NCLIL/SEC/2020-21

18.09.2020

Bombay Stock Exchange Limited
Phiroze Jeejeebhoy Towers
Floor.25, Dalal Street
MUMBAI – 400001.
Tel No.022-22721234

National Stock Exchange
of India Limited
Exchange Plaza,
Bandra Kurla Complex
Bandra (E),
MUMBAI - 400051

Dear Sir,

Re ; Annual Report 2020- Addendum in Page 26
****

This is with ref. to Annual Report 2019-20 filed by the Company on 7th September, 2020.

In page 26 of the Annual Report under the caption 'Report on Corporate Governance" under the Item No.2(c) , the total number of Board Meetings attended by Mrs.Roopa Bhupatiraju was erroneously printed as 2 instead of 6 meetings. The same was rectified and attached herewith.

The printing error is regretted. The corrected Annual Report-2020 was posted in NCL Website www.nclind.com.

Kindly take the same on record.

Yours faithfully,
for **NCL INDUSTRIES LIMITED**,

T.ARUN KUMAR
Vice President & Company Secretary

NCL INDUSTRIES LTD. HYDERABAD

NCL GROUP

PARTNERING THE DRIVE FOR GROWTH

NCL INDUSTRIES LIMITED

ANNUAL REPORT 2019-20

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Disclaimer

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

Our Founder

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

About Us

Though predominantly a cement company, NCL Industries has diversified into power and various building materials

Our diversified product range includes ready mix concrete cement bonded particle boards – plain, laminated, embossed and sandwich panels under the brand name Bison Panel, Bison Lam, Bison Designer Boards, Readymade doors under the brand name Duradoor.

Besides construction and building products, NCL also owns two mini hydel projects - one on right main canal of Srisailam dam and other on the right high level canal of Tungabhadra dam.

Our Business Divisions

Cement

Cement Ready Mix

Cement Bonded Particle Boards

Doors

Energy

NAGARJUNA CEMENT

More than **35** years old cement brand

BISON PANEL
Cement Bonded Particle Board

India's only manufacturer of cement bonded particle boards

Duradoor™
Doors for a lifetime

India's largest Door Manufacturing unit – commenced production in FY20

Products and Plant Locations

CEMENT
Ordinary Portland Cement
Portland Pozzolona Cement
Special Cement- 53-S

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

Capacity : 2.70 Million Tons
Dealers: 1800
Markets: Andhra Pradesh, Telangana, Tamil Nadu, Karnataka, Pondicherry.

READY MIX CONCRETE
Unit 1, 4 & 5: Visakhapatnam, Andhra Pradesh
Unit 2, 3, 6 & 7: Hyderabad, Telangana

Capacity: 60Cu.Mtrs / Hour each
Markets: Hyderabad & Visakhapatnam

CEMENT BONDED PARTICLE BOARD
Plain, Laminated, Designer Boards & Planks
Unit 1 & 3 : Simhapuri, Telangana
Unit 2 : Paonta Sahib, Himachal Pradesh

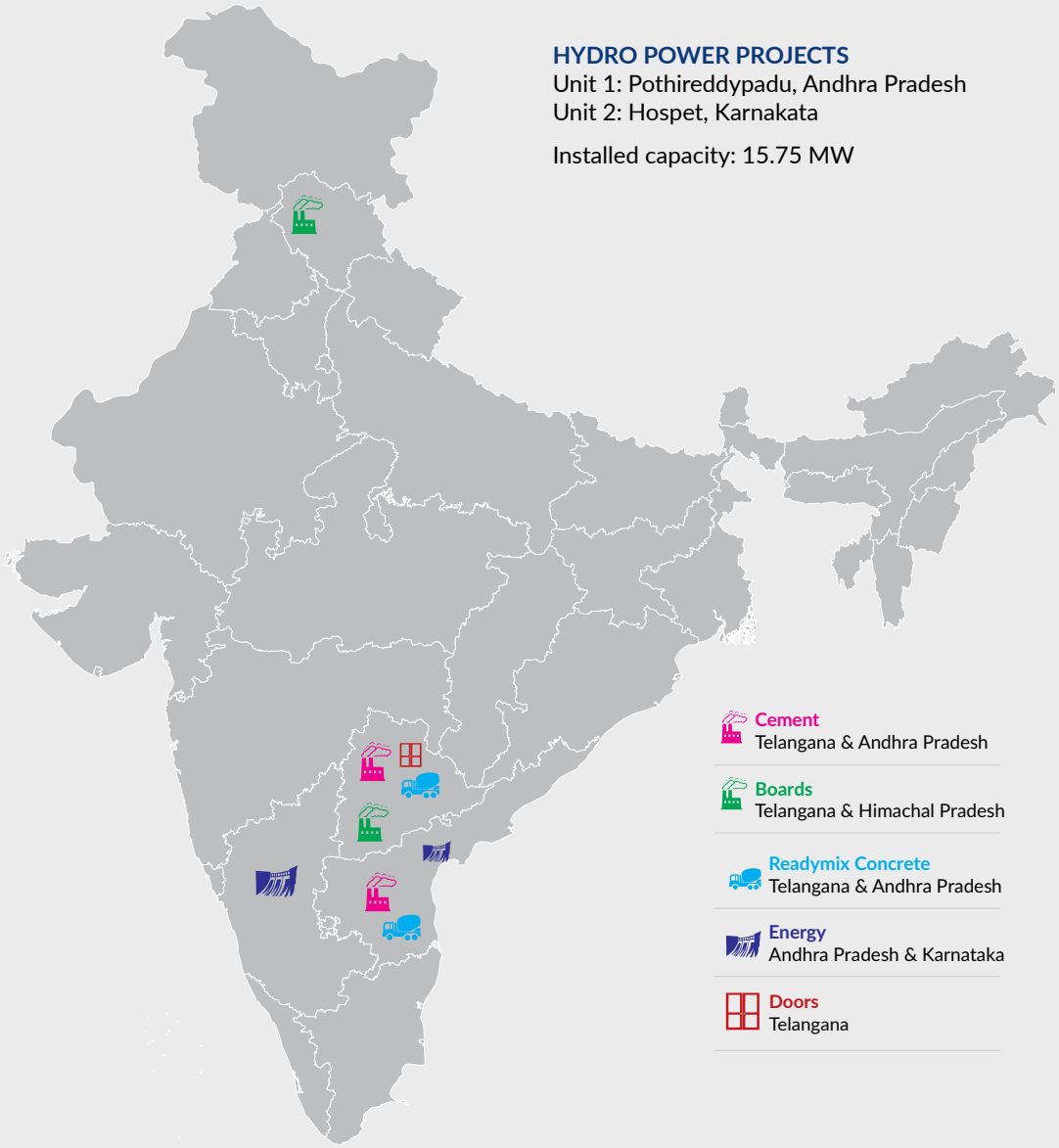
Capacity: 90,000 tons
Distributors: 350+

DURADOOR UNIT
Malkapur (V) Near Hyderabad

Capacity: 1,000 Doors Per Day

HYDRO POWER PROJECTS
Unit 1: Pothireddypadu, Andhra Pradesh
Unit 2: Hospet, Karnakata

Installed capacity: 15.75 MW



Message from
The Managing Director

> I am glad to report that there was a significant turnaround in the subsequent months in the Cement Division with improved market realisations.

Dear Shareholders,

We will be missing the pleasure of personally meeting and interacting with you at the ensuing Annual General Meeting. We have to be satisfied with the virtual meeting by electronic means occasioned by the COVID 19 pandemic. I am sure that the dark clouds of the pandemic blow will blow over, and look forward to the AGM 2021 with renewed hope and vigour.

At NCL, we bestow utmost importance to the health and safety of our employees who constitute our most valuable assets. We are taking all possible to steps to ensure their well being by strictly following the norms of social distancing, safety and sanitation, and periodic testing of the employees.

In the business front, the COVID 19 lock-down brought all activities to a virtual standstill, and the first month of the current financial year have been a near washout. I am glad to report that there was a significant turnaround in the subsequent months in the Cement Division with improved market realisations. Recovery has been slower in the Boards and Doors Divisions but there are signs of return to near normalcy.

Progress in the joint venture with the Chinese company for pre-engineered steel structures had to be kept on hold due to the prevailing scenario of bilateral relations between the two countries. Fortunately, there has been no significant investment on this venture, and the infrastructure created for the project can be put to alternative uses.

It is expected that the construction activity will gradually pick up as a part of the post COVID 19 revival efforts by the Government. Cement and building materials are likely witness a significant growth in demand, to cope with the increased expenditure for infrastructure. However, when the intensity of the pandemic will assume a declining path is matter of speculation. Let us hope that we will back in the growth path sooner rather than later.

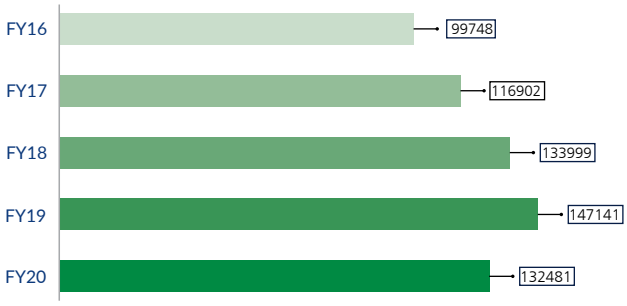
Let me end this communication on this note of cautious optimism and wish you a safe and healthy year ahead.

K RAVI

How We Performed

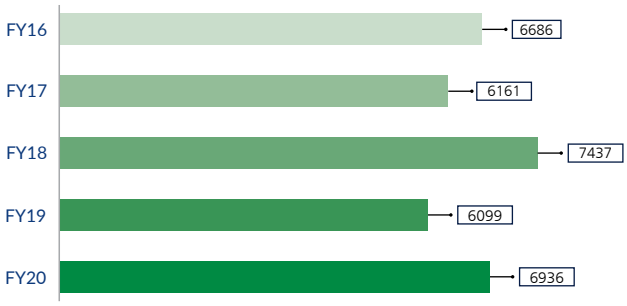
Financial Highlights

Revenue (₹ in Lakhs)

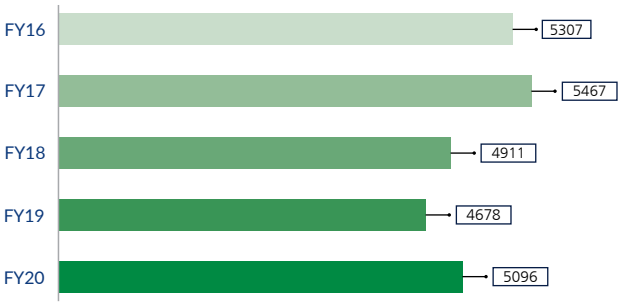


EBIDTA (₹ in Lakhs)

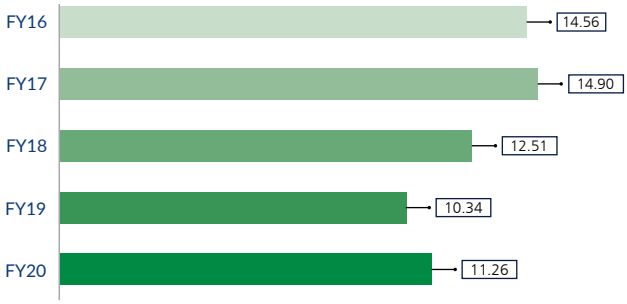
PBT (₹ in Lakhs)



PAT (₹ in Lakhs)



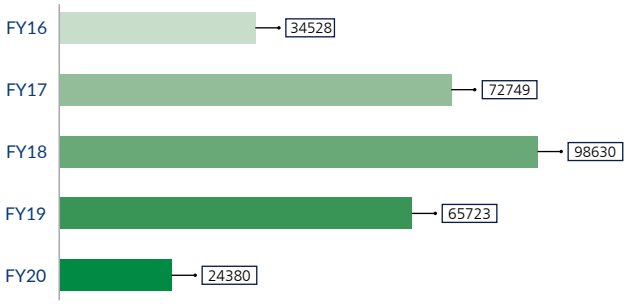
EPS (₹ in Lakhs)



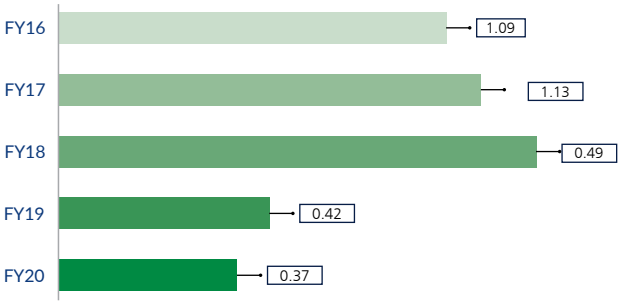
Dividend (%)

* Proposed dividend

Market Cap (₹ in Lakhs)



Debt to Equity



Review of Business

Cement

While enjoying the brand visibility and popularity of Nagarjuna Cement in Andhra Pradesh & Telangana your company has also has its presence in Kerala, Tamilnadu, Karnataka & Pondicherry.

Key Highlights

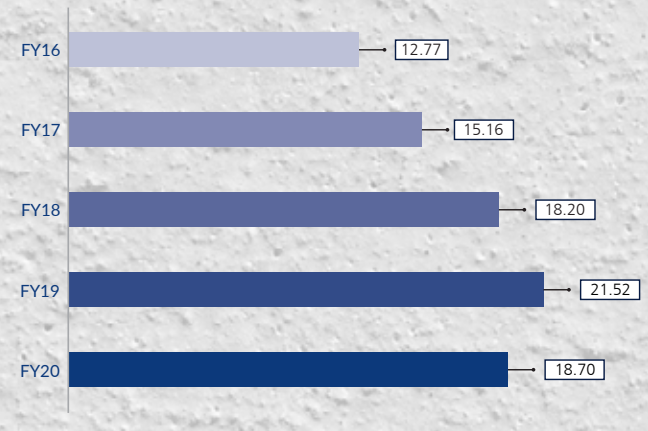
₹ 1,10,291 Lakhs

Cement Division Revenue FY20

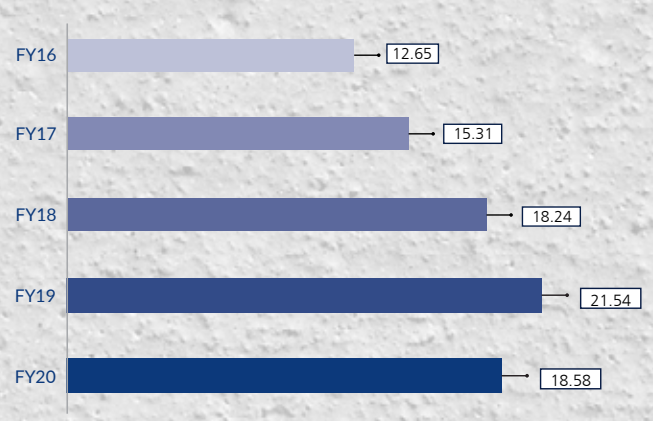
2.70 million MT per annum

Installed capacity

Cement Production (Lakh Mts)



Cement Sales (Lakh Mts)



Cement and RMC Key Milestones:

1984

Commenced Commercial production of cement at 66,000 tonnes.

1989

Commencement of cement production after expansion to 1,98,000 TPA.

2003

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

2007

Commencement of commercial production from Kondapally cement grinding plant with 330,000 tonnes per annum capacity.

2009

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

Key Advantages:

- Superior Quality Limestone Reserves
- Brand Equity based on consistent quality
- Large Dealer Networks
- One of the few cement companies to manufacture special Cement 53S

Ready Mix

'Nagarjuna RMC' has seven plants catering to the markets of Hyderabad & Visakhapatnam. These plants are equipped with adequate number of transit mixers.

Segment Turnover

₹ **8,384** Lakhs

2010

Started Production from Simhapuri Line 2 with a capacity of 9.90 Lakh Tons of Clinker and 6.60 Lakh Tons of Cement to become a major cement plant in AP.

2011

Company forayed into RMC Business by setting Two Plants in Hyderabad & Vizag

2017

2nd RMC plant in Hyderabad at Rampalli commenced commercial production

2018

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

Review of Business

Bison Panel

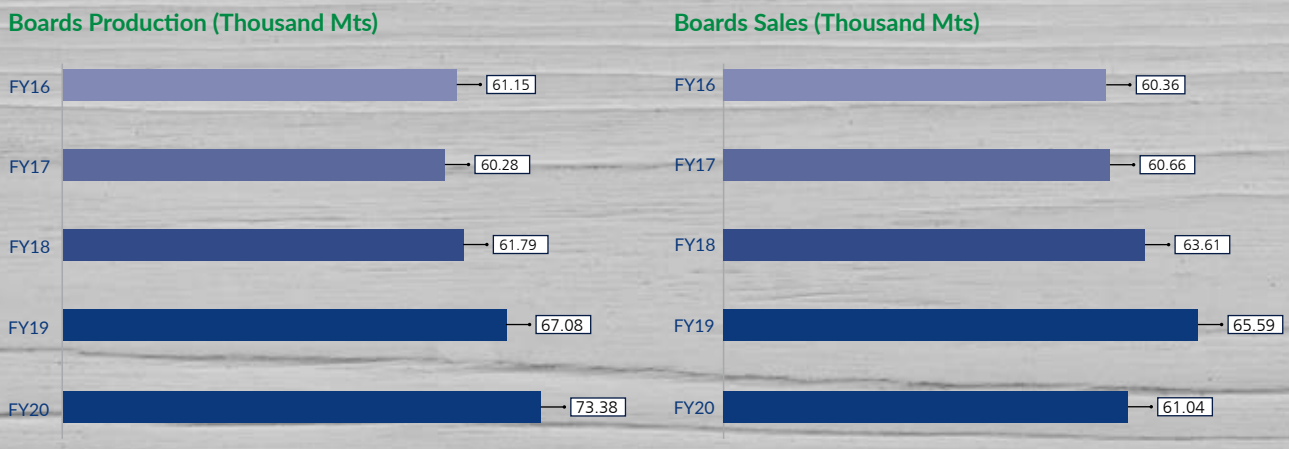
NCL has the distinction of being the only manufacturer in India of cement bonded particle board marketed under the brand name Bison Panel.

Made out of 62% cement & 28% wood, Bison Panel is a unique product with the strength & durability of cement & the easy workability of wood - a combination not present in other boards. Cement is strong durable, & is not affected by fire, weather, termites, etc. Laminate Boards and self embossing boards are other features included through in house R&D efforts.

Key Highlights

₹ 12,592 Lakhs

Boards Division Revenue in FY20



Bison Panel Milestones:

1993

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

1997

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

2007

Commercial production of cement bonded particle boards at Paonta Sahib Plant.

2018

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

Hydro Power

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

Duradoors

The latest addition to the product range is readymade doors marketed under the brand name Duradoor. The elegance and range of designs distinguish Duradoor from the other readymade doors available in the market. A new entrant in the field, Duradoor is poised to carve out a niche for itself in the construction industry.

2020

Commencement of Commercial production of Duradoors.

Corporate Information

BOARD OF DIRECTORS

Kamlesh Gandhi
Chairman

Dr.R.Kalidas
Independent Director

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

V.S.Raju
Independent Director

Mrs. Rashida Hatim Adenwala
Independent Director

Mrs. Pooja Kalidindi
Non Executive Director

V.V.Goradia
Non-Executive Director

P.N Raju
Non-Executive Director

Ashven Datla
Non-Executive Director

Mrs. Roopa Bhupatiraju
Executive Director (From 01.10.2019)

K.Gautam
Executive Director

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

K.Ravi
Managing Director

VICE PRESIDENT & COMPANY SECRETARY
Mr. T. Arun Kumar

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

Regd. & Admn. Office
CIN : L33130TG1979PLC002521
7th Floor, "NCL Pearl",
Near Rail Nilayam,
S D Road, Secunderabad-500026, India.
Ph : 91-40-30120000
e-mail : ncl@nclind.com
Website : www.nclind.com

COST AUDITORS

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

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

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

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

BOARDS DIVISION
UNIT - I & III
Simhapuri, Mattampally Mandal
Suryapet Dist.
Telangana State
Pincode - 508204

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

DOORS DIVISION
Sy. No. 222, Malkapur (V),
Choutuppal (M),
Yadadri Bhuvanagiri (Dt.)
Telangana State
Pincode - 508252

BANKERS
Axis Bank Ltd
HDFC Bank Ltd
SBI
Bank of Baroda

ENERGY DIVISION

UNIT - I
Pothireddypadu, Head
Regulator, Chabolu Village,
Pothulapadu Post, Nandikotkur TQ,
Kurnool District,
Andhra Pradesh
Pincode - 518 402

UNIT - II
RBHLC Zero Mile Point,
Tungabhadra Dam,
Tungabhadra Board,
Amaravathi Village,
Hospet, Karnakata,
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),
Telangana State.
Pincode - 502 319

UNIT - III
Survey No. 282 (P), Rampally (V),
Keesara (M), Medchal (Dt.),
Telangana State.

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

UNIT - V
Sy.No.208-1, 209- 1&2,
Tallapalem Road, Ugginapalem (V),
Kasimkota (M), AP
Pincode - 531031

UNIT - VI
S/y No.36/15
Sri Pattabhi Nagar
Gopanapalli(V)
Serilingampalli(M)
Rangareddy Dist
Pin500046

UNIT - VII
Plot No 36. Sy No 460/2, 461,
462/2, 479 to 482,
IDA, Mankhal (V),
Maheswaram (Mandal),
Ranga Reddy (District),
Telangana. 501359

NOTICE

Notice is hereby given that the 39th Annual General Meeting of NCL Industries Limited will be held on Monday, the 28th September, 2020 at 11.00 A.M IST through Video Conferencing ("VC") / Other Audio Visual Means ("OAVM") to transact the following business.

ORDINARY BUSINESS

1. To receive, consider and adopt the audited Standalone and Consolidated Financial Statements of the Company for the financial year ended 31st March, 2020 together with the Reports of the Directors and Auditors thereon.
2. To declare Dividend
3. To appoint a Director in place of Mr Ashven Datla, (DIN:01837573) who, retires by rotation and is eligible for re-appointment.
4. To appoint a Director in place of Mrs Roopa Bhupatiraju, (DIN:01197491) who, retires by rotation and is eligible for re-appointment.

SPECIAL BUSINESS

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

   "**RESOLVED THAT** pursuant to the provisions of Section 148 and other applicable provisions of the Companies Act, 2013 the remuneration payable to M/s. S R. and ASSOCIATES, Cost Accountants, the Cost Auditors appointed by the Board of Directors of the Company, fixed as Rs 1,00,000 /- (Rupees One Lakh only) for the financial year ending March 31, 2021 be and is hereby ratified."

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

   "**RESOLVED THAT** pursuant to provisions of Sections 149, 152 read with Schedule IV and other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 and SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 Mrs. Rashida Hatim Adenwala (DIN:00008212), who has been appointed as an Additional Director pursuant to the provisions of Section 161(1) of the Act and in respect of whom the company has received a notice in writing under Section 160 of the Act proposing her candidature for the office of director, being eligible be and is hereby appointed as an Independent Director of the Company to hold the office for a term of 5 (five) years from 30.06.2020 to 29.06.2025."

7. 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, 150, 152 and other applicable provisions of the Companies Act, 2013 and the Securities and Exchange Board of India (Listing obligations & Disclosure Requirements) Regulations, 2015 the Share holders hereby approve the reappointment of Lt.Gen (Retd) Trevor Aloysius DCunha (DIN: 07207066) as an Independent Director of the Company to hold office for a period of five years w.e.f from 14th August 2020 to 13th August, 2025."

   "**FURTHER RESOLVED THAT** pursuant to Regulation 17A of the SEBI (LODR) Regulations 2015, the Shareholders hereby consent to the continuation of Lt.Gen (Retd) T.A. DCunha as Independent Director, even after he attains the age of 75 years during his second tenure."

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 149, 150, 152 and other applicable provisions of the Companies Act, 2013 and the Securities and Exchange Board of India (Listing obligations & Disclosure Requirements) Regulations,2015 the Shareholders hereby approve the reappointment of Dr.Kalidas Raghavapudi (DIN:02204518) as an Independent Director of the Company to hold office for a period of five years w.e.f from 14th August 2020 to 13th August,. 2025"

   "**FURTHER RESOLVED THAT** pursuant to Regulation 17A of the SEBI (LODR) Regulations 2015, the Shareholders hereby consent to the continuation of Dr.Kalidas Raghavapudi as Independent Director, even after he attains the age of 75 years during his second tenure."

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

   (i) "**RESOLVED THAT** pursuant to Sections 196, 197 and 203 read with Schedule V and all other applicable provisions of the Companies Act, 2013 approval of the Company be and is hereby accorded to the appointment of Mrs. Roopa Bhupatiraju as Executive Director of the Company for a period of 5 years with effect from 1st October, 2019 on the following terms and conditions as recommended by the Nomination and Remuneration Committee".

   Salary: Rs. 2,75,000 /- per month (with an annual increment of Rs.27,500 /-).

   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 husband, dependent children and dependent parents of Mrs.Roopa Bhupatiraju.

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: 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 the above remuneration by way of salary and perquisites 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."

(ii) **"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."

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

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

"RESOLVED THAT in supersession of the resolution passed by the shareholders of the Company through Special Resolution on 29th September, 2014, and pursuant to the provisions of Section 180(1)(c) and other applicable provisions, if any, of the Companies Act, 2013, consent of the Company be and is hereby accorded to the Board of Directors of the Company (including any committee thereof) for borrowing, from time to time, up to a ceiling of Rs. 750 crores (Rupees Seven Hundred and Fifty Crores only) over and above the amount of share capital and free reserves of the Company."

"RESOLVED FURTHER THAT the Board be and is hereby authorized to do all such acts, deeds and things, to execute all such documents, instruments and writings as may be required to give effect to this Resolution."

By Order of the Board.
for NCL INDUSTRIES LIMITED,

Place: Hyderabad
Date: 14th August, 2020

T.ARUN KUMAR
Vice President &
Company Secretary

NOTES:

1. In view of the recent Covid-19 pandemic, the Ministry of Corporate Affairs has, vide its circular dated May 5, 2020 (read with other previous circulars issued in this regard) permitted the companies to hold the Annual General Meeting (AGM) through VC / OAVM and thus physical attendance of Members has been dispensed with. Since AGM of the Company is being held through Video Conference (VC) / Other Audio Visual Mode (OAVM), the facility to appoint proxies by the members will not be available for the AGM and hence the Proxy Form, Attendance Slip and route map are not annexed to this Notice.

2. In compliance with the above MCA circulars, Notice together with Annual Report 2019-20 is being sent only through electronic mode to those members whose email addresses are registered with the company / depositories / RTA. Copies of the Notice and Annual Report 2019-20 will also be uploaded on the company's website at www.nclind.com, websites of BSE Ltd (www.bseindia.com), National Stock Exchange of India Ltd (www.nseindia.com) and on the website of CDSL (www.evotingindia.com) respectively. All documents referred to in the accompanying Notice and the Statement pursuant to Section 102(1) of the Companies Act, 2013 shall be open for inspection in electronic mode by the Members by writing an e-mail to the Company Secretary at cs@nclind.com. **Shareholders are advised to visit the company's website www.nclind.com where the notice is uploaded.**

3. A statement setting out the material facts pursuant to the provisions of Section 102 of the Companies Act, 2013 in respect of item Nos. 5 to 10 of the notice is annexed hereto.

4. Members attending AGM through VC / OAVM shall be counted for the purpose of reckoning the quorum under the provisions of the Companies Act, 2013.

5. 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.

6. The Register of Members and Share Transfer Registers will remain closed from **21st September, 2020 to 28th September, 2020 (both days inclusive)** on account of the Annual General Meeting and determination of payment of dividend if any.

7. 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 .In case they hold the shares in Physical mode, they are requested to intimate the changes if any to the company or its Registrars and Share Transfer Agents M/s Venture Capital & Corporate Investments (P) Ltd at an early date.

8. 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 quote ledger Folio/Client ID in all the correspondence.
9. 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.
10. 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 of 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.
11. Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) and Bank Account details. Members holding shares in electronic form are requested to furnish the PAN Card and Bank Account details to their DPs with whom they are maintaining Demat Accounts. Members holding shares in physical form are requested to submit PAN and Bank Account details to the Registrar and Share Transfer Agents.
12. As per the circular issued by the Securities and Exchange Board of India w.e.f 1st April, 2019 it has been mandated that transfer of securities would be carried out in dematerialized form only. Share holders who are holding shares in Physical mode **should ensure that shares which are lodged for transfer shall be in dematerialized form only.**
13. Shareholders who have not encashed their dividend warrants for the years 2015-16,2016-17 ,2017-18 and 2018-19 may approach the company for revalidation, issue of duplicate warrants etc; quoting the Folio No. / Client ID. Please note that as per Section 24(5) and 124(6) of the Companies Act, 2013 dividend which remains unpaid / unclaimed over a period of 7 years, such unclaimed dividends and such shares whether held in demat form or in physical form are required to be transferred by the company to the Investor Education & Protection Fund (IEPF). Any person whose unclaimed dividends / shares so transferred to IEPF, may claim the shares for refund / apply to IEPF by submitting an online application form to IEPF along with fee specified by IEPF from time to time.
14. Pursuant to Finance Act 2020, dividend income will be taxable in the hands of shareholders w.e.f. April 1, 2020 and the Company is required to deduct tax at source from dividend paid to shareholders at the prescribed rates. For the prescribed rates for various categories, the shareholders are requested to refer to the Finance Act, 2020 and amendments thereof.

    The Shareholders are requested to submit Form G/Form H under the Income Tax Act, 1961 to the registrars /share transfer agents M/s Venture Capital & Corporate Investments (P) Ltd on or before 19th September, 2020 (Record Date) to verify the claim for exemption from TDS

15. Instructions about e-Voting:

1. As you are aware, in view of the situation arising due to COVID-19 global pandemic, the general meetings of the companies shall be conducted as per the guidelines issued by the Ministry of Corporate Affairs (MCA) vide Circular No. 14/2020 dated April 8, 2020, Circular No.17/2020 dated April 13, 2020 and Circular No. 20/2020 dated May 05, 2020. The forthcoming AGM will thus be held through video conferencing (VC) or other audio visual means (OAVM). Hence, Members can attend and participate in the ensuing Annual General Meeting (AGM) through VC/OAVM.
2. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and MCA Circulars dated April 08, 2020, April 13, 2020 and May 05, 2020 the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with Central Depository Services (India) Limited (CDSL) for facilitating voting through electronic means, as the authorized e-Voting's agency. The facility of casting votes by a member using remote e-voting as well as the e-voting system on the date of the AGM will be provided by CDSL.
3. The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available to at least 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.
4. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of ascertaining the quorum under Section 103 of the Companies Act, 2013.
5. Pursuant to MCA Circular No. 14/2020 dated April 08, 2020, the facility to appoint proxy to attend and cast vote for the members is not available for this AGM. However, in pursuance of Section 112 and Section 113 of the Companies Act, 2013, representatives of the members such as the President of India or the Governor of a State or body corporate can attend the AGM through VC/OAVM and cast their votes through e-voting.
6. In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated April 13, 2020, the Notice calling the AGM has been uploaded on the website of the Company at www.nclind.com. The Notice can also be accessed from the websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India

Limited at www.bseindia.com and www.nseindia.com respectively.The AGM Notice is also disseminated on the website of CDSL (agency for providing the Remote e-Voting facility and e-voting system during the AGM) i.e. www.evotingindia.com.

7. The AGM has been convened through VC/OAVM in compliance with applicable provisions of the Companies Act, 2013 read with MCA Circular No. 14/2020 dated April 8, 2020 and MCA Circular No.17/2020 dated April 13, 2020 and MCA Circular No. 20/2020 dated May 05, 2020.

THE INTRUCTIONS FOR SHAREHOLDRES FOR REMOTE E-VOTING ARE AS UNDER:

(i) The voting period begins on Thursday the 24th September, 2020 @ 9.00AM and ends on Sunday 27th September, 2020 @17.00 Hours. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of Saturday the 19th September,2020 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

(ii) The Company has appointed Mr.A.Ravishankar, (COP No.4318) failing him Mr.K.V Subramanyam, (COP No.4815) Practicing Company Secretaries have been appointed as the Scrutinizers to scrutinize the e- voting process in a fair and transparent manner. The members desiring to vote through electronic mode may refer to the detailed procedure on e-voting given hereunder.

(iii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.

(iv) The shareholders should log on to the e-voting website www.evotingindia.com.

(v) Click on "Shareholders" module.

(vi) 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. Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.

OR

Alternatively, if you are registered for CDSL's **EASI/EASIEST** e-services, you can log- in at https://www.cdslindia.com from **Login - Myeasi** using your login credentials. Once you successfully log-in to CDSL's **EASI / EASIEST** e-services, click on **e-Voting** option and proceed directly to cast your vote electronically.

(vii) Next enter the Image Verification as displayed and Click on Login.

(viii) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier e-voting of any company, then your existing password is to be used.

(ix) If you are a first time user follow the steps given below:

	For Shareholders 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) • Shareholders who have not updated their PAN with the Company / Depository Participant are requested to use the sequence number sent by Company / RTA or contact Company/RTA.
Dividend Bank Details **OR** Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. • If both 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).

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

(xi) Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders 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.

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

(xiii) Click on the EVSN for the relevant Company Name i.e **NCL Industries Ltd** on which you choose to vote.

(xiv) 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.

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

(xvi) 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.

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

(xviii) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.

(xix) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.

(xx) Shareholders can also cast their vote using CDSL's mobile app "**m-Voting".** The m- Voting app can be downloaded from respective Store. Please follow the instructions as prompted by the mobile app while Remote Voting on your mobile.

PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL ADDRESSES ARE NOT REGISTERED WITH THE DEPOSITORIES FOR OBTAINING LOGIN CREDENTIALS FOR E-VOTING FOR THE RESOLUTIONS PROPOSED IN THIS NOTICE:

1. For Physical shareholders- please provide necessary details like Folio No. Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAAR (self attested scanned copy of Aadhaar Card) by email to **RTA email id www.info@vccilindia.com.**
2. For Demat shareholders, please provide Demat account detials (CDSL-16 digit beneficiary ID or NSDL-16 digit DPID + CLID), Name, client master or copy of Consolidated Account statement, PAN (self attested scanned copy of PAN card), AADHAAR (self attested scanned copy of Aadhaar Card) to **RTA email id www.info@vccilindia.com.**

INSTRUCTIONS FOR SHAREHOLDERS ATTENDING THE AGM THROUGH VC / OAVM ARE AS UNDER:

1. Shareholder will be provided with a facility to attend the AGM through VC / OAVM through the CDSL e-Voting system. Shareholders may access the same at **https://www.evotingindia.com** under shareholders / members login by using the remote e-voting credentials. The link for VC / OAVM will be available in shareholder/members login where the EVSN of Company will be displayed.
2. Shareholders are encouraged to join the Meeting through Laptops / IPads for better experience.
3. Further shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.

4. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio / Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.

5. Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker by sending their request in advance i.e., from 15th September, 2020 to 23rd September, 2020 (5.00 PM. IST) mentioning their name, demat account number / folio number, email id, mobile number at ncl@nclind.com. The shareholders who do not wish to speak during the AGM but have queries may send their queries in advance i.e., from 15th September, 2020 to 23rd September, 2020 (5.00 PM. IST) mentioning their name, demat account number/folio number, email id, mobile number at ncl@nclind.com. These queries will be replied to by the company suitably by email.

6. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting. The company reserves the right to restrict the number of speakers depending on availability of time during AGM.

INSTRUCTIONS FOR SHAREHOLDERS FOR E-VOTING DURING THE AGM ARE AS UNDER:-

1. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for Remote e-voting.

2. Only those shareholders, who are present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system available during the AGM.

3. If any Votes are cast by the shareholders through the e-voting available during the AGM and if the same shareholders have not participated in the meeting through VC/OAVM facility , then the votes cast by such shareholders shall be considered invalid as the facility of e-voting during the meeting is available only to the shareholders attending the meeting.

4. Shareholders who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.

(xxi) Note for Non – Individual Shareholders and Custodians

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to www.evotingindia.com and register themselves in the "Corporates" module.

- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.

- After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.

- The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.

- A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.

- Alternatively Non Individual shareholders are required to send the relevant Board Resolution / Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the email address viz; ncl@nclind.com if they have voted from individual tab & not uploaded same in the CDSL E-voting system for the scrutinizer to verify the same.

If shareholders have any queries or issues regarding attending AGM & e-Voting from the e-Voting System, they may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com or contact Mr. Nitin Kunder (022-23058738) or Mr. Mehboob Lakhani (022-23058543) or Mr. Rakesh Dalvi (022-23058542).

All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Manager, (CDSL,) Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai-400013 or send an email to helpdesk.evoting@cdslindia.com or call on 022-23058542/43.

General Instructions:

1. The voting rights of shareholders shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date as on 19th September, 2020. (Record date)

2. The Scrutinizer, after scrutinizing the votes cast at the meeting through remote e- voting and during AGM will, not later than 48 hours from the conclusion of the Meeting, make a consolidated scrutinizer's report and submit the same to the Chairman. 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 and on the website of CDSL www.cdslindia.com.

3. The company has paid the listing fees for the year 2020-21 to BSE and NSE where the equity shares of the company are listed.

Address for Communication:
Company Secretary,
NCL Industries Limited
7th Floor, NCL Pearl
S D Road, Near Rail Nilayam
SECUNDERABAD-500026
e- mail: cs@nclind.com

Address of Registrar and Share Transfer Agents
Venture Capital & Corporate Investments (P) Ltd,12-10-167 (MIG) Bharath Nagar
HYDERABAD 500 018
Phones: 040-23818475/76 & 23868023
e-mail: info@vccilindia.com

STATEMENT CONTAINING MATERIAL FACTS

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

ITEM NO. 5:

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, 2021 in respect of Cement and Ready Mixed Concrete, at a total remuneration of Rs.1,00,000 /-(Rupees One lakh only) .

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

The Board recommends that the Resolution be passed.

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.

ITEM NO. 6:

In order to comply with the Regulation 17(1) (a) of SEBI (Listing obligations and Disclosure Requirements) Regulations, 2015 the Board of Directors at its meeting held on 30th June, 2020 appointed Mrs. Rashida Hatim Adenwala (DIN:00008212) as independent woman director for a period of five years wef 30th June,2020 on the recommendation of Nomination & Remuneration Committee. She is not disqualified from being appointed as Independent Director and confirmed that she fulfills the criteria of independence as prescribed by the Statute and Regulations and is independent of the management.

Mrs. Rashida Hatim Adenwala (56 years) is a graduate in Commerce and Law and is a Fellow member of Institute of Company Secretaries of India (ICSI) and is having over 30 years' rich experience in Secretarial, legal, Corporate Affairs, finance, Internal Audit etc; and specializing in Foreign Investment, Joint Venture and Foreign Collaboration, Securities law, Corporate restructuring and Intellectual Property rights matters.

Mrs. Rashida Hatim Adenwala is at present professional Non Independent Director on the Board of DQ Entertainment (International) Ltd and R & A Corporate Consultants India (P) Ltd.

The Board recommends that the Resolution be passed.

The Company has received from Mrs. Rashida Hatim Adenwala

(i) Consent in writing to act as Independent Director

(ii) Intimation to the effect that she is not disqualified under sub-section (2) of Section 164 of the Companies Act, 2013 and

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

She is holding nil shares in the company.

Mrs. Rashida Hatim Adenwala may be treated as interested in the resolution.

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.

ITEM NO. 7:

Lt.Gen (Retd) Trevor Aloysius DCunha, (aged about 74 years) who has been appointed as Independent Director by the Board for a period of five years from 11th August 2015 and confirmed at the Annual General Meeting held on 29th September, 2015 holds office till 10th August 2020. In terms of Section 149 (10) of the Companies Act, 2013, he is eligible for re-appointment on passing of a Special Resolution by the company. Based on the recommendation of Nomination and Remuneration Committee, the Board of Directors proposes the re-appointment of Lt. Gen (Retd) Trevor Aloysius DCunha (DIN: 07207066) as an Independent Director for a second term of five years from August 14, 2020 up to August 13, 2025. In terms of Section 149 of the Companies Act, 2013 Independent Directors are not liable for retirement by rotation.

Considering his background, experience and contribution, the Board feels that the continued association of Lt.Gen (Retd) Trevor Aloysius DCunha would be beneficial to the Company and it is desirable to continue to avail his services as Independent Director.

Lt Gen (Retd) Trevor Aloysius DCunha, PVSM was born at Mangalore on 21st June, 1946. After finishing high school, he joined the National Defence Academy Khadakvasla in July. He commanded the College of Materials Management at Jabalpur in 2002 and did his **Masters in Business Administration** from Rani Durgavathi Viswavidalaya Jabalpur in 2004. He was elevated to the rank of Lt. General and designated as Director General, Ordnance Services (DGOS) in August, 2004 from where he retired in 2006. As DGOS, he was awarded the Param Vishist Sewa Medal (PVSM) for meritorious services in the field of logistics.

In the opinion of the Board, Lt.Gen (Retd) Trevor Aloysius DCunha fulfills the conditions for his re-appointment as an Independent Director as specified in the Companies Act, 2013 and the SEBI (LODR) Regulations, 2015 and that Lt.Gen (Retd) Trevor Aloysius DCunha is independent of the management.

The Board therefore recommends that the Resolution be passed.

The Company has received from Lt.Gen (Retd) Trevor Aloysius DCunha

(i) Consent in writing to act as Independent 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 Lt.Gen (Retd) Trevor Aloysius DCunha 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.

He is holding 1000 shares in the company.

Lt.Gen (Retd) Trevor Aloysius DCunha may be treated as interested in the resolution.

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.

ITEM NO. 8:

Dr.Kalidas Raghavapudi (aged about 74 years) who has been appointed by the Board as Independent Director for a period of five years from 11th August 2015 and confirmed at the Annual General Meeting held on 29th September, 2015 holds office till 10th August 2020. In terms of Section 149 (10) of the Companies Act, 2013, he is eligible for re-appointment on passing of a Special Resolution by the company. Based on the recommendation of Nomination and Remuneration Committee, the Board of Directors proposes the re-appointment of Dr.Kalidas Raghavapudi (DIN: 02204518) as an Independent Director, for a second term of five years from August 14 2020 to August 13, 2025. In terms of Section 149 of the Companies Act, 2013, Independent Directors are not liable for retirement by rotation.

Considering his background, experience and contribution, the Board feels that the continued association of Dr.Kalidas Raghavapudi would be beneficial to the Company and it is desirable to continue to avail his services as Independent Director.

Dr Kalidas Raghavapudi, a mechanical engineer, worked initially in Bhabha Atomic Research Center before moving over to Nuclear Fuel Complex. In NFC, he worked in various departments and rose to the position of its Chairman & Chief Executive. He is Honorary Fellow of Indian Institute of Chemical Engineers, Fellow of Institution of Engineers, Fellow of Andhra Pradesh Academy of Sciences, Past Chairman, Hyderabad Chapter & Life Member of the Indian Institute of Metals and a Life Member of Indian Nuclear Society.

In the opinion of the Board, Dr.Kalidas Raghavapudi fulfills the conditions for his re-appointment as an Independent Director as specified in the Companies Act, 2013 and the SEBI (LODR) regulations, 2015 and that Dr.Kalidas Raghavapudi is independent of the management.

The Board therefore recommends that the Resolution be passed.

The Company has received from Dr.Kalidas Raghavapudi

(i) Consent in writing to act as Independent 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.

He is holding nil shares in the company.

A copy of the draft letter of appointment setting out the terms and conditions of appointment of Dr.Kalidas Raghavapudi 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.

Dr.Kalidas Raghavapudi may be treated as interested in the resolution.

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.

ITEM NO. 9:

The Board of directors at its meeting held on 27th September, 2019 appointed Mrs. Roopa Bhupatiraju as Executive Director as recommended by the Nomination and Remuneration Committee. She assumed office w.e.f 1st October, 2019.

Mrs.Roopa Bhoopathiraju born on 22nd September, 1978 is the daughter of Mr.Ravi Kalidindi, one of the promoter directors and current Managing Director. She did her MBA (specialization in Marketing and Entrepreneurship) with distinction in the year 2001 from Sivasivani Institute of Management and later MS in Marketing Communications with distinction from Illinois Institute of Technology in USA.

She joined NCL Industries Ltd in February 2006 as Marketing Manager in Boards division and was later elevated to Executive Assistant to Managing Director from 12th March, 2007 to 30th November, 2008.She moved to the United States in the year 2009 and had honed her entrepreneurial skills by setting up her own business in California (USA) in the name of Devi LLC which was incorporated in USA.

She has already been a Non Executive Director of the company with effect from 30th May 2014, and is familiar with the business and operations of the company. Her induction as an Executive Director will be in line with the succession plan for the company to enable a smooth transition from the second generation to the third generation leaders at the top management level.

Mrs.Roopa Bhupatiraju is a Non Executive Director in Sorachem Industries (P) ltd .

She holds 22,37,695 Equity shares in the company.

Your Directors feel that her appointment will be beneficial to the company.

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

Your Directors recommend that the resolution approving her appointment be passed.

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, Hydel Power, Ready Mix Concrete and Readymade Doors.

(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 Parameters	2015-16	2016-17	2017-18	2018-19	2019-20
Gross income	99,748.01	1,16,902.06	1,33,998.75	1,47,140.89	1,32,480.76
Net Profit (as computed u/s. 198)	6686.54	6581.20	7,663.57	6,486.88	7406.17
Net profit as per profit and loss Account	5,307.91	5,467.32	4,910.76	4,678.09	5,095.71
Amount of Dividend paid#	884.22	1105.27	1208.17	1208.17	1270.28*
Rate of dividend Declared	20%	25%	25 %	25 %	25%

including dividend & Tax
* including proposed dividend

(5) Export performance: Rs. 53.60 Lakhs Foreign Currency Earnings - CIF basis for the Financial Year 2019-20.

(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. (b) The Company also manufactures Readymade doors in Technical Collaboration with AGT, Turkey.

II. INFORMATION ABOUT THE APPOINTEE:

Mrs. Roopa Bhupatiraju

1. Background Details

Mrs.Roopa Bhoopathiraju born on 22nd September, 1978 is the daughter of Mr.Ravi Kalidindi, one of the promoter directors and current Managing Director. She did her MBA (specialization in Marketing and Entrepreneurship) with distinction in the year 2001 from Sivasivani Institute of Management and later MS in Marketing Communications with distinction from Illinois Institute of Technology in USA.

Other details stated in Explanatory Statement under Item No.9 as above.

The terms of her remuneration, is in accordance with the provisions of Schedule V of the Companies Act, 2013 as detailed in the resolution.

2. Past remuneration (Rs.in Lakhs)

Financial Year	2016-17	2017-18	2018-19	2019-20
	Nil	Nil	Nil	21.04*

* from 01.10.2019 to 31.03.2020

3. Recognition and Awards: NIL

4. Job profile and his suitability –

Mrs.Roopa Bhupatiraju is in-Charge of Cement Marketing and Doors Division operations subject to the superintendence, direction and control of the Managing Director

5. Remuneration proposed - As set out in the resolution for the Item No 9. The remuneration proposed to be paid to the Executive Director has the approval of the Nomination & Remuneration Committee.

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

7. **Pecuniary relationship directly or indirectly with the company, or relationship with managerial personnel, if any -**

   Besides, the remuneration proposed, Mrs.Roopa Bhupatiraju is holding 22,37,695 equity shares and ₹ 4.50 lakhs fixed Deposits in the Company. Mrs. Roopa Bhupatiraju does not have any other pecuniary relationship with the Company. Mrs.Roopa Bhupatiraju is the daughter of Mr. K. Ravi, Managing Director and related to Mr.K.Gautam, Executive Director and Mr.Ashven Datla and Mrs.Pooja Kalidindi, Directors.

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, improving RMC division operational performance, meeting customer requirements, as warranted by the market demand.

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

Apart from Mrs.Roopa Bhupatiraju herself, Mr. K Ravi Managing Director may be treated as interested in the Resolution.

ITEM NO. 10:

Under the provisions of Section 180(1) (c) of the Companies Act, 2013 the Board of Directors of a Company can, with the consent of the shareholders obtained by Special Resolution, borrow monies, apart from temporary loans obtained from the Company's Bankers in the ordinary course of business, in excess of the aggregate of paid-up capital and free reserves of the Company, that is to say, reserves not set apart for any specific purpose.

The shareholders of the Company at the Annual General Meeting held on 29th September, 2014 , through Special resolution reaffirmed their consent accorded earlier under the erstwhile Section 293(1)(d) of the Companies Act, 1956 to the Board of Directors for borrowing up to a ceiling of 500 Crores given at the Extra-Ordinary General Meeting held on 30th July,2007.

Since 2007, operations of the company have been increased substantially with several expansion and diversification projects. Considering the future plans and business needs, it is proposed to increase the borrowing limits to enable the Directors to borrow from time to time, up to a ceiling of ₹ 750 crores (Rupees seven hundred and fifty crores only) over and above the amount of share capital and free reserves of the company. Hence it is necessary to obtain fresh approval of the shareholders by means of a Special Resolution.

The Board recommends the Resolution at Item No.10 of the Notice for approval of the shareholders by a Special Resolution be passed.

None of the Directors and key managerial personnel of the Company are concerned or interested in the Resolution mentioned at Item No.10 of the Notice.

39th Report of the

Board of Directors

Your Directors have pleasure in presenting their Report for the financial year ended March 31, 2020.

Financial Results

The Audited Financial Statements (both Standalone and Consolidated) for the year ended March 31, 2020, and the report of the Auditors thereon are being circulated with this report. The salient features of the financial results are as follows:

(₹ in lakhs)

	2019-20	2018-19
Total Revenue	**1,32,480.76**	**1,47,140.89**
Profit Before Tax	6,935.59	6,098.68
Provision for Tax (including deferred tax)	1839.88	1,420.58
Profit for the Year After Tax	**5,095.71**	**4,678.10**
Transfer to General Reserve	3,500.00	3,500.00

Performance Review & State of Company's Affairs

After a promising start during the 1st quarter of the year 2019-20, the Cement Division had to face several challenges in the subsequent quarters. Non availability of sand, cancellation / suspension of some of the orders by some contractors executing major orders of some State Governments were factors which impacted the demand and dispatches of cement. On the positive side, there were better price realisation resulted in an improved profit compared to the previous year.

The Cement Division registered a Turnover of ₹ 1102.91 Crores which was marginally lower by 12% in comparison with the previous year.

The Boards Division recorded a lower Turnover by 6 % at ₹ 125.92 Crores during the year under review.

The generation of hydel power during the year was 36.80 million units, an increase of around 65 % compared to 22.36 million units in the previous year.

The Ready Mix Concrete division improved its performance during the year under review.

The Readymade Doors division commenced its commercial operations on 23rd December 2019 during the year under review. The full results of operations of the Division are expected to be reflected in the financial statements for the current Financial Year 2020-21.

The overall revenue from operations was ₹ 1324.81 crores during the year under reviews as against ₹ 1471.41 crores in the previous year. Profit before tax increased from ₹ 60.99 crores in FY 2018-19 to ₹ 69.36 crores recording a 14% Growth. Profit after rose by 9%, to ₹ 50.96 crore from ₹ 46.78 crores in FY 2018-19.

Chinese Joint Venture:

Your Company has entered into a Joint venture agreement with Chinese Company and incorporated a new JV Company in the name NCL Guangzheng Structures Ltd. Your company has invested small amount in this Company and no investment is received from the Joint venture partner due to COVID-19 pandemic, hence this company became a subsidiary of NCL by virtue of shareholding. The subsidiary Company has not commenced its operations.

COVID-19 and its impact

Members are aware that a nation-wide lockdown was declared by the Government of India due to the Covid 19 Pandemic. Pursuant to the lockdown, the operations of the company were temporarily suspended from 23rd March 2020. The operations resumed partially after ensuring strict safety measures and social distancing norms and complying with the guidelines issued by the Government.

The lockdown, disruption of transportation and virtual suspension of construction activity due to the exodus of migrant labour had a major impact on the sales and dispatches of the entire product range in the initial two months of the current financial year.

The demand and the market prices of the products has picked up after the initial setback, and the financial performance registered an improvement in the subsequent month.

Since the COVID 19 pandemic is still continuing to play havoc, its full impact on the overall economy and the company's performance in particular is yet to be assessed.

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

Change in Capital Structure

During the year under review, the Company availed Term loan of ₹ 67.25 Crores from Axis Bank to set up ongoing Waste Heat Recovery Power Project. The outstanding balance of the term loan from Yes bank amounting to ₹ 114.75 crores was taken over by Axis Bank and HDFC Bank. The existing working capital facilities from Yes Bank were taken over by SBI at a lower rate of interest.

Readymade Doors:

The plant for manufacture of Readymade Doors installed at Malkapur near Hyderabad commenced its commercial operations 23rd December, 2019. The response from builders and market to the new product introduced by your Company is encouraging.

Ready Mix Concrete Units (RMC)

During the current year, your company has commenced establishment of two more RMC units at Visakhapatnam and Hyderabad and erection of machinery is in advanced stage of completion.

Dividend

Members are aware that the directors declared and paid an interim dividend @15% per Equity Share (i.e.Rs.1.50Ps /-per Equity Share of ₹ 10/-each) in March, 2020.Your Directors

are pleased to recommend a further dividend of ₹ 1.00 per share at the ensuing Annual General Meeting, thus bringing the total dividend for the year 2019-20 to ₹ 2.50 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, 2020 and of the profit of the Company for the year ended on that date.

III. The Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act 2013, for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities.

IV. The Directors prepared the Annual Accounts on a going concern basis.

V. Proper internal financial controls were in place and that the financial controls were adequate and were operating effectively.

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

DIRECTORS AND KEY MANAGERIAL PERSONS (KMP)

Independent Directors

During the year under review, your Company had four independent directors as stipulated by Section 149(6) of the Companies Act, 2013. Persons from diverse fields of expertise and experience have been invited to join the Board as Independent Directors to ensure that the company gets the optimum benefit of wisdom and expertise.

Mr.V.S.Raju, (Corporate Laws), Mr.Kamlesh Gandhi (Investment Banking) , Dr.R.Kalidas (Technology) and Lt.General (Retd) T.A.DCunha (Materials Management & Logistics) constitute the current team of Independent Directors. Your Company, being in among the top 1000 companies in terms of market capitalization is now required to include a woman Independent Director.

Accordingly, Mrs. Rashida Hatim Adenwala, an expert in finance and foreign exchange and joint ventures) has been inducted as a Woman Independent Director with effect from 30th June 2020).

Your company follows a policy of total transparency and proactive information flow to the Independent Directors, in order to avail the optimum benefit of their experience and expertise.

The Independent Directors also actively participate in the Board and Committee proceedings, and offer constructive suggestions, which are implemented by the company after deliberations in the full Board. Apart from this, the Independent Directors hold separate meetings and evaluate the performance of the Board and individual directors - Executive and Non Executive. The feedback on the evaluation of varied attributes is furnished to the company on a confidential basis.

Dr.R.Kalidas (Technology) and Lt. General (Retd) T.A.DCunha complete their current tenures as Independent Directors on 10th August, 2020.As recommended by the Nomination and Remuneration Committee, proposals are being placed before the ensuing Annual General Meeting for their appointment as Independent Directors for a second term. Since they will be completing the age of 75 years during their second tenure, consent of the Shareholders is also being sought at the ensuing Annual General Meeting for their continuance as Directors for the duration of their second term.

Executive Directors

There were four executive directors namely Mr. K Ravi, Managing Director, Mr.K.Gautam & Mrs,Roopa Bhupatiraju Executive Directors and Mr.N.G.V.S.G.Prasad, Executive Director & CFO.

As members are aware that Mr. Bh. Subbaraju, was appointed as Executive Director from 4th July, 2019 for a period of five years. However, upon his induction as Joint Managing Director of another Group Company, he resigned as Executive Director with effect from 1st October, 2019 to assume this new responsibility and later resigned from the Board w.e.f 1st February, 2020.

Mrs. Roopa Bhupathiraju has been appointed as Executive Director with effect from 1st October, 2019 to fill the casual vacancy caused by the resignation of Mr.Bh.Subba Raju but will be retire by rotation.

The terms and conditions of appointment of independent directors are as per Schedule IV of the Act. They have submitted declarations that each of them meets the criteria of independence as provided and in Section 149(6) of the Act and there has been no change in their status as independent director during the year.

Apart from what has been detailed in the foregoing paragraphs, there was no change in the key managerial personnel of the Company during the year under Mr.T.Arun Kumar is the Company Secretary & Compliance officer and Nodal Officer under IEPF Rules.

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.

Non Executive Directors.

Mr. Vindodrai Goradia, Mr. P N Raju, Mr. Ashven Datla, and Mrs. Pooja Kalidindi are the non executive directors in the Board constitution as on the date of this Report.

Mr. K Madhu resigned as a non Independent Non Executive Director with effect from 27th September, 2019. Mrs.Pooja Kalidindi, was inducted as additional director on the Board w.e.f 1st February, 2020.

Retirement by Rotation

Mr.Ashven Datla and Mrs.Roopa Bhupatiraju retires by rotation at the ensuing Annual General Meeting, and are eligible for reappointment.

Particulars of Directors whose appointment / reappointment 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, seven Board meetings were held on 30th May, 2019, 9th August, 2019, 27th September, 2019, 14th November, 2019, 7th January, 2020, 31st January, 2020 and 11th March,2020. The maximum time gap between any two consecutive meetings was within the period prescribed under the Companies Act, 2013.

Committees of the Board

The Board has constituted various committees as required under the Companies Act, 2013 and SEBI (LODR) Regulations, 2015. The details of such Committees are given in Annexure – 'A' as a part of the report on Corporate Governance.

Plans for Orderly Succession for appointments to Board etc,

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

CORPORATE GOVERNANCE

A separate report of compliance with the provisions relating to Corporate Governance as required SEBI (LODR) Regulations, 2015 is enclosed as **Annexure 'A'** and forms part of this Report.

BUSINESS RESPONSIBILITY REPORT

A per the notification dated 26th December, 2019 issued by SEBI under Regulation 34(1) of SEBI LODR) Regulation, 2019 (amendment), SEBI had mandated inclusion of Business Responsibility Report (BRR) as part of the Annual Report for top 1000 listed entities based on market capitalization as on March, 31st of every financial year. Business Responsibility Report is enclosed as **Annexure 'B'** which forms part of this Directors' Report.

Risk Management

The company has a system of constantly identifying and monitoring the risks that the company may be exposed to. A Risk Management Committee headed by Independent Director as Chairman, one Independent Director and two other Non Executive Directors are in place. As and when required, the Committee reviews various risks and steps taken to manage the risks. The Board is of the opinion that there are no elements of risks that may threaten the existence of the Company. Kindly refer Point No.38 of notes to financial statements on financial risks.

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

The company has not granted any loans, given any guarantees during the year which would be covered under section 186 of the Companies Act, 2013. During the year under review, your Company has entered into a joint venture agreement with Chinese Company and has registered for that purpose a new Company NCL Guangzheng Structures Limited and made ₹ 1.00 Lakh towards initial investment in its share capital.

Related Party Transactions

All Related Party Transactions entered during the financial year 2019-20 were in ordinary course of business and at arm's length basis. Your Company did not enter into Material Related Party Transactions during the year under review. Transactions entered into with the related parties are pursuant to the omnibus approval granted are reviewed and approved by the Audit Committee and the Board of Directors on quarterly basis. Pursuant to Section 134 (3) (h) of the Companies Act, 2013 read with Rule 8(2) of the Companies (Accounts) Rules, 2014, the details of the Related Party Transactions are contained in **Annexure A-2** to this Report.

Management Discussion and Analysis Report

The Management Discussion & Analysis Report is annexed as **Annexure 'C'** to this Report.

Consolidated Financial Statement

The Consolidated Financial Statement has been prepared in accordance with Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rules, 2015 notified under Section 133 of the Companies Act, 2013 and other relevant provisions of the Companies Act, 2013.

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.

Penalties

1. A penalty was imposed on Mr. Ashven Datla and Mrs. K Pooja, Director and some Members of the Promoter Group under Section 151 of the SEBI Act read vide adjudication order dated 30th March, 2020 for non disclosure of change in shareholding exceeding 25,000 shares / ₹ 5 lakh in value during the period 2013-14.Upon the payment of the Penalty the case was closed.

   The non-compliance with the regulations cited above were technical in nature, and did not result in any undue benefit or advantage to the Promoters. The above facts are brought out in the Adjudication Order itself.

   For more details, shareholders may refer to the full text of the order which can be accessed at https://www.sebi.gov.in.

2. A penalty was imposed by NSE under Regulation 44(3) of SEBI (LODR) Regulations, 2015 regarding delay in filing voting results within 48 hours of conclusion of postal ballot. The Company has contested the same stating that the timeline prescribed in Regulation 44(3) is not applicable to postal ballot.

Corporate Social Responsibility (CSR) Activities

The company has a CSR Committee as prescribed by the Statute with Dr.R.Kalidas, Independent Director as Chairman. The Committee also includes one Executive and one Independent Director. The CSR Committee meeting was held on 14th February, 2020 and reviewed the CSR Policy and CSR activities.

Under the provisions of Section 135 of the Companies Act, 2013 an amount of ₹ 139.13 Lakhs was required to be spent on CSR activities for the financial year 2019-20. Your Directors are glad to report that the CSR expenditure incurred during the year towards education and health care exceeded the mandatory requirement. The total CSR expenditure was ₹ 215.50 Lakhs. The details of the CSR activities during the year under review are listed in **Annexure D** to this Report.

Subsidiaries

The Company has presently one wholly owned subsidiary NCL Gangzheng Structures Limited, formed pursuant to a joint Venture Agreement with Quingdao Xinguangzheng Steel Structure Co Ltd .As per the Joint Venture Agreement, the company is to hold 70% of the paid up capital of the subsidiary, with the Chinese Partner due to have 30%. The investment of the Company so far has been ₹ 99,940 consisting of 9,994 Equity Shares of ₹ 10/- each,

Your Company has no Associates or Joint Ventures as on the date of the Report except as above.

Investor Education & Protection Fund

The Company has transferred ₹ 25.61 Lakhs relating to unclaimed Dividend for the Financial Year 2011-12 to the Investor Education & Protection Fund. As required by Section 124 of the Companies Act, 2013 and the Rules made there under, a total of 79,046 equity shares of ₹ 10/- each were transferred to the Investor Education and Protection Authority.

Fixed Deposits

The details relating to Fixed Deposits are as follows:

As on 31st March 2020, ₹ 5820.83 Lakhs of Public Deposits were 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.GSR 695 (E) dated 15th September, 2015 are as under:

S.No	Name of the Director / Relative of Director	Amount (Rs.in Lakhs)	Inter-se Relationship
1	Mr.Kamlesh Suresh Gandhi	23.00	Chairman
2	Mr.Vinodrai.V.Goradia	20.00	Director
3	Mrs.Roopa Bhupatiraju	4.50	Executive Director
4	Mrs.K.Sailaja	64.00	Wife of Mr.K.Ravi-MD
5	Mrs.Charulatha V.Goradia	10.00	Wife of Mr.V.V.Goradia
6	Master B.Arjun	15.40	Son of Mrs. Roopa Bhupatiraju- ED
7	Baby Anika Bhupatiraju	5.00	Daughter of Mrs. Roopa Bhupatiraju- ED
8	Mr.R.Kiran	30.00	Son of Mr.R.Kalidas-Director
9	Mr.R.Arun	18.00	Son of Mr.R.Kalidas-Director
10	Mrs. N.Sita Mahalakshmi	7.50	Mother of Mr.N.G.V.S.G.Prasad-ED & CFO
11	Ms.N.Suchitra Katyayani	23.50	Daughter of Mr.N.G.V.S.G.Prasad- ED & CFO
12	Ms.N.Chaitra Sarada	26.50	Daughter of Mr.N.G.V.S.G.Prasad-ED & CFO

Particulars of Employees

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

Auditors

At the last AGM held on 27th September, 2019 M/s Venugopal & Chenoy have been re-appointed as Statutory Auditors for a period of five years. They have accepted the appointment for a period of three years. They have confirmed that they are not disqualified from continuing as auditors of the company.

The Notes on the financial statements referred to in the Independent Auditor's Report are self explanatory. The Auditor's report does not contain any qualification, reservation or adverse remark.

Cost Audit

M/s S.R. and ASSOCIATES, Cost Accountants have been reappointed to conduct the cost audit pertaining to Cement as well as RMC of the company for the year 2019-20. They

have been reappointed by the Board of Directors as Cost Auditors of the Company for the Financial Year 2020-21. The remuneration of the cost auditor is required to be ratified by the members in terms of the relevant Rules. Accordingly, the matter is being placed before the Members for ratification at the ensuing Annual General Meeting.

The Cost Auditors Report for the financial year ended March, 31st, 2019 was duly filed with Ministry of Corporate Affairs on 07/09/2019.

Secretarial Audit

M/s. A J Sharma & Associates, Company Secretaries, have been appointed to conduct the Secretarial Audit of the Company. The Secretarial Audit Report pursuant to the provisions of Section 204 of the Companies Act, 2013 is attached as **Annexure F** to this Report. The observations of the Report do not call for any explanation as envisaged by Section 204(3) of the said Act.

Awards/ Certifications

Great Place to Work, 2020

Your Company is proud of being certified as a "Great Place to Work" during the year from November, 2019 to October, 2020 by "Great Place to Work" Organization. This reflects the confidence reposed by employees about the work atmosphere and the recognition accorded to them as partners in progress.

Disclosure under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

The Company has constituted an Internal Complaints Committee on Prevention of Sexual Harassment at workplace for women in the line with the requirements of the 'The Sexual Harassment of Women at Workplace (Prohibition, Prevention and Redressal) Act, 2013 and the Rules made there under and had complied with provisions made under the said Act.

During the year under review, there were no references or complaints pursuant to the aforesaid Act.

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

Particulars required under Section 134 (3) (M) of the Companies act, 2013 read with Rule 8 (3) of the Companies (Accounts) Rules, 2014 are furnished under **Annexure 'G"** which forms part of this Report. Your Company continues to be conscious of the need for conservation of energy, and wherever feasible, effective steps for energy conservation are taken.

There were no significant investments or developments in this regard during the year under review. The technology procured for the various operating Divisions has been fully absorbed. There was no significant expenditure in Research & Development warranting a special mention in this Report.

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 'H" '**and forms part of this Report.

Acknowledgements

Your Directors wish to place on record their appreciation of the support and co-operation extended by Axis Bank, Yes Bank, HDFC Bank, SBI, Bank of Baroda and Central and State Government Departments, Dealers, Stockists, Consumers and Depositors.

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

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

For and on behalf of the Board

Kamlesh Gandhi

Place: Hyderabad **Chairman**
Date: 14th August, 2020 **DIN: 00004969**

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

Right from its inception, the philosophy of the company has been one of transparent and fair governance practices. The company has always believed that the interests of all the stakeholders need to be safeguarded during the periods of prosperity and adversity, and its governance practices have been guided by this philosophy.

2) Board of Directors:

a) Composition and category of Directors.

During the year under review, your Board of Directors had 12 Directors, 4 being Executive Directors and 8 Non-Executive Directors. Four of Non Executive Directors were Independent Directors. The Chairman of the Board has always been an Independent Director and the Company was in compliance of the provisions relating to the number of independent directors prescribed under the Companies Act and the SEBI (LODR) Regulations, 2015.

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

Seven Board Meetings were held during the year 2019-20. The dates on which the said meetings were held areas under:

(1) 30th May, 2019 (2) 9th August, 2019 (3) 27th September, 2019 (4) 14th November, 2019 (5) 7th January, 2020 (6) 31st January, 2020. (7) 11th March, 2020.

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

Name of the Director	Categories Of Director-ship*	No of Board Meeting attended	Attendance at last AGM	Director-ship in other companies***	No. of memberships of other Committees **as	
					Chairman	Member
Kamlesh Gandhi	I & NED	7	Yes	4	3	2
Dr.R.Kalidas	I & NED	4	Yes	-	-	1
Lt.Gen (Retd) T.A. DCunha	I & NED	7	Yes	-	-	-
V.S.Raju	I & NED	7	Yes	3	2	2
V.V. Goradia	NED	2	No	-	-	
Mr.Subbaraju Bhupatiraju (ED from 4/07/2019 to 30/09/2019)	NED from 01/10/2019 to 31.01.2020	3	Yes	-	-	1
K Madhu (up to 27/09/2019)	NED	1	No	4	-	1
Mrs.Pooja Kalidindi (from 01/02/2020)	NED	1	NA	1	-	1
Ashven Datla	NED	6	Yes	6		1
P.N.Raju	NED	7	Yes			1
Mrs.Roopa Bhupatiraju (ED w.e.f 01/10/2019)	ED/WD	6	Yes	-	-	-
N.G.V.S.G.Prasad	ED & CFO	7	Yes	1	_	_
K.Gautam	ED	7	Yes	-	-	-
K. Ravi	MD	7	Yes	2	-	-

** As per the explanation to Regulation 26 of SEBI (LODR) Regulations, 2015, only Audit Committee and Stakeholders Relationship Committee have been considered for the purpose

* I & NED Independent and Non Executive Director

NED Non-Executive Director

ED Executive Director

WD Woman Director

***excluding directorships in private Ltd. companies

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

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

Details of Listed entities in which the directors hold position as director other than NCL Industries Ltd and category of Directorship as on 31st March 2020 is as under:

Name of the Director	Name of the company	Category of Directorship
Kamlesh Gandhi	Bhagyanagar India Limited	Non-Executive Independent Director
	Sunderam Clayton Ltd	
	Kirloskar Electric Company Limited	
V S Raju	Andhra Sugars Ltd	Non-Executive Independent Director
	JOCIL Ltd	Non-Executive Independent Director

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 ExecutiveDirectors of the company. The performance of each Independent Director has been evaluated by the other members of the Board.

One separate meeting of the independent Directors was held on 31st January, 2020 during the year under review. Independent directors evaluated the performance of other Non Executive Directors and conveyed their views to other directors on the Board.

e) Familiarization programme for Independent Directors

All the present Independent Directors are already familiar with the company, its operations and policies as well as their rights and responsibilities. For new inductees, the company follows a familiarization process consisting 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:

a) Overseeing the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.

b) Recommending to the Board, the appointment, re-appointment and, if required, the replacement or removal of the statutory auditor and the fixation of audit fees.

c) Reviewing, with the management, the quarterly and annual financial statements before submission to the board for approval.

d) Reviewing the adequacy of internal audit function and the adequacy of the internal control systems.

e) Framing and reviewing policy on related Party transactions and recommend the same to Board. The Committee is empowered with the powers as prescribed under Regulation 18(3) of SEBI (LODR) Regulations, 2015 and Section 177 of the Companies Act, 2013.

During the year under review, four meetings of the audit committee were held on the following dates 30th May, 2019, 9th August, 2019, 14th November, 2019 and 31st January, 2020.

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

Name	Designation	Category	Committee meetings attended
Kamlesh Gandhi	Chairman	Independent	4
Dr.R.Kalidas	Member	Independent	2
Ashven Datla	Member	Non Executive	3
V.S.Raju	Member	Independent	4

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

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

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

4) Nomination & Remuneration Committee:

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

Name	Designation	Category	Committee meeting attended
Lt.Gen. (Retd) T.A.DCunha	Chairman	Independent	3
Mr.V.S.Raju	Member	Independent	3
Ashven Datla	Member	Non Executive	1

This Committee considers and recommends the remuneration payable to Executive Directors. During the year under review, three meetings of the Committee were convened on 23rd July, 2019, 24th September, 2019 and 31st January, 2020.

Remuneration Policy

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

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

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

Remuneration paid to Executive Directors

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

(Rs. in lakhs)

Name of the Director	Salary	Allowances/ Benefits*	Commission	Total
K. Ravi, MD	123.00	56.27	148.12	327.39
K.Gautam, ED	56.00	18.80	-	74.80
Bh.Subba Raju ED (04/07/2019 to 30/09/2019)	11.61	4.65	-	16.26
Mrs.Roopa Bhupatiraju-ED (from 01/10/2019)	16.50	4.54	-	21.04
N.G.V.S.G.Prasad ED & CFO	34.22	12.82	-	47.04

* 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 ₹ 15,000/- for Board Meeting and 10,000/ for any committee thereof per meeting. Sitting fees increased at the rate of ₹ 20,000/- for any Board or Committee thereof per meeting wef 1st October,2019.

In addition, they are entitled to commission at the rate of not exceeding 1% of the net profits of the Company. During the year under review, commission @ 0.25% of the net profits of the Company paid.

The remuneration paid to the Non Executive Directors during the year under review was as follows. (Commission will be paid after approval of accounts at AGM)

Name of Director	No. of Board/ Committee meetings attended	Sitting Fees paid (Rs)	Commission paid (Rs)
Kamlesh Gandhi	12	2,05,000	2,92,349
Dr.R.Kalidas	8	1,55,000	1,94,899
Lt.Gen(Retd).T.A.DCunha	12	2,05,000	2,92,349
V.V. Goradia	2	40,000	48,725
K. Madhu	1	15,000	24,362
Ashven Datla	10	1,55,000	2,43,624
Bh.Subba Raju (01/10/2019 to 31/01/2020	4	80,000	97,450
Mrs.Pooja Kalidindi	1	20,000	24,362
Mrs.Roopa Bhoopatiraju (up to 30/09/2019)	2	30,000	48,725
P.N.Raju	8	1,45,000	1,94,899
V.S.Raju	16	2,65,000	3,89,798
Total	76	**13,15,000**	**18,51,542**

Shareholdings of Non Executive Directors as on 31st March, 2020:

Non-Executive Directors	No.of Shares
Dr.R.Kalidas	Nil
Lt.Gen(Retd).T.A.DCunha	1,000
V.V. Goradia	5,48,602
Ashven Datla	10,70,705
Kamlesh Gandhi	Nil
Mrs.Pooja Kalidindi	13,63,450
P.N.Raju	11,73,619
V.S.Raju	Nil

5. Stakeholders Relationship Committee :

The Company has a "Stakeholders Relationship Committee" which consisted of Mr. V.S.Raju as its Chairman and Mr. Bh.Subba Raju and Mr. P.N.Raju as its members. The Committee oversees the compliance with the guidelines on Corporate Governance to monitor redressal of complaints received from the shareholders.

Consequent to resignation of Mr.Bh.Subba Raju, this committee has been reconstituted w.e.f 1st February, 2020 with Mr.V S Raju as Chairman and Mr.P.N Raju and Mrs Pooja Kalidindi as members.

During the period under review, the Committee met once on 30th January, 2020. The attendance details of the members are given hereunder.

Name	Designation	Category	Committee meeting attended
V.S.Raju	Chairman	Independent	1
Bh.Subba Raju	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 and Nodal Officer under IEPF Rules.

5 (i) Details of Investors letters / complaints received during the year ended 31st March 2020.

Sl No	Nature of letter / complaints	Received	Disposed of	Pending
1	Non-receipt of Dividend warrant(s)	12	12	Nil
2	Non - Receipt of Share certificates after transfer / duplicate.	1	1	Nil
3	Non – Receipt of Annual Report	Nil	Nil	Nil
4	Miscellaneous – others	Nil	Nil	Nil

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

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

6. CORPORATE SOCIAL RESPONSIBILITY (CSR) COMMITTEE

The Board has a CSR Committee comprising Dr.R.Kalidas (Independent Director) as Chairman, Mr.K.Gautam (Executive Director), and Lt.Gen (Retd) T A DCunha (Independent Director) as members.

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

During the period under review, the Committee met once on 14th February, 2020. The attendance details of the members are given hereunder.

Name	Designation	Category	Committee meeting attended
Dr.R.Kalidas	Chairman	Independent	1
K. Gautam	Member	ED	1
Lt.Gen(Retd) T A DCunha	Member	Independent	1

7) General Body Meetings:

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

Year	Date & time of AGM	Place
2018-2019	27.09.2019 at 10.30 AM	KLN Prasad Auditorium, FAPCCI Hall, Lakdika pool, Hyderabad
2017-2018	25.09.2018 at 10.30 AM	KLN Prasad Auditorium, FAPCCI Hall, Lakdika pool, Hyderabad
2016-2017	22.09.2017 at 10.30 AM	KLN Prasad Auditorium, FAPCCI Hall, Lakdika pool, Hyderabad

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

Year	Gist of the Resolutions
2018-19	1. Re-Appointment of Mr.Kamlesh Gandhi as an Independent Director for five years 2. Appointment of Mr.Bh.Subba Raju as Executive Director for five years
2017-18	Nil
2016-17	1. Appointment of Mr.V.S.Raju as an Independent Director forfive years 2. Approval of re-appointment and remuneration ofMr.K.Gautam as Executive Director 3. Consent for payment of remuneration by way of commissionto all the Non Executive Directors 4. Issue of Equity Shares under the provisions of Sections 23, 42 and 62 of the Companies Act, 2013 under Qualified Institutional Placement (QIP).

c) Resolutions passed through Postal Ballot:

1. No Postal Ballot was conducted during the year under review
2. The Company sought the approval of shareholders by way of Special Resolution through postal ballot dated 25th March, 2019 seeking:
   a) Continuation of Mr.Vinodrai V Goradia as Director beyond after April 1, 2019 though he has already attained the age of 75 years
   b) Continuation of Mr.V S.Raju as an Independent Director beyond after April 1, 2019 though he has already attained the age of 75 years

   The above resolutions were passed with requisite majority.

8) 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) The Company has a formal whistle blower policy, which was adopted by the Board. The details of the policy are displayed in the company's website in the link https://www.nclind.com/whistle-blower-policy.

c) 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.

d) Management Discussion and Analysis Report and Business Responsibility Report on the business of the Company forms part of this Annual Report.

e) The CEO / CFO certification on the financial statements for the financial year 2019-20 is provided elsewhere in this Annual Report.

f) Any of the associated /group entities of the Company have not paid any fees to the Statutory Auditors of the Company nor availed any services from the Statutory Auditors. The details of fees paid to Statutory Auditors are furnished in the Note No.30(i) of the financial statements.

g) The Company has complied with all the requirements of the Corporate Governance Report relating to the financial year 2019-20.

h) The Board hereby confirm that in the opinion of the Board, the Independent Directors fulfill the conditions as specified in SEBI (LODR) Regulations, 2015 and are independent of the management.

i) Means of communication:

I The quarterly and half yearly financial results are published in the national and local dailies such as Economic Times, Eenadu and Andhra Prabha.

II Quarterly / Half yearly financial results of the Company are forwarded to the Stock Exchanges and published in Economic Times and Eenaadu. 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.

9) Shareholders information:

i)	AGM:	39th Annual General Meeting
	Date:	28th September, 2020
	Time:	11.00 A.M Through Video Conferencing / Other Audio Visual Means
	Venue:	7th Floor NCL Pearl, SD Road, Secunderabad, Telangana 500026
ii)	Financial Year	April 1 to March 31 next.
iii)	Date of Book Closure	21/09/2020 to 28/09/2020, (both days inclusive)
iv)	Final Dividend payment date	Within 30 days from the date of AGM i.e. 28th September,2020.
v)	Listing on Stock Exchanges and status of Listing fees	BSE & NSE Listing Fees paid Up to date.
vi)	A) Script Code	BSE- 502168, NSE – NCLIND
	B) Demat ISIN No in NSDL & CDSL for Equity Shares	INE732C01016
	C) Corporate Id. No.	L33130TG1979PLC002521

vii) Stock Market Data - **SHARE PRICE –BSE & NSE 01/04/2019 to 31/03/2020**

Month	BSE Limited		National Stock Exchange of India Limited	
	High Price	Low Price	High Price	Low Price
Apr-19	155.50	133.00	156.00	133.50
May-19	162.00	122.00	161.80	122.00
Jun-19	155.05	129.25	154.00	129.50
Jul-19	134.70	98.65	135.30	99.00
Aug-19	126.00	98.00	122.00	99.00
Sep-19	129.00	104.00	129.60	103.65
Oct-19	107.55	85.00	109.75	85.30
Nov-19	98.45	74.15	97.90	74.25
Dec-19	87.95	78.60	87.50	78.70
Jan-20	103.20	86.00	103.40	85.90
Feb-20	94.60	78.20	94.50	77.65
Mar-20	83.45	48.25	83.35	53.20

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) Distribution of Shareholding as on 31.03.2020

NCL INDUSTRIES LIMITED				
Distribution of Shareholding as on 31/03/2020				
No of Equity Shares held	No of Shareholders	Percentage %	No Of Shares	Percentage %
Upto - 500	30446	88.07	3679791	8.13
501 - 1000	1957	5.66	1536066	3.40
1001 - 2000	1001	2.90	1523814	3.37
2001 - 3000	335	0.97	851336	1.88
3001 - 4000	174	0.50	626487	1.39
4001 - 5000	119	0.34	554574	1.23
5001 - 10000	241	0.70	1811041	4.00
10001 and above	297	0.86	34649681	76.60
Total	**34570**	**100.00**	**45232790**	**100.00**

x) Shareholding Pattern as on 31.03.2020

Shareholding Pattern as on 31/03/2020			
Category of Shareholders		**No.of Shares**	**%**
I)	**Indian Promoters & Promoter Group**		
a)	Individual	17702097	39.13
b)	Bodies Corporates	1415109	3.13
II)	**Public Shareholding**		
a)	Mutual Funds / UTI	3244859	7.17
b)	Financial Institutions/Banks	79508	0.18
c)	Central Government/State Government(s)	7000	0.02
d)	Alternate Investment Funds	1710991	3.78
e)	Foreign Portfolio Investors – Corporate (FPI)	1031331	2.28
III)	**Non-Institutions**		
i)	Individual shareholders holding nominal share capital up to ₹ 1 Lakh	9743104	21.54
ii)	Individual shareholders holding nominal share capital in excess of ₹ 1 Lakh	6914063	15.29
IV)	**Any Other**		
a)	Bodies Corporates	1999342	4.42
b)	Clearing Member	137032	0.30
c)	Trust	5864	0.01
d)	NRI'S	448051	0.99
e)	IEPF Authority	794439	1.76
TOTAL		**45232790**	**100.00**

xi) 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 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 2020, 97.33 % of shares of the Company were held in Dematerialized form with the following depositories.

No.of shares % on Paid up Capital

1)	NSDL	3,52,17,230	77. 86 %
2)	CDSL	88,08,798	19. 47 %
	TOTAL	4,40,26,028	97.33 %

xii) 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.

xiii) Plants Location:

CEMENT	BOARDS	ENERGY	DOORS	READYMIX CONCRETE
UNIT –I Simhapuri Mattampally Mandal Suryapet Dist-508204 Telangana	**UNIT – I & III** Simhapuri Mattampally Mandal Suryapet Dist- 508204 Telangana	**UNIT - I** Pothireddypadu Head Regulator Chabolu Village Pothulapadu Post NandikotkurTQ.-518402 Kurnool District Andhra Pradesh	Sy.No.222 Malkapur(V), Choutuppal Mandal, Yadadri Bhuvanagiri (Dt), 508252 Telangana	**UNIT -I** Plot No.11 A/2-IDA Patancheru Hyderabad- 502319 Telangana
UNIT – II Kadimpothavaram Village Kondapalli Krishna District-521228 Andhra Pradesh	**UNIT – II** Bhothanwali Village Paonta Sahib Sirmour District 173025 Himachal Pradesh	**UNIT – II** RBHLC Zero Mile Point Tungabhadra Dam Tungabhadra Board Amaravathi Village Hospet-583225 Karnataka		**UNIT -II** Survey No.83 Plot No.91/C D-Block-IDA Auto Nagar Visakhapatnam- 530026 Andhra Pradesh
				UNIT -III Survey No.282 (P) Rampally (V) Keesara Mandal Medchal Dist-501301 Telangana
				UNIT -IV Sy. No.228/1 &228/5 , Vellanki (V) Anandapuram Mandal Visakhapatnam- 531163 A P
				UNIT -V Sy.No.208-1,209- 1&2,Tallapalem Road,Ugginapalem (V), Kasimkota (M) 531031 AP
				UNIT -VI S/y No.36/15 Sri Pattabhi Nagar Gopanapalli(V) Serilingampalli(M) Rangareddy Dist Pin500046

	UNIT -VII Plot No 36. Sy No 460/2, 461, 462/2, 479 to 482, IDA, Mankhal (V), Maheswaram (Mandal), Ranga Reddy (District), Telangana. 501359

xiv) Address for Investor Correspondence

The Company Secretary
NCL Industries Limited
7th Floor, "NCL Pearl"
Near Rail Nilayam,
S D Road, Secunderabad 500026
Email ID: cs@nclind.com/ncl@nclind.com

xv) CEO / CFO Certification

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

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

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

xvii) Credit Rating

CRISIL Ltd reaffirmed the ratings to long term and short term financial facilities availed by the Company from Banks and deposits from public. The details of credit ratings are as under:

Rating Action	Rating
Long Term Rating	CRISIL A- / Stable
Short Term Rating	CRISIL A2+
Fixed Deposits	FA / Stable

xviii) Core Skills / Expertise / Competencies

In accordance with Clause C (h)(i) and (ii) of Schedule V read with Regulations 34(3) of SEBI(LODR) Regulations,2015,the Board of Directors have identified the following Core Skills / Expertise / Competencies, required for Board Members in the context of Company's business and sectors, to function effectively.

- Strategy Management
- Business Management, Sales, Marketing
- Banking and Financial Management
- Project Management, Research & Technical Operations
- Risk Management including Foreign Exchange Management
- Industrial Relationship Management, including Environment,
- Legal Knowledge
- Tax Planning and Management
- General Administration
- Materials Management, & Logistics Planning

The skills / expertise / competencies available with the Directors of the Company are as under.

Sl	Name	Field of Specialization / Expertise / Competence	Details of other Directorship in Listed entities
1	Mr. Kamlesh Gandhi (Independent)	Investment Banking Corporate Governance	Bhagyanagar (I) Ltd, Sundaram Clayton Ltd and Kirloskar Electric Company Limited
2	Dr.R.Kalidas, (Independent)	Research & Technical Operations	Nil
3	Lt.Gen (Retd) T A DCunha (Independent)	Materials Management & Logistics Planning	Nil
4	Mr.V.S.Raju (Independent)	Legal Knowledge & Corporate Law	Andhra Sugars ltd Jocil Ltd
5	Mrs.Rashida Hatim Adenwala (Independent)	Finance, Legal, Joint Ventures, Foreign Exchange Management	Nil
6	Mrs.Pooja Kalidindi (Promoter Non Executive)	Business Management and Commercial	Nil
7	Mr. Vinodrai Goradia (Promoter – Non Executive)	Commercial	Nil
8	Mr. Ashven Datla (Promoter – Non Executive)	Industrial Management	Nil
9	Mr. P N Raju (Promoter – Non Executive)	Manufacturing & Construction	Nil
10	Mr. K Gautam (Promoter – Executive Director)	Marketing and Industrial Management	Nil
11	Mr.N G V S G Prasad Professional - Executive Director	Finance, Accounting and Taxation	Nil
12	Mrs. Roopa Bhupatiraju (Promoter Executive)	Business Management	Nil
13	Mr. K Ravi, Managing Director (Promoter – Executive)	Industrial Management	Nil

The above Report was adopted by the Board of Directors at their meeting held on 14th August, 2020.

DECLARATION FOR COMPLIANCE WITH CODE OF CONDUCT

The company adopted 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: 14th August, 2020.

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 31.03.2020, 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 Company.

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: 14th August, 2020

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

Name of the Director	Mr. Ashven Datla	Mrs.Roopa Bhupatiraju	Lt.Gen(Retd)T A DCunha	Dr.R.Kalidas	Mrs. RashidaHatim Adenwala
Date of Birth	03/10/1974	22/09/1978	21/06/1946	11/02/1946	08/02/1964
Qualifications	MBA Finance, University of Hartford, USA (1997)	MBA and MS (Marketing Communication) from Illinois Institute of Technology, USA	MBA	BE, FIE, Phd	B.Com, LLB, FCS
Directorship in other companies	Ncl Buildtek Ltd, NCL Veka Ltd, Nagarjuna Cerachem (P) Ltd, Khandaleru Power Company Ltd, Hampi Energy Ltd, Eastern Ghats Renewable Energy Ltd, Plastone UPVC Profiles (P) Ltd, NCL Holdings (A&S) Ltd	Sorachem industries (P) Ltd	Nil	Nil	DQ Entertainment (International) Ltd, R And A Corporate Consultants India (P) Ltd
Membership of Audit/Stakeholders Relationship Committees of other public Ltd companies	Ncl Buildtek Ltd- Member- Audit/ Stakeholders Relationship Committees	Nil	Nil	Nil	Nil
No. of shares held in NCL Industries ltd	10,80,705	22,37,695	1000	Nil	Nil
Inter-se relationship with other Directors of the company	Son in Law to Mr.K.Ravi-MD	Daughter of Mr.K.Ravi-MD	NA	NA	NA
Awards/ Medals etc:	Nil	Nil	PVSM	Nil	Best woman Entrepreneur in service sector from Confederation of Woman Entrepreneurs of India

Annexure A-2

Details of Related Party Transactions

Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014),

Parties and Nature of Relationship:

Name	Nature of Relationship
NCL Buildtek Ltd	Director(s) holding more than 2% equity share capital in the other company or its holding company
NCL Homes Ltd	
NCL Veka Ltd	
Kakatiya Industries (P) Ltd	
NCL Green Habitat (P) Ltd	
Khandaleru Power Co Ltd	
Vikram Chemicals (P) Ltd	
Nagarjuna Cerachem (P) Ltd	
NCL green Habitat (P) Ltd	

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

A. Nature of Contract: Appointment of Key Managerial Personnel			
Mr K Ravi- Managing Director	From 01/04/2016 To 31/03/2021	Total Remuneration of Rs 327.40 Lakhs for FY2019-20(Including salary, other perks, benefits plus 2% Commission of Net profits U/s 198 of the Companies Act,2013)	Board Approval 29.01.2016 Shareholders' Approval 20.09.2016
Mr K. Gautam Executive Director	01/08/2017 To 31/07/2022	Total Remuneration of ₹ 74.80 lakhs for F.Y.2019-20 (Including salary and other perks and benefits).	Board Approval 27/05/2017 and Shareholders' Approval Dt.22/09/2017
Mr. NGVSG Prasad Executive Director & CFO	From 30/05/2016 To 30/05/2021	Total Remuneration of ₹ 47.04 Lakhs for F.Y.2019-20 (Including salary and other perks and benefits)	Board Approval 30/05/2016 Shareholders' Approval 20/09/2016
Mr.Bh.Subba Raju Executive Director (04/07/2019 to 30/09/2019)	From 04/07/2019 To 03/07/2024	Total Remuneration of ₹ 16.26 Lakhs for F.Y.2019-20 (Including salary and other perks and benefits up to 30.09.2019)	Board Approval 14/02/2019 Shareholders' Approval 27/09/2019
Mrs.Roopa Bhupatiraju Executive Director (from 01/10/2019)	From 01/10/2019 To 30/09/2024	Total Remuneration of ₹ 21.04 Lakhs for F.Y.2019-20 (Including salary and other perks and benefits from 01.10.2019 to 31.03.2020)	Board Approval 27/09/2019
B. Nature of Contract: Sale of Finished Goods			
NCL Buildtek Ltd	No fixed duration. As per the requirement. Director(s) holding more than 2% equity share capital in the other company.	₹ 1411.40 lakhs	Omnibus Audit Committee approval dated 30.05.2019
NCL Homes Ltd		₹ 56.99 Lakhs	
NCL Veka Ltd		₹ 4.41 Lakhs	
Kakatiya Industries (P) Ltd		Nil	
NCL Green Habitat (P) Ltd		Nil	

C. Nature of Contract: Purchase of Goods/Services			
NCL Buildtek Ltd	No fixed duration. As per the requirement. Director(s) holding more than 2% equity share capital in the other company.	₹ 56.14 Lakhs for the year Terms as applicable to other parties	Omnibus Audit Committee approval dated 30.05.2019
Kakatiya Industries (P) Ltd		₹ 94.31Lakhs	
NCL Veka Ltd		₹ 4.00 Lakhs	
D. Nature of Contract: Rent Paid			
Sri.K.Ravi	5 years w.e.f 15.12.2016	Lease Rent on 3.00 Acras of land situated at S.No.281&282 in Rampally (V) Keesara Mandal. Total amount paid in FY 2019-20 ₹ 9.92 Lakhs. .	11.11.2016
E. Reimbursement of Expenses			
NCL Buildtek Ltd	No fixed duration. As per the requirement	₹ 30.87	
Nagarjuna Cerachem (P) Ltd		₹ 5.18	

Annexure - B

BUSINESS RESPONSIBILITY REPORT

[See Regulation 34(2)(f)]

The philosophy of the Company is to conduct its business in a manner befitting a corporate citizen. Adherence to the unexceptionable principles enunciated should be a way of life rather than enforceable by statutory provisions or filling up the formats for Business Responsibility Reporting.

We note that the SEBI Circular No. CIR/CFD/CMD/10/2015 dated November 4, 2015 refers to the National Voluntary Guidelines (NVG) issued by the Ministry of Corporate Affairs. However, the NVG has been revised and replaced by the MCA by the National Guidelines on Responsible Business Conduct (NGRBC)

The format contained in National Guidelines on Responsible Business Conduct issued by the MCA and the SEBI Circular dated 4th November 2015 being suggested and not mandatory, the company has devised its format for preparing this Report, taking the essential features of both the formats, and eliminating information which is already contained in other parts of the Directors' Report,

The company believes that this fulfils the requirement of Regulation 34(2) (f) of the SEBI (LODR) Regulations 2015 and the NGRBC.

This being the first year in which the BRR has become applicable to it, the Company will adopt any format that may be prescribed by the Statute or Regulation (as distinct from suggested or recommended) that may be pointed to it.

SECTION A: GENERAL INFORMATION ABOUT THE COMPANY

1	Name of the Company:	**NCL Industries Limited**
2	Year of Registration	1979
3	Corporate Identity Number (CIN) of the Company	**L33130TG1979PLC002521**
4	Corporate address, telephone, email and website	**10-3-162NCL Pearl, 7th Floor,** **Opp; HYDERABAD BHAWAN EAST MAREDPALLY,** **SECUNDERABAD Hyderabad Telangana 500026** Telephone: 040 30120000 Email: ncl@nclind.com Website: www.nclind.com
5	Sector(s) that the Company is engaged in ((industrial activity code-wise)	**Cement : Code** 23942 **Cement Bonded Particle** **Boards Code :** 23956 **Ready-Mix Concrete : Code 23952** **Hydro Electricity: Code** 35101 **Readymade Doors: Code** 43301
6	Goods manufactured/services provided (top three by revenue):	**Cement** **Cement Bonded Particle Boards,** **Ready-mix Concrete**
7	Brands (top five by respective share of market) owned and percentage of revenue contributed:	Nagarjuna (Cement), Bison Panel (Cement Bonded Particle Board) Nagarjuna RMC (Ready Mix Concrete) Dura Door (Readymade Doors)
8	Location of plants (in case of manufacturing businesses) a) National (Districts and states – top five by employee strength): b) International (Country – top three by employee strength)):	Suryapet Dist.(Telangana), Krishna Dist. & Visakhapatnam(Andhra Pradesh), Batanwali (Himachal Pradesh) (Full details given in Page No. 33 under the Head "Plant Locations") Not Applicable
9	Location of major offices (in case of service businesses)	Not Applicable
10	Number of permanent employees:	861

11	Contractual employees (seasonal, non-seasonal,Temparary):	771
12	Temporary employees	Included in above
13	Percentage of women: a. On the Governance Structure: b. In top management, i.e. business and function heads;	- 0.23
14	Names of subsidiary / associate companies	NCL Guangzheng Structures Ltd
15	Details of Trust/Society/Section 8 company to further its CSR agenda a. Names; b. Organization form (Trust, Society, Company) and year of establishment; c. Main objects/purpose; d. Amounts and sources of funds received in the reporting year	Not Applicable
16	Contact details of Nodal Officer for this report)	Not designated as yet. Will do so if required by any Regulation

SECTION B: MANAGEMENT POLICIES AND DISCLOSURES

The principles enunciated in the NGRBC are given in Column 2 below. Adherence or otherwise to the principles are indicated in Column 3.The policies of the Company framed which uphold the principles are in Column 4.

No	Narration of the Principle	Y/N	Policy which upholds the principle
P1	Businesses should conduct and govern themselves with integrity, and in a manner ethical, transparent and accountable.	Y	Code of Ethics Code of Fair Disclosures Whistle Blower Policy Related PartyTransaction Policy
P2	Businesses should provide goods and services in a manner that is sustainable and safe	Y	There is no explicitly spelt out policy. But adherence to quality and safety standards is part of DNA of the company
P3	Businesses should respect and promote the well-being of all employees, including those in their value chains.	Y	HR Policy (in house) and practices which promotes and encourages skill development on a continuous basis. Welfare measures like providing free / subsidised education and healthcare at plant site. Remuneration Policy which aims to make the compensation package comparable to the best in the industry,
P4	Businesses should respect the interests of, and be responsive to all its stakeholders	Y	Whistleblower Policy Related Party Transaction Policy Code of Ethics Stakeholder Relationship Committee overseas prompt attention and action on investor grievances.
P5	Businesses should respect and promote human rights.	Y	The personnel policies (in-house) and the practices actively uphold and encourage valuing human rights and treating all human beings with dignity and respect.
P6	Businesses should respect and make efforts to protect and restore the environment	Y	The company strictly adheres to all the norms and prescriptions of the environment laws. It also engages in its quest for better and more efficient emission controls.
P7	Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent	Y	The Company has not taken any major initiative in influencing public and regulatory policy.
P8	Businesses should promote inclusive growth and equitable development.	Y	The CSR efforts, guided by the CSR Policy are aimed at contributing to inclusive growth of the community in which the company operates.
P9	Businesses should engage with and provide value to their customers in a responsible manner.	Y	The company recognises that responsible behaviour with customers is vital for survival and growth of the company. This is a standard practice

SECTION C: FINANCIAL DETAILS

The details required in the SEBI format for BRR are already available in the Financial Statements and the Report on CSR Activities.

SECTION D: OTHER DETAILS

1	Does the Company have any Subsidiary Company/ Companies?	One Subsidiary Company-NCL Guangzheng Structures Ltd. Newly formed and yet to commence operations.
2	Do the Subsidiary Company/ Companies participate in the BR Initiatives of the parent company? If yes, then indicate the number of such subsidiary company(s)	Not yet, since operations are yet to commence.
3	Do any other entity/entities (e.g. suppliers, distributors etc.) that the Company does business with, participate in the BR initiatives of the Company? If yes, then indicate the percentage of such entity/entities? [Less than 30%, 30-60%, More than 60%]	The Company has not made any enquiry or efforts in this respect.

SECTION E: BR INFORMATION

1.	Details of Director/ Directors responsible for BR	The Company has not specifically made any single Director responsible, since it believes that all the Executive and Non Executive Directors are responsible for the BR

2. Principle-wise (as per NVGs) BR Policy/Policies

The National Guidelines on Responsible Business Conduct (NGRBC), which replaced the National Voluntary Guidelines on Social, Environmental and Economic Responsibilities of Business (NVGs) released 9 principles by the Ministry of Corporate Affairs has adopted nine areas of Business Responsibility (BR). The brief particulars of BR are as under:

Principle 1: Businesses should conduct and govern themselves with Ethics, Transparency and Accountability

Principle 2: Businesses should provide Products and services that are safe and contribute to sustainability throughout their life cycle

Principle 3: Businesses should promote the well-being of all employees

Principle 4: Businesses should respect the interests of and be responsive towards all Stakeholders.

Principle 5: Businesses should respect and promote Human Rights

Principle 6: Businesses should respect, protect and make efforts to restore the Environment

Principle 7: Businesses, when engaged in influencing Public and regulatory policy should do so in a responsible manner

Principle 8: Businesses should support Growth and equitable development

Principle 9: Businesses should engage with and provide value to their Value to customers and consumers

The nine principles enunciated in the NGRBC have been included in this Report

(a) Details of compliance (Reply in Y/N)

No.	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
1	Do you have a policy/ policies for BR	The company has the following policies in place in which we believe conform to the principles listed in Section A 1. Code of Business Conduct and Ethics 2. Whistle Blower 3. Related Party Transaction 4. Corporate Social Responsibility 5. Code of fair disclosures on UPSI information 6. Insider Trading Code								
2	Has the policy being formulated in consultation with the relevant stakeholders?	Wherever possible and found desirable, this has been done.								

No.	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
3	Does the policy conform to any national / international standards?	This aspect has not been examined by the company. Most policies have been framed on the basis of what the Board and senior management thought fit to adopt.								
4	Has the policy been approved by the Board? Is yes, has it been signed by MD/ owner/ CEO/ appropriate Board Director?	The policies listed in Item 1 have been approved by the Board. The other policies and procedures are formulated in house by the management depending on the needs of the organization.								
5	Does the company have a specified committee of the Board/ Director/ Official to oversee the implementation of the policy?	No. The Audit Committee generally oversees the policies. The CSR Committee overseas the CSR activities.								
6	Indicate the link for the policy to be viewed online?	www.nclind.com, under the head "INVESTORS"								
7	Has the policy been formally communicated to all relevant internal and external stakeholders?	The details have been displayed in the Company's website. Wherever the company felt desirable that a particular set of stakeholders should be informed, it has been communicated to them.								
8	Does the company have in-house structure to implement the policy/ policies.	No formal structure.								
9	Does the Company have a grievance redressal mechanism related to the policy/ policies to address stakeholders' grievances related to the policy/ policies?	No formal mechanism exists. However, no grievance received is left unattended.								
10	Has the company carried out independent evaluation of the working of this policy by an internal or external agency?	No								

3. Governance related to BR

(a)	Indicate the frequency with which the Board of Directors, Committee of the Board or CEO to assess the BR performance of the Company.	No such formal frequency is designed. However, the Board or Committee reviews the policies whenever warranted or prescribed by the Statute.
(b)	Does the Company publish a BR or a Sustainability Report? What is the hyperlink for viewing this report? How frequently it is published?	NO.

SECTION F: PRINCIPLE-WISE PERFORMANCE

The Company had neither the occasion nor necessity to evaluate the principle-wise performance since the principles are general in nature, and form a part of the DNA of the Company. Whenever any violation of these principles is brought to the notice of the company, the matter is investigated and corrective action taken.

Annexure - C

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

The Company's performance during the year ended 31st March, 2020 and the Management's view on future outlook are detailed below:

A. INDUSTRY STRUCTURE AND DEVELOPMENT

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

Cement

Cement is indispensible for building and construction work and cement industry is considered one of the vital constituents of the country's economy. Being a major input along with steel in the construction of houses, roads and other buildings and other infrastructure projects, the fortunes of the cement industry are closely linked with the progress of infrastructure industry. Demand for housing is driven by income growth while infrastructure development largely depends on both state and central government expenditure.

The outlook of the cement industry has been encouraging, given the importance accorded by successive governments to infrastructure and housing. The demand drivers in cement are major initiatives like Housing for All by 2022, Prime Minister's Gram Sadak Yojana, the National Investment and Infrastructure Fund (NIIF). Though the COVID 19 epidemic and the exodus of migrant labour caused a temporary suspension of the construction activity, it is expected that the demand will pick up in the medium and long run.

Ready Mix Concrete (RMC)

RMC is a natural adjunct to the cement industry. Over the past decade, more and more cement manufacturers have been opting for setting up their in-house RMC units as an outlet for their main product of cement, and also to retain and propagate their brand image. RMC is also eco-friendly as it reduces the noise and air pollution because mixing is done in closed chamber as compared to site mix concrete. The relatively low shelf life of RMC – 3 to 5 hours- imposes severe restrictions on the distance between the end user and plant site. In spite of this handicap, RMC industry is likely to witness a steady growth in the next few years.

Boards

Your Company is the only manufacturer of Cement Bonded Particle Boards (CBPB) in the country, marketed under the brand name Bison Panel. Bison Panels are normally used for construction of prefab structures and have been extensively used in the infrastructure and housing sectors. The third Bison Panels unit set up by your Company at Simhapuri has commenced its operations, and has been performing satisfactorily.

Prefab

As mentioned in the report for the previous year, your company is no more active in the direct retail business of the Prefab structures. There were no operations in the Prefab Division during the year under review. Your Company's quest for identifying a technology partner in this field is continuing.

Hydel Energy (Small Hydro)

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

B OPPORTUNITIES AND THREATS

The continued focus of the Central and State Governments on infrastructure projects offer an ongoing opportunity to cement manufacturers. As already mentioned, the thrust given by the Governments for infrastructure development is a demand driver, and a major opportunity. Recently Housing and Urban Affairs Ministry launched digital platforms of real estate bodies CREDAI and NAREDCO to market residential properties for affordable rental housing scheme for migrants which is a boon to hosing industry.

As indicated in the foregoing paragraphs, the setback in demand caused by the effect of COVID 19 pandemic is expected to be temporary. However, since there are no accurate studies on how long the ongoing pandemic will last and its term impact on the life styles and economy on the long run, the uncertainty poses a threat.

Its products being building materials, the Boards Division is also likely to share the opportunities and threats as detailed above. The emergence of alternative and new products to the boards division and the resultant competition continues to be a challenge requiring constant attention. The company is planned to introduce sandwich panel boards as an add on product to bison panel to improve its sales.

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

C SIGNIFICANT CHANGES IN KEY FINANCIAL RATIOS AS COMPARED TO THE PREVIOUS YEAR

During the year under review no significant changes in key financial ratios as compared to the previous year. Close monitoring on debtors reduced the debtors' turnover ratio during the year under review. Key Ratios are as under:

S.No	Ratios	**2019-20**	2018-19	% of Change
1	Inventory Turnover Ratio	9.81	13.88	(29.32)*
2	Interest coverage Ratio	4.64	4.05	14.57
3	Current Ratio	1.00	1.10	10
4	Debt Equity Ratio	0.43	0.48	(10.42)
5	Return on investment (%)	12.00	12.00	Nil
6	Debtors Turnover Ratio	9.13	9.69	5.78
7	Net Profit Margin (%)	3.85	3.19	20.69
8	Operating Profit Margin (%)	7.68	6.37	20.57

*reasons for change, pl. refer performance review in main report.

D. 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**	**Gross Turnover (₹ Lakhs)**	**Segment Profit before Interest & Tax (₹ Lakhs)**
Cement	83.42	18,70,933 Mt	1,10,291.42	7,900.06
Boards	9.52	73,381 Mt	12,592.45	1,487.41
Energy	0.61	36.80 MU	804.50	475.59
Ready Mix Concrete	6.34	1,91,183 (Cu.Mtrs)	8,384.27	501.48
Ready Made Dorrs Concrete	0.11	916 (Nos)	151.26	(361.67)

E. OUTLOOK

As already stated earlier, the outlook for the cement and building materials industry looks promising medium term despite the uncertainty caused by COVID 19 in the short term.

F. 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. The recent outbreak of Covid-19, which led to a country wide lockdown to curtail the spread of the virus, has made a severe challenge and has altered the outlook for the country. Real estate sector in India, which was struggling to re-emerge from the turbulence of structural changes, is now set to witness major fallout. It is a major concern to building material industry.

G. INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY.

The Company has proper and adequate systems for internal controls in place. The Company has appointed independent Internal Auditors to conduct the internal audit across all plant locations whose reports are regularly monitored by the management. 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.

H. 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.

I. 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. Systematic training in site operational control and management are imparted regularly to ensure efficient execution. The Company has cordial relations with employees and staff. As on 31st March 2020, the company has 861 employees working in its factories and various offices.

J. 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 - D

Corporate Social Responsibility (CSR) Activities

Your Company is conscious that it is an integral part of the society at large, and it has a responsibility to contribute to the general welfare of the society to which it belongs. Right from its inception, your company has been actively engaged in efforts to improve the quality of life in the contiguous localities.

After the provisions relating to CSR became applicable, your company constituted a CSR Committee. As on the date of this Report, the CSR Committee consists of Dr.R.Kalidas as Chairman, Mr. K.Gautam (Executive Director) and Lt.Gen (Retd) T A DCunha (Director) are other members.

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

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

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

EDUCATION

It has been the core belief of NCL that "Quality Education" leads to development of people. With this belief, NCL established a school in Mattapally more than 26 years ago. The Elementary and High School in English medium caters to the educational needs of nearby tribal villagers within a radius of 8 km.

The education provided is absolutely free to tribal children. In addition, the company also extends subsidized transportation to the Tribal children to facilitate their attending the classes.

777 Students are enrolled in NCL School in the during the Academic Year (2019-20). Out of Overall strength,586 Students are from nearby tribal areas. During the academic year 2019-20, 100% pass achieved in Class X level Public Examination.

The children from local Thandas, who studied at NCL High School over the years, are now holding various responsible positions within Public / Private Organizations. The quality education imparted by NCL High School, is, thus, a great testimonial to its efforts.

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

Junior College:

NCL has established the NCL Educational and Welfare Society to consolidate the activities in the field of education. This Society has taken active steps to set up a Junior College to fulfill the long standing need of the locality.

- The Junior College has started functioning from the Academic year 2018-19.
- It offers courses in four Groups, namely MPC, CEC, BIPC, and MEC.
- Qualified Academic Staff has been recruited to impart quality education.
- College has recorded1st batch of senior intermediate students with 100 per cent pass percentage. This college achieved District First and Second in Nalgonda and Suryapet in MEC GROUP.
- This College planning to conduct online classes to existing second year batch of students shortly this year (AY2020-21) which would benefit around 121 students.

The total expenditure for the Education and related activity during the year 2019-2020 was ₹ 170.82 Lakhs.

HEALTHCARE

The Company has set up a regular well equipped five bed hospital with laboratory and E.C.G facilities in the factory campus. The hospital is manned by qualified and experienced medical and nursing staff. It caters to the healthcare needs of the nearby villages and also residents within a radius of 11 kilometers around the plant site covering around 23 villages. Patients from neighboring A P State border villages are also availing medical facilities.

On the average, the hospital treats and provides medical care to about 109 patients per day or over 39,785 patients per year. The treatment is free of cost, and free medicines are also given wherever possible. From the year of its establishment in 2002, this Health Center treated 4,17,373 patients till date.

The Health Center maintains anti snake venom drugs and providing treatment to the nearby villages round the clock. During the year under review this center treated 81 cases of snake, scorpion & unknown bites.

NCL is not only offering free treatment, but also supplying the basic drugs at free of cost.

In addition to hospital facility and basic drugs free of cost, NCL has conducted more than 135 Medical Camps during last 3 years covering all surrounding villages.

This Health Center conducts medical camps in nearby villages every year. The Health Camps, which help in early identification of diabetes, hypertension, dental, polio, cataract and other ailments. It also provides counseling with respect to the need for surgery in appropriate cases. In addition this year this health care centre conducted 20 medical camps with the help of Red Cross Society on Covid-19 awareness programmes and distributed pamphlets on Covid-19 pandemic.

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

Ambulance Services is also provided by the Company to the local community.The total expenditure for the health related activity during the year 2019-20 was ₹ 44.68 Lakhs.

ENVIRONMENT

- NCL has always been a compliant to all prescribed norms of State and Central Pollution Control Board.
- NCL has contributed significantly to development of green belt at all of its plant location i.e. Mattapally, Kondapally, Paonta Saheb, Malkapur and also its 2 of its hydro power plants.
- NCL has set up a Sewage Treatment Plant (250 KLD) on a voluntary basis for recycling the water for use of the plantation.

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

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

2018-19	**₹ 6022.23 Lakhs**
2017-18	₹ 7436.91 Lakhs
2016-17	₹ 7409.75 Lakhs
	₹ 20,868.89 Lakhs
Average	**₹ 6956.30 Lakhs**

Prescribed CSR Expenditure for 2019-20

(2% of the average as above) ₹ 139.13 lakhs

Details of amounts spent during the year

Project/Activity	Sector	Amount spent (Rs lakhs)	Mandatory Outlay(Fully utilized) (Rs lakhs)	Amount Spent: Directly or through Implementing Agency
Elementary & High Schools and Junior College	Promoting Education (Local Area)	170.82	110.28	Direct
Health Center	Promoting preventive Health-care (Local Area)	44.68	28.85	Direct
Total		**215.50**	**139.13**	

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

Statement:

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

K RAVI
Managing Director

Dr. R KALIDAS
Chairman, CSR Committee

Annexure - E

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	65 years
Qualification	Diploma holder in Electrical Engineering
Designation:	Managing Director
Date of commencement of employment	Since 11th January 2003
No. of year of experience	over 43 years
Remuneration	Rs 327.40 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 14/08/2020)	5.37 %

Notes:

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

For and on behalf of the Board

Date: 14th August, 2020

Kamlesh Gandhi
Chairman

Registered Office:

7th Floor, 'NCL Pearl'
Near Rail Nilayam,
S D Road, Secunderabad -500026.

Annexure - F

Form No. MR-3

Secretarial Audit Report

FOR THE FINANCIAL YEAR ENDED March 31, 2020

[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
10-3-162, NCL Pearl, 7th Floor,
Opp Hyderabad Bhavan, East Marredpally
Secunderabad-500026

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, the explanations and clarifications given to us and the representations made by the Management and considering the relaxations granted by the Ministry of Corporate Affairs and Securities and Exchange Board of India warranted due to the spread of the COVID-19 pandemic, I hereby report that in my opinion, the company has, during the audit period covering the financial year ended on March 31, 2020 generally complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2020 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, 2015

(c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 and amended from time to time

(d) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations') to the extent applicable during the Audit Period;

(e) The Securities Exchange Board of India (share based Employee benefits) Regulations 2014:

(f) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 **(Not applicable during the audit period);**

(g) The Securities and Exchange Board of India (Registrars to an Issue and Share transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client

(h) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009- **Not applicable to the Company during the audit period**

(i) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998- **Not applicable to the Company during the audit period**

vi) Other applicable laws including the following

1. Factories Act, 1948
2. Industrial Disputes Act 1947
3. Payment of wages Act 1936
4. The Minimum wages Act 1948
5. Employees state insurance Act 1948
6. Employees Provident Funds and Miscellaneous Provisions Act 1952
7. Payment of Bonus Act 1965
8. Payment of gratuity Act 1972
9. Contract Labour (Regulation & Abolition) Act, 1970
10. Maternity Benefit Act 1961
11. Equal Remuneration Act.
12. Environment Protection Act 1986
13. Explosives Act 1884
14. Indian Boilers Act 1923
15. Mines Act 1952 & Mines and Minerals (Development & Regulations) Act, 1957

16. Legal Metrology Act 2009
17. Income Tax Act 1961 and GST Act
18. Cement Quality Control Order 2003
19. Electricity Act 2003
20. Air (Prevention & control of pollution) Act 1981 and water (Prevention & control of Pollution) Act 1974

I report that the applicable financial laws, such as the Direct and Indirect Tax Laws, have not been reviewed under my audit as the same falls under the review of statutory audit and by other designated professionals.

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. A penalty was imposed on some of the Directors and promoter Group under Section 151 of SEBI Act read with rule 5 of SEBI adjudication Rules vide adjudication order dated 30th March, 2020 for failing to disclose change in shareholding exceeding 25,000 shares / ₹5 lakh in value during the period 2013-14 and the same was paid and case was closed
2. A penalty was imposed by NSE under Regulation 44(3) of SEBI(LODR) Regulations, 2015 regarding delay in filing voting results within 48 hours of conclusion of postal ballot. The Company has contested the same stating that the timeline prescribed in Regulation 44(3)is not applicable to postal ballot,
3. There was delay in filing of IEPF -1 & 7 forms with the Registrar of Companies and the delay was informed due to change in procedure and technical problems faced in uploading

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 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 for meetings other than those held at shorter notice, 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.

The Company has entered into a joint venture agreement with a Chinese Company and has registered for that purpose a new Company NCL Gangzheng Structures Limited and made some investment. No investment was received from the JV partner during the year under review due to Covid 19 pandemic and by virtue of the shareholding it became a 100% subsidiary.

I further report that, during the audit period, there were no other specific events /actions in pursuance of the above referred laws, rules, regulations, guidelines etc. having major bearing on the Company's affairs.

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
UDIN: **F002120B000523498**

Place: Hyderabad
Date: 29th July 2020

Annexure-A

To,
The Members,
NCL Industries Limited
10-3-162, NCL Pearl, 7th Floor,
Opp Hyderabad Bhavan, East Marredpally
Secunderabad-500026

My 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
UDIN: **F002120B000523498**

Place: Hyderabad
Date: 29th July 2020

To,
The Members,
NCL Industries Limited
10-3-162, NCL Pearl, 7th Floor,
Opp Hyderabad Bhavan, East Marredpally
Secunderabad-500026

Certificate under Schedule V (C)(10)(i) of SEBI (Listing Obligations and Disclosure Requirements), 2015

We A.J.Sharma & Associates, Practicing Company Secretaries, have examined the records, books and papers of NCL Industries Limited (CIN: L33130TG1979PLC002521) having its Registered Office at 10-3-162, NCL Pearl, 7th Floor, Opp Hyderabad Bhavan, East Marredpally , Secunderabad-500026, Telangana State, India (the Company) as required to be maintained under the Companies Act, 2013, SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015 and other applicable rules and regulations made there under for the Financial year ending 31st March 2020.

In our opinion and to the best of our information and according to the examinations carried out by us and explanations and representation furnished to us by the company, its officers and agents, we certify that none of the following Directors of the Company have been debarred or disqualified from being appointed or continuing as Director of Companies by the SEBI/ Ministry of Corporate Affairs or any such statutory authority as on 31st March 2020.

S,No	Name of the Director	Designation	DIN	Date of appointment in the Company
1.	Kamlesh Suresh Gandhi	Independent Director	00004969	14/06/2008
2.	Kalidas Raghavapudi	Independent Director	02204518	11/08/2015
3.	Vuppalapati Sitarama Raju	Independent Director	00101405	11/11/2016
4.	Trevor Aloysius D'Cunha	Independent Director	07207066	11/08/2015
5.	Vinodrai Vachhraj Goradia	Director	00040369	28/09/1990
6.	Pooja Kalidindi	Director	03496114	01/02/2020
7.	Narasimha Raju Penmetsa	Director	01765409	12/04/2006
8.	Ashven Datla	Director	01837573	01/06/2011
9.	Mrs Roopa Bhupatiraju	Whole Time Director	01197491	30/05/2014
10.	Kalidindi Ravi	Managing Director	00720811	11/01/2008
11.	Gautam Kalidindi	Executive Director	02706060	27/07/2009
12.	Gurunadha Prasad Gnana Venkata Satya Nimmagadda	Exective Director & CFO	07515455	30/05/2016

The eligibility for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency 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
UDIN: **F002120B000523806**

Place: Hyderabad
Date: 29th July 2020

Annexure - G

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

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

A. Conservation of Energy:

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

a) Improvement of raw mix design and continuous operation of pyro-process led to higher outputs which resulted in reduction of specific energy consumption.

b) Reduction in specific power consumption of cement mills (ball mills) by optimizing the operations.

c) Improvement of Raw Mill output by using high efficiency fan and optimizing the VRM operations reduced the specific power consumption.

d) Installation of high efficiency process fans to reduce the energy consumption.

e) Installation of Variable Frequency Drives (VFDs) for process fans to reduce the electrical energy consumption.

f) Replacement of normal lights with LED lights to conserve electrical energy.

g) Implementation of Waste heat recovery power project to reduce cost of power.

B. Technology Absorption:

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

C. Foreign Exchange Earnings and Outgo:

₹ In Lakhs

Sl. No.	Particulars	For the year 2019-20	For the year 2018-19
1	Earnings	53.60	32.98
2	Outgo	1584.43	798.24

ANNEXURE - H

Form No. MGT-9

EXTRACT OF ANNUAL RETURN

As on the financial year ended on 31st March, 2020

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

1. 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	Company limited by Shares/Indian
	Non-Government Company	
v)	Address of the Registered office and contact details	10-03-162, NCL Pearl, 7th Floor, Near Rail Nilayam, Opp.Hyderabad Bhawan, S.D.Road, Secunderabad – 500 026 Telangana State, India. Tel No : (040) 30120000 Email : cs@nclind.com Website : www.nclind.com
vi)	Whether listed Company	Yes
vii)	Name, Address and Contact details of Registrar and Transfer Agent, if any	Venture Capital & Corporate Investment (P) Ltd 12-10-167 (MIG), Bharat Nagar, Hyderabad – 500 018. Tel No : (040) 23818475 / 76 & 23868023 Fax No :(040) 2386 8024 E-mail:info@vccilindia.com

II PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

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

Sl. No.	Name and Description of main products/services	NIC Code of the product / service	Percentage to total turnover of the Company
1	OPC/PPC/53 S Cement	2523	85.45
2	Plain and laminated Cement Bonded Particle Boards	44	9.19

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	NCL Guangzheng Structures Ltd	U45400TG2019PLC136286	**Subsidiary**	100	

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year (As on 31-03-2020)				% Change during the Year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
(A) Promoters & Promoter Group									
(1) Indian									
a) Individual/ HUF	16195369	0	16195369	35.80	17702097	0	17702097	39.13	3.33
b) Central Govt/State Govt(s)	0	0	0	0.00	0	0	0	0.00	0
c) Bodies Corporates	1946480	0	1946480	4.30	1415109	0	1415109	3.13	(1.17)
d) Financial Institutions/Banks	0	0	0	0.00	0	0	0	0.00	0
e) Any Others (PAC)	0	0	0	0.00	0	0	0	0.00	0
f) Trust		0		0.00	0	0	0	0.00	0
Sub-total (A) (1):-	18141849	0	18141849	40.11	19117206	0	19117206	42.26	2.15
(2) Foreign									
a) Individuals - (Non-Resident Individuals / Foreign Individuals)	100000	0	100000	0.22	0	0	0	0.00	(0.22)
b) Other –Individuals	0	0	0	0.00	0	0	0	0.00	0
c) Bodies Corp.	0	0	0	0.00	0	0	0	0.00	0
d) Banks / Financial Institutions	0	0	0	0.00	0	0	0	0.00	0
e) Any Other....	0	0	0	0.00	0	0	0	0.00	0
Sub-total (A) (2):-	100000	0	100000	0.22	0	0	0	0.00	0
Total shareholding of Promoter (A)=(A)(1)+(A)(2)	18241849	0	18241849	40.33	19117206	0	19117206	42.26	1.93
(B) Public Shareholding									
1 Institutions									
a) Mutual Funds / UTI	6172155	5250	6177405	13.66	3242109	2750	3244859	7.17	(6.49)
b) Financial Institutions/Banks	22750	8650	31400	0.07	71058	8450	79508	0.18	0.11
c) Central Government/State Government(s)	0	7050	7050	0.02	0	7000	7000	0.02	0.00
b) Venture Capital Funds	0	0	0	0	0	0	0	0	0
c) Alternate Investment Funds	1575851	0	1575851	3.48	1710991	0	1710991	3.78	0.30
d) Foreign Venture Capital Funds	0	0	0	0	0	0	0	0	0
e) Foreign Portfolio Investors – Individual (FPI)	0	0	0	0	0	0	0	0	0
f) Foreign Portfolio Investors – Corporate (FPI)	1095557	0	1095557	2.42	1031331	0	1031331	2.28	(0.14)
g) Insurance Companies Provident Funds/Pension Funds	0	0	0	0	0	0	0	0	0
Any Other									
Foreign Institutional Investors	0	0	0	0	0	0	0	0	0
Qualified Foreign Investor	0	0	0	0	0	0	0	0	0
Qualified Foreign Investor-Corporate	0	0	0	0	0	0	0	0	0
Foreign Bodies Corp	0	0	0	0	0	0	0	0	0
Foreign Nation	0	0	0	0	0	0	0	0	0
Sub-total (B)(1):-	8866313	20950	8887263	19.65	6055489	18200	6073689	13.43	(6.22)
B(2) Non-Institutions									
i) Individual shareholders holding nominal share capital upto Rs.1 Lakh	7567652	1290977	8858629	19.58	8593191	1149913	9743104	21.54	1.96
ii) Individual shareholders holding nominal share capital in excess of Rs 1 Lakh	5681156	31909	5713065	12.63	6882154	31909	6914063	15.29	2.66
Any Other									
a) Bodies Corporate	1775201	6545	1781746	3.94	1992897	6445	1999342	4.42	0.48
b) Clearing Member	148012	0	148012	0.33	137032	0	137032	0.30	(0.03)
c) Trust	4550	0	4550	0.01	5864	0	5864	0.01	0.00
d) NRI'S	882060	295	882355	1.95	447756	295	448051	0.99	(0.96)
e) IEPF Authority	715321	0	715321	1.58	794439	0	794439	1.75	0.17
Sub-Total(B)(2)	16773952	1329726	18103678	40.02	18853333	1188562	20041895	44.31	4.29
Total Public Shareholding B = (B)(1)+(B)(2)	25640265	1350676	26990941	59.67	24908822	1206762	26115584	57.74	(1.93)
C. Shares held by Custodian for GDRs & ADRs	0	0	0	0	0	0	0	0	0
Grand Total (A+B+C)	43882114	1350676	45232790	100.00	44026028	1206762	45232790	100.00	0

Annexure(s) to the Director's Report

ii) Shareholding of Promoters:

Sl. No.	Shareholders Name	Shareholding at the beginning of the year			Shareholders Name	Shareholding at the end of the year 31.03.2020			% 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	KALIDINDI MADHU HUF	1660	0.00	0.00	KALIDINDI MADHU HUF	1660	0.00	0	0.00
2	NIRHMAL V GORADIA GEETA GORADIA	85963	0.19	100.00	NIRHMAL V GORADIA GEETA GORADIA	89463	0.20	0	0.01
3	GEETA GORADIA NIRHMAL V GORADIA	133815	0.30	100.00	GEETA GORADIA NIRHMAL V GORADIA	136315	0.30	0	0.00
4	MEENA SHAH	11430	0.03	86.24	MEENA SHAH	12430	0.03		0.00
5	ASHWIN GORADIA BHARTI GORADIA	82844	0.18	94.99	ASHWIN GORADIA BHARTI GORADIA	85394	0.19	0	0.01
6	VINODRAI V GORADIA CHARULATA V GORADIA	548602	1.21	96.35	VINODRAI V GORADIA CHARULATA V GORADIA	575702	1.27	0	0.06
7	MEERA BIMAL GORADIA BIMAL V GORADIA	114049	0.25	99.50	MEERA BIMAL GORADIA BIMAL V GORADIA	119549	0.26	0	0.01
8	BIMAL V GORADIA MEERA B GORADIA	290037	0.64	61.36	BIMAL V GORADIA MEERA B GORADIA	303080	0.67	0	0.03
9	G Jyothi	166992	0.37	91.02	G Jyothi	166992	0.37	0	0.00
10	KANUMILLI MALATHI	8493	0.02	100.00	KANUMILLI MALATHI	8493	0.02	0	0.00
11	ASHVEN DATLA	649194	1.44	93.94	ASHVEN DATLA	1070705	2.37	6.58	0.93
12	Kalidindi Ravi	2149460	4.75	81.41	Kalidindi Ravi	2430178	5.37	0	0.62
13	MADHU KALIDINDI	613662	1.36	93.85	MADHU KALIDINDI	635887	1.41	0	0.05
14	BHARTI GORADIA ASHWIN GORADIA	45941	0.10	94.56	BHARTI GORADIA ASHWIN GORADIA	48441	0.11	0	0.01
15	Penumatsa Satyanarayana Raju	54234	0.12	7.81	Penumatsa Satyanarayana Raju	61634	0.14	0	0.02
16	VALLI P	2575	0.01	0.00	VALLI P	2575	0.01	0	0.00
17	PENMETCHA RAMALINGA RAJU	31381	0.07	100.00	PENMETCHA RAMALINGA RAJU	34900	0.08	0	0.01
18	K ANURADHA	811333	1.79	86.20	K ANURADHA	874223	1.93	0	0.14
19	N JANAKI	45155	0.10	100.00	N JANAKI	45155	0.10	0	0.00
20	GORADIA CHARULATA VINODRAI GORADIA VINODRAI VACHHARAJ	313338	0.69	93.58	GORADIA CHARULATA VINODRAI GORADIA VINODRAI VACHHARAJ	334238	0.74	0	0.05
21	UTKAL B GORADIA BIMAL V GORADIA	57019	0.13	99.91	UTKAL B GORADIA BIMAL V GORADIA	70569	0.16	0	0.03
22	PENMETSA NARASIMHA RAJU	1163119	2.57	97.29	PENMETSA NARASIMHA RAJU	1173619	2.59	39.2	0.02
23	PENMETSA VARA LAKSHMI	350355	0.77	95.92	PENMETSA VARA LAKSHMI	350355	0.77	17.13	0.00
24	G V V R P Varma	72445	0.16	53.99	G V V R P Varma	72445	0.16	0	0.00
25	MADHAVI PENUMASTA	41983	0.09	0.00	MADHAVI PENUMASTA	83283	0.18	0	0.09
26	KANUMILLI SUDHEER	63710	0.14	64.06	KANUMILLI SUDHEER	77710	0.17	0	0.03
27	GAUTAM KALIDINDI	1139630	2.52	88.36	GAUTAM KALIDINDI	1280824	2.83	0	0.31
28	Kalidindi Shilpa	2760833	6.10	82.48	Kalidindi Shilpa	2760833	6.10	0	0.00
29	SRIDHAR BHUPATIRAJU	204642	0.45	100.00	SRIDHAR BHUPATIRAJU	204642	0.45	0	0.00
30	HARINI GOKUL	60022	0.13	100.00	HARINI GOKUL	30011	0.07	0	(0.06)
31	S GOKUL	81910	0.18	83.98	S GOKUL	80663	0.18	0	0.00
32	POOJA KALIDINDI	1217250	2.69	78.00	POOJA KALIDINDI	1363450	3.01	0	0.32
33	G.T.SANDEEP	233122	0.52	35.71	G.T.SANDEEP	233122	0.52	0	0.00
34	VEGESANA SAILAJA	10650	0.02	0.02	VEGESANA SAILAJA	10650	0.02	0	0.00
35	K MALLIKA	36263	0.08	100.00	K MALLIKA	36263	0.08	0	0.00
36	ROOPA KALIDINDI	2100320	4.64	80.27	ROOPA KALIDINDI	2237695	4.95	0	0.31
37	DIVYA PENUMACHA	288521	0.64	100.00	DIVYA PENUMACHA	313521	0.69	0	0.05
38	DITI ASHWIN GORADIA	30000	0.07	91.67	DITI ASHWIN GORADIA	30000	0.07	0	0.00
39	NISHI ASHWIN GORADIA	30000	0.07	91.67	NISHI ASHWIN GORADIA	30000	0.07	0	0.00
40	BHUPATIRAJU SUBBA RAJU	100000	0.22	100.00	BHUPATIRAJU SUBBA RAJU	132011	0.29	0	0.07
41	SAI SREEDHAR KANUMILLI	8192	0.02	100.00	SAI SREEDHAR KANUMILLI	8192	0.02	0	0.00
42	PADMA GOTTUMUKKALA	85225	0.19	0.00	PADMA GOTTUMUKKALA	85225	0.19	0	0.00
43	Blue Valley Developers (P) Ltd	205658	0.45	100.00	Blue Valley Developers (P) Ltd	205658	0.45	0	0.00
44	NCL Homes Ltd	190451	0.42	100.00	NCL Homes Ltd	195951	0.43	0	0.01
45	NCL HOLDINGS (A&S) LIMITED	1550371	3.43	0.00	NCL HOLDINGS (A&S) LIMITED	1000000	2.21	0	(1.22)
46	VIKRAM CHEMICALS PVT LTD	0	0.00	0.00	VIKRAM CHEMICALS PVT LTD	13500	0.03	0	0.03

(iii) Change in Promoter's Shareholding :

Shareholding at the beginning of the year			Date wise increase / Decrease in Promoters Shareholding during the year			Cumulative Shareholding during the year	
Shareholder's name	No. of shares	% of total shares of the company	Date	Reason for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc.)	No. of shares	Total No. of shares held	% of total shares of the Company
KALIDINDI RAVI	2149460	4.75	07-06-2019	Purchase	131000	2280460	5.04
			12-06-2019	Sale - Interse transfer	(61277)	2219183	4.91
			14-06-2019	Purchase	10471	2229654	4.93
			28-06-2019	Purchase	1160	2230814	4.93
			30-08-2019	Purchase	2000	2232814	4.94
			03-09-2019	Purchase	1800	2234614	4.94
			21-11-2019	Purchase	90000	2324614	5.14
			22-11-2019	Purchase	10000	2334614	5.16
			19-03-2020	Purchase	3540	2338154	5.17
			20-03-2020	Purchase	36460	2374614	5.25
			27-03-2020	Purchase	34852	2409466	5.33
			28-03-2020	Purchase	1473	2410939	5.33
			30-03-2020	Purchase	19239	2430178	5.37
MADHU KALIDINDI	613662	1.36	21-11-2019	Purchase	3700	617362	1.36
			26-11-2019	Purchase	3150	620512	1.37
			28-11-2019	Purchase	2000	622512	1.38
			19-03-2020	Purchase	1700	624212	1.38
			20-03-2020	Purchase	8000	632212	1.40
			23-03-2020	Purchase	3500	635712	1.41
			28-03-2020	Purchase	175	635887	1.41
VINODRAI V GORADIA	548602	1.21	18-06-2019	Purchase	7400	556002	1.23
			20-06-2019	Purchase	2700	558702	1.24
			20-11-2019	Purchase	10000	568702	1.26
			25-11-2019	Purchase	4500	573202	1.27
			26-11-2019	Purchase	2500	575702	1.27
PENMETSA NARASIMHA RAJU	1163119	2.57	12-06-2019	Purchase	10500	1173619	2.59
ASHVEN DATLA	649194	1.44	07-06-2019	Purchase	114000	763194	1.69
			20-11-2019	Purchase	67000	830194	1.84
			22-11-2019	Purchase	25000	855194	1.89
			25-11-2019	Purchase	12500	867694	1.92
			26-11-2019	Purchase	13000	880694	1.95
			31-12-2019	Purchase	9431	890125	1.97
			01-01-2020	Purchase	14158	904283	2.00
			02-01-2020	Purchase	6422	910705	2.01
			19-03-2020	Purchase	30221	940926	2.08
			20-03-2020	Purchase	69779	1010705	2.23
			26-03-2020	Purchase	6677	1017382	2.25
			27-03-2020	Purchase	38323	1055705	2.33
			28-03-2020	Purchase	7000	1062705	2.35
			30-03-2020	Purchase	8000	1070705	2.37
ROOPA KALIDINDI	2100320	4.64	12-06-2019	Purchase - Interse transfer	61277	2161597	4.78
			22-11-2019	Purchase	50000	2211597	4.89
			27-11-2019	Purchase	1000	2212597	4.89
			20-03-2020	Purchase	15000	2227597	4.92
			23-03-2020	Purchase	2098	2229695	4.93
			26-03-2020	Purchase	5258	2234953	4.94
			27-03-2020	Purchase	2742	2237695	4.95
GAUTAM KALIDINDI	1139630	2.52	14-06-2019	Purchase	87600	1227230	2.71
			20-11-2019	Purchase	20000	1247230	2.76
			21-11-2019	Purchase	3000	1250230	2.76
			25-11-2019	Purchase	2043	1252273	2.77
			26-11-2019	Purchase	57	1252330	2.77
			20-03-2020	Purchase	4800	1257130	2.78
			23-03-2020	Purchase	694	1257824	2.78
			26-03-2020	Purchase	22658	1280482	2.83
			27-03-2020	Purchase	342	1280824	2.83

Shareholding at the beginning of the year			Date wise increase / Decrease in Promoters Shareholding during the year			Cumulative Shareholding during the year	
Shareholder's name	No. of shares	% of total shares of the company	Date	Reason for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc.)	No. of shares	Total No. of shares held	% of total shares of the Company
POOJA KALIDINDI	1217250	2.69	14-06-2019	Purchase	87600	1304850	2.88
			20-11-2019	Purchase	11800	1316650	2.91
			22-11-2019	Purchase	6200	1322850	2.92
			25-11-2019	Purchase	5300	1328150	2.94
			26-11-2019	Purchase	10854	1339004	2.96
			27-11-2019	Purchase	24446	1363450	3.01
SUBBA RAJU BHUPATIRAJU	100000	0.22	22-11-2019	Purchase	22000	122000	0.27
			25-11-2019	Purchase	741	122741	0.27
			26-11-2019	Purchase	2000	124741	0.28
			24-02-2020	Purchase	470	125211	0.28
			20-03-2020	Purchase	6800	132011	0.29
ANURADHA KALIDINDI	811333	1.79	13-06-2019	Purchase	34471	845804	1.87
			14-06-2019	Purchase	19329	865133	1.91
			28-11-2019	Purchase	1000	866133	1.91
			20-03-2020	Purchase	8000	874133	1.93
			28-03-2020	Purchase	90	874223	1.93
DIVYA PENUMACHA	288521	0.64	21-11-2019	Purchase	2500	291021	0.64
			22-11-2019	Purchase	7500	298521	0.66
			25-11-2019	Purchase	13122	311643	0.69
			26-11-2019	Purchase	1878	313521	0.69
SATYANARAYANA RAJU PENMETCHA	54234	0.12	07-06-2019	Purchase	5400	59634	0.13
			21-11-2019	Purchase	2000	61634	0.14
MADHAVI PENUMASTA	41983	0.09	07-06-2019	Purchase	6000	47983	0.11
			20-11-2019	Purchase	35288	83271	0.18
			21-11-2019	Purchase	12	83283	0.18
GORADIA CHARULATA VINODRAI	313338	0.69	18-06-2019	Purchase	7400	320738	0.71
			20-11-2019	Purchase	5000	325738	0.72
			25-11-2019	Purchase	6000	331738	0.73
			26-11-2019	Purchase	2500	334238	0.74
MR BIMAL V GORADIA	290037	0.64	21-11-2019	Purchase	5000	295037	0.65
			25-11-2019	Purchase	5000	300037	0.66
			30-12-2019	Purchase	43	300080	0.66
			19-03-2020	Purchase	300	300380	0.66
			20-03-2020	Purchase	2700	303080	0.67
NIRHMAL V GORADIA	85963	0.19	22-11-2019	Purchase	2500	88463	0.20
			26-11-2019	Purchase	1000	89463	0.20
UTKAL B GORADIA	57019	0.13	12-06-2019	Purchase	9000	66019	0.15
			17-08-2019	Purchase	50	66069	0.15
			22-11-2019	Purchase	2500	68569	0.15
			26-11-2019	Purchase	2000	70569	0.16
ASHWIN GORADIA	82844	0.18	17-08-2019	Purchase	50	82894	0.18
			20-11-2019	Purchase	2500	85394	0.19
MEERA BIMAL GORADIA	114049	0.25	12-06-2019	Purchase	3500	117549	0.26
			26-11-2019	Purchase	2000	119549	0.26
GEETA GORADIA	133815	0.30	22-11-2019	Purchase	2500	136315	0.30
BHARTI GORADIA	45941	0.10	20-11-2019	Purchase	2500	48441	0.11
PENMETCHA RAMALINGA RAJU	31381	0.07	02-05-2019	Purchase	997	32378	0.07
			21-11-2019	Purchase	150	32528	0.07
			25-11-2019	Purchase	972	33500	0.07
			26-11-2019	Purchase	1400	34900	0.08
KANUMILLI SUDHEER	63710	0.14	12-06-2019	Purchase	14000	77710	0.17
S GOKUL	81910	0.18	09-04-2019	Sale	(5000)	76910	0.17
			31-12-2019	Purchase	3753	80663	0.18
HARINI GOKUL	60022	0.13	27-12-2019	Sale	(30011)	30011	0.07
VIKRAM CHEMICALS PRIVATE LIMITED	Nil	0.00	11-02-2020	Purchase	11000	11000	0.02
NCL HOMES LTD	190451	0.42	25-11-2019	Purchase	5500	195951	0.43
NCL HOLDINGS (A&S) LIMITED	1550371	3.43	07-06-2019	Sale	(256400)	1293971	2.86
			14-06-2019	Sale	(291271)	1002700	2.22
			21-06-2019	Sale	(2700)	1000000	2.21

iv) Shareholding Patter n of top ten Shareholders (other than Promoters, Directors and Holder of GDRs & ADRs) :

Shareholder(s)	Shareholding at the beginning of the year		Increase / Decrease in Shareholding during the year				Cumulative Shareholding during the year	
	No of Shares	% of total Shares of the Company	Date	Purchase (P)	Sale (S)	% of total Shares of the Company	No. of Shares (Total)	% of total Shares of the Company
HDFC TRUSTEE CO LTD A/C HDFC HOUSING OPPORTUNITIES FUND-1140D NOVEMBER 2017 (1)	2700000	5.97	0	0	0	0	2700000	5.97
RELIANCE CAPITAL TRUSTEE CO LTD-A/C NIPPON INDIA VALUE FUND	2062150	4.55	18-10-2019	0	(5510)	(0.01)	2056640	4.54
			25-10-2019	0	(53637)	(0.12)	2003003	4.42
			01-11-2019	0	(172715)	(0.38)	1830288	4.04
			08-11-2019	0	(896264)	(1.98)	934024	2.06
			15-11-2019	0	(118876)	(0.26)	815148	1.80
			22-11-2019	0	(290630)	(0.64)	524518	1.16
			29-11-2019	0	(462368)	(1.02)	62150	0.14
			10-01-2020	0	(62150)	(0.14)	0	0
3) SUNDARAM ALTERNATIVE OPPORTUNITIES FUND - NANO CAP SERIES I	1160061	2.56	13-12-2019	74132	0	0.16	1234193	2.72
			17-1-2020	47862	0	0.11	1282055	2.83
SUNDARAM ALTERNATIVE OPPORTUNITIES FUND - NANO CAP SERIES II	384790	0.85	13-12-2019	19000	0	0.04	403790	0.89
			17-1-2020	22000	0	0.05	425790	0.94
			31-3-2020	0	(27854)	(0.06)	397936	0.88
4) SUMANTHA KUMAR REDDY B	803801	1.78	02-08-2019	0	(11745)	(0.03)	792056	1.75
			09-08-2019	0	(11527)	(0.02)	780529	1.73
			16-08-2019	0	(76728)	(0.17)	703801	1.56
			15-11-2019	0	(240000)	(0.53)	463801	1.03
			31-01-2020	0	(180000)	(0.40)	283801	0.63
5) HSBC SMALL CAP EQUITY FUND	600000	1.33	08-11-2019	0	(50872)	(0.11)	549128	1.22
			15-11-2019	0	(14656)	(0.03)	534472	1.19
			22-11-2019	0	(34472)	(0.08)	500000	1.11
HE MASTER TRUST BANK OF JAPAN, LTD. AS TRUSTEE OF HSBC INDIA INFRASTRUCTURE EQUITY MOTHER FUND	542135	1.20	28-02-2020	0	(14316)	(0.03)	527819	1.17
HSBC INDIAN EQUITY MOTHER FUND	517169	1.14	28-02-2020	0	(13657)	(0.03)	503512	1.11
CHANDRAVADAN DESAI	451768	1.00	14-6-2019	80000	0	0.17	531768	1.18
CD EQUIFINANCE PRIVATE LIMITED	414145	0.92	05-04-2019	0	(45182)	(0.1)	368963	0.82
			29-11-2019	0	(111905)	(0.25)	257058	0.57
SUBRAMANIAN P	409390	0.91	08-11-2019	0	(409390)	(0.91)	0	0.00
PRANAY DESAI	275039	0.61	0	0	0	0	275039	0.61
12) SANGEETHA S	0	0	08-11-2019	409390	0	0.91	409390	0.91

*Not in the top ten shareholders as on 01.04.2019
*In top ten shareholders as on 01.04.2019, however ceased to be in top ten as on 31.03.2020

(v) Shareholding of Directors and Key Managerial Personnel:

Shareholding of Directors:

Sl. No.	Name of Director	Shareholding beginning of the year		Shareholding as at 31st March, 2020	
		Number of shares	% of total shares of the Company	Number of Shares	% of total shares of the Company
1	Mr. Kamlesh Gandhi	0	0.00	0	0.00
2	Mr. K. Ravi	2149460	4.75	2430178	5.37
3	Mr. Vinodrai V. Goradia	548602	1.21	575702	1.27
4	Mr.P.N.Raju	1163119	2.57	1173619	2.59
5	Dr.Kalidas Raghavapudi	0	0	0	0
6	Lt.Gen (Retd) T.A.DCunha	1000	0.00	1000	0.00
7	Mr.V.Sitarama Raju	1040	0.00	1040	0.00
8	Mr. Ashven Datla	649194	1.44	1070705	2.37
9	Mrs. K.Pooja (from 01/02/2020)	1217250	2.69	1363450	3.01
10	Mrs.Roopa Bhupatiraju	2100320	4.64	2237695	4.95
11	Mr. K.Gautam	1139630	2.52	1280824	2.83
12	Mr.N.G.V.S.G.Prasad	50	0.00	100	0.00

Notes:

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

Name of the Director	Particulars	Number of shares	% to total shares of the Company
	As at 1st April, 2019	2149460	4.75
K.Ravi	Purchase	341995	0.76
	Sale: Inter-se transfer of shares	61277	0.14
	As at 31st March, 2020	2430178	5.37

Name of the Director	Particulars	Number of shares	% to total shares of the Company
	As at 1st April, 2019	548602	1.21
Vinodrai V.Goradia	Purchase	27100	0.06
	As at 31st March, 2020	575702	1.27

Name of the Director	Particulars	Number of shares	% to total shares of the Company
	As at 1st April, 2019	1163119	2.57
Penmetsa Narasimha Raju	Purchase	10500	0.02
	As at 31st March, 2020	1173619	2.59

Name of the Director	Particulars	Number of shares	% to total shares of the Company
	As at 1st April, 2019	649194	1.44
Ashven Datla	Purchase	421511	0.93
	As at 31st March, 2020	1070705	2.37

Name of the Director	Particulars	Number of shares	% to total shares of the Company
	As at 1st April, 2019	1217250	2.69
Pooja Kalidindi	Purchase	146200	0.32
	As at 31st March, 2020	1363450	3.01

Name of the Director	Particulars	Number of shares	% to total shares of the Company
	As at 1st April, 2019	2100320	4.64
Kalidindi Roopa	Purchase- Inter-se Transfer	61277	0.14
	Purchase	76098	0.17
	As at 31st March, 2020	2237695	4.95

Name of the Director	Particulars	Number of shares	% to total shares of the Company
	As at 1st April, 2019	1139630	2.52
Gautam Kalidindi	Purchase	141194	0.31
	As at 31st March, 2020	1280824	2.83

Name of the Director	Particulars	Number of shares	% to total shares of the Company
	As at 1st April, 2019	50	0.00
Mr.N G V S G Prasad	(Increase -Gift)	50	0.00
	As at 31st March, 2020	100	0.00

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:

Sl No	Name of Key Managerial Person	Shareholding as at 1st April, 2019		Shareholding as at 31st March, 2020	
		Number of Shares	% to total shares of the Company	Number of shares	% to total shares of the Company
1	Mr. K. Ravi Managing Director	2149460	4.75	2430178	5.37
2	K.Gautam Executive Director	1139630	2.52	1280824	2.83
3	Mrs.Roopa Bhupatiraju Executive Director	2100320	4.64	2237695	4.95
4	Mr.N.G.V.S.G Prasad Executive Director & CFO	50	0.00	100	0.00
5	Mr. T. Arun Kumar Company Secretary & Compliance Officer	4,650	0.01	4700	0.01

Notes :

Details of changes in the shareholding of Mr. K.Ravi , Mr.K.Gautam, Mrs.Bh.Roopa, Mr.NGVSG Prasad & Mr. T. Arun Kumar are as per Note 1 to Clause (v) above.

V. INDEBTEDNESS

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,2019				
i) Principal Amount	22,857.46	-	5,754.68	28,612.14
ii) Interest Due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	688.10	688.10
Total (i+ii+iii)	22,857.46	-	6,442.78	29,300.24
Change in Indebtedness during the financial year				
Addition	6230.90	-	66.15	6297.05
(Reduction)	(2943.96)	-	25.64	(2969.60)
Net Change	3286.94	-	40.51	3327.45
Indebtedness as at 1st April,2020				
i) Principal Amount	26,144.40	-	5820.83	31965.23
ii) Interest Due but not paid	-	-		
iii) Interest accrued but not due	-	-	662.46	662.46
Total (i+ii+iii)	26144.40	-	6483.29	32627.69

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
	Gross Salary		
	(a)	Salary as per provisions contained in Section 17(1)	3,23,64,515
		of the Income-tax Act, 1961	
1.	(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		1,48,12,333
	-	as percentage of profit	2 %
	-	others	
5.	Others		14,76,000
	Total (A)		**4,86,52,848**
	Ceiling as per the Act (as Section 197&198 of the Companies Act,2013)		7,40,61,668

B. Remuneration to other Directors: (Amount in Rupees)

Sl. No.	Name of Director	Particulars of Remuneration			Total
		Fees for attending board/ committee meetings	Commission	Others	Amount
1	**Independent Directors**				
	Mr. Kamlesh Gandhi	2,05,000	2,92,349	-	4,97,349
	Dr. Kalidas Raghavapudi	1,55,000	1,94,899	-	3,49,899
	Lt.Gen(Retd).T.A.DCunha	2,05,000	2,92,349	-	4,97,349
	V.Sitarama Raju	2,65,000	3,89,798	-	6,54,798
	Total (1)	**8,30,000**	**1169395**	-	**19,99,395**
2.	**Other Non Executive Directors**				
	Mr.Vinodrai V.Goradia	40,000	48,725	-	88,725
	Mr. P.N. Raju	1,45,000	1,94,899	-	3,39,899
	Mr.Ashven Datla	1,55,000	2,43,624	-	3,98,624
	Mrs.K.Pooja	20,000	24,362	-	44,362
	Mrs.Roopa Bhupatiraju(up to 30/09/2019)	30,000	48,725	-	78,725
	Mr.K.Madhu	15,000	24,362	-	39,362
	Mr.Subbaraju Bhupatiraju	80,000	97,450	-	1,77,450
	Total (2)	**4,85,000**	**6,82,147**	-	**11,67,147**
	Total (B)=(1+2)	**13,15,000**	**18,51,542**	-	**31,66,542**
	Ceiling as per the Act				74,06,166
	Total Managerial Remuneration				**5,18,19,390**
	Overall Ceiling as per the Act				**8,14,67,834**

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

(Amount in rupees`)

Sl. No.	Particulars of Remuneration	Company Secretary T.Arun Kumar	Total Amount
1.	Gross Salary		
	(a) Salary as per provisions contained in Section 17(1) of the Income-tax Act, 1961	13,37,328	13,37,328
	(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	13,37, 328	13,37,328

VII. PENALTIES /PUNISHMENTS/COMPOUNDING OFFENCES

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

A penalty was imposed on Mr. Ashven Datla and Mrs. K Pooja, Director and some Members of the Promoter Group under Section 151 of the SEBI Act read vide adjudication order dated 30th March, 2020 for non disclosure of change in shareholding exceeding 25,000 shares / Rs. 5 lakh in value during the period 2013-14.Upon the payment of the Penalty the case was closed.

The non-compliance with the regulations cited above were technical in nature, and did not result in any undue benefit or advantage to the Promoters. The above facts are brought out in the Adjudication Order itself.

ANNEXURE – H 1

REMUNERATION DETAILS PURSUANT TO SECTION 197(2) OF THE COMPANIES ACT, 2013 READ WITH RULE 5 OF THE COMPANIES

(APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014.

(i) The ratio of the remuneration of each director to the median remuneration of the employees of the company during the financial year 2019-20.

Sr. No.	Name of the Director	Ratio of remuneration of each Director to the median remuneration of the employees of the Company
1	Mr. Kamlesh Gandhi	1.55
2	Dr.Kalidas Raghavapudi	1.09
3	Lt.Gen. (Retd) T.A.D'Cunha	1.55
4	Mr.V.Sitarama Raju	2.04
5	Mr. K. Madhu (up to 27/09/2019)	0.12
6	Mr. Vinodrai V. Goradia	0.28
7	Mr. Ashven Datla	1.24
8	Mr.Bh.Subba Raju(from 04/07/2019 to 31/01/2020)	5.61
9	Mr.P.N.Raju	1.06
10	Mrs.Pooja Kalidindi(from 01/02/2020)	0.14
11	Mrs.Roopa Bhupatiraju	6.79
12	Mr. K.Gautam	23.26
13	Mr.N.G.V.S.G.Prasad	14.63
14	Mr. K. Ravi	101.80

ANNEXURE -H2

(ii) The percentage increase in remuneration of directors/KMP if any during the Financial Year2019-20

Sr. No	Name of the Director/KMP	Designation	% Increase / (Decrease) in the Remuneration
1	Mr. Kamlesh Gandhi	Director	21.47
2	Dr.Kalidas Raghavapudi	Director	16.79
3	Lt.Gen. (Retd) T.A.D'Cunha	Director	103.25
4	Mr.V.Sitarama Raju	Director	59.92
5	Mr. K. Madhu (up to 27/09/2019)	Director	(79.79)
6	Mr. Vinodrai V. Goradia	Director	(62.20)
7	Mr. Ashven Datla	Director	110.08
8	Mr.Bh.Subba Raju (ED from 04/07/2019 to 30/09/2019)	Director (from 01/10/2019 to 31/01/2020)	NA
9	Mr.P.N.Raju	Director	44.82
10	Mrs.Pooja Kalidindi (from 01/02/2020)	Director	NA
11	Mrs.Roopa Bhupatiraju*	Executive Director & KMP (from 01/10/2019)	(1.47)
12	Mr. K.Gautam	Executive Director & KMP	4.35
13	Mr.N.G.V.S.G.Prasad	Executive Director & CFO & KMP	9.73
14	Mr. K. Ravi	Managing Director and KMP	8.05
15	Mr.T.Arun Kumar	Company Secretary / KMP	11.81

* (Non Executive Director up to 30/09/2019)

1. 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 31/03/2020 is 861

2. The remuneration of Directors is as per the remuneration policy of the company.

Independent Auditor's Report

To the Board of Directors of NCL INDUSTRIES LIMITED

Report on the Audit of the Standalone Ind AS Financial Statements

Opinion

We have audited the standalone Ind AS financial statements of **NCL INDUSTRIES LIMITED** ("the Company"), which comprises the balance sheet as at 31st March 2020, and the statement of Profit and Loss (including other comprehensive income), statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information (herein after referred to as " Ind AS financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2020, its profit (including other comprehensive income), changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of matter

We draw attention to Note No. 44 of the standalone Financial Statements regarding impact of COVID-19 pandemic. The situation continues to be uncertain and the Company is evaluating the situation on an ongoing basis with respect to the challenges faced.

Our opinion is not modified in respect of this matter.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Standalone Financial Statements for the financial year ended March 31, 2020. These matters were addressed in the context of our audit of the Standalone Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key Audit Matters	Auditor's response
Accuracy of recognition, measurement, presentation and disclosures of revenues and other related balances in view of adoption of Ind AS 115 "Revenue from Contracts with Customers" (new revenue accounting standard) Principal Audit Procedures We assessed the Company's process to identify the impact of adoption of the new revenue accounting standard. Our audit approach consisted testing of the design and operating effectiveness of the internal controls and substantive testing as follows: The application of the new revenue accounting standard involves certain key judgments relating to identification of distinct performance obligations, determination of transaction price of the identified performance obligations, the appropriateness of the basis used to measure revenue recognised over a period. Additionally, new revenue accounting standard contains disclosures which involves collation of information in respect of disaggregated revenue and periods over which the remaining performance obligations will be satisfied subsequent to the balance sheet date	Principal Audit Procedures: We assessed the Company's process to identify the impact of adoption of the new revenue accounting standard. Our audit approach consisted testing of the design and operating effectiveness of the internal controls and substantive testing as follows: The application of the new revenue accounting standard involves certain key judgments relating to identification of distinct performance obligations, determination of transaction price of the identified performance obligations, the appropriateness of the basis used to measure revenue recognised over a period. Additionally, Evaluated the design of internal controls relating to implementation of the new revenue accounting standard. Selected a sample of continuing and new contracts, and tested the operating effectiveness of the internal control, relating to identification of the distinct performance obligations and determination of transaction price. Performed analytical procedures for reasonableness of revenues disclosed by type and service offerings. We reviewed the collation of information and the logic of the report generated from the budgeting system used to prepare the disclosure relating to the periods over which the remaining performance obligations will be satisfied subsequent to the balance sheet date.

Other information

The Company's management and Board of Directors are responsible for the other information. The other information comprises the information included in Management Discussion and Analysis, Board's Report including Annexure to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the financial statements and our auditor's report thereon.

Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance 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 of these financial statements that give a true and fair view of the financial position, financial performance, changes in equity 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. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting 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.

In preparing the financial statements, the Board of Directors is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SAs, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to standalone financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

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 Companies Act, 2013, we give in the Annexure A, a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

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 Companies (Indian Accounting Standards) Rules, 2015, as amended;

e) On the basis of the written representations received from the directors as on March 31, 2020 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2020 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".

g) In our opinion, the managerial remuneration for the year ended March 31, 2020 has been paid/provided by the Company to its directors in accordance with the provisions of section 197 read with Schedule V to the Act;

h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

   i. The pending litigations of the company that might impact the financial position of the company are disclosed in the standalone financial statements – Refer note no. 33 to the financial statements;

   ii. The company did not have any long term contracts including derivative contracts for which there were any material foreseeable losses;

   iii. The Company transferred an amount of ₹ 25.61 lakhs, being the unpaid dividend transferred to the Investor Education and Protection Fund on 31.10.2019.

FOR VENUGOPAL & CHENOY
CHARTERED ACCOUNTANTS
FRN: 004671S

(P.V.SRI HARI)
Partner
Membership No.021961
UDIN: 20021961AAAABQ7847

Place : Hyderabad
Date : 30.06.2020

Annexure - A to the Auditors' Report

The Annexure A referred to in our Independent Auditor's Report to the members of the Company on the Standalone financial statements for the year ended 31 March 2020, we report that:

i. In respect of its fixed assets:

(a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.

(b) The Company has a regular programme of physical verification of its fixed assets by which fixed assets are verified during the year. In accordance with this programme, fixed assets were verified during the year and no material discrepancies were noticed on such verification. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets.

(c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties are held in the name of the Company.

ii. In respect of Inventories:

(a) The 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 not granted any loans, secured or unsecured, to companies, firms or other parties covered in the register maintained under section 189 of the Companied Act, 2013 ('the Act'). Consequently, clauses 3 (iii) (a) and 3 (iii) (b) of the Order are not applicable to the Company.

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. In respect of statutory dues:

a) According to the information and explanations given to us and on the basis of examination of the records of the Company, amounts deducted/ accrued in the books of account in respect of undisputed statutory dues including provident fund, employees' state insurance, income-tax, Goods and service tax, duty of customs, 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, Goods and services tax, duty of customs, cess and other material statutory dues were in arrears as at 31 March 2020 for a period of more than six months from the date they became payable.

b) According to the information and explanations given to us, the dues of Sales tax, Service tax, Duty of Custom and Duty of Excise which have not been deposited on March 31, 2020 on account of any dispute, are as follows:

Name of the statute	Name of the dues	Amount disputed (In ₹)	Period	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	1996-1997	Sales Tax Appellate Tribunal
A.P. General Sales Tax Act	Penalty on delayed payment	16.88	1999-2000	Sales Tax Appellate Tribunal
A.P. General Sales Tax Act	Penalty on delayed payment	37.26	2013-2014	Sales Tax Appellate Tribunal
Central Excise Department	Denying benefit of Cenvat Credit	80.85	2009-2010	CESTAT
Central Excise Department	Denying benefit of Cenvat Credit	2	2016-17	CESTAT
Central Excise Department	Denying benefit of Cenvat Credit	1	2015-16	CESTAT
Central Excise Department	Denying benefit of Cenvat Credit	63.85	2015-16	Commissioner of Appeals
Central Excise Department	Denying benefit of Cenvat Credit	977.68	2013-2014	CESTAT
Central Excise Department	Denying benefit of Cenvat Credit	14.81	2013-2014	CESTAT
Central Excise Department	Denying benefit of Cenvat Credit	22.46	2013-2014	CESTAT
Central Excise Department	Denying benefit of Cenvat Credit	24.92	2014-2015	CESTAT
A.P. General Sales Tax Act	Entry Tax on Notified Goods purchases	0.58	2011-2012	Sales Tax Appellate Tribunal
A.P. General Sales Tax Act	Entry Tax on Notified Goods purchases	2.22	2012-13	Sales Tax Appellate Tribunal
A.P. General Sales Tax Act	Entry Tax on Notified Goods purchases	1.68	2013-14	Sales Tax Appellate Tribunal
A.P. General Sales Tax Act	Entry Tax on Notified Goods purchases	78.99	2014-15	Sales Tax Appellate Tribunal
A.P. General Sales Tax Act	Entry Tax on Notified Goods purchases	192.60	2015-16	Sales Tax Appellate Tribunal
A.P. General Sales Tax Act	Sales Tax demand on additional turnover and denying ITC on Capital goods	77.01	2010-2011	Sales Tax Appellate Tribunal
A.P. General Sales Tax Act	Entry Tax on Notified Goods purchases	333.29	2016-2017	Sales Tax Appellate Tribunal
Customs Department	Demand due to wrong classification of imported coal	42.19	2013-2014	Appellate Commissioner of Customs & Central Excise (Appeals)
Service Tax	Demand raised denying the Cenvat Credit of Service tax against outward Transport to Godowns, dealers and consumers	18.09	2015-2016	CESTAT
Customs Department	Demand due to wrong classification of imported coal	87.79	2013-14	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. The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) and term loans during the year. Accordingly, paragraph 3 (ix) of the Order is not applicable.

x. According to the information and explanations given to us, no material fraud by the company or on the Company by its officers or employees has been noticed or reported during the course of our audit.

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 is 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 give to us and based on our examination of the records of the Company, the Company has not made private placement of Equity Shares during the Year.

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. Requirement of registration if any under section 45-IA of Reserve Bank of India Act, 1934 are dealt at Central Office.

FOR VENUGOPAL & CHENOY
CHARTERED ACCOUNTANTS
FRN: 004671S

(P.V.SRI HARI)
Partner
Membership No.021961
UDIN: 20021961AAAABQ7847

Place : Hyderabad
Date : 30.06.2020

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 **M/s. NCL INDUSTRIES LIMITED** ("the Company") as of 31 March 2020 in conjunction with our audit of Ind AS 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 2020, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

FOR VENUGOPAL & CHENOY
CHARTERED ACCOUNTANTS
FRN: 004671S

(P.V.SRI HARI)
Partner
Membership No.021961
UDIN: 20021961AAAABQ7847

Place : Hyderabad
Date : 30.06.2020

Standalone Balance Sheet as at 31st March 2020

(₹ In Lakhs)

Particulars	Note No	As at March 31, 2020	As at March 31, 2019
ASSETS			
Non-current assets			
(a) Property, Plant and Equipment	2	69,528.74	65,839.87
(b) Capital work-in-progress		8,991.11	9,047.62
(c) Investment Property			
(d) Other intangible assets			
(e) Financial Assets			
(i) Investments		1.00	-
(ii) Trade Receivables	3	117.48	59.94
(iii) Loans			
(iv) Other Financial Assets	4	1,971.71	1,454.41
(f) Deferred tax Assets (net)			
(g) Other non-current Assets	5	245.23	252.63
Current Assets			
(a) Inventories	6	10,968.10	8,462.47
(b) Financial Assets			
(i) Investments		-	
(ii) Trade Receivables	7	14,337.79	15,051.97
(iii) Cash & Cash Equivalents	8	79.85	501.45
(iv) Bank Balances other than (iii) above	9	1,792.91	1,736.93
(v) Other Financial Assets	10	597.29	639.94
(c) Current Tax Assets			
(d) Other Current Assets	11	6,685.58	6,441.80
Total		**115,316.80**	**109,489.03**
EQUITY AND LIABILITIES			
Equity			
(a) Equity Share Capital	12	4,523.28	4,523.28
(b) Other Equity	13	48,320.91	45,405.92
Liabilities			
Non-current liabilities			
(a) Financial Liabilities			
(i) Borrowings	14	16,536.43	18,670.97
(ii) Trade Payables			
(iii) Other Financial Liabilities			
(b) Provisions	15	676.35	635.00
(c) Deferred Tax Liabilities (Net)	16	7,267.09	7,612.95
(d) Other non-current liabilities	17	1,396.67	896.19
Current liabilities			
(a) Financial Liabilities			
(i) Borrowings	18	12,151.87	7,940.17
(ii) Trade payables	19		
a) Total outstanding dues of micro and small enterprises		23.97	26.68
b) Total outstanding dues of Creditors other than micro and small enterprises		6,586.53	7,217.14
(iii) Other Financial Liabilities	20	11,217.15	10,039.06
(b) Provisions	21	198.82	191.62
(c) Current Tax Liabilities (Net)	22	2,112.78	1,807.37
(d) Other current liabilities	23	4,304.95	4,522.68
Total Equity and Liabilities		**115,316.80**	**109,489.03**

The accompanying notes are an integral part of the financial statements

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

For and on behalf of the Board

K. Ravi
Managing Director
DIN: 00720811

V S Raju
Director
DIN: 00101405

P.V. Sri Hari
Partner
Membership No. 21961

N. G. V. S. G. Prasad
Executive Director & CFO
DIN: 07515455

T. Arun Kumar
Company Secretary

Hyderabad
Dated: 30th June 2020

Standalone Statement of Profit and Loss

for the Year ended March 31, 2020

(₹ In Lakhs)

Particulars	Note No.	Year Ended March 31, 2020	Year Ended March 31, 2019
Income			
i) Revenue From Operations			
Gross Revenue from Operations	24	132,223.90	146,505.76
Less: Inter Segment Transfers & Taxes on Sales		38,437.40	48,517.97
Revenue From Operations (Net)		93,786.50	97,987.79
ii) Other Income	25	256.86	635.13
Total Income		**94,043.36**	**98,622.92**
Expenses			
i) Cost of materials consumed	26	14,785.23	14,915.58
ii) Purchases of stock-in-trade	27	0.37	0.79
iii) Changes in inventories of finished goods, work-in-progress and stock-in-trade	28	(2,544.67)	(514.34)
iv) Employee benefits expense	29	4,714.42	4,340.29
v) Manufacturing Expenses	30	34,605.23	40,985.87
vi) Administration Expenses		2,068.08	2,107.11
vii) Selling and Distribution Expenses		26,217.50	22,668.40
viii) Finance Costs	31	3,066.79	3,479.12
ix) Depreciation and amortisation expense	32	4,211.98	4,528.82
Total expenses		**87,124.93**	**92,511.64**
Profit/(loss) before exceptional items and tax		6,918.43	6,111.28
Exceptional Items			
Profit Before Tax		6,918.43	6,111.28
Tax Expenses			
- Earlier Years' Tax		72.96	96.55
- Current Tax		2,106.60	829.49
- Deferred Tax		(345.85)	498.94
Profit/(loss) for the period from continuing operations		5,084.72	4,686.30
I Profit/(loss) for the Period		**5,084.72**	**4,686.30**
II Other Comprehensive Income			
i) Items that will not be reclassified to profit or loss:			
- Impairment of allowances in doubtful debt			
- Remeasurements of the defined benefit plans		17.66	(12.60)
- Equity Instruments through other comprehensive income			
- Income Tax relating to these items		(6.17)	4.40
ii) Items that will be reclassified to profit or loss:			
- Debt Instruments through Other Comprehensive Income			
- The effective portion of gains and loss on hedging instruments in a cash flow hedge			
- Income Tax relating to these items			
Other Comprehensive Income		**11.49**	**(8.20)**
Total Comprehensive Income for the period		**5,096.21**	**4,678.10**
Earnings per equity share :			
(1) Basic		**11.26**	**10.34**
(2) Diluted		11.26	10.34

The accompanying notes are an integral part of the financial statements

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

For and on behalf of the Board

K. Ravi
Managing Director
DIN: 00720811

V S Raju
Director
DIN: 00101405

P.V. Sri Hari
Partner
Membership No. 21961

N. G. V. S. G. Prasad
Executive Director & CFO
DIN: 07515455

T. Arun Kumar
Company Secretary

Hyderabad
Dated: 30th June 2020

Standalone Statement of Changes in Equity

for the year ended 31st March 2020

A. Equity Share Capital (₹ In Lakhs)

Particulars	No of Shares	Amount
Balance as on 1st April, 2018	45,232,790	4,523.28
Changes in Equity Share Capital during the year	-	-
Balance as on 31st March, 2019	45,232,790	4,523.28
Changes in Equity Share Capital during the year	-	-
Balance as on 31st March, 2020	45,232,790	4,523.28

B. Other Equity

	Reserves and Surplus					
	General Reserve	Capital Reserve	Securities Premium Reserve	Debenture Redemption Reserve	Retained Earnings	Total
Balance as on 1st April, 2018	**13,625.00**	**240.91**	**21,222.84**	**3,375.00**	**3,117.99**	**41,581.74**
Profit for the year					4,678.10	4,678.10
Payment of Dividend and Dividend Distribution Tax					(816.62)	(816.62)
Deferred Tax on fixed assets						-
Prior Period Adjustments					(37.30)	(37.30)
Securities Premium on shares issued		-	-			-
Transfer to Debenture Redemption Reserve	3,375.00			(3,375.00)		-
Transfer to General Reserve	3,500.00				(3,500.00)	-
Balance as on 31st March, 2019	**20,500.00**	**240.91**	**21,222.84**	**-**	**3,442.17**	**45,405.92**
Profit for the year					5,096.21	5,096.21
Payment of Dividend and Dividend Distribution Tax					(2,181.22)	(2,181.22)
Deferred Tax on fixed assets					-	-
Prior Period Adjustments					-	-
Securities Premium on shares issued net of expenses		-	-			-
Transfer to/from Debenture Redemption Reserve	-			-		-
Transfer to General Reserve	3,500.00				(3,500.00)	-
Balance as on 31st March, 2020	**24,000.00**	**240.91**	**21,222.84**	**-**	**2,857.16**	**48,320.91**

The accompanying notes are an integral part of the financial statements

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

For and on behalf of the Board

K. Ravi
Managing Director
DIN: 00720811

V S Raju
Director
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Membership No. 21961

N. G. V. S. G. Prasad
Executive Director & CFO
DIN: 07515455

T. Arun Kumar
Company Secretary

Hyderabad
Dated: 30th June 2020

Standalone Cash Flow Statement

for the Year ended March 31, 2020

(₹ In Lakhs)

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Cash flow from operating activities		
Profit before income tax from		
Continuing operations	6,936.09	6,098.68
Discontinued operations	-	-
Profit before income tax including discontinued operations	6,936.09	6,098.68
Adjustments for		
Depreciation and amortisation expense	4,211.98	4,528.82
Finance costs	3,066.79	3,479.12
Other Cash Adjustments	-	-
	14,214.86	**14,106.62**
Change in operating assets and liabilities, net of effects from purchase of controlled entities and sale of subsidiary:		
(Increase) / Decrease in trade receivables	656.64	(7,224.91)
(Increase) / Decrease in inventories	(2,505.63)	(554.70)
Increase / (Decrease) in trade payables	(633.32)	2,441.05
(Increase) / Decrease in other financial assets	(474.65)	(303.52)
(Increase) / Decrease in other non-current assets	7.40	(168.54)
(Increase) / Decrease in other current assets	(243.78)	(1,058.18)
Increase / (Decrease) in provisions	7.20	21.37
Increase / (Decrease) in employee benefit obligations	41.35	72.71
Increase / (Decrease) in other current liabilities	(217.73)	195.57
Increase / (Decrease) in financial liabilities	1,103.79	345.08
Increase/ (Decrease) in other non current liabilities	500.48	896.19
Cash generated from operations	**12,456.61**	**8,768.74**
Income taxes paid	1,880.32	1,683.71
Net cash inflow from operating activities	**10,576.29**	**7,085.03**
Cash flows from investing activities		
Payments for property, plant and equipment/ investments	(7,900.46)	(6,890.76)
Proceeds from sale of property, plant and equipment	55.11	22.01
Net cash outflow from investing activities	**(7,845.35)**	**(6,868.75)**
Cash flows from financing activities		
Repayment of non current borrowings	(2,134.54)	(1,793.09)
Proceeds from current borrowings	4,211.70	6,502.62
Interest paid	(2,992.50)	(3,479.12)
Dividends paid to Company's share holders	(2,181.22)	(816.62)
Dividends paid to non-controlling interests		
Net cash inflow (outflow) from financing activities	**(3,096.56)**	**413.79**
Net increase (decrease) in cash and cash equivalents	(365.62)	630.07
Cash and cash equivalents at the beginning of the financial year	2,238.38	1,608.31
Cash and cash equivalents at end of the year	**1,872.76**	**2,238.38**
	365.62	(630.07)

The accompanying notes are an integral part of the financial statements

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

For and on behalf of the Board

K. Ravi
Managing Director
DIN: 00720811

V S Raju
Director
DIN: 00101405

P.V. Sri Hari
Partner
Membership No. 21961

N. G. V. S. G. Prasad
Executive Director & CFO
DIN: 07515455

T. Arun Kumar
Company Secretary

Hyderabad
Dated: 30th June 2020

Notes forming part of the Standalone Financial Statements

Note 1: COMPANY OVERVIEW AND SIGNIFICANT ACCOUNTING POLICIES:

Company Overview

NCL Industries Limited ("the Company"), is a public company domiciled in India and was incorporated on 10 September 1979 under the provisions of the Companies Act, 1956 applicable in India. Its shares are listed on National Stock Exchange of India (NSE) and Bombay Stock Exchange (BSE) of India. The Registed office of the Compay is located at NCL Pearl, 7th floor, SD Road, Secunderabad, Telangana. The Company is principally engaged in the business of manufacturing and selling of Cement, Ready Mix concrete(RMC), Cement Bonded Particle Boards (CBPB), Doors, and operates two Small Hydro Power (SHP) projects. The Company has manufacturing facilities in the states of Telangana, Andhara Pradesh, Karnataka and Himachal Pradesh of India and caters mainly to the domestic market.

Basis of Preparation of Financial Statements:

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

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

The Standalone financial statements were approved for issue in accordance with the resolution of the Board of Directors on June 30, 2020.

Basis of Measurement

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

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

The Standalone financial statements are presented in Indian Rupees (INR) being the functional currency of the Company.

All financial information presented in Indian rupees has been rounded to the nearest lakhs, except otherwise indicated.

Use of Estimates

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

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

Classification of Current / Non-Current Assets and Liabilities

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

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

a) it is expected to be realised in, or is intended for sale or consumption in, the Company's normal operating cycle;
b) it is held primarily for the purpose of being traded;
c) it is expected to be realised within twelve months after the reporting date; or
d) it is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting date.

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

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

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

Based on the nature of products and the time between the acquisition of assets for processing and their realisation in

Cash or cash equivalents, the Company has ascertained its normal operating cycle as 12 months for the purpose of Current / Non-current classification of assets and liabilities.

Revenue of Recognition:

NCL primarily generates revenue from simply structured sales of building materials, such as cement, Cement Bonded Particle Boards, Ready Mix Concrete and Power generation, for which the control passes to the customer at a specific point in time. In the context of the sale of the products, separate performance obligations may arise from freight and transport services as well as from services directly related to the sale of the products. These services are generally performed at the time that the control of the products is transferred.

Revenue is the amount of consideration expected to be received in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third parties (GST). Revenue is recognized when (or as) a performance obligation is satisfied by transferring the control of a promised good or service to the customer. A customer obtains control of a good or service if it has the ability to direct the use of and obtain substantially all of the remaining benefits from that good or service. Control is transferred over time or at a point in time. Revenue from the sale of goods is recognised when control of the good is transferred to the customer, usually upon delivery and there is no unfulfilled obligation that could affect the customer's acceptance of the products. The Company adopted Ind AS 115 for its revenue from contracts with customers.

Rendering of services: Revenue arising from services is recognised in the accounting period in which the services are rendered, and it is measured using either output methods or input methods, depending on the nature of service provided. A receivable is recognized when there is an unconditional right to consideration for the performance obligations to the customer that are satisfied.Interest income is recognized using the effective interest rate method.

A contract asset is recognized when the performance obligation to the customer is satisfied before the customers pays or before payment is due, usually when goods or services are transferred to the customer before the Company has a right to invoice. A contract liability is recognized when there is an obligation to transfer goods or services to a customer for which the Company has received consideration from the customer (prepayments) or there is an unconditional right to receive consideration before the Group or the Company transfers a good or a service (deferred income). The contract liability is derecognized when the promise is fulfilled and revenue is recorded in the profit or loss statement.

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

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

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

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

Interest income is recognized using the effective interest rate method.

Property Plant and Equipment:

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

Depreciation on Buildings and Plant & Machinery is charged on straight line method and other assets on Written Down Value method based on the useful lives of the assets, as per Schedule II of the Companies Act 2013 and depreciation on Assets of Energy Division is charged as per Part B of the Schedule. Depreciation on fixed assets of Energy Division is provided on straight line method at the rates and in the manner prescribed as per notification no.151 dated 29.03.1994 issued by Ministry of Power (Department of Power).Depreciation for assets purchased/sold during the period is proportionately charged. Individual low cost assets (acquired for ₹ 5,000/- or less) are depreciated at 100 % in the year of acquisition/ purchase.

Inventories

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

Basis of determination of cost remain as follows:

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

Spares- at Cost

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

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

Impairment:

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

Borrowing Costs

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

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

Foreign Exchange Transactions/Translation

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

Research and Development

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

Provisions, Contingent Assets/ Contingent Liabilities

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

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

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

Leases

Effective from April 1, 2019 Ind AS 116 is applicable to the company. These leases being not material, no asset or liability was created in the books of account.

Income Tax:

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

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

Minimum Alternate Tax (MAT) Credit entitlement

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

Earnings per Share

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

Employee benefits:

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

Defined Benefit Plans: Company's liability towards gratuity to past employees is determined using the projected unit credit method which considers each period of service as giving rise to an additional unit of benefit entitlement and measures each unit separately to build up the final obligation. Past services are recognized on a straight-line basis over the average period until the amended benefits become vested. Actuarial gain and losses are recognized immediately in the statement of profit and loss Account as income or expense. Obligation is measured at the present value of estimated future cash flows using a discounted rate that is determined by reference to market yields at the Balance Sheet date on Government Securities where the currency and terms of the Government Securities are consistent with the currency and estimate terms of the defined benefit obligations.

Financial Instruments:

Non-derivative financial instruments

Non-derivative financial instruments consist of:

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

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

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

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

Cash and cash equivalents

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

Loans and receivables

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

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

Borowings

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

Trade and payable

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

Cash Flow Statement:

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

Segment Information:

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

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

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

a) Segment Assets and Liabilities:

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

b) Segment Revenue and Expenses:

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

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

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

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

Events after the reporting period :

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

Prior Period Errors

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

2 Property, Plant and Equipment

(In Rupees lakhs)

Particulars	Gross carrying value as at April 1, 2019	Additions	Disposal/ adjustments	Gross carrying value as at March 31, 2020	Accumulated depreciation as at April 1, 2019	Additions	Disposal/ adjustments	Accumulated depreciation as at March 31, 2020	Carrying Value as at March 31, 2020
Land	4,965.59	847.47	-	**5,813.06**	-	-	-	-	**5,813.06**
Buildings	11,322.92	2,513.17	6.33	**13,829.76**	935.12	405.50	0.73	1,339.89	**12,489.86**
Plant and Machinery	52,075.74	4,033.55	-	**56,109.29**	5,049.23	2,498.54	-	7,547.76	**48,561.53**
Electrical Installations	2,322.41	-	-	**2,322.41**	1,890.72	315.57	-	2,206.29	**116.12**
Railway Siding	521.41	-	-	**521.41**	177.25	59.08	-	236.33	**285.08**
Furniture and Fixtures	221.17	103.46	-	**324.63**	45.20	44.99	-	90.19	**234.44**
Office Equipment & Appliances	155.36	83.45	-	**238.81**	97.77	36.26	-	134.03	**104.78**
Vehicles	4,758.35	374.86	57.36	**5,075.85**	2,307.79	852.04	7.85	3,151.98	**1,923.88**
Total	**76,342.94**	**7,955.96**	**63.69**	**84,235.22**	**10,503.07**	**4,211.98**	**8.58**	**14,706.47**	**69,528.74**

Capital Work in Progress	
Balance as at April 1, 2019	3,296.92
Additions/ Adjustments during the year	5,750.70
Capitalized during the year	-
Balance as at March 31, 2019	**9,047.62**
Additions/ Adjustments during the year	(56.50)
Capitalized during the year	0
Balance as at March 31, 2020	**8,991.11**

3. Trade Receivables Non Current

Particulars	As at March 31, 2020	As at March 31, 2019
Other Trade Receivables		
Secured, considered Good		
Unsecured, considered good	279.48	173.94
Doubtful		
Allowances for doubtful debts	162.00	114.00
Total	117.48	59.94

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

Movement in alowances for doubtful debt

Particulars	As at March 31, 2020	As at March 31, 2019
Balance at the beginning of the year	114.00	72.00
Impairment losses recognised	48.00	42.00
Balance at the end of the year	**162.00**	**114.00**

4. Other Financial Assets Non Current

Particulars	As at March 31, 2020	As at March 31, 2019
Unsecured (considered good)		
Security Deposits		
Deposits with AP & TS SEB	1,572.01	1,095.22
Deposits with Government Departments	297.44	254.09
Deposits with Others	28.86	27.86
Rental Deposits	73.40	77.25
Total	1,971.71	1,454.41

5. Other non-current Assets

Particulars	As at March 31, 2020	As at March 31, 2019
Deposits in disputed cases		
Taxes paid under Protest	245.23	252.63
Total	245.23	252.63

6. Inventories

Particulars	As at March 31, 2020	As at March 31, 2019
Raw Materials	1,406.20	1,441.04
Finished Goods	3,888.69	2,177.00
Work in Progress	1,602.77	769.79
Packing & Other Materials	847.63	1,175.40
Stores & Spares	3,222.81	2,899.24
Total	**10,968.10**	**8,462.47**

7. Trade Receivables Current

Particulars	As at March 31, 2020	As at March 31, 2019
(i) Trade Receivables from related parties		
Secured, considered Good		
Unsecured, considered good	567.25	321.45
Doubtful		
Allowances for doubtful debts		
Sub-Total	567.25	321.45
(ii)Other Trade Receivables		
Secured, considered Good		
Unsecured, considered good	13,770.54	14,730.52
Doubtful		
Allowances for doubtful debts		-
Sub-Total	13,770.54	14,730.52
Total	**14,337.79**	**15,051.97**

Out of the above, amount due by directors or other officers of the company or any of them either severally or jointly with any other person or amounts due by firms or private companies respectively in which any director is a partner or a director or a member is ₹ 567.25 lakhs (₹ 321.45 lakhs, 31st March 2019).

8. Cash & Cash Equivalents

Particulars	As at March 31, 2020	As at March 31, 2019
Cash on hand	4.55	5.16
Cheques, Drafts on hand		
Balances with Banks		
(a) in Current Account	75.30	496.29
(b) in Cash Credit Account		
Total	**79.85**	**501.45**

9. Bank Balances other than above

Particulars	As at March 31, 2020	As at March 31, 2019
Unclaimed Dividend	145.61	114.49
Margin money deposits with Banks	776.15	823.83
Fixed deposits redemtion reserve	868.19	797.08
Others	2.96	1.53
Total (A)	**1,792.91**	**1,736.93**

10. Other Financial Assets Current

Particulars	As at March 31, 2020	As at March 31, 2019
Unsecured (considered good)		
Incentives Receivable from A.P/Telangana Governments	593.32	593.32
Cash Ledger balance in GST		
Other Advances and Contract Assets	3.97	46.62
Total	597.29	639.94

11. Other Current Assets

Particulars	As at March 31, 2020	As at March 31, 2019
Un Secured Considered Good		
Advances to Suppliers	2,068.20	1,951.23
Advances for Capital Goods	2,101.45	1,697.34
Advances to Others	172.05	77.79
GST, Central Excise, Service Tax, VAT & Other Receivables	878.31	836.73
MAT Credit Entitlement Account	1,329.00	1,778.64
Accrued Interest	72.67	57.23
Prepaid expenses	63.91	42.84
Total	6,685.58	6,441.80

12 EQUITY SHARE CAPITAL

Particulars	As at March 31, 2020	As at March 31, 2019
Authorized		
6,20,00,000 (Previous Year: 6,20,00,000) Equity shares of ₹ 10/- each	**6,200.00**	**6,200.00**
Issued,Subscribed & Paid up		
4,52,32,790 (Previous Year 4,52,32,790) Equity Shares of ₹ 10/- each	4,523.28	4,523.28
Total	**4,523.28**	**4,523.28**

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

The Company and its nominees hold 100% share of NCL Guangzheng Structures Ltd being the Subsidiary Company.

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

Name of the Shareholder	As at March 31, 2020		As at March 31, 2019	
	No of Shares	% of Holding	No of Shares	% of Holding
K. Ravi	**2,430,178**	**5.37**	**2,149,450**	**4.75**
HDFC Trustee Co Limited (HDFC Housing Opportunities Fund)	**2,700,000**	**5.97**	**2,700,000**	**5.97**
Kalidindi Shilpa	**2,760,833**	**6.10**	**2,760,833**	**6.10**

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

Equity shares	As at March 31, 2020		As at March 31, 2019	
	No. of shares	₹ Lakhs	No. of shares	₹ Lakhs
At the beginning of the year	45,232,790	4,523.28	45,232,790	4,523.28
Equity Shares issued during the year	-	-	-	-
At the end of the year	**45,232,790**	**4,523.28**	**45,232,790**	**4,523.28**

13. Other Equity

Particulars	As at March 31, 2020	As at March 31, 2019
Capital Reserve	**240.91**	**240.91**
Securities Premium Reserve		
Balance as per the last Financial statement	21,222.84	**21,222.84**
Add: Premium on shares issued during the current year	-	-
Closing balance	**21,222.84**	**21,222.84**
General Reserve		
Balance as per the last Financial statement	20,500.00	13,625.00
Less: Transfer to/from Debenture Redemption Reserve	-	3,375.00
Add: Amount transferred from surplus	3,500.00	3,500.00
Closing balance	**24,000.00**	**20,500.00**
Debenture Redemption Reserve		
Balance as per the last Financial statement	-	3,375.00
Add: Amount transferred to/from General Reserve	-	(3,375.00)
Closing balance	**-**	**-**
Retained Earnings		
Balance as per the Last Financial Statement	3,442.17	3,117.99
Add: Profit / (Loss) for the Year	5,096.21	4,678.10
Less: Interim Dividend Paid	678.49	-
Less: Interim Dividend Tax Paid	139.46	-
Less: Final Dividend and Dividend tax paid	1,363.27	816.62
Less: Transfer to General Reserve	3,500.00	3,500.00
Less: Prior Period adjustments	-	37.30
Total Appropriations		
Closing Balance	**2,857.16**	**3,442.17**
Total	**48,320.91**	**45,405.92**

Nature of Reserves:

Capital Reserve: Represent the Capital Subsidies received from government.

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

General Reserve: This represents the appropriation of Profit

Retained Earnings: Represents the undistributed earnings post taxes.

Dividends:

Particulars	As at March 31, 2020	As at March 31, 2019
Dividends Recognised		
Final Dividend for the year ended March 31, 2019 of ₹ 2.50 (₹ 1.50 for year 2018) per fully paid up share.	1,130.82	678.49
Interim Dividend for the year ended March 31, 2020 of ₹ 1.50 (₹ NiL for year 2019) per fully paid up share.	678.49	-
Dividends not recognised at the end of reporting period		
In addition to above, dividend proposed of ₹ 1.00 (₹ 2.50 for year ended March 31, 2019) per fully paid equity share. This proposed dividend is subject to the approval of shareholders in the ensuing annual general meeting	452.33	1,130.82

Non Current Liabilities

14. Borrowings

	As at March 31, 2020	As at March 31, 2019
Secured		
Term Loans		
- From Banks (Refer Note 'a')	10,248.72	10,125.00
- From Other parties		
Secured Redeemable Non Convertible Debentures	-	-
Vehicle & Equipment Finance Loans from Banks & Financial Companies (Refer Note 'b')	390.10	1,975.73
Total Secured Loans	**10638.82**	**12,100.73**
Un Secured		
Deposits from Dealers / Stockists (Note 'c')	2,695.87	4,950.39
Deposits from Public & Shareholders (Note 'd')	3,201.74	1,619.85
Total un Secured Loans	**5,897.61**	**6,570.24**
Total	**16,536.43**	**18,670.97**

a. The term loans are secured by pari passu first charge on the fixed assets of the Company excluding exclusive charge given to equipment lenders & second charge on all current assets of the Company (both present & future) along with personal guarantees of Promoter Directors. The term loans carry an interest rate @ 9.50% to 9.65% per anum.

b. Vehicle and Equipment Loans from various Banks are secured by Hypothecation of respective assets financed, for a tenure of 35 to 47 months and carries Interest @ 7.85% to 9.50% p.a.

c. 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.

d. Public Deposits aggregating to ₹ 2619.09 lakhs (Previous year ₹ 4134.83 lakhs) is repayable within one year and ₹ 3201.74 lakhs (Previous Year ₹ 1619.85 lakhs) is repayable after one year.

15. Provisions Non Current

	As at March 31, 2020	As at March 31, 2019
Provision for Employee Benefits		
Provision for Gratuity	522.76	501.81
Provision for Leave benefits	153.59	133.19
Total Provisions	**676.35**	**635.00**

16. Deferred tax assets and liabilities

Deferred tax assets and liabilities are attributable to the following:

Particulars	As at March 31, 2020	As at March 31, 2019
Deferred Tax Liability		
Property, plant and equipment	7,322.00	7,867.27
Intangible assets		
Sub Total	**7,322.00**	**7,867.27**
Deferred tax Assets		
Unabsorbed Depreciation as per Income Tax		
Short Term Capital Loss as per Income Tax		
Employee benefits	(38.30)	(239.78)
Provisions	(16.61)	(14.54)
Sub Total	**(54.91)**	**(254.32)**
Net Deferred Tax Assets	**7,267.09**	**7,612.95**

Movement in deferred tax balances during the year

Particulars	Balance As at March 31, 2019	Recognised in Profit and Loss	Recognised in OCI	Recognised Directly in equity	Reclassified from Equity to Profit and Loss Statement	Balance As at March 31, 2020
Property, plant and equipment	7,867.27	(545.26)				7,322.00
Intangible assets						-
Employee benefits	(239.78)	201.48				(38.30)
Provisions	(14.54)	(2.08)				(16.61)
Unabsorbed Depreciation as per Income Tax						-
Short Term Capital Loss as per Income Tax						-
Total	7,612.95	**(345.85)**	-	-	-	7,267.09

17. Other non-current liabilities

Particulars	As at March 31, 2020	As at March 31, 2019
Advances and others		
Advances received for Sales of Fixed Assets	1,396.67	896.19
Total	**1,396.67**	**896.19**

18. Borrowings Current

Particulars	As at March 31, 2020	As at March 31, 2019
Loans payable on Demand		
- From Banks		
- Secured		
Cash Credit Loans from Banks	12,151.87	7,940.17
Total	**12,151.87**	**7,940.17**

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

19. Trade Payable Current

Particulars	As at March 31, 2020	As at March 31, 2019
CURRENT		
Other than Micro and Small Enterprises		
- Trade Payables	6,212.10	5,435.87
- Sundry Creditors - Capital goods	374.43	1,781.27
Micro and Small Enterprises	23.97	26.68
Total	**6,610.50**	**7,243.82**

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 2020 is ₹ 10.89 lakhs (2018-19 : ₹ 6.41 lakhs). The overdues are mainly on account of disagreements with the parties pending settlement.

20. Other Financial Liabilities Current

Particulars	As at March 31, 2020	As at March 31, 2019
Vehicle & Equipment Finance Loans from Banks & Financial Companies	653.71	116.56
Deposits from Public & Shareholders	2,619.09	4,134.83
Interest accrued and not due	662.46	688.10
Unclaimed Dividend	145.61	114.49
Other Expenses including Provisions	4,400.85	2,254.80
Employee related payables PF, ESI & Others	35.43	30.28
Current Maturities of Long term Debt	2,700.00	2,700.00
Total	**11,217.15**	**10,039.06**

21. Provisions Current

Particulars	As at March 31, 2020	As at March 31, 2019
Provision for Employee Benefits		
Provision for Gratuity	53.61	40.94
Provision for Leave benefits	9.98	16.92
Provision for Employee Bonus & Ex-gratia	135.23	133.76
Total Provisions	**198.82**	**191.62**

22. Current Tax Liabilities (Net)

Particulars	As at March 31, 2020	As at March 31, 2019
Opening Balance	1,807.37	1,587.16
Current Tax Payable for the Year	2,185.73	1,903.92
Less: Taxes Paid	1,880.32	1,683.71
Total	2,112.78	1,807.37

23. Other Current Liabilities

Particulars	As at March 31, 2020	As at March 31, 2019
Advance Received from Customers	2,721.18	1,817.45
Statutory dues Payable		
GST, Value Added Tax & CST Payable	1,504.45	2,595.37
TDS Payable	79.32	109.86
Total	**4,304.95**	**4,522.68**

24. Revenue From Operations

A. (i) Contract with Customers

(a) Company has recognized the following revenue during the year from contracts with its customers

Particulars	Year Ended March 31, 2020	Year Ended March 31, 2019
Sale/ Transfer of Products		
Finished Goods	121,839.86	130,311.04
Semi Finished Goods (Clinker Transfer to Kondapalli Grinding Unit)	10,383.61	16,193.69
Traded Goods	0.44	1.03
Total Gross Sales	132,223.90	146,505.76
Less: Inter segment Transfers	13,795.70	19,468.89
Less: Taxes on Sales	24,641.70	29,049.08
Revenue from Operations	**93,786.50**	**97,987.79**

(b) Company has recognized the ₹ 48 lakhs as impairment loss against the amount receivables from its customers or contract assets arising due to contract with its customers.

(ii) Contract Balances

(a) Receivables

Particulars	Year Ended March 31, 2020	Year Ended March 31, 2019
Opening Balance	15,052	4,709
Addition/deduction during the year	(714)	10,343
Closing Balance	14,338	15,052

b) Contract Assets

Company recognized contract assets when it satisfies its obligation by transferring the goods or services to the customer and right to receive the consideration is established which is subject to some conditions to be fulfilled by the company in future before receipt of consideration amount. Such assets are as follows:

Particulars	Year Ended March 31, 2020	Year Ended March 31, 2019
Opening Balance	-	-
Addition/deduction during the year	3.97	46.41
Closing Balance	3.97	46.41

c) Practical expedients

During the year company has entered into sales contracts with its customers where contracts are not executed, same has not been disclosed as per practical expedient as the duration of the contract is less than one year or right to receive the consideration established on completion of the performance by the company.

B. Significant judgements in the application of this standard

(i) Revenue is recognized by the company when the company satisfies a performance obligation by transferring a promised good or service to its customers. Asset/goods/services are considered to be transferred when the customer obtains control of those asset/goods/services.

(ii) The company considers the terms of the contract and its customary business practices to determine the transaction price. The transaction price is the amount of consideration to which an entity expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third parties (for example, GST etc.).

(iii) The consideration promised in a contract with a customer may include fixed amounts, variable amounts, or both. Any further adjustment will be made by raising debit/credit notes on the customer. While determining the transaction price effects of variable consideration, constraining estimates of variable consideration, the existence of a significant financing component in the contract, non-cash consideration and consideration payable to a customer is also considered.

25. Other Income

Particulars	Year Ended March 31, 2020	Year Ended March 31, 2019
Interest Income	-	-
- From Fixed Deposits	68.12	34.25
- Income from Operation of Trucks (Net)	(70.95)	28.76
- Others*	74.56	65.37
Scrap Sales	46.71	283.85
Rent	78.37	
Other Non Operating Revenue (Net of expenses directly attributable to such income)		
- Profit on Sale of Assets	48.11	98.46
- Foreign Exchange Gain	(0.42)	0.11
- Misc. Receipt	30.02	124.33
Total	**274.52**	**635.13**

* Includes interest on power consumption deposits of ₹ 72.58 lakhs (Previous Year ₹ 65.26 lakhs)

26. Cost of Materials Consumed

Particulars	Year Ended March 31, 2020	Year Ended March 31, 2019
Details of Rawmaterials Consumed		
Limestone	4,191.34	4,695.41
Al. Laterite	1,875.75	2,093.10
Gypsum	1,085.68	1,121.64
Iron ore / Iron ore powder	322.45	593.49
FlyAsh	1,599.30	1,813.25
Clinker Consumption at Kondapalli Plant	9,706.30	15,310.03
Cement Consumption in Other Divisions	4,138.32	3,610.71
Wood	2,053.53	1,799.02
Chemicals	515.86	462.43
Paper	267.70	274.72
Ready Mix Concrete Materials	2,584.90	2,261.26
Other Materials	239.80	349.41
Total	**28,580.93**	**34,384.47**
Less: Inter Segment Transfers	13,795.70	19,468.89
Net Consumption of Materials	**14,785.23**	**14,915.58**

27. Purchase of Stock-in-Trade

Particulars	Year Ended March 31, 2020	Year Ended March 31, 2019
Purchases	0.37	0.79
TOTAL	**0.37**	**0.79**

28. Changes in Inventory

Particulars	Year Ended March 31, 2020	Year Ended March 31, 2019
A. Finished Goods		
Opening Balance	2,177.00	1,925.96
Closing Balance	3,888.69	2,177.00
Changes in Inventory of Finished Goods	(1,711.69)	(251.04)
B. Work in Progress		
Opening Balance	769.79	506.49
Closing Balance	1,602.77	769.79
Changes in Inventory of Work in Progress	(832.98)	(263.30)
Net (Increase) /Decrease	(2,544.67)	(514.34)

29. Employees' Benefit Expenses

Particulars	Year Ended March 31, 2020	Year Ended March 31, 2019
Salaries and Wages		
Salaries, Wages and Bonus	3732.96	3389.02
Leave Encashment	32.16	64.60
Gratutity	75.46	95.04
Managerial Remuneration	505.04	477.97
Contribution to Provident Fund & Other Funds	192.46	177.73
Staff Welfare Expenses	176.34	135.93
TOTAL	**4,714.42**	**4,340.29**

30. Other Expenses

Particulars	Year Ended March 31, 2020	Year Ended March 31, 2019
Manufacturing Expenses :		
Cost of Fuel	16,631.20	20,569.78
Cost of Power	10,860.36	12,235.45
Packing Materials	2,652.89	3,015.03
Stores & Spares consumed	2,410.82	2,635.20
Rep & Maintenance Plant & Machinery	972.37	1,285.10
Rep & Maintenance Buildings	0.16	12.66
Rep & Maintenance Others	32.61	96.26
Direct Manufacturing Expenses	1,044.82	1,136.39
Sub total (a)	34,605.23	40,985.87

Administrative Expenses :

Rent	134.36	228.32
Security Expenses	169.75	153.48
Directors' Sitting fees	13.15	8.70
Licences, Fees & Taxes	397.84	259.45
Insurance	69.59	20.45
Computer Maintenance	88.88	71.53
Office Maintenance	178.45	124.78
Printing & Stationery	16.49	33.91
Postage & Courier	7.49	15.99
Telephone	35.18	31.63
Travelling	281.59	286.25
Vehicle Maintenance	59.15	71.43
Legal & Professional Charges	92.39	131.04
Auditors' Remuneration (i)	11.00	8.75
Bank Charges	104.43	217.77
Staff recruitment and training	23.90	33.97
CSR Expenditure	215.50	196.80
Donations	0.94	3.23
Repairs & Maintenance - Vehicles	5.07	7.80
R & D Expenses	-	0.15
Allowance for Bad and Doubtful Debts	48.00	42.00
Miscellaneous Expenses	114.93	159.68
Sub total (b)	2,068.08	2,107.11
Selling & Distribution Expenses		
Transportation Paid	16,996.33	18,900.29
Advertisement & Publicity	715.70	400.57
Selling Expenses	8,505.47	3,367.54
Sub Total (c)	26,217.50	22,668.40
TOTAL (a+b+c)	62,890.81	65,761.38

(i) Amount paid to auditors'

Particulars	**Year Ended March 31, 2020**	**Year Ended March 31, 2019**
As Auditor	10.25	8.25
For Taxation Matters/Tax Audit	0.75	0.50
For Reimbursement of Expenses	-	-
TOTAL	11.00	8.75

31. Finance Cost

Particulars	**Year Ended March 31, 2020**	**Year Ended March 31, 2019**
Interest Expenses & Other Borrowing Costs	3,066.79	3,479.12
TOTAL	**3,066.79**	**3,479.12**

32. Depreciation And Amortization Expenses

Particulars	Year Ended March 31, 2020	Year Ended March 31, 2019
Depreciation / Amortisation for the year		
Depreciation on Plant, Property & Equipment	4,211.98	4,528.82
TOTAL	4,211.98	4,528.82

33. Contingent Liabilities:

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

Claims against the Company not acknowledged as Debts	Year Ended March 31, 2020		Year Ended March 31, 2019	
	Disputed Amount	Paid Under Protest	Disputed Amount	Paid Under Protest
Indirect Taxes Related	2,080.41	245.23	2,290.57	252.63
Others	942.89	313.88	806.89	268.59

ii) The Company has given Counter Guarantees to Banks / Financial Institutions for ₹ 715.85 lakhs as at 31st March 2020 (₹675.96 lakhs as at 31st March 2019) against the Bank Guarantees obtained.

34. Capital Comittments

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

Description	Year Ended March 31, 2020	Year Ended March 31, 2019
Estimated amount Plant, Property and Equipment of Projects	6592	11901

35. Employee Benefits

a) **Provident Fund**: Company pays fixed contribution to provident fund at predetermined rates to the government authorities. The contribution of ₹ 176.85 lakhs (Previous year ₹ 160.46 lakhs) including administrative charges is recognized as expense and is charged in the Statement of Profit and Loss.

b) **Gratuity:** Gratuity is provided as per the payment of Gratuity Act 1972, covering all the eligible employees. Gratuity is a non fund based Defined Benefit Plan payable to the qualifying employees on separation. Company considers the laibilities with regard to gratuity, are independently measured on actuarial valuation carried out as on Balance Sheet date. The liability has been assessed using Projected Unit Credit Method.

Reconciliation of opening and closing balances of the present value of the defined benefit obligation as at the year ended March 31, 2020 are as follows:

a) **Expense recognized during the year**

Description	Year Ended March 31, 2020		Year Ended March 31, 2019	
	Gratuity	Leave encashment	Gratuity	Leave encashment
Current Service Cost	53.36	60.46	46.85	57.49
Interest Cost	39.75	10.78	35.59	8.07
Net Actuarial (Gain) / Loss	(17.65)	(39.08)	12.60	(0.96)
Past Service Cost	-	-	-	-
Short Term Compensated Absence Liability	-	-	-	-
Total Cost	**75.46**	**32.16**	**95.04**	**64.60**

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

Description	Year Ended March 31, 2020		Year Ended March 31, 2019	
	Gratuity	**Leave encashment**	**Gratuity**	**Leave encashment**
Present Value of Obligations at beginning of the year	542.74	150.11	482.81	125.41
Changes in Present Value of Obligations		-		-
Current Service Cost	53.36	60.46	46.85	57.49
Interest Cost	39.75	10.78	35.59	8.07
Actuarial Loss / (Gain)	(17.65)	(39.08)	12.60	(0.96)
Past Service Cost	-	-	-	-
Settlements	(41.83)	(18.70)	(35.11)	(39.90)
Short Term Compensated Absence Liability	-	-	-	-
Present Value of Obligations at the end of the year	**576.37**	**163.57**	**542.74**	**150.11**
Present Value of Obligations - Current	53.61	9.98	40.94	16.92
Present Value of Obligations - Non - Current	522.76	153.59	501.80	133.19

Actuarial assumptions

a) Mortality IALM 2012-14 (ultimate)
b) Discounting rate – 6.70% Previous year 7.61 %
d) Expected average remaining working lives of employees–12.59 Years (PY12.74 Years)
e) Rate of escalation in salary – 4%

Sensitivity Analysis:

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

Gratuity

Particulars	As at As at		As at As at	
	March 31, 2020	March 31, 2020	March 31, 2019	March 31, 2019
	1% Increase	1% decrease	1% Increase	1% decrease
Effect of 1% change in assumed discount rate	533.85	625.4	499.47	592.94
Effect of 1% change in assumed salary rate	623.01	534.95	590.46	500.83
Effect of 1% change in assumed attrition rate			548.22	536.53

Leave Encashment

Particulars	As at As at		As at As at	
	March 31, 2020	March 31, 2020	March 31, 2019	March 31, 2019
	1% Increase	1% decrease	1% Increase	1% decrease
Effect of 1% change in assumed discount rate	149.31	180.27	136.23	166.53
Effect of 1% change in assumed salary rate	180.34	149.04	166.44	136.07
Effect of 1% change in assumed attrition rate			151.91	148.08

36. Income Tax Expense:

Income Tax recognised in the statement of Profit and Loss		For the year ended 31.03.2020	For the year ended 31.03.2019
Current Tax			
(i)	In respect of Current Year	2,112.77	1,807.36
	MAT Credit entitlement adjusted	-	(982.27)
(ii)	In respect of Previous Year	72.96	96.56
	Total Current Tax	2185.73	921.65
	Deferred Tax		
(i)	In respect of Current Year	(345.85)	498.94
	Total Deferred Tax	(345.85)	498.94
	Total Tax Expense	1,839.88	1,420.59

37. Financial Instruments- Fair Values and Risk Management

a. Financial Instruments by Categories

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

Amount in Rs. lakhs as on 31st March 2020

Particulars	Cost	Financial assets/ liabilities at FVTPL	Financial assets/ liabilities at fair value through OCI	Total carrying value	Total fair value
Non Current					
Investment in subsidiary at cost	1.00			1.00	1.00
Assets:					
Cash & Cash Equivalents	80			80	80
Trade Receivable	14,338			14,338	14,338
Other Financial Assets	597			597	597
Liabilities:				-	-
Trade Payable	6,611			6,611	6,611
Borrowings	12,152			12,152	12,152
Other Financial Liabilities	11,217			11,217	11,217

Amount in Rs. lakhs as on 31st March 2019

Particulars	Cost	Financial assets/ liabilities at FVTPL	Financial assets/ liabilities at fair value through OCI	Total carrying value	Total fair value
Non Current					
Investment in subsidiary at cost	-			-	-
Assets:					
Cash & Cash Equivalents	501			501	501
Trade Receivable	15,052			15,052	15,052
Other Financial Assets	640			640	640
Liabilities:				-	-
Trade Payable	7,244			7,244	7,244
Borrowings	7,940			7,940	7,940
Other Financial Liabilities	10,039			10,039	10,039

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

b) Financial Risk Management:

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

c) Management of Market Risk:

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

d) Foreign Currency Risks:

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

The Company exposure to foreign currency risk as at the end of the reporting period expressed in INR as on March 31, 2020 is as follows:

Particulars	Amount in ₹ Lakhs
Financial Assets:	
Cash & Cash Equivalents	-
Trade Receivable	-
Deposits	-
Other Financial Assets	-
Financial Liabilities:	
Trade Payable	7
Borrowings	-
Other Financial Liabilities	-

The Company exposure to foreign currency risk as at the end of the reporting period expressed in INR as on March 31, 2019 is as follows:

Particulars	Amount in ₹ Lakhs
Financial Assets:	
Cash & Cash Equivalents	-
Trade Receivable	-
Deposits	-
Other Financial Assets	-
Financial Liabilities:	
Trade Payable	1,620
Borrowings	-
Other Financial Liabilities	-

e) Credit Risk:

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

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

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

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

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

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

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

For the year ended March 31, 2020

Paticulars	Gross Carriying Amount	Less than one year	More than one year	More than two year	More than three year
Gross Carrying Amount	14,617.27	14,337.79	105.54	103.86	70.08
Expected Credit loss	162.00			91.92	70.08
Carrying amount (net of impairment)	14,455.27	14,337.79	105.54	11.94	-

For the year ended March 31, 2019

Paticulars	Gross Carriying Amount	Less than one year	More than one year	More than two year	More than three year
Gross Carrying Amount	15,225.91	15,051.97	103.86	35.98	34.10
Expected Credit loss	114.00		43.92	35.98	34.10
Carrying amount (net of impairment)	15,111.91	15,051.97	59.94	-	-

f) Liquidity Risk:

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

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

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

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

Paticulars	Gross Carriying Amount	Less than one year	More than one year	More than two year	More than three year
As on March 31 2020					
Trade Payables	6,611	6,611			
Other Financial liabilities	11,217	11,217			
As on March 31 2019					
Trade Payables	7,244	7,244			
Other Financial liabilities	10,039	10,039			

38. Capital Management

The Company's objectives when managing capital are to

Safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders,and maintain an optimal capital structure to reduce the cost of capital.

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

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

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

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

Particulars	As at March 31, 2020	As at March 31, 2019
Borrowings		
Current	12,151.87	7,940.17
Current maturities of non- current borrowings	5,972.80	6,951.39
Non current	16,536.43	18,670.97
Less: Cash & Bank Balances	79.85	501.45
Net Debt	34,581.25	33,061.08
Equity		
Equity share capital	4,523.28	4,523.28
Other equity	48,320.91	45,405.92
Total capital	52,844.19	49,929.20
Gearing ratio in % (Debt/ capital)	65.44	66.22

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

There are no changes in the objectives, policies or processes for managing capital during the years ended 31 March 2020 and 31 March 2019.

39 Segmental Reporting :

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

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

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

Segment Revenue and Expense

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

Segment revenues and results:

for the year ended March 31, 2020 Amount in ₹ lakhs

Particulars	Cement	Boards	Energy	RMC	Doors	Unallocable	Total
Segment Revenue from External Customers							
Within India	74,557.24	10,930.33	804.50	7,366.95	127.48	-	93,786.50
Outside India		-					-
Inter-Segment Revenue	13,432.05	339.11	-	24.54	-	-	13,795.70
Total Segment Revenue	**87,989.29**	**11,269.44**	**804.50**	**7,391.49**	**127.48**	**-**	**107,582.20**
Segment Results							
Within India	7,900.06	1,487.41	475.59	501.48	(361.67)	-	10,002.88
Outside India	-	-	-	-	-	-	-
Total segmental results	**7,900.06**	**1,487.41**	**475.59**	**501.48**	**(361.67)**	**-**	**10,002.88**
Unallocated Corporate expenses:							
Interest expenses (net)						3,066.79	3,066.79
Other unallocated expenses net of other income						0	0
Profit before tax from ordinary activities	**7,900.06**	**1,487.41**	**475.59**	**501.48**	**(361.67)**	**(3,066.79)**	6,936.09

for the year ended March 31, 2019 Amount in ₹ lakhs

Particulars	Cement	Boards	Energy	RMC	Doors	Unallocable	Total
Segment Revenue from External Customers							
Within India	79,909.21	12,028.56	417.26	6,205.12	-	-	98,560.14
Outside India							-
Inter-Segment Revenue	18,604.59	598.92	-	265.38	-	-	19,468.89
Total Segment Revenue	**98,513.79**	**12,627.48**	**417.26**	**6,470.50**	**-**	**-**	**118,029.03**
Segment Results							
Within India	7,315.04	1,737.78	107.31	417.67	-		9,577.80
Outside India	-	-	-	-	-	-	-
Total segmental results	**7,315.04**	**1,737.78**	**107.31**	**417.67**	**-**	**-**	**9,577.80**
Unallocated Corporate expenses:							
Interest expenses (net)						3,479.12	3,479.12
Other unallocated expenses net of other income							-
Profit before tax from ordinary activities						3,479.12	6,098.68

Segment assets and liabilities

for the year ended March 31, 2020 Amount in ₹ lakhs

Particulars	Cement	Boards	Energy	RMC	Doors	Unallocable	Total
Segment Assets :							
Assets	75,232.58	12,881	3,012.61	2,667.33	6,844.14	14,597.82	115,315.83
Total Assets	75,232.58	12,881	3,012.61	2,667.33	6,844.14	14,597.82	115,315.83
Segment Liabilities :							
Liabilities	27,242.79	2,033.47	44.57	1,195.38	480.89	23,443.80	54,465.60
Total Liabilities	27,242.79	2,033.47	44.57	1,195.38	480.89	23,443.80	54,465.60

for the year ended March 31, 2019 Amount in ₹ lakhs

Particulars	Cement	Boards	Energy	RMC	Doors	Unallocable	Total
Segment Assets :							
Assets	78,482.62	11,445.52	2,867.10	2,340.26	-	14,272.70	109,489.00
Total Assets	78,482.62	11,445.52	2,867.10	2,340.26	-	14,272.70	109,489.00
Segment Liabilities :							
Liabilities	28,411.26	1,945.34	40.26	1,136.51	-	19,658.67	51,216.74
Total Liabilities	28,411.26	1,945.34	40.26	1,136.51	-	19,658.67	51,216.74

40 Earnings Per Share

	As at March 31, 2020	As at March 31, 2019
Net Profit / (Loss) for the Period	5,096.21	4,678.10
Shares		
Number of shares at the beginning and at the end of the year	45,232,790	36,732,790
Number of shares at the beginning and at the end of the year	45,232,790	45,232,790
Earnings per share of par value ₹ 10/ – Basic and Diluted in Rupees.		.
Basic	11.26	10.34
Diluted	11.26	10.34

41. Expenditure in Foreign Currencey:

Particulars	**2019-2020**	**2018-2019**
Foreign Travel	3.26	9.54
Raw Materials	1,115.12	509.79
Components, Stores & Spares	158.87	94.00
Capital Goods	227.95	82.78
Fees paid for certification	-	0.82
Others	79.23	101.31
Total	**1,584.43**	**798.24**

Note 42: Corporate Social Responsibility (CSR)

As per Section 135 of the Companies Act, 2013 and rules made there under on CSR Activities, the Company has incurred an amount of ₹ 215.50 (2019 year ₹ 196.80) towards Corporate Social Responsibility activities during the Financial Year 2018-19 and debited to Statement of Profit and Loss.

The amount of expenditure to be spent on CSR activities and financial details as per the Companies Act, 2013 for the F.Y 2019-20 are as under:

Particulars	**2019-2020**	**2018-2019**
Average of net profits of last three financial years as per Section 198 of the Companies Act, 2013	6956.30	7024.52
Earmarked percentage U/s 135 of the Companies Act, 2013 towards CSR Activities	2%	2%
Amount to be spent towards CSR Activities	139.13	140.49
Amount actually spent on CSR Activities	215.50	196.80

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

Particulars	In Cash	Yet to be paid in Cash	Total
Construction/Acquisition of asset			
Other than above:	215.50	0	215.50

43. Related Party Transactions

a) Names of related parties and nature of relationships:

i) Key Managerial Personnel (KMP):	
1. Mr. K Ravi	Managing Director
2. Mr. K Gautam	Executive Director
3. Mr. N G V S G Prasad	Executive Director & CFO
4. Mrs. Roopa Bhoopathiraju	Executive Director (From Oct 2019)
5. Mr. Subba Raju Bhoopathiraju	Executive Director (From July 2019 tp Sep 2019)
6. Mr. T Arun Kumar	Company Secretary
ii) Non Whole time Directors	
1. Mr. Kamlesh Gandhi	**Chairman**
2. Dr. R Kalidas	Director
3. Lt. Gen. (Retd) T A DCunha	Director
4. Mr. V S Raju	Director
5. Mr. V V Goradia	Director
6. Mr. K Madhu	Director (upto Sep 2019)
7. Mr. P N Raju	Director
8. Mr. Ashven Datla	Director
9. Mrs Pooja Kalidindi	Director (From Feb 2020)
iii) Relatives of Key Management Personnel with whom there are transactions	
1. Mrs. K Sarojini	Mother of Mr. K Ravi
2. Mrs. Charulatha V Goradia	Wife of Mr V V Goradia
3. Mrs. K Sailaja	Wife of Mr. K Ravi
4. Ms. N Chaitra Sarada	Daughter of Mr. N G V S G Prasad
5. Ms N Suchitra Katyayani	Daughter of Mr. N G V S G Prasad
6. Mrs Sita Maha Lakshmi	Mother of Mr. N G V S G Prasad
7. Ms. B Anika	Daughter of Mrs. Roopa Bhoopathiraju
8. Master B Arjun	Son of Mrs. Roopa Bhoopathiraju

iv) Enterprises controlled by Key Management Personnel / Relatives of Key Management Personnel
1. NCL Buildtek Limited
2. NCL Homes Limited
3. Kakatiya Industries (P) Limited
4. Nagarjuna Cerachem (P) Limited
5. NCL Veka Limited
6. Khandaleru Power Company Limited
7. Vikram Chemicals Pvt Limited
8. Deccan Nitrates Pvt Limited
9. NCL Green Habitat Pvt Limited
10. NCL Guangzheng Structures Ltd (100% subsidiary Company)

b. Related Party Transactions for the Year

i) Remuneration to Key Managerial Personnel	31st March 2020	31st March 2019
Mr. K Ravi, Managing Director	327.40	303.01
Mr. K Gautam, Executive Director	74.80	71.68
Mr. N G V S G Prasad, Executive Director & CFO	47.04	42.87
Mrs. Roopa Bhoopathiraju	21.04	-
Mr. Subba Raju Bhoopathiraju	16.26	-
Mr. T Arun Kumar, Company Secretary	13.37	11.96

ii) Transactions during the year where related party relationship was existing:

	31st March 2020	31st March 2020	31st March 2019	31st March 2019
Sale of Finished Goods				
NCL Buildtek Limited	1,411.40		1,143.26	
NCL Homes Limited	56.99		60.73	
NCL Veka Limited	4.41		168.18	
Kakatiya Industries (P) Limited	-		0.54	
NCL Green Habitat Pvt Limited	-	1,472.80	3.05	1,375.76
Purchases / Services				
NCL Buildtek Limited	56.14		133.91	
Kakatiya Industries (P) Limited	94.31		136.36	
NCL Veka Limited	4.00	154.45	14.78	285.05
Rent Paid				
Sri K Ravi	9.92	9.92	9.53	9.53
Supplier Payments				
NCL Guangzheng Structures Limited	45.09	45.09	-	-
Investments				
NCL Guangzheng Structures Limited	1.00	1.00	-	-
Reimbursement of Expenses				
NCL Buildtek Limited	30.87		22.16	
Nagarjuna Cerachem (P) Limited	5.18	36.05	-	22.16
Fixed Deposits as the end of the year				
Mr. K Ravi	-		45.00	
Mrs. K Sarojini	-		3.00	
Mrs. K Sailaja	64.00		80.00	
Mrs. Roopa Bhoopathiraju	4.50		59.50	
Ms B Anika	5.00		5.00	
Master B Arjun	15.40		15.40	
Mr. V V Goradia	20.00		20.00	
Mrs. Charulatha V Goradia	10.00		10.00	
Ms. N Chaitra Sarada	26.50		26.50	
Ms N Suchitra Katyayani	23.50		20.00	
Mrs Sita Maha Lakshmi	7.50		3.50	
Kamlesh Suresh Gandhi	23.00		15.00	
Mr. Kiran Raghavapudi	30.00		30.00	
Mr. Arun Raghavapudi	18.00	247.40	30.00	362.90

Note 44:

Impact of the COVID-19 pandemic on the business, supply chain and demand. Ability to maintain operations including the factories/units/office spaces functioning and lockdown

The COVID-19 pandemic has had an unprecedented impact on the nation, its citizens, the economy and business. To slowdown the spread of COVID'19, the government announced a nationwide lockdown from 24th March, 2020. However even before the nationwide lockdown, various state governments and local administrations had implemented different containment measures such as sealing borders, closing public places, suspending transport services and state-specific lockdown. Hence, the adverse impact of COVID-19 in form of fractured supply lines and demand decline has been felt from mid-March.

Our operations at manufacturing sites and distribution were disrupted. Immediately following the nationwide lockdown, operations came to a near standstill and we were able to operate at moderate level of the pre-COVID normative levels. Lockdown has severely impacted the Construction industry and the loss of livelihoods has taken a substantial toll on consumer demand in the urban part of India. However, rural part of the country are less effected by the Pandemic and the demand is fairly steady.

The Company's utmost priority has been health, safety and well-being of our employees and partners. The Company had rapidly implemented safe operations even before a strict lockdown came into place Strict standards of access control, social distancing in supply chain and sales force, use of Personal Protection Equipment (PPE) as well as strict hygiene and sanitization procedures are active across our operations.

The future impact on the business operations is not that adverse at this point, as the situation is unravelling at a fast pace. We are fully committed to working with the Government and our partners to ensure that we overcome this crisis together. Even though the current situation is very volatile, we are confident about our ability to manage the crisis and come out of it in a strengthened position.

The Company is well positioned well to fulfil its obligations with respect to all the existing contracts and agreements. We do not foresee any material impact arising from non-fulfilment of obligation by any party in existing contracts or agreements.

Note 45

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

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

For and on behalf of the Board

K. Ravi
Managing Director
DIN: 00720811

V S Raju
Director
DIN: 00101405

P.V. Sri Hari
Partner
Membership No. 21961

N. G. V. S. G. Prasad
Executive Director & CFO
DIN: 07515455

T. Arun Kumar
Company Secretary

Hyderabad
Dated: 30th June 2020

Independent Auditor's Report

To the Board of Directors of NCL INDUSTRIES LIMITED

Report on the Audit of the Ind AS Consolidated financial statements

Opinion

We have audited the accompanying Consolidated financial statements of **NCL INDUSTRIES LIMITED** (hereinafter referred to as "the Holding Company"), its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group") comprising of the consolidated Balance sheet as at March 31, 2020, the consolidated Statement of Profit and Loss, including other comprehensive income, the consolidated Cash Flow Statement and the consolidated Statement of Changes in Equity for the year then ended, and notes to the Consolidated financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the Consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of reports of other auditors on separate consolidated financial statements and on the other financial information of the subsidiaries, the aforesaid Consolidated financial statements give the information required by the Companies Act, 2013, as amended ("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 consolidated state of affairs of the Group as at March 31, 2020, their consolidated profit including other comprehensive income, their consolidated cash flows and the consolidated statement of changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the Consolidated financial statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the consolidated financial statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the consolidated financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of matter

We draw attention to Note No. 44 of the consolidated financial statements regarding impact of COVID-19 pandemic. The situation continues to be uncertain and the Company is evaluating the situation on an ongoing basis with respect to the challenges faced.

Our opinion is not modified in respect of this matter.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated financial statements for the financial year ended March 31, 2020. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key Audit Matters	Auditor's response
Accuracy of recognition, measurement, presentation and disclosures of revenues and other related balances in view of adoption of Ind AS 115 "Revenue from Contracts with Customers" (new revenue accounting standard) Principal Audit Procedures We assessed the Holding Company's process to identify the impact of adoption of the new revenue accounting standard. Our audit approach consisted testing of the design and operating effectiveness of the internal controls and substantive testing as follows: The application of the new revenue accounting standard involves certain key judgments relating to identification of distinct performance obligations, determination of transaction price of the identified performance obligations, the appropriateness of the basis used to measure revenue recognised over a period. Additionally, new revenue accounting standard contains disclosures which involves collation of information in respect of disaggregated revenue and periods over which the remaining performance obligations will be satisfied subsequent to the balance sheet date	Principal Audit Procedures: We assessed the Holding Company's process to identify the impact of adoption of the new revenue accounting standard. Our audit approach consisted testing of the design and operating effectiveness of the internal controls and substantive testing as follows: The application of the new revenue accounting standard involves certain key judgments relating to identification of distinct performance obligations, determination of transaction price of the identified performance obligations, the appropriateness of the basis used to measure revenue recognised over a period. Additionally, Evaluated the design of internal controls relating to implementation of the new revenue accounting standard. Selected a sample of continuing and new contracts, and tested the operating effectiveness of the internal control, relating to identification of the distinct performance obligations and determination of transaction price. Performed analytical procedures for reasonableness of revenues disclosed by type and service offerings. We reviewed the collation of information and the logic of the report generated from the budgeting system used to prepare the disclosure relating to the periods over which the remaining performance obligations will be satisfied subsequent to the balance sheet date.

Other information

The Holding Company's management and Board of Directors are responsible for the other information. The other information comprises the information included in Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the consolidated financial statements and our auditor's report thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the consolidated financial statements

The Holding 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 of these consolidated financial statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows of the Holding Company in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Holding 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 consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the Consolidated financial statements by the Directors of the Holding Company, as aforesaid.

In preparing the Consolidated financial statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Those respective Board of Directors of the companies included in the Group are also responsible for overseeing the financial reporting process of the Group.

Auditor's Responsibilities for the Audit of the consolidated financial statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Holding Company has adequate internal financial controls with reference to consolidated financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the Consolidated Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group and to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group and of which we are the independent auditors and whose financial information we have audited, to express an opinion on the Consolidated Financial Statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the Consolidated Financial Statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion. We communicate with those charged with governance of the Holding Company and such other entities included in the Consolidated Financial Statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matters

We did not audit the annual financial statements of the subsidiary included in the Statement, whose financial information reflects total assets of ₹ 45.89 lakhs as at 31 March 2020, total revenues of nil, total net loss after tax of ₹ 0.50 lakhs, total comprehensive income of ₹ (0.50 lakhs) and cash flows (net) of ₹ 1.41 lakhs for the year ended on that date, as considered in the Statement. These annual financial statements have been audited by other auditors and whose audit reports have been furnished to us by the management, and our opinion in so far as it relates to the amounts and disclosures included in respect of the subsidiary is based solely on the audit reports of such other auditors, and the procedures performed by us as stated above.

Our opinion above on the Consolidated Financial Statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial statements and other financial information certified by the Management.

Report on Other Legal and Regulatory Requirements

As required by Section 143(3) of the Act, based on our audit and on the consideration of report of the other auditors on separate financial statements and the other financial information of subsidiaries as noted in the 'other matters' paragraph we report, to the extent applicable, that:

a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid Consolidated Financial Statements;

b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidation of the financial statements have been kept so far as it appears from our examination of those books and reports of the other auditors;

c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Consolidated Cash Flow Statement and Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the books of account maintained for the purpose of preparation of the Consolidated Financial Statements;

d) In our opinion, the aforesaid Consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;

e) On the basis of the written representations received from the directors of holding company and the report of other statutory auditors of its subsidiaries as on March 31, 2020 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2020 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 With reference to these Consolidated Financial Statements of the Holding Company and its subsidiaries, incorporated in India, refer to our separate Report in "Annexure A" to this report;

g) In our opinion and based on the consideration of reports of other statutory auditors of the subsidiaries incorporated in India, the managerial remuneration for the year ended March 31, 2020 has been paid/ provided by the Holding Company, its subsidiaries incorporated in India to their directors in accordance with the provisions of Section 197 read with Schedule V to the Act;

h) With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of

the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the report of the other auditors on separate financial statements as also the other financial information of the subsidiaries as noted in the 'Other Matters' paragraph:

i. The Consolidated Financial Statements disclose the impact of pending litigations on its consolidated financial position of the Group in its Consolidated Financial Statements – Refer Note 33 to the Consolidated Financial Statements;

ii. The company did not have any long term contracts including derivative contracts for which there were any material foreseeable losses;

iii. The Holding Company transferred an amount of ₹ 25.61 lakhs, being the unpaid dividend transferred to the Investor Education and Protection Fund on 31.10.2019. There has been no delay in transferring amounts to the Investor Education and Protection Fund by the Holding Company, its subsidiaries, incorporated in India during the year ended March 31, 2020.

FOR VENUGOPAL & CHENOY
CHARTERED ACCOUNTANTS
FRN: 004671S

(P.V.SRI HARI)
Partner
Membership
No.021961
UDIN: 20021961AAAABR9131

Place : Hyderabad
Date : 30.06.2020

Annexure - A 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")

In conjunction with our audit of the Consolidated Financial Statements of **NCL INDUSTRIES LIMITED** for the year ended March 31, 2020, we have audited the internal financial controls over financial reporting of **NCL INDUSTRIES LIMITED** (hereinafter referred to as the "Holding Company") and its subsidiaries, which are companies incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the Holding Company, its subsidiaries which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India. 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 the respective 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 Act.

Auditors' Responsibility

Our responsibility is to express an opinion on the Holding Company, its subsidiaries which are companies incorporated in India, internal financial controls over financial reporting with reference to these Consolidated Financial Statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, both, issued by Institute of Chartered Accountants of India, and deemed to be prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls. 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 with reference to these Consolidated Financial Statements 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 with reference to these Consolidated Financial Statements and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting with reference to these Consolidated Financial Statements, 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 auditors' judgement, 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 and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system over financial reporting with reference to these Consolidated Financial Statements.

Meaning of Internal Financial Controls over Financial Reporting with reference to these Consolidated Financial Statements

A company's internal financial control over financial reporting with reference to these Consolidated Financial Statements 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 with reference to these Consolidated Financial Statements 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 with reference to these Consolidated Financial Statements, 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 with reference to these Consolidated Financial Statements to future periods are subject to the risk that the internal financial control over financial reporting with reference to these Consolidated Financial Statements 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, to the best of our information and according to the explanations given to us and based on the consideration of reports of other auditors, as referred to in Other Matters paragraph below, the Holding Company and

its subsidiaries which are companies incorporated in India, have, maintained in all material respects, adequate internal financial controls over financial reporting with reference to these Consolidated Financial Statements and such internal financial controls over financial reporting with reference to these Consolidated Financial Statements were operating effectively as at March 31,2020, based on the internal control over financial reporting criteria established by the Holding 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.

Other Matters

Our report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting with reference to these Consolidated Financial Statements of the Holding Company, in so far as it relates to separate financial statement of a subsidiary, which are companies incorporated in India, is based on the corresponding reports of the auditors of such subsidiaries incorporated in India.

FOR VENUGOPAL & CHENOY
CHARTERED ACCOUNTANTS
FRN: 004671S

(P.V.SRI HARI)
Partner
Membership No.021961
UDIN: 20021961AAAABR9131

Place : Hyderabad
Date : 30.06.2020

Consolidated Balance Sheet as at 31st March 2020

(₹ In Lakhs)

Particulars	Note No	As at March 31, 2020	As at March 31, 2019
ASSETS			
Non-current assets			
(a) Property, Plant and Equipment	2	69,528.74	65,839.87
(b) Capital work-in-progress		8,996.71	9,047.62
(c) Investment Property			
(d) Other intangible assets			
(e) Financial Assets			
(i) Investments		-	
(ii) Trade Receivables	3	117.48	59.94
(iii) Loans			
(iv) Other Financial Assets	4	1,971.71	1,454.41
(f) Deferred tax Assets (net)			
(g Other non-current Assets	5	245.23	252.63
Current Assets			
(a) Inventories	6	10,968.10	8,462.47
(b) Financial Assets			
(i) Investments		-	
(ii) Trade Receivables	7	14,337.79	15,051.97
(iii) Cash & Cash Equivalents	8	81.25	501.45
(iv) Bank Balances other than (iii) above	9	1,792.91	1,736.93
(v) Other Financial Assets	10	597.29	639.94
(c) Current Tax Assets			
(d) Other Current Assets	11	6,679.39	6,441.81
Total		**115,316.60**	**109,489.04**
EQUITY AND LIABILITIES			
Equity			
(a) Equity Share Capital	12	4,523.28	4,523.28
(b) Other Equity	13	48,320.41	45,405.92
Liabilities			
Non-current liabilities			
(a) Financial Liabilities			
(i) Borrowings	14	16,536.43	18,670.97
(ii) Trade Payables			
(iii) Other Financial Liabilities			
(b) Provisions	15	676.35	635.00
(c) Deferred Tax Liabilities (Net)	16	7,267.09	7,612.95
(d) Other non-current liabilities	17	1,396.67	896.19
Current liabilities			
(a) Financial Liabilities			
(i) Borrowings	18	12,151.87	7,940.17
(ii) Trade payables	19		
a) Total outstanding dues of micro and small enterprises		23.97	26.68
b) Total outstanding dues of Creditors other than micro and small enterprises		6,586.53	7,217.14
(iii) Other Financial Liabilities	20	11,217.44	10,039.06
(b) Provisions	21	198.82	191.62
(c) Current Tax Liabilities (Net)	22	2,112.78	1,807.37
(d) Other current liabilities	23	4,304.95	4,522.68
Total Equity and Liabilities		**115,316.60**	**109,489.03**

The accompanying notes are an integral part of the financial statements

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

For and on behalf of the Board

K. Ravi
Managing Director
DIN: 00720811

V S Raju
Director
DIN: 00101405

P.V. Sri Hari
Partner
Membership No. 21961

N. G. V. S. G. Prasad
Executive Director & CFO
DIN: 07515455

T. Arun Kumar
Company Secretary

Hyderabad
Dated: 30th June 2020

Consolidated Statement of Profit and Loss

for the Year ended March 31, 2020

(₹ In Lakhs)

Particulars	Note No.	Year Ended March 31, 2020	Year Ended March 31, 2019
Income			
i) Revenue From Operations			
Gross Revenue from Operations	24	132,223.90	146,505.76
Less: Inter Segment Transfers & Taxes on Sales		38,437.40	48,517.97
Revenue From Operations (Net)		93,786.50	97,987.79
ii) Other Income	25	256.86	635.13
Total Income		**94,043.37**	**98,622.92**
Expenses			
i) Cost of materials consumed	26	14,785.23	14,915.58
ii) Purchases of stock-in-trade	27	0.37	0.79
iii) Changes in inventories of finished goods, work-in-progress and stock-in-trade	28	(2,544.67)	(514.34)
iv) Excise Duty		0.00	0.00
v) Employee benefits expense	29	4,714.42	4,340.29
vi) Manufacturing Expenses	30	34,605.23	40,985.87
vii) Administration Expenses		2,068.58	2,107.11
viii) Selling and Distribution Expenses		26,217.50	22,668.40
ix) Finance Costs	31	3,066.79	3,479.12
x) Depreciation and amortisation expense	32	4,211.98	4,528.82
Total expenses		**87,125.43**	**92,511.64**
Profit/(loss) before exceptional items and tax		6,917.93	6,111.28
Exceptional Items			
Profit Before Tax		6,917.93	6,111.28
Tax Expenses			
- Earlier Years' Tax		72.96	96.55
- Current Tax		2,106.60	829.49
- Deferred Tax		(345.85)	498.94
Profit/(loss) for the period from continuing operations		5,084.22	4,686.30
Profit/(loss) from discontinued operations			-
Tax expense of discontinued operations			-
Profit/(loss) from discontinued operations after tax		-	-
I Profit/(loss) for the Period		**5,084.22**	**4,686.30**
II Other Comprehensive Income			
i) Items that will not be reclassified to profit or loss:			
- Impairment of allowances in doubtful debt			
- Remeasurements of the defined benefit plans		17.66	(12.60)
- Equity Instruments through other comprehensive income			
- Income Tax relating to these items		(6.17)	4.40
ii) Items that will be reclassified to profit or loss:			
- Debt Instruments through Other Comprehensive Income			
- The effective portion of gains and loss on hedging instruments in a cash flow hedge			
- Income Tax relating to these items			
Other Comprehensive Income		**11.49**	**(8.20)**
Total Comprehensive Income for the period		**5,095.71**	**4,678.10**
Earnings per equity share :			
(1) Basic		**11.26**	**10.34**
(2) Diluted		11.26	10.34

The accompanying notes are an integral part of the financial statements

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

For and on behalf of the Board

K. Ravi
Managing Director
DIN: 00720811

V S Raju
Director
DIN: 00101405

P.V. Sri Hari
Partner
Membership No. 21961

N. G. V. S. G. Prasad
Executive Director & CFO
DIN: 07515455

T. Arun Kumar
Company Secretary

Hyderabad
Dated: 30th June 2020

Consolidated Statement of Changes in Equity

for the Year ended March 31, 2020

(₹ In Lakhs)

A. Equity Share Capital

Particulars	No of Shares	Amount
Balance as on 1st April, 2018	45,232,790	4,523.28
Changes in Equity Share Capital during the year	-	-
Balance as on 31st March, 2019	45,232,790	4,523.28
Changes in Equity Share Capital during the year	-	-
Balance as on 31st March, 2020	45,232,790	4,523.28

B. Other Equity

	Reserves and Surplus					
	General Reserve	Capital Reserve	Securities Premium Reserve	Debenture Redemption Reserve	Retained Earnings	Total
Balance as on 1st April, 2018	**13,625.00**	**240.91**	**21,222.84**	**3,375.00**	**3,117.99**	**41,581.74**
Profit for the year					4,678.10	4,678.10
Payment of Dividend and Dividend Distribution Tax					(816.62)	(816.62)
Deferred Tax on fixed assets						-
Prior Period Adjustments					(37.30)	(37.30)
Securities Premium on shares issued		-	-			-
Transfer to Debenture Redemption Reserve	3,375.00			(3,375.00)		-
Transfer to General Reserve	3,500.00				(3,500.00)	-
Balance as on 31st March, 2019	**20,500.00**	**240.91**	**21,222.84**	**-**	**3,442.18**	**45,405.94**
Profit for the year					5,095.71	5,095.71
Payment of Dividend and Dividend Distribution Tax					(2,181.22)	(2,181.22)
Deferred Tax on fixed assets					-	-
Prior Period Adjustments					-	-
Securities Premium on shares issued net of expenses		-	-			-
Transfer to/from Debenture Redemption Reserve	-			-		-
Transfer to General Reserve						-
Balance as on 31st March, 2020	**20,500.00**	**240.91**	**21,222.84**	**-**	**6,356.67**	**48,320.42**

The accompanying notes are an integral part of the financial statements

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

For and on behalf of the Board

K. Ravi
Managing Director
DIN: 00720811

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Executive Director & CFO
DIN: 07515455

T. Arun Kumar
Company Secretary

Hyderabad
Dated: 30th June 2020

Consolidated Cash Flow Statement

for the Year ended March 31, 2020

(₹ In Lakhs)

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Cash flow from operating activities		
Profit before income tax from		
Continuing operations	6,935.59	6,098.68
Discontinued operations	-	-
Profit before income tax including discontinued operations	6,935.59	6,098.68
Adjustments for		
Depreciation and amortisation expense	4,211.98	4,528.82
Finance costs	3,066.79	3,479.12
Other Cash Adjustments	-	-
	14,214.36	**14,106.62**
Change in operating assets and liabilities, net of effects from purchase of controlled entities and sale of subsidiary:		
(Increase) / Decrease in trade receivables	656.64	(7,224.91)
(Increase) / Decrease in inventories	(2,505.63)	(554.70)
Increase / (Decrease) in trade payables	(633.32)	2,441.05
(Increase) / Decrease in other financial assets	(474.65)	(303.52)
(Increase) / Decrease in other non-current assets	7.40	(168.54)
(Increase) / Decrease in other current assets	(237.58)	(1,058.18)
Increase / (Decrease) in provisions	7.20	21.37
Increase / (Decrease) in employee benefit obligations	41.35	72.71
Increase / (Decrease) in other current liabilities	(217.73)	195.57
Increase / (Decrease) in financial liabilities	1,104.08	345.08
Increase/ (Decrease) in other non current liabilities	500.48	896.19
Cash generated from operations	**12,462.61**	**8,768.74**
Income taxes paid	1,880.32	1,683.71
Net cash inflow from operating activities	**10,582.29**	**7,085.03**
Cash flows from investing activities		
Payments for property, plant and equipment/ investments	(7,905.05)	(6,890.76)
Proceeds from sale of property, plant and equipment	55.11	22.01
Net cash outflow from investing activities	**(7,849.94)**	**(6,868.75)**
Cash flows from financing activities		
Repayment of non current borrowings	(2,134.54)	(1,793.09)
Proceeds from current borrowings	4,211.70	6,502.62
Interest paid	(2,992.50)	(3,479.12)
Dividends paid to Company's share holders	(2,181.22)	(816.62)
Dividends paid to non-controlling interests		
Net cash inflow (outflow) from financing activities	**(3,096.56)**	**413.79**
Net increase (decrease) in cash and cash equivalents	(364.22)	630.07
Cash and cash equivalents at the beginning of the financial year	2,238.38	1,608.31
Cash and cash equivalents at end of the year	**1,874.16**	**2,238.38**
	364.22	(630.07)

The accompanying notes are an integral part of the financial statements

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

For and on behalf of the Board

K. Ravi
Managing Director
DIN: 00720811

V S Raju
Director
DIN: 00101405

P.V. Sri Hari
Partner
Membership No. 21961

N. G. V. S. G. Prasad
Executive Director & CFO
DIN: 07515455

T. Arun Kumar
Company Secretary

Hyderabad
Dated: 30th June 2020

Notes forming part of the Consolidated Financial Statements

Note 1: COMPANY OVERVIEW AND SIGNIFICANT ACCOUNTING POLICIES:

Company Overview

NCL Industries Limited ("the Company"), is a public company domiciled in India and was incorporated on 10 September 1979 under the provisions of the Companies Act, 1956 applicable in India. Its shares are listed on National Stock Exchange of India (NSE) and Bombay Stock Exchange (BSE) of India. The Registed office of the Compay is located at NCL Pearl, 7th floor, SD Road, Secunderabad, Telangana. These consolidated financial statements comprise the Company and its subsidiary.

The following subsidiary is considered in the Consolidated Financial Statement of the Company.

Name of the Company	Country of Incorporation	Percentage of Equity interest
Subsidiary		
NCL Guangzheng Structures Ltd	India	100%

The Company is principally engaged in the business of manufacturing and selling of Cement, Ready Mix concrete(RMC), Cement Bonded Particle Boards (CBPB), Doors, and operates two Small Hydro Power (SHP) projects. The Company has manufacturing facilities in the states of Telangana, Andhara Pradesh, Karnataka and Himachal Pradesh of India and caters mainly to the domestic market.

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

These consolidated financial statements were approved for issue in accordance with the resolution of the Board of Directors on June 30, 2020.

Basis of Consolidation

The accounting policies have been applied consistently to all periods presented in the consolidated financial statements. Being the first year of consolidation previous year figures given are that of standalone and are not comparable.

Subsidiary: The Subsi diary entity controlled by the Company (NCL). NCL controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The financial statements of the subsidiary are included in the consolidated financial statements from the date of incorporation on which the control commences until the date on which the control ceases.

Transactions eliminated on consolidation: Intra group balances and transactions, and any unrealised income and expenses arising from intra group transactions are eliminated. Unrealised incomes or losses arising from equity accounted investees are eliminated against the investment to the extent that there is no impairment.

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

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

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

Use of Estimates

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

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

Classification of Current / Non-Current Assets and Liabilities

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

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

a) it is expected to be realised in, or is intended for sale or consumption in, the Company's normal operating cycle;

b) it is held primarily for the purpose of being traded;

c) it is expected to be realised within twelve months after the reporting date; or

d) it is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting date.

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

a) it is expected to be settled in the Company's normal operating cycle;

b) it is held primarily for the purpose of being traded;

c) it is due to be settled within twelve months after the reporting date; or

d) the Company does not have an unconditional right to defer settlement of the liability for at least twelve months after the reporting date. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

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

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

Revenue of Recognition:

NCL primarily generates revenue from simply structured sales of building materials, such as cement, Cement Bonded Particle Boards, Ready Mix Concrete and Power generation, for which the control passes to the customer at a specific point in time. In the context of the sale of the products, separate performance obligations may arise from freight and transport services as well as from services directly related to the sale of the products. These services are generally performed at the time that the control of the products is transferred.

Revenue is the amount of consideration expected to be received in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third parties (GST). Revenue is recognized when (or as) a performance obligation is satisfied by transferring the control of a promised good or service to the customer. A customer obtains control of a good or service if it has the ability to direct the use of and obtain substantially all of the remaining benefits from that good or service. Control is transferred over time or at a point in time. Revenue from the sale of goods is recognised when control of the good is transferred to the customer, usually upon delivery and there is no unfulfilled obligation that could affect the customer's acceptance of the products.

Rendering of services: Revenue arising from services is recognised in the accounting period in which the services are rendered, and it is measured using either output methods or input methods, depending on the nature of service provided. A receivable is recognized when there is an unconditional right to consideration for the performance obligations to the customer that are satisfied.Interest income is recognized using the effective interest rate method.

A contract asset is recognized when the performance obligation to the customer is satisfied before the customers pays or before payment is due, usually when goods or services are transferred to the customer before the Company has a right to invoice. A contract liability is recognized when there is an obligation to transfer goods or services to a customer for which the Company has received consideration from the customer (prepayments) or there is an unconditional right to receive consideration before the Group or the Company transfers a good or a service (deferred income). The contract liability is derecognized when the promise is fulfilled and revenue is recorded in the profit or loss statement.

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

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

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

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

Interest income is recognized using the effective interest rate method.

Property Plant and Equipment:

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

Depreciation on Buildings and Plant & Machinery is charged on straight line method and other assets on Written Down Value method based on the useful lives of the assets, as per Schedule II of the Companies Act 2013 and depreciation on Assets of Energy Division is charged as per Part B of the Schedule. Depreciation on fixed assets of Energy Division is provided on straight line method at the rates and in the manner prescribed as per notification no.151 dated 29.03.1994 issued by Ministry of Power (Department of Power).Depreciation for assets purchased/sold during the period is proportionately charged. Individual low cost assets (acquired for ₹ 5,000/- or less) are depreciated at 100 % in the year of acquisition/ purchase.

Inventories

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

Basis of determination of cost remain as follows:

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

Spares- at Cost

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

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

Impairment:

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

Borrowing Costs

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

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

Foreign Exchange Transactions/Translation

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

Research and Development

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

Provisions, Contingent Assets/ Contingent Liabilities

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

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

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

Leases

Effective from April 1, 2019 Ind AS 116 is applicable to the company. These leases being not material, no asset or liability was created in the books of account.

Income Tax:

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

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

Minimum Alternate Tax (MAT) Credit entitlement

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

Earnings per Share

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

Employee benefits:

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

Defined Benefit Plans: Company's liability towards gratuity to past employees is determined using the projected unit credit method which considers each period of service as giving rise to an additional unit of benefit entitlement and measures each unit separately to build up the final obligation. Past services are recognized on a straight-line basis over the average period until the amended benefits become vested. Actuarial gain and losses are recognized immediately in the statement of profit and loss Account as income or expense. Obligation is measured at the present value of estimated future cash flows using a discounted rate that is determined by reference to market yields at the Balance Sheet date on Government Securities where the currency and terms of the Government Securities are consistent with the currency and estimate terms of the defined benefit obligations.

Financial Instruments:

Non-derivative financial instruments

Non-derivative financial instruments consist of:

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

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

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

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

Cash and cash equivalents

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

Loans and receivables

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

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

Borowings

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

Trade and payable

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

Cash Flow Statement:

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

Segment Information:

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

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

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

a) Segment Assets and Liabilities:

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

b) Segment Revenue and Expenses:

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

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

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

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

Events after the reporting period :

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

Prior Period Errors

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

2 Property, Plant and Equipment

Particulars	Gross carrying value as at April 1, 2019	Additions	Disposal/ adjustments	Gross carrying value as at March 31, 2020	Accumulated depreciation as at April 1, 2019	Additions	Disposal/ adjustments	Accumulated depreciation as at March 31, 2020	Carrying Value as at March 31, 2020
Land	4,965.59	847.47	-	**5,813.06**	-	-	-	-	**5,813.06**
Buildings	11,322.92	2,513.17	6.33	**13,829.76**	935.12	405.50	0.73	1,339.89	**12,489.86**
Plant and Machinery	52,075.74	4,033.55	-	**56,109.29**	5,049.23	2,498.54	-	7,547.76	**48,561.53**
Electrical Installations	2,322.41	-	-	**2,322.41**	1,890.72	315.57	-	2,206.29	**116.12**
Railway Siding	521.41	-	-	**521.41**	177.25	59.08	-	236.33	**285.08**
Furniture and Fixtures	221.17	103.46	-	**324.63**	45.20	44.99	-	90.19	**234.44**
Office Equipment & Appliances	155.36	83.45	-	**238.81**	97.77	36.26	-	134.03	**104.78**
Vehicles	4,758.35	374.86	57.36	**5,075.85**	2,307.79	852.04	7.85	3,151.98	**1,923.88**
Total	**76,342.94**	**7,955.96**	**63.69**	**84,235.22**	**10,503.07**	**4,211.98**	**8.58**	**14,706.47**	**69,528.74**

Capital Work in Progress

Balance as at April 1, 2018	3,296.92
Additions/ Adjustments during the year	5,750.70
Capitalized during the year	-
Balance as at March 31, 2019	**9,047.62**
Additions/ Adjustments during the year	(50.92)
Balance as at March 31, 2020	**8,996.70**

3. Trade Receivables Non Current

Particulars	As at March 31, 2020	As at March 31, 2019
Other Trade Receivables		
Secured, considered Good		
Unsecured, considered good	279.48	173.94
Doubtful		
Allowances for doubtful debts	162.00	114.00
Total	117.48	59.94

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

Movement in alowances for doubtful debt

Particulars	As at March 31, 2020	As at March 31, 2019
Balance at the beginning of the year	114.00	72.00
Impairment losses recognised	48.00	42.00
Balance at the end of the year	**162.00**	**114.00**

4. Other Financial Assets Non Current

Particulars	As at March 31, 2020	As at March 31, 2019
Unsecured (considered good)		
Security Deposits		
Deposits with AP & TS SEB	1,572.01	1,095.22
Deposits with Government Departments	297.44	254.09
Deposits with Others	28.86	27.86
Rental Deposits	73.40	77.25
Total	1,971.71	1,454.41

5. Other non-current Assets

Particulars	As at March 31, 2020	As at March 31, 2019
Deposits in disputed cases		
Taxes paid under Protest	245.23	252.63
Total	245.23	252.63

6. Inventories

Particulars	As at March 31, 2020	As at March 31, 2019
Raw Materials	1,406.20	1,441.04
Finished Goods	3,888.69	2,177.00
Work in Progress	1,602.77	769.79
Packing & Other Materials	847.63	1,175.40
Stores & Spares	3,222.81	2,899.24
Total	**10,968.10**	**8,462.47**

7. Trade Receivables Current

Particulars	As at March 31, 2020	As at March 31, 2019
(i) Trade Receivables from related parties		
Secured, considered Good		
Unsecured, considered good	567.25	321.45
Doubtful		
Allowances for doubtful debts		
Sub-Total	567.25	321.45
(ii)Other Trade Receivables		
Secured, considered Good		
Unsecured, considered good	13,770.54	14,730.52
Doubtful		
Allowances for doubtful debts		-
Sub-Total	13,770.54	14,730.52
Total	**14,337.79**	**15,051.97**

Out of the above, amount due by directors or other officers of the company or any of them either severally or jointly with any other person or amounts due by firms or private companies respectively in which any director is a partner or a director or a member is ₹ 567.25 lakhs (₹ 321.45 lakhs, 31st March 2019).

8. Cash & Cash Equivalents

Particulars	As at March 31, 2020	As at March 31, 2019
Cash on hand	4.55	5.16
Cheques, Drafts on hand		
Balances with Banks		
(a) in Current Account	76.70	496.29
(b) in Cash Credit Account		
Total	**81.25**	**501.45**

9. Bank Balances other than above

Particulars	As at March 31, 2020	As at March 31, 2019
Unclaimed Dividend	145.61	114.49
Margin money deposits with Banks	776.15	823.83
Fixed deposits redemtion reserve	868.19	797.08
Others	2.96	1.53
Total (A)	**1,792.91**	**1,736.93**

10. Other Financial Assets Current

Particulars	As at March 31, 2020	As at March 31, 2019
Unsecured (considered good)		
Incentives Receivable from A.P/Telangana Governments	593.32	593.32
Cash Ledger balance in GST		
Other Advances and Contract Assets	3.97	46.62
Total	597.29	639.94

11. Other Current Assets

Particulars	As at March 31, 2020	As at March 31, 2019
Un Secured Considered Good		
Advances to Suppliers	2,068.20	1,951.23
Advances for Capital Goods	2,140.35	1,697.34
Advances to Others	126.95	77.79
GST, Central Excise, Service Tax, VAT & Other Receivables	878.31	836.74
MAT Credit Entitlement Account	1,329.00	1,778.64
Accrued Interest	72.67	57.23
Prepaid expenses	63.91	42.84
Total	6,679.39	6,441.81

12 EQUITY SHARE CAPITAL

Particulars	As at March 31, 2020	As at March 31, 2019
Authorized		
6,20,00,000 (31 March 2020: 6,20,00,000) Equity shares of ₹ 10/- each	**6,200.00**	**6,200.00**
Issued,Subscribed & Paid up		
4,52,32,790 (Previous Year 4,52,32,790) Equity Shares of ₹ 10/- each	4,523.28	4,523.28
Total	**4,523.28**	**4,523.28**

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

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

Name of the Shareholder	As at March 31, 2020		As at March 31, 2019	
	No of Shares	% of Holding	No of Shares	% of Holding
K. Ravi	**2,430,178**	**5.37**	**2,149,450**	**4.75**
HDFC Trustee Co Limited (HDFC Housing Opportunities Fund)	**2,700,000**	**5.97**	**2,700,000**	**5.97**
Kalidindi Shilpa	**2,760,833**	**6.10**	**2,760,833**	**6.10**

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

Equity shares	As at March 31, 2020		As at March 31, 2019	
	No. of shares	₹ Lakhs	No. of shares	₹ Lakhs
At the beginning of the year	45,232,790	4,523.28	45,232,790	4,523.28
Equity Shares issued during the year	-	-	-	-
At the end of the year	**45,232,790**	**4,523.28**	**45,232,790**	**4,523.28**

13. Other Equity

Particulars	As at March 31, 2020	As at March 31, 2019
Capital Reserve	**240.91**	**240.91**
Securities Premium Reserve		
Balance as per the last Financial statement	21,222.84	**21,222.84**
Add: Premium on shares issued during the current year	-	-
Closing balance	**21,222.84**	**21,222.84**
General Reserve		
Balance as per the last Financial statement	20,500.00	13,625.00
Less: Transfer to/from Debenture Redemption Reserve	-	3,375.00
Add: Amount transferred from surplus	3,500.00	3,500.00
Closing balance	**24,000.00**	**20,500.00**
Debenture Redemption Reserve		
Balance as per the last Financial statement	-	3,375.00
Add: Amount transferred to/from General Reserve	-	(3,375.00)
Closing balance	**-**	**-**
Retained Earnings		
Balance as per the Last Financial Statement	3,442.17	3,117.99
Add: Profit / (Loss) for the Year	5,095.71	4,678.10
Less: Interim Dividend Paid	678.49	816.62
Less: Interim Dividend Tax Paid	139.46	-
Less: Final Dividend and Dividend tax paid	1,363.27	
Less: Transfer to General Reserve	3,500.00	3,500.00
Less: Prior Period adjustments	-	37.30
Total Appropriations		
Closing Balance	**2,856.66**	**3,442.17**
Total	**48,320.41**	**45,405.92**

Nature of Reserves:

Capital Reserve: Represent the Capital Subsidies received from government.

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

General Reserve: This represents the appropriation of Profit

Retained Earnings: Represents the undistributed earnings post taxes.

Dividends:

Particulars	As at March 31, 2020	As at March 31, 2019
Dividends Recognised		
Final Dividend for the year ended March 31, 2019 of ₹ 2.50 (Rs 1.50 for year 2018) per fully paid up share.	1,130.82	678.49
Interim Dividend for the year ended March 31, 2020 of ₹ 1.50 (Rs NiL for year 2019) per fully paid up share.	678.49	-
Dividends not recognised at the end of reporting period		
In addition to above, dividend proposed of ₹ 1.00 (₹ 2.50 for year ended March 31, 2019) per fully paid equity share. This proposed dividend is subject to the approval of shareholders in the ensuing annual general meeting	452.33	1,130.82

Non Current Liabilities

14. Borrowings

	As at March 31, 2020	As at March 31, 2019
Secured		
Term Loans		
- From Banks (Refer Note 'a')	10,248.72	10,125.00
- From Other parties		
Secured Redeemable Non Convertible Debentures	-	-
Vehicle & Equipment Finance Loans from Banks & Financial Companies (Refer Note 'b')	390.10	1,975.73
Total Secured Loans	**10638.82**	**12,100.73**
Un Secured		
Deposits from Dealers / Stockists (Note 'c')	2,695.87	4,950.39
Deposits from Public & Shareholders (Note 'd')	3,201.74	1,619.85
Total un Secured Loans	**5,897.61**	**6,570.24**
Total	**16,536.43**	**18,670.97**

a. The term loans are secured by pari passu first charge on the fixed assets of the Company excluding exclusive charge given to equipment lenders & second charge on all current assets of the Company (both present & future) along with personal guarantees of Promoter Directors. The term loans carry an interest rate @ 9.50% to 9.65% per anum.

b. Vehicle and Equipment Loans from various Banks are secured by Hypothecation of respective assets financed, for a tenure of 35 to 47 months and carries Interest @ 7.85% to 9.50% p.a.

c. 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.

d. Public Deposits aggregating to ₹ 2619.09 lakhs (Previous year ₹ 4134.83 lakhs) is repayable within one year and ₹ 3201.74 lakhs (Previous Year ₹ 1619.85 lakhs) is repayable after one year.

15. Provisions Non Current

	As at March 31, 2020	As at March 31, 2019
Provision for Employee Benefits		
Provision for Gratuity	522.76	501.81
Provision for Leave benefits	153.59	133.19
Total Provisions	**676.35**	**635.00**

16. Deferred tax assets and liabilities

Deferred tax assets and liabilities are attributable to the following:

Particulars	As at March 31, 2020	As at March 31, 2019
Deferred Tax Liability		
Property, plant and equipment	7,322.00	7,867.27
Intangible assets		
Sub Total	**7,322.00**	**7,867.27**
Deferred tax Assets		
Unabsorbed Depreciation as per Income Tax		
Short Term Capital Loss as per Income Tax		
Employee benefits	(38.30)	(239.78)
Provisions	(16.61)	(14.54)
Sub Total	**(54.91)**	**(254.32)**
Net Deferred Tax Assets	**7,267.09**	**7,612.95**

Movement in deferred tax balances during the year

Particulars	Balance As at March 31, 2019	Recognised in Profit and Loss	Recognised in OCI	Recognised Directly in equity	Reclassified from Equity to Profit and Loss Statement	Balance As at March 31, 2020
Property, plant and equipment	7,867.27	(545.26)				7,322.00
Intangible assets						-
Employee benefits	(239.78)	201.48				(38.30)
Provisions	(14.54)	(2.08)				(16.61)
Unabsorbed Depreciation as per Income Tax						-
Short Term Capital Loss as per Income Tax						-
Total	7,612.95	**(345.85)**	-	-	-	7,267.09

17. Other non-current liabilities

Particulars	As at March 31, 2020	As at March 31, 2019
Advances and others		
Advances received for Sales of Fixed Assets	1,396.67	896.19
Total	**1,396.67**	**896.19**

18. Borrowings Current

Particulars	As at March 31, 2020	As at March 31, 2019
Loans payable on Demand		
- From Banks		
- Secured		
Cash Credit Loans from Banks	12,151.87	7,940.17
Total	**12,151.87**	**7,940.17**

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

19. Trade Payable Current

Particulars	As at March 31, 2020	As at March 31, 2019
CURRENT		
Other than Micro and Small Enterprises		
- Trade Payables	6,212.10	5,435.87
- Sundry Creditors - Capital goods	374.43	1,781.27
Micro and Small Enterprises	23.97	26.68
Total	**6,610.50**	**7,243.82**

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 2020 is ₹ 10.89 lakhs (2018-19 : ₹ 6.41 lakhs). The overdues are mainly on account of disagreements with the parties pending settlement.

20. Other Financial Liabilities Current

Particulars	As at March 31, 2020	As at March 31, 2019
Vehicle & Equipment Finance Loans from Banks & Financial Companies	653.71	116.56
Deposits from Public & Shareholders	2,619.09	4,134.83
Interest accrued and not due	662.46	688.10
Unclaimed Dividend	145.61	114.49
Other Expenses including Accruals	4,401.14	2,254.80
Sales Tax Deferment Loan	-	-
Employee related payables PF, ESI & Others	35.43	30.28
Current Maturities of Long term Debt	2,700.00	2,700.00
Total	**11,217.44**	**10,039.06**

21. Provisions Current

Particulars	As at March 31, 2020	As at March 31, 2019
Provision for Employee Benefits		
Provision for Gratuity	53.61	40.94
Provision for Leave benefits	9.98	16.92
Provision for Employee Bonus & Ex-gratia	135.23	133.76
Total Provisions	**198.82**	**191.62**

22. Current Tax Liabilities (Net)

Particulars	As at March 31, 2020	As at March 31, 2019
Opening Balance	1,807.37	1,587.16
Current Tax Payable for the Year	2,185.73	1,903.92
Less: Taxes Paid	1,880.32	1,683.71
Total	2,112.78	1,807.37

23. Other Current Liabilities

Particulars	As at March 31, 2020	As at March 31, 2019
Advance Received from Customers	2,721.19	1,817.45
Statutory dues Payable		
GST, Value Added Tax & CST Payable	1,504.44	2,595.37
TDS Payable	79.32	109.86
Total	**4,304.95**	**4,522.68**

24. Revenue From Operations

A. (i) Contract with Customers

(a) Company has recognized the following revenue during the year from contracts with its customers

Particulars	Year Ended March 31, 2020	Year Ended March 31, 2019
Sale/ Transfer of Products		
Finished Goods	121,839.86	130,311.04
Semi Finished Goods (Clinker Transfer to Kondapalli Grinding Unit)	10,383.61	16,193.69
Traded Goods	0.44	1.03
Total Gross Sales	132,223.90	146,505.76
Less: Inter segment Transfers	13,795.70	19,468.89
Less: Taxes on Sales	24,641.70	29,049.08
Revenue from Operations	**93,786.50**	**97,987.79**

(b) Company has recognized the ₹ 48 lakhs as impairment loss against the amount receivables from its customers or contract assets arising due to contract with its customers.

(ii) Contract Balances

(a) Receivables

Particulars	Year Ended March 31, 2020	Year Ended March 31, 2019
Opening Balance	15,052	4,709
Addition/deduction during the year	(714)	10,343
Closing Balance	14,338	15,052

Company recognized contract assets when it satisfies its obligation by transferring the goods or services to the customer and right to receive the consideration is established which is subject to some conditions to be fulfilled by the company in future before receipt of consideration amount. Such assets are as follows:

Particulars	Year Ended March 31, 2020	Year Ended March 31, 2019
Opening Balance	-	-
Addition/deduction during the year	3.97	46
Closing Balance	3.97	46

c) Practical expedients

During the year company has entered into sales contracts with its customers where contracts are not executed, same has not been disclosed as per practical expedient as the duration of the contract is less than one year or right to receive the consideration established on completion of the performance by the company.

B. Significant judgements in the application of this standard

(i) Revenue is recognized by the company when the company satisfies a performance obligation by transferring a promised good or service to its customers. Asset/goods/services are considered to be transferred when the customer obtains control of those asset/goods/services.

(ii) The company considers the terms of the contract and its customary business practices to determine the transaction price. The transaction price is the amount of consideration to which an entity expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third parties (for example, GST etc.).

(iii) The consideration promised in a contract with a customer may include fixed amounts, variable amounts, or both. Any further adjustment will be made by raising debit/credit notes on the customer. While determining the transaction price effects of variable consideration, constraining estimates of variable consideration, the existence of a significant financing component in the contract, non-cash consideration and consideration payable to a customer is also considered.

25. Other Income

Particulars	Year Ended March 31, 2020	Year Ended March 31, 2019
Interest Income	-	-
- **From Fixed Deposits**	68.12	34.25
- **Income from Operation of Trucks**	(70.95)	28.76
- **Others***	74.56	65.37
Scrap Sales	46.71	283.85
Rent	78.37	
Other Non Operating Revenue (Net of expenses directly attributable to such income)		
- **Profit on Sale of Assets**	48.11	98.46
- **Foreign Exchange Gain**	(0.42)	0.11
- **Misc. Receipt**	30.02	124.33
Total	**274.52**	**635.13**

* Includes interest on power consumption deposits of ₹ 72.58 lakhs (Previous Year ₹ 65.26 lakhs)

26. Cost of Materials Consumed

Particulars	Year Ended March 31, 2020	Year Ended March 31, 2019
Details of Rawmaterials Consumed		
Limestone	4,191.34	4,695.41
Al. Laterite	1,875.75	2,093.10
Gypsum	1,085.68	1,121.64
Iron ore / Iron ore powder	322.45	593.49
FlyAsh	1,599.30	1,813.25
Purchased Clinker Consumption	-	-
Clinker Consumption at Kondapalli Plant	9,706.30	15,310.03
Cement Consumption in Other Divisions	4,138.32	3,610.71
Wood	2,053.53	1,799.02
Chemicals	515.86	462.43
Paper	267.70	274.72
Ready Mix Concrete Materials	2,584.90	2,261.26
Other Materials	239.80	349.41
Total	**28,580.93**	**34,384.47**
Less: Inter Segment Transfers	13,795.70	19,468.89
Net Consumption of Materials	**14,785.23**	**14,915.58**

27. Purchase of Stock-in-Trade

Particulars	Year Ended March 31, 2020	Year Ended March 31, 2019
Purchases	0.37	0.79
TOTAL	**0.37**	**0.79**

28. Changes in Inventory

Particulars	Year Ended March 31, 2020	Year Ended March 31, 2019
A. Finished Goods		
Opening Balance	2,177.00	1,925.96
Closing Balance	3,888.69	2,177.00
Changes in Inventory of Finished Goods	(1,711.69)	(251.04)
B. Work in Progress		
Opening Balance	769.79	506.49
Closing Balance	1,602.77	769.79
Changes in Inventory of Work in Progress	(832.98)	(263.30)
Net (Increase) /Decrease	*(2,544.67)*	*(514.34)*

29. Employees' Benefit Expenses

Particulars	Year Ended March 31, 2020	Year Ended March 31, 2019
Salaries and Wages		
Salaries, Wages and Bonus	3732.96	3389.02
Leave Encashment	32.16	64.60
Gratutity	75.46	95.04
Managerial Remuneration	505.04	477.97
Contribution to Provident Fund & Other Funds	192.46	177.73
Staff Welfare Expenses	176.34	135.93
TOTAL	**4,714.42**	**4,340.29**

30. Other Expenses

Particulars	Year Ended March 31, 2020	Year Ended March 31, 2019
Manufacturing Expenses :		
Cost of Fuel	16,631.20	20,569.78
Cost of Power	10,860.36	12,235.45
Packing Materials	2,652.89	3,015.03
Stores & Spares consumed	2,410.82	2,635.20
Rep & Maintenance Plant & Machinery	972.37	1,285.10
Rep & Maintenance Buildings	0.16	12.66
Rep & Maintenance Others	32.61	96.26
Direct Manufacturing Expenses	1,044.82	1,136.39
Sub total (a)	34,605.23	40,985.87

Particulars	Year Ended March 31, 2020	Year Ended March 31, 2019
Administrative Expenses :		
Rent	134.36	228.32
Security Expenses	169.75	153.48
Directors' Sitting fees	13.15	8.70
Licences, Fees & Taxes	397.84	259.45
Insurance	69.59	20.45
Computer Maintenance	88.88	71.53
Office Maintenance	178.45	124.78
Printing & Stationery	16.49	33.91
Postage & Courier	7.49	15.99
Telephone	35.18	31.63
Travelling	281.59	286.25
Vehicle Maintenance	59.15	71.43
Legal & Professional Charges	92.39	131.04
Auditors' Remuneration (i)	11.30	8.75
Bank Charges	104.43	217.77
Staff recruitment and training	23.90	33.97
CSR Expenditure	215.50	196.80
Donations	0.94	3.23
Repairs & Maintenance - Vehicles	5.07	7.80
R & D Expenses	-	0.15
Allowance for Bad and Doubtful Debts	48.00	42.00
Miscellaneous Expenses	115.13	159.68
Sub total (b)	2,068.58	2,107.11
Selling & Distribution Expenses		
Transportation Paid	16,996.33	18,900.29
Advertisement & Publicity	715.70	400.57
Selling Expenses	8,505.47	3,367.54
Sub Total (c)	26,217.50	22,668.40
TOTAL (a+b+c)	62,891.31	65,761.38

(i)Amount paid to auditors'

Particulars	Year Ended March 31, 2020	Year Ended March 31, 2019
As Auditor	10.55	8.25
For Taxation Matters/Tax Audit	0.75	0.50
For Reimbursement of Expenses	-	-
TOTAL	11.30	8.75

31. Finance Cost

Particulars	Year Ended March 31, 2020	Year Ended March 31, 2019
Interest Expenses & Other Borrowing Costs	3,066.79	3,479.12
TOTAL	**3,066.79**	**3,479.12**

32. Depreciation And Amortization Expenses

Particulars	Year Ended March 31, 2020	Year Ended March 31, 2019
Depreciation / Amortisation for the year		
Depreciation on Plant, Property & Equipment	4,211.98	4,528.82
TOTAL	4,211.98	4,528.82

33. Contingent Liabilities:

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

Claims against the Company not acknowledged as Debts	Year Ended March 31, 2020		Year Ended March 31, 2019	
	Disputed Amount	Paid Under Protest	Disputed Amount	Paid Under Protest
Indirect Taxes Related	2,080.41	245.23	2,290.57	252.63
Others	942.89	313.88	806.89	268.59

ii) The Company has given Counter Guarantees to Banks / Financial Institutions for ₹ 715.85 lakhs as at 31st March 2020 (₹675.96 lakhs as at 31st March 2019) against the Bank Guarantees obtained.

34. Capital Comittments

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

Description	Year Ended March 31, 2020	Year Ended March 31, 2019
Estimated amount Plant, Property and Equipment of Projects	6764	11901

35. Employee Benefits

a) **Provident Fund**: Company pays fixed contribution to provident fund at predetermined rates to the government authorities. The contribution of ₹ 176.85 lakhs (Previous year ₹ 160.46 lakhs) including administrative charges is recognized as expense and is charged in the Statement of Profit and Loss.

b) **Gratuity:** Gratuity is provided as per the payment of Gratuity Act 1972, covering all the eligible employees. Gratuity is a non fund based Defined Benefit Plan payable to the qualifying employees on separation. Company considers the laibilities with regard to gratuity, are independently measured on actuarial valuation carried out as on Balance Sheet date. The liability has been assessed using Projected Unit Credit Method.

Reconciliation of opening and closing balances of the present value of the defined benefit obligation as at the year ended March 31, 2020 are as follows:

a) **Expense recognized during the year**

Description	Year Ended March 31, 2020		Year Ended March 31, 2019	
	Gratuity	Leave encashment	Gratuity	Leave encashment
Current Service Cost	53.36	60.46	46.85	57.49
Interest Cost	39.75	10.78	35.59	8.07
Net Actuarial (Gain) / Loss	(17.65)	(39.08)	12.60	(0.96)
Past Service Cost	-	-	-	-
Short Term Compensated Absence Liability	-	-	-	-
Total Cost	**75.46**	**32.16**	**95.04**	**64.60**

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

Description	Year Ended March 31, 2020		Year Ended March 31, 2019	
	Gratuity	Leave encashment	Gratuity	Leave encashment
Present Value of Obligations at beginning of the year	542.74	150.11	482.81	125.41
Changes in Present Value of Obligations		-		-
Current Service Cost	53.36	60.46	46.85	57.49
Interest Cost	39.75	10.78	35.59	8.07
Actuarial Loss / (Gain)	(17.65)	(39.08)	12.60	(0.96)
Past Service Cost	-	-	-	-
Settlements	(41.83)	(18.70)	(35.11)	(39.90)
Short Term Compensated Absence Liability	-	-	-	-
Present Value of Obligations at the end of the year	**576.37**	**163.57**	**542.74**	**150.11**
Present Value of Obligations - Current	53.61	9.98	40.94	16.92
Present Value of Obligations - Non - Current	522.76	153.59	501.80	133.19

Actuarial assumptions

a) Mortality IALM 2012-14 (ultimate)

b) Discounting rate – 6.70% Previous year 7.61 %

d) Expected average remaining working lives of employees–12.59 Years (PY12.74 Years)

e) Rate of escalation in salary – 4%

Sensitivity Analysis:

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

Gratuity

Particulars	As at As at		As at As at	
	March 31, 2020	March 31, 2020	March 31, 2019	March 31, 2019
	1% Increase	1% decrease	1% Increase	1% decrease
Effect of 1% change in assumed discount rate	533.85	625.4	499.47	592.94
Effect of 1% change in assumed salary rate	623.01	534.95	590.46	500.83
Effect of 1% change in assumed attrition rate			548.22	536.53

Leave Encashment

Particulars	As at As at		As at As at	
	March 31, 2020	March 31, 2020	March 31, 2019	March 31, 2019
	1% Increase	1% decrease	1% Increase	1% decrease
Effect of 1% change in assumed discount rate	149.31	180.27	136.23	166.53
Effect of 1% change in assumed salary rate	180.34	149.04	166.44	136.07
Effect of 1% change in assumed attrition rate			151.91	148.08

36. Income Tax Expense:

Income Tax recognised in the statement of Profit and Loss	For the year ended 31.03.2020	For the year ended 31.03.2019
Current Tax		
(i) In respect of Current Year	2,112.77	1,807.36
MAT Credit entitlement adjusted	-	(982.27)
(ii) In respect of Previous Year	72.96	96.56
Total Current Tax	2185.73	921.65
Deferred Tax		
(i) In respect of Current Year	(345.85)	498.94
Total Deferred Tax	(345.85)	498.94
Total Tax Expense	1,839.88	1,420.59

37. Financial Instruments- Fair Values and Risk Management

a. Financial Instruments by Categories

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

Amount in ₹ Lakhs as on 31st March 2020

Particulars	Cost	Financial assets/ liabilities at FVTPL	Financial assets/ liabilities at fair value through OCI	Total carrying value	Total fair value
Assets:					
Cash & Cash Equivalents	81			81	81
Trade Receivable	14,338			14,338	14,338
Other Financial Assets	597			597	597
Liabilities:				-	-
Trade Payable	6,611			6,611	6,611
Borrowings	12,152			12,152	12,152
Other Financial Liabilities	11,217			11,217	11,217

Amount in ₹ Lakhs as on 31st March 2019

Particulars	Cost	Financial assets/ liabilities at FVTPL	Financial assets/ liabilities at fair value through OCI	Total carrying value	Total fair value
Assets:					
Cash & Cash Equivalents	501			501	501
Trade Receivable	15,052			15,052	15,052
Other Financial Assets	640			640	640
Liabilities:				-	-
Trade Payable	7,244			7,244	7,244
Borrowings	7,940			7,940	7,940
Other Financial Liabilities	10,039			10,039	10,039

Fair Value Hierarchy Management considers that,the carrying amount of those financial assets and financial liabilies that are not subsequently measured at fair value in the Financial Statements approximate their transaction value. No financial instruments are recognized and measured at fair value for which fair values are determined using the judgments and estimates. The fair value of Financial Instruments referred below has been classified into three categories depending

on the inputs used in the valuation technique. The hierarchy givesthe highest priority to quoted prices in active market for identical assets or liabilities. (Level-1measurements) and lowest priority to unobservable (Level-3 measurements).

b) Financial Risk Management:

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

c) Management of Market Risk:

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

d) Foreign Currency Risks:

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

The Company exposure to foreign currency risk as at the end of the reporting period expressed in INR as on March 31, 2020 is as follows:

Particulars	Amount in ₹ Lakhs
Financial Assets:	
Cash & Cash Equivalents	-
Trade Receivable	-
Deposits	-
Other Financial Assets	-
Financial Liabilities:	
Trade Payable	7
Borrowings	-
Other Financial Liabilities	-

The Company exposure to foreign currency risk as at the end of the reporting period expressed in INR as on March 31, 2019 is as follows:

Particulars	Amount in ₹ Lakhs
Financial Assets:	
Cash & Cash Equivalents	-
Trade Receivable	-
Deposits	-
Other Financial Assets	-
Financial Liabilities:	
Trade Payable	1,620
Borrowings	-
Other Financial Liabilities	-

e) Credit Risk:

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

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

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

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

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

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

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

For the year ended March 31, 2020

Paticulars	Gross Carriying Amount	Less than one year	More than one year	More than two year	More than three year
Gross Carrying Amount	14,617.27	14,443.33	103.86	35.98	34.10
Expected Credit loss	162.00		43.92	35.98	34.10
Carrying amount (net of impairment)	14,455.27	14,443.33	59.94	-	-

For the year ended March 31, 2019

Paticulars	Gross Carriying Amount	Less than one year	More than one year	More than two year	More than three year
Gross Carrying Amount	15,225.91	15,090.48	44.10	55.40	35.93
Expected Credit loss	72.00			36.07	35.93
Carrying amount (net of impairment	15,153.91	15,090.48	44.10	19.33	(0.00)

f) Liquidity Risk:

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

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

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

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

Paticulars	Gross Carriying Amount	Less than one year	More than one year	More than two year	More than three year
As on March 31 2020					
Trade Payables	6,611	6,611			
Other Financial liabilities	11,217	11,217			
As on March 31 2019					
Trade Payables	7,244	7,244			
Other Financial liabilities	10,039	10,039			

38. Capital Management

The Company's objectives when managing capital are to

Safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders,and maintain an optimal capital structure to reduce the cost of capital.

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

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

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

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

Particulars	As at March 31, 2020	As at March 31, 2019
Borrowings		
Current	12,151.87	7,940.17
Current maturities of non- current borrowings	5,972.80	6,951.39
Non current	16,536.43	18,670.97
Less: Cash & Bank Balances	81.25	501.45
Net Debt	34,579.85	33,061.08
Equity		
Equity share capital	4,523.28	4,523.28
Other equity	48,320.41	45,405.92
Total capital	52,843.69	49,929.20
Gearing ratio in % (Debt/ capital)	65.44	66.22

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

There are no changes in the objectives, policies or processes for managing capital during the years ended 31 March 2020 and 31 March 2019.

39 Segmental Reporting :

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

1. Cement

2. Boards

3. RMC

4. Energy

5. Doors

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

Segment Revenue and Expense

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

Segment revenues and results:

for the year ended March 31, 2020

Particulars	Cement	Boards	Energy	RMC	Doors	Unallocable	Total
Segment Revenue from External Customers							
Within India	74,557.24	10,930.33	804.50	7,366.95	127.48	-	93,786.50
Outside India		-					-
Inter-Segment Revenue	13,432.05	339.11	-	24.54	-	-	13,795.70
Total Segment Revenue	**87,989.29**	**11,269.44**	**804.50**	**7,391.49**	**127.48**	**-**	**107,582.20**
Segment Results							
Within India	7,900.06	1,487.41	475.59	501.48	(361.67)	(0.50)	10,002.38
Outside India	-	-	-	-	-	-	-
Total segmental results	**7,900.06**	**1,487.41**	**475.59**	**501.48**	**(361.67)**	**(0.50)**	**10,002.38**
Unallocated Corporate expenses:							
Interest expenses (net)						3,066.79	3,066.79
Other unallocated expenses net of other income						0	0
Profit before tax from ordinary activities	**7,900.06**	**1,487.41**	**475.59**	**501.48**	**(361.67)**	**(3,067.29)**	6,935.59
for the year ended March 31, 2019							Amount in ₹ lakhs
Particulars	**Cement**	**Boards**	**Energy**	**RMC**	**Doors**	**Unallocable**	**Total**
Segment Revenue from External Customers							
Within India	79,909.21	12,028.56	417.26	6,205.12	-	-	98,560.14
Outside India							-
Inter-Segment Revenue	18,604.59	598.92	-	265.38	-	-	19,468.89
Total Segment Revenue	**98,513.79**	**12,627.48**	**417.26**	**6,470.50**	**-**	**-**	**118,029.03**
Segment Results							
Within India	7,315.04	1,737.78	107.31	417.67	-		9,577.80
Outside India	-	-	-	-	-	-	-
Total segmental results	**7,315.04**	**1,737.78**	**107.31**	**417.67**	**-**	**-**	**9,577.80**
Unallocated Corporate expenses:							
Interest expenses (net)						3,479.12	3,479.12
Other unallocated expenses net of other income							-
Profit before tax from ordinary activities						3,479.12	6,098.68
Segment assets and liabilities							

for the year ended March 31, 2020							Amount in ₹ lakhs
Particulars	**Cement**	**Boards**	**Energy**	**RMC**	**Doors**	**Unallocable**	**Total**
Segment Assets :							
Assets	75,232.58	12,881	3,012.61	2,667.33	6,844.14	14,598.59	115,316.60
Total Assets	75,232.58	12,881	3,012.61	2,667.33	6,844.14	14,598.59	115,316.60
Segment Liabilities :							
Liabilities	27,242.79	2,033.47	44.57	1,195.38	480.89	23,443.80	54,465.60
Total Liabilities	27,242.79	2,033.47	44.57	1,195.38	480.89	23,443.80	54,465.60
for the year ended March 31, 2019							Amount in ₹ lakhs
Particulars	**Cement**	**Boards**	**Energy**	**RMC**	**Doors**	**Unallocable**	**Total**
Segment Assets :							
Assets	78,482.62	11,445.52	2,867.10	2,340.26	-	14,272.70	109,489.00
Total Assets	78,482.62	11,445.52	2,867.10	2,340.26	-	14,272.70	109,489.00
Segment Liabilities :							
Liabilities	28,411.26	1,945.34	40.26	1,136.51	-	19,658.67	51,216.74
Total Liabilities	28,411.26	1,945.34	40.26	1,136.51	-	19,658.67	51,216.74

40 Earnings Per Share

	As at March 31, 2020	**As at March 31, 2019**
Net Profit / (Loss) for the Period	5,095.71	4,678.10
Shares		
Number of shares at the beginning and at the end of the year	45,232,790	36,732,790
Number of shares at the beginning and at the end of the year	45,232,790	45,232,790
Earnings per share of par value ₹ 10/ – Basic and Diluted in Rupees.		.
Basic	11.26	10.34
Diluted	11.26	10.34

41. Expenditure in Foreign Currencey:

Particulars	**2019-2020**	**2018-2019**
Foreign Travel	3.26	9.54
Raw Materials	1,115.12	509.79
Components, Stores & Spares	158.87	94.00
Capital Goods	227.95	82.78
Fees paid for certification	-	0.82
Others	79.23	101.31
Total	**1,584.43**	**798.24**

Note 42: Corporate Social Responsibility (CSR)

As per Section 135 of the Companies Act, 2013 and rules made there under on CSR Activities, the Company has incurred an amount of ₹ 215.50 (2019 year ₹ 196.80) towards Corporate Social Responsibility activities during the Financial Year 2018-19 and debited to Statement of Profit and Loss.

The amount of expenditure to be spent on CSR activities and financial details as per the Companies Act, 2013 for the F.Y 2019-20 are as under:

Particulars	2019-2020	2018-2019
Average of net profits of last three financial years as per Section 198 of the Companies Act, 2013	6956.30	7024.52
Earmarked percentage U/s 135 of the Companies Act, 2013 towards CSR Activities	2%	2%
Amount to be spent towards CSR Activities	139.13	140.49
Amount actually spent on CSR Activities	215.50	196.80

43. Related Party Transactions

a) Names of related parties and nature of relationships:

i) Key Managerial Personnel (KMP):

1. Mr. K Ravi	Managing Director
2. Mr. K Gautam	Executive Director
3. Mr. N G V S G Prasad	Executive Director & CFO
4. Mrs. Roopa Bhoopathiraju	Executive Director (From Oct 2019)
5. Mr. Subba Raju Bhoopathiraju	Executive Director (From July 2019 tp Sep 2019)
6. Mr. T Arun Kumar	Company Secretary
ii) Non Whole time Directors	
1. Mr. Kamlesh Gandhi	**Chairman**
2. Dr. R Kalidas	Director
3. Lt. Gen. (Retd) T A DCunha	Director
4. Mr. V S Raju	Director
5. Mr. V V Goradia	Director
6. Mr. K Madhu	Director (upto Sep 2019)
7. Mr. P N Raju	Director
8. Mr. Ashven Datla	Director
9. Mrs Pooja Kalidindi	Director (From Feb 2020)
iii) Relatives of Key Management Personnel with whom there are transactions	
1. Mrs. K Sarojini	Mother of Mr. K Ravi
2. Mrs. Charulatha V Goradia	Wife of Mr V V Goradia
3. Mrs. K Sailaja	Wife of Mr. K Ravi
4. Ms. N Chaitra Sarada	Daughter of Mr. N G V S G Prasad
5. Ms N Suchitra Katyayani	Daughter of Mr. N G V S G Prasad
6. Mrs Sita Maha Lakshmi	Mother of Mr. N G V S G Prasad
7. Ms. B Anika	Daughter of Mrs. Roopa Bhoopathiraju
8. Master B Arjun	Son of Mrs. Roopa Bhoopathiraju

iv) Enterprises controlled by Key Management Personnel / Relatives of Key Management Personnel
1. NCL Buildtek Limited
2. NCL Homes Limited
3. Kakatiya Industries (P) Limited
4. Nagarjuna Cerachem (P) Limited
5. NCL Veka Limited
6. Khandaleru Power Company Limited
7. Vikram Chemicals Pvt Limited
8. Deccan Nitrates Pvt Limited
9. NCL Green Habitat Pvt Limited

b. Related Party Transactions for the Year

i) Remuneration to Key Managerial Personnel	31st March 2020	31st March 2019
Mr. K Ravi, Managing Director	327.40	303.01
Mr. K Gautam, Executive Director	74.80	71.68
Mr. N G V S G Prasad, Executive Director & CFO	47.04	42.87
Mrs. Roopa Bhoopathiraju	21.04	-
Mr. Subba Raju Bhoopathiraju	16.26	-
Mr. T Arun Kumar, Company Secretary	13.37	11.96

ii) Transactions during the year where related party relationship was existing:

	31st March 2020	31st March 2020	31st March 2019	31st March 2019
Sale of Finished Goods				
NCL Buildtek Limited	1,411.40		1,028.95	
NCL Homes Limited	56.99		45.02	
NCL Veka Limited	4.41		28.53	
Kakatiya Industries (P) Limited	-		0.63	
NCL Green Habitat Pvt Limited	-	1,472.80	19.38	1,122.51
Purchases / Services				
NCL Buildtek Limited	56.14		94.65	
Kakatiya Industries (P) Limited	94.31		-	
NCL Veka Limited	4.00	154.45	111.10	205.75
Rent Paid				
Sri K Ravi	9.92	9.92	9.08	9.08
Reimbursement of Expenses				
NCL Buildtek Limited	30.87		22.16	
Nagarjuna Cerachem (P) Limited	5.18	36.05	-	22.16
Fixed Deposits as the end of the year				
Mr. K Ravi	-		45.00	
Mrs. K Sarojini	-		3.00	
Mrs. K Sailaja	64.00		80.00	
Mrs. Roopa Bhoopathiraju	4.50		59.50	
Ms B Anika	5.00		5.00	
Master B Arjun	15.40		15.40	
Mr. V V Goradia	20.00		20.00	
Mrs. Charulatha V Goradia	10.00		10.00	
Ms. N Chaitra Sarada	26.50		26.50	
Ms N Suchitra Katyayani	23.50		20.00	
Mrs Sita Maha Lakshmi	7.50		3.50	
Kamlesh Suresh Gandhi	23.00		15.00	
Mr. Kiran Raghavapudi	30.00		30.00	
Mr. Arun Raghavapudi	18.00	247.40	30.00	362.90

Note 44:

Impact of the COVID-19 pandemic on the business, supply chain and demand. Ability to maintain operations including the factories/units/office spaces functioning and lockdown

The COVID 19 pandemic has had an unprecedented impact on the nation, its citizens, the economy and business. To slowdown the spread of COVID'19, the government announced a nationwide lockdown from 24th March, 2020. However even before the nationwide lockdown, various state governments and local administrations had implemented different containment measures such as sealing borders, closing public places, suspending transport services and state-specific lockdown. Hence, the adverse impact of COVID-19 in form of fractured supply lines and demand decline has been felt from mid-March.

Our operations at manufacturing sites and distribution were disrupted. Immediately following the nationwide lockdown, operations came to a near standstill and we were able to operate at moderate level of the pre-COVID normative levels. Lockdown has severely impacted the Construction industry and the loss of livelihoods has taken a substantial toll on consumer demand in the urban part of India. However, rural part of the country are less effected by the Pandemic and the demand is fairly steady.

The Company's utmost priority has been health, safety and well-being of our employees and partners. The Company had rapidly implemented safe operations even before a strict lockdown came into place Strict standards of access control, social distancing in supply chain and sales force, use of Personal Protection Equipment (PPE) as well as strict hygiene and sanitization procedures are active across our operations.

The future impact on the business operations is not that adverse at this point, as the situation is unravelling at a fast pace. We are fully committed to working with the Government and our partners to ensure that we overcome this crisis together. Even though the current situation is very volatile, we are confident about our ability to manage the crisis and come out of it in a strengthened position.

The Company is well positioned well to fulfil its obligations with respect to all the existing contracts and agreements. We do not foresee any material impact arising from non-fulfilment of obligation by any party in existing contracts or agreements.

Note 45

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

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

For and on behalf of the Board

K. Ravi
Managing Director
DIN: 00720811

V S Raju
Director
DIN: 00101405

P.V. Sri Hari
Partner
Membership No. 21961

N. G. V. S. G. Prasad
Executive Director & CFO
DIN: 07515455

T. Arun Kumar
Company Secretary

Hyderabad
Dated: 30th June 2020

Advisory, Content & Visualization

Corp Comm Studio

If undelivered, Please return to:

NCL Industries Limited

7th Floor, "NCL Pearl",
Near Rail Nilayam,
S D Road, Secunderabad-500026, India.
Ph : 91-40-30120000
E-mail : ncl@nclind.com Website : www.nclind.com

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