr. Ashven Datla	-	-	77.00	421.68
Sale of Immovable Property				
NCL Alltek & Seccolor Limited	270.70	-	-	-
Kakatiya Industries (P) Limited	241.36	-	-	-
Mr. Ashven Datla	142.50	654.56	-	-
Rent Paid				
NCL Alltek & Seccolor Limited	2.54	-	4.32	-
Vikram Chemicals Pvt Limited	1.91	4.45	2.12	6.44
Rent Received				
NCL Alltek & Seccolor Limited	2.34	2.34	2.34	2.34
ICD Received				
NCL Alltek & Seccolor Limited	-	-	90.00	90.00
ICD Repaid				
NCL Alltek & Seccolor Limited	1374.53	1,374.53	257.50	257.50
ICD Paid				
NCL Alltek & Seccolor Limited	450.00	450.00	-	-
Interest Paid				
NCL Alltek & Seccolor Limited	112.81	112.81	219.64	219.64
Interest Received				
NCL Alltek & Seccolor Limited	12.80	12.80	-	-
Reimbursement of Expenses				
NCL Alltek & Seccolor Limited	1.25	-	1.84	-
Kakatiya Industries (P) Limited	0.15	-	0.10	-
NCL Wintech (India) Limited	0.00	-	0.64	-
Nagarjuna Cerachem (P) Limited	0.28	1.68	0.00	2.58

NCL INDUSTRIES LTD

Notes to Financial Statements for the year ended 31 March 2016

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



2.34 Imported and Indigenous Raw Materials, Components and Spare Parts Consumed

	31 Mar 2016		31 Mar 2015	
RAW MATERIALS	% of Total Consumption	Value of Consumption	% of Total Consumption	Value of Consumption
Imported	-	-	-	-
Indigenous	100.00	25,606.78	100.00	21,122.91
Total	100.00	25,606.78	100.00	21,122.91
SPARE PARTS				
Imported	1.77	45.66	3.92	57.04
Indigenous	98.23	2,535.83	96.08	1,396.60
Total	100.00	2,581.49	100.00	1,453.64

2.35 Value of Imports Calculated on CIF Basis

	31 Mar 2016	31 Mar 2015
Components & Spares	45.66	28.08
Other Materials	61.31	
Capital Goods	-	92.09

2.36 Expenditure in Foreign Currency

	31 Mar 2016	31 Mar 2015
Travelling	13.98	1.07
Advance for Capital Goods	180.40	-
Capital Goods	-	91.97
Stores and Spares	45.43	28.06
Others	61.54	-
Total	301.35	121.10

As per our report of even date

For and on behalf of the Board

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

K. Ravi
Managing Director

R. Anand
Chairman

P.V. Sri Hari
Partner
Membership No. 21961
Hyderabad
Dated: 30th May 2016

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

T. Arun Kumar
Company Secretary

NCL INDUSTRIES LTD

Notes to Financial Statements for the year ended 31 March 2016

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



2.37 SEGMENT REPORTING

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

A. PRIMARY DISCLOSURES:

Particulars	Cement		Boards		Prefab		Energy		RMC		Unallocable		Total	
	31Mar 2016	31Mar 2015	31Mar 2016	31Mar 2015	31Mar 2016	31Mar 2015	31Mar 2016	31Mar 2015	31Mar 2016	31Mar 2015	31Mar 2016	31Mar 2015	31Mar 2016	31Mar 2015
Segment Revenue:														
External Turnover	61,427.53	47,390.20	10,039.46	9,058.94	-	24.58	237.32	651.41	4,211.06	3,969.31	-	-	75,915.38	61,094.44
Inter Segment Transfers	14,471.75	11,388.43	96.54	72.30	-	11.27	-	-	-	0.22	-	-	14,568.29	11,472.22
Gross Turnover	75,899.29	58,778.63	10,136.00	9,131.24	-	35.86	237.32	651.41	4,211.06	3,969.53	-	-	90,483.67	72,566.67
Less: Excise Duty														
Service Tax	9,748.18	7,618.80	8.62	4.76	-	3.56	-	-	81.70	75.67	-	-	9,838.49	7,702.79
Net Turnover	66,151.11	51,159.83	10,127.39	9,126.48	-	32.30	237.32	651.41	4,129.36	3,893.86	-	-	80,645.18	64,863.88
Segment Result:														
Profit before														
Interest and Taxes	7,594.20	2,948.64	2,421.72	1,534.69	376.94	(18.87)	(74.74)	333.25	122.68	148.02	-	-	10,440.82	4,945.73
Less: Interest Expense														
Profit Before Tax	7,594.20	2,948.64	2,421.72	1,534.69	376.94	(18.87)	(74.74)	333.25	122.68	148.02	(3,754.30)	(3,712.02)	6,686.52	1,233.71
Current Tax											1,288.89	181.89	1,288.89	181.89
Deferred Tax											89.74	161.81	89.74	161.81
Profit After Tax	7,594.20	2,948.64	2,421.72	1,534.69	376.94	(18.87)	(74.74)	333.25	122.68	148.02	(5,132.93)	(4,055.72)	5,307.89	890.01
Other Information:														
Segment Assets	45,592.46	44,423.11	5,685.07	5,422.08	79.51	332.66	3,620.21	3,808.91	1,523.08	1,434.76	5,767.86	3,515.54	62,268.19	58,937.06
Segment Liabilities	20,875.45	22,298.35	907.34	1,656.68	24.99	34.79	868.94	1,119.61	789.21	818.56	14,369.12	13,185.25	37,835.04	39,113.23
Capital Expenditure	1,821.60	(424.63)	3.93	(7.90)	(74.29)	-	0.77	0.39	2.39	1.34	-	-	1,754.40	(430.80)
Depreciation & Amortisation	2,157.23	2,179.89	126.29	134.17	14.15	1.41	164.84	173.50	53.51	67.10	-	-	2,516.02	2,556.07

NCL INDUSTRIES LTD

Notes to Financial Statements for the year ended 31 March 2016

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



B. SECONDARY DISCLOSURES:

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

Segment Accounting Policies:

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

a) Segment Assets and Liabilities:

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

b) Segment Revenue and Expenses:

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



NCL INDUSTRIES LTD

CIN. L33130TG1979PLC002521

4th Floor, Vaishnavi's Cynsure, 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 35th Annual General Meeting of the Company held on Tuesday, the 20th September, 2016 at 10:30A.M. at KLN Prasad Auditorium, 3rd Floor, 11-06-841, FAPCCI 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 Cynsure, 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 35th Annual General Meeting of the Company, to be held on Tuesday, the 20th September, 2016 at 10:30 A.M. at KLN Prasad Auditorium, 3rd Floor, 11-06-841, FAPCCI Marg. Red Hills, Hyderabad - 500 004. and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution No.	Resolution	No. of shares	I / We assent to the Resolution (FOR)	I / We dissent to the Resolution (AGAINST)
Ordinary Business :				
1.	Consider and adopt the Audited Balance Sheet as at 31st March,2016 and Profit & Loss A/c for the year ended 31st March,2016 together with Report of the Directors and Auditors			
2.	Approval of Interim dividend paid and declaration of final dividend.			
3.	Re-appointment of Mr.K.Madhu who retires by rotation.			
4.	Re-appointment of Mr.Vinodrai V.Goradia who retires by rotation.			
5.	Ratification of appointment of M/s Venugopal & Chenoy, Chartered Accountants as auditors and fix their remuneration.			
Special Business :				
6.	Appointment of Mr. R.Anand as an Independent Director of the company			
7.	Ratification of remuneration payable to Mr.R.Srinivasa Rao, Cost Auditor for the Financial Year 2016-17.			
8.	Re-appointment of Mr.K.Ravi as Managing Director of the company for a period of Five years w.ef 01st April,2016.			
9.	Appointment of Mr. N.G.V.S.G.Prasad as Director of the company			
10.	Appointment of Mr.N.G.V.S.G.Prasad as Executive Director & CFO of the company for a period of five years w.e.f 30th May,2016			
11.	Approval for alteration of Articles of Association of the company by adopting Table F as per Companies Act,2013.			

Signed this _____ day of September, 2016

Signature of Shareholder _____

Signature of Proxy holder(s) _____

Affix
Rs.1
Revenue
Stamp here

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.

Printed Matter

If undelivered, Please return to:

NCL Industries Limited

CIN L33130TG1979PLC002521

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

