



**NCL INDUSTRIES LIMITED**



**BUILDING ON STRENGTHS**  
ANNUAL REPORT 2018-19

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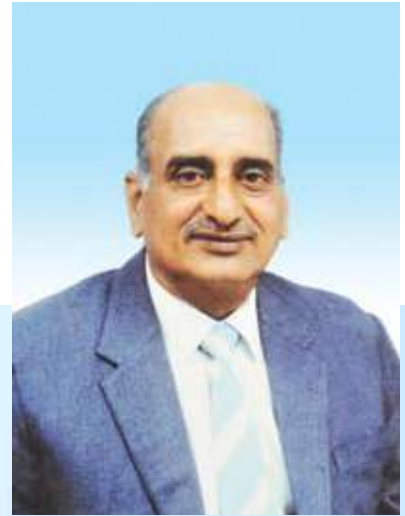
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Attendance Slip & Proxy Form

### Disclaimer

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

Our Founder  
Our Inspiration  
Our Guide



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

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



## Who We Are

# NCL Industries Ltd is a leading manufacturer of cement under the brand name Nagarjuna Cement & Cement Bonded Particle Boards under the brand name Bison Panel

In FY19 the company has also commenced production of High end specialised doors in technical collaboration with AGT Turkey under the brand name Duradoor.

The company derives over 80% of its revenues from the cement business operating mainly in south India with an annual installed capacity of 2.70 million tons. The rest of the sales come from segments like cement bonded particle board, ready mix concrete and hydro power. The company's strong brand equity, premium positioning in its markets and low-cost capacity expansion and product diversifications are key triggers for the company's future growth. The company is poised to benefit from the uptick in infrastructure and construction sector.

## Our Brands





## Products and Plant Locations

### CEMENT

Ordinary Portland Cement  
Portland Pozzolona Cement  
Ready Mix Concrete

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 : Visakhapatnam, Andhra Pradesh  
Unit 2 & 3 : Hyderabad, Telangana

Markets: Hyderabad & Visakhapatnam

### CEMENT BONDED PARTICLE BOARD

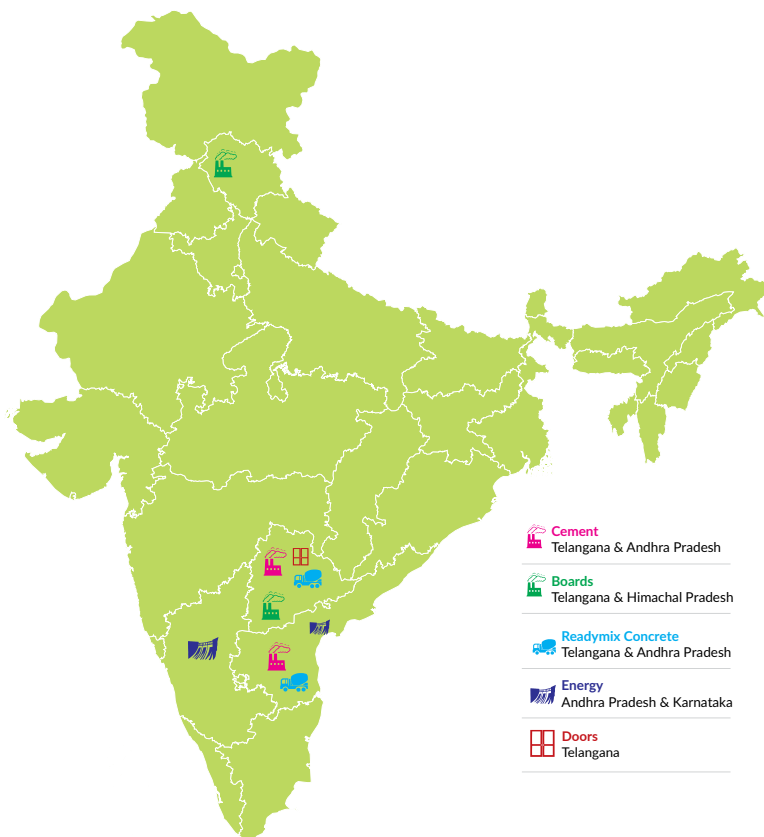
Plain, Laminated, Designer Boards & Planks  
Unit 1 & 3 : Simhapuri, Telangana  
Unit 2 : Paonta Sahib, Himachal Pradesh

Capacity: 90,000 tons  
Distributors: 350+

### HYDRO POWER PROJECTS

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

Installed capacity: 15.75 MW



Review by

## The Managing Director



### Dear Shareholders,

There have been quite a few significant developments since I communicated with you last.

On the gross turnover front, we bettered the best-ever performance of last year by recording a further growth of 9.81%. Despite pressures on price realisations and margins, we have been able to nearly maintain the profit figures in absolute terms.

The Ready-made Doors project was successfully completed. DuraDoor has made its debut in the market and is poised to carve out a niche for itself in the construction industry.

Moving into our own Corporate Office building has been another significant milestone. NCL Pearl has now become a landmark in the topography of the region.

The signing of a Joint Venture agreement with Qingdao Xinguangzheng Steel Structure Ltd has been another momentous development. It marks the beginning of an era of partnership with overseas entities. This joint venture has the potential of being a trend-setter. If it succeeds, long gestation periods for large structures will be the exception rather than the rule.

Our efforts in enriching the quality of our human resources continues. Our commitment to contribute to improvement of the quality of life in our neighbourhood through CSR activities is steadfast. Our quest for excellence is ongoing.

All this has been possible, dear Shareholders, with your continued support and encouragement. That has been our strength. I am sure this will help us in reaching greater heights.

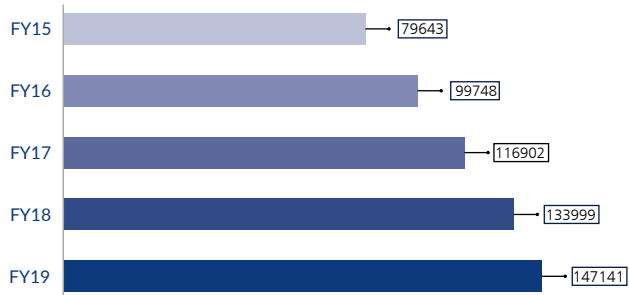
Thank you,

**K Ravi**  
Managing Director

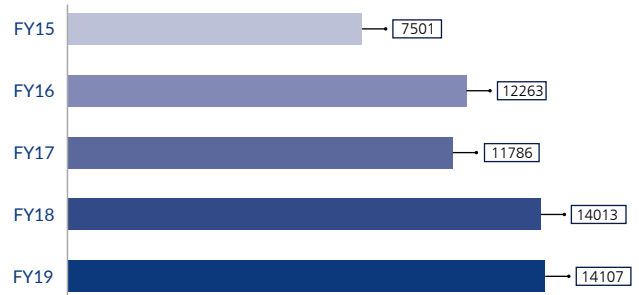
## How We Performed

# Financial Highlights

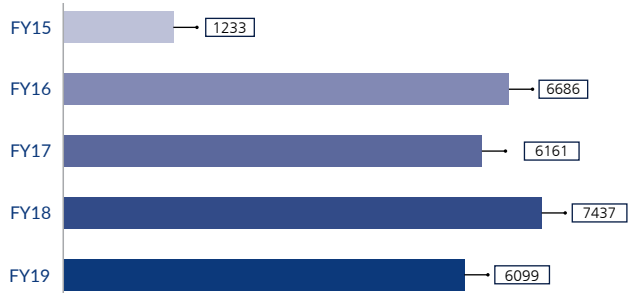
### Revenue (₹ in Lakhs)



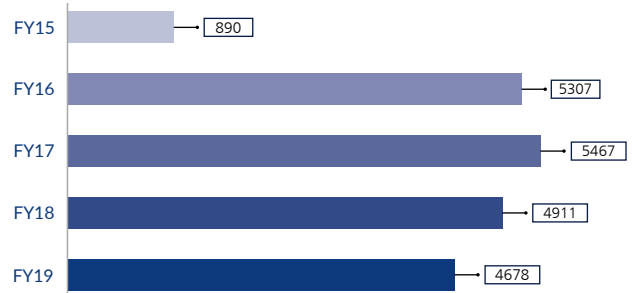
### EBIDTA (₹ in Lakhs)



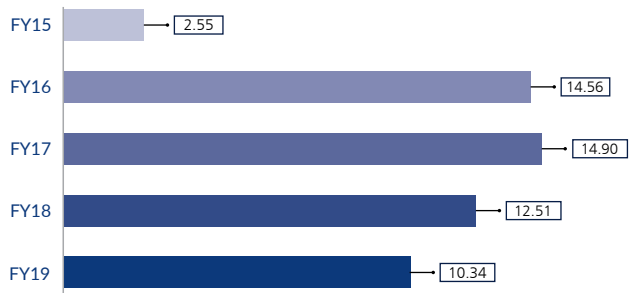
### PBT (₹ in Lakhs)



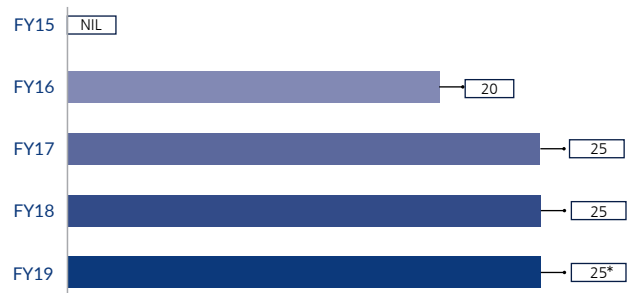
### PAT (₹ in Lakhs)



### EPS (₹ in Lakhs)

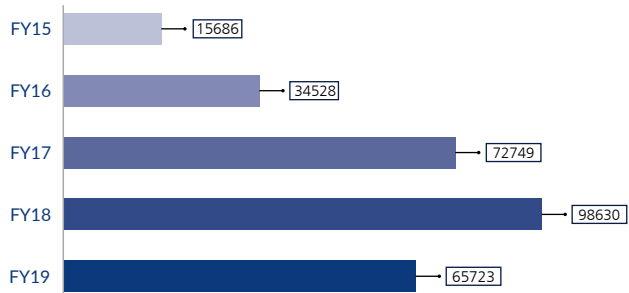


### Dividend (%)

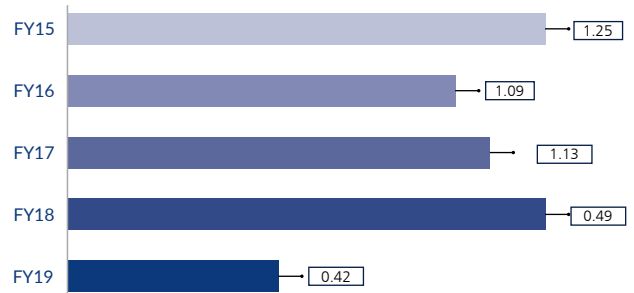


\* Proposed dividend

### Market Cap (₹ in Lakhs)



### Debt to Equity



## Review of Business – Cement Division

# Revenue from Cement increased 8.3% year on year basis

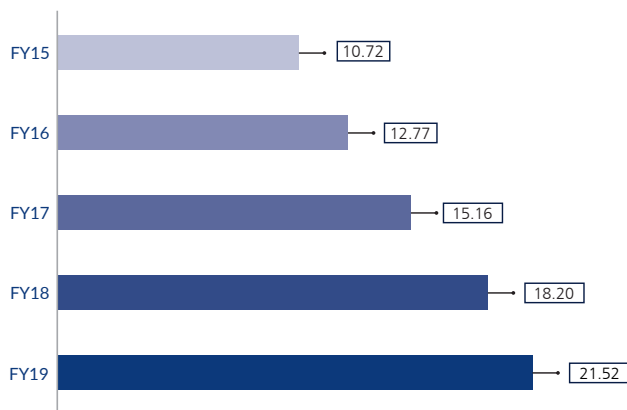
The company markets cement under the brand name 'Nagarjuna' which is available in various grades of ordinary Portland and pozzolana Portland cement. In addition, the company also manufactures special grade cement popularly known as 53S, used for special applications like railway sleepers and pre-stressed concrete works. NCL is one the major cement suppliers for Polavaram Irrigation project.

### Cement division revenue FY19

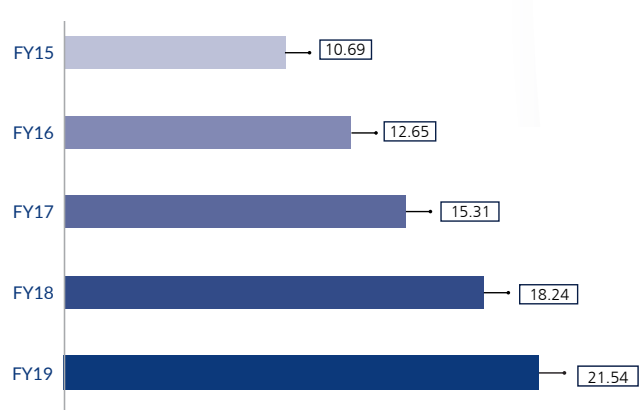
₹ **1252** Cr

As against 1156 Cr in FY18

### Cement Production (Lakh Mts)



### Cement Sales (Lakh Mts)





## Review of Business – Boards Division

# We are India's only Cement Bonded Particle Board (CBPD) Manufacturer

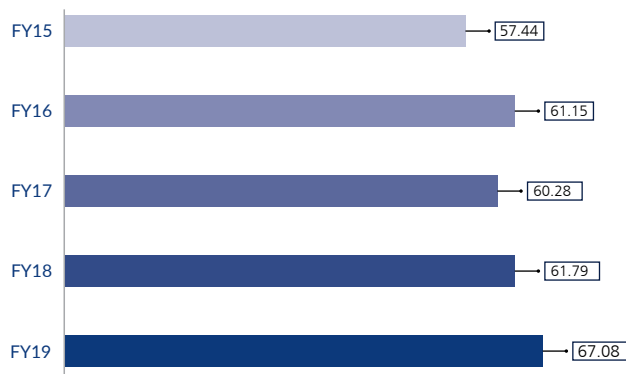
'Bison Panel' is a cement bonded particle board made out of 62% cement & 28% wood. Due to adoption of a special manufacturing process, the panel acquires the strength & durability of cement & the workability of wood. Bison Panels are extensively used for several interior and exterior applications such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

### Board division revenue FY19

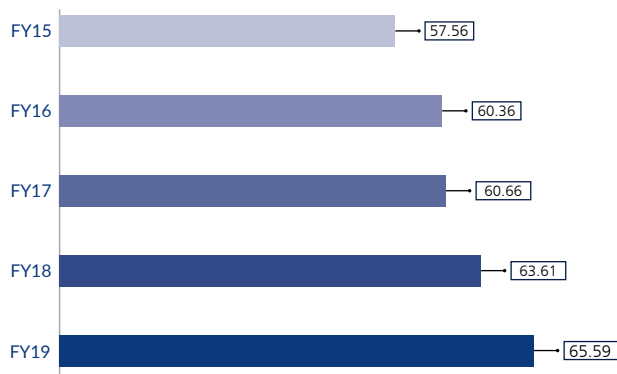
₹ **135** Cr

As against 120.26 Cr in FY18

### Boards Production (Thousand Mts)



### Boards Sales (Thousand Mts)



## Review of Business – Others

### Ready Mix Concrete

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



### Hydro Power

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

### Duradoors

NCL Industries has collaborated with AGT, a global manufacturer with advanced technology in building materials based in Turkey. NCL has set up a two lakh square feet factory in Malkapur, Hyderabad, to produce 1000 doors per day. Duradoor has made its debut in the market and is poised to carve out a niche for itself in the construction industry.

