

NCL Industries Limited

Annual Report 2021–22



RESILIENT.
INNOVATIVE.
FUTURE-FOCUSED.



DREAM
BUILD
CREATE



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K. Ramachandra Raju
Founder
(1934 - 2008)

Our founder and inspiration

The Founder of our Group, Mr. Ramachandra Raju was a pioneer in the mini cement industry. He was among the first few to venture into what at that time was a revolutionary and untested concept of mini cement plants. The Government encouraged experimentation with this low-investment low-volume solution to the chronic shortage of cement that prevailed four decades ago. Mr. Ramachandra Raju accepted the challenge with an entrepreneurial spirit, and established Nagarjuna Cements Ltd to set up a mini cement plant.

Mr. K Ramachandra Raju was one such individual. He along with Mr. Vinodrai Goradia and Mr. G Somaraju as Co-Promoters established Nagarjuna Cements Ltd. From a single commodity unit, it evolved into a multi-product NCL Group in the building materials industry. The association amongst the Co-Promoters continues to the third generation – a unique feature in itself.

The calculated risk paid off handsomely, and the company could declare a dividend of 25% for the very first full year of its operations.

Mr. Ramachandra Raju was a quintessential entrepreneur. He wanted to introduce innovative products much ahead of their times. Bison Panels from Germany, Seccolor pre-painted steel windows from Italy, Alltek paints from Sweden and pre-fab housing were examples.

The innovative products introduced for the first time in the country overcame their teething problems, and established themselves in due course.

Today, we pay homage to this visionary, whose philosophy of Growth and Innovative Products we have inherited and internalized. They have become the credo of a corporate conglomerate in the making.



ABOUT US

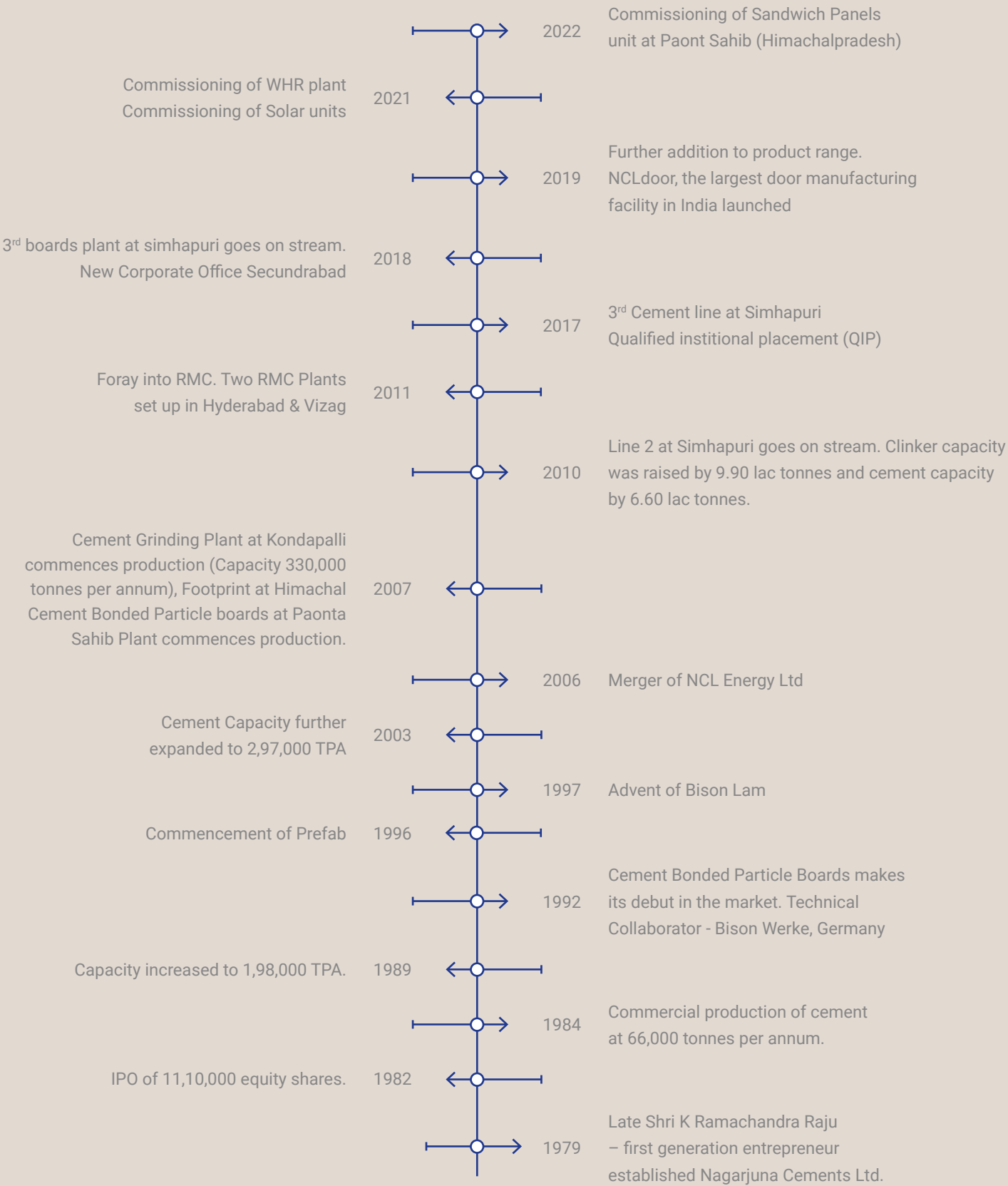
Ahead of the times. Since 1984.

The 1980s transformed India. The decade witnessed a spurt in consumer demand for products and services, a blossoming of new entrepreneurial talent to meet the demand. Individuals from families with agriculture or employment background decided to venture out their zone of comfort and explore new paths and try their hand at industry. This was phenomenon notable in then composite state of Andhra Pradesh, which saw emergence of modest manufacturing units which evolved into significant Industrial Groups.

Mr. K Ramachandra Raju was one such individual. Nagarjuna Cements was one such unit which evolved into the multi-product NCL Group in construction and building materials industry.

The fledgling has learnt to fly. From a mini cement plant producing a single commodity in a single location, it spread its wings to 30 locations, and multiple products in building materials.

Timeline



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: 2290
Markets: Andhra Pradesh, Telangana, Tamil Nadu, Karnataka, Pondicherry and Kerala.

READY MIX CONCRETE

4 Units: Visakhapatnam, Andhra Pradesh
5 Units: 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

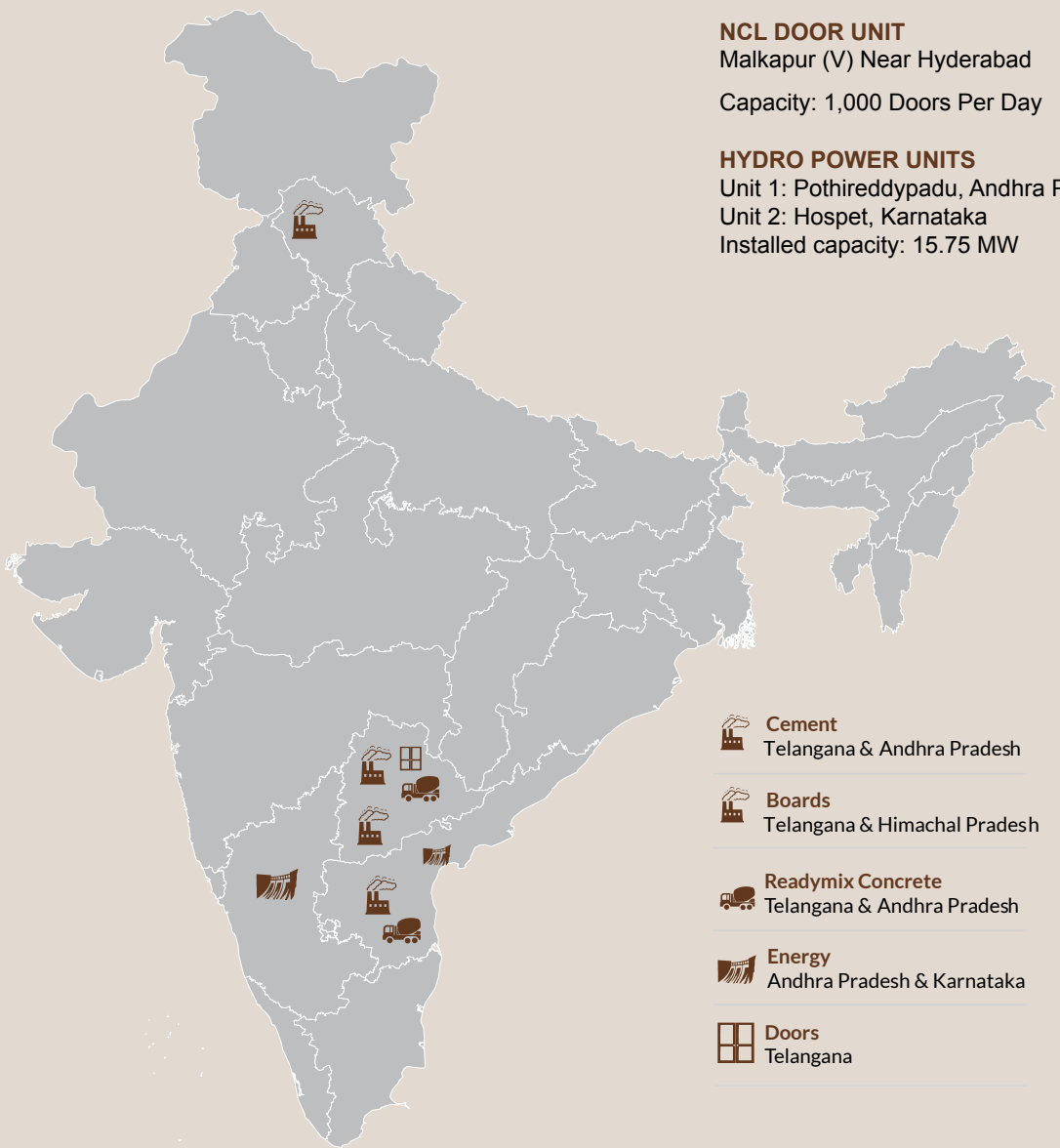
Capacity: 90,000 tons
Distributors: 450+

NCL DOOR UNIT

Malkapur (V) Near Hyderabad
Capacity: 1,000 Doors Per Day

HYDRO POWER UNITS

Unit 1: Pothireddypadu, Andhra Pradesh
Unit 2: Hospet, Karnataka
Installed capacity: 15.75 MW



From the Managing Director's Desk

Passing the Baton

Dear Shareholders,

In everyone's life there comes a time to pass the baton to the next generation. It happened in the year 1995, when Mr. K. Ramachandra Raju asked me to assume charge at the helm of affairs of the company he founded. After 27 years, it is my turn to do so.

As you are aware, I will be stepping down as Managing Director and handing over charge to Mr. K. Gautam, who has been chosen to lead the company from 1st October 2022. It is a natural progression for Mr. K. Gautam from the position of an Executive Director to Joint Managing Director, and then to the Managing Director. Over the years he has gained all round experience in dealing with various aspects of the operations of the company. I shall be handing over charge to him with the satisfaction that he has been groomed to the best of my ability. I hope that he will get the same support and cooperation from you that was extended to me in abundance. I shall of course be available to him as the Executive Vice Chairman to render help and guidance whenever needed.

The past 40 years have been both challenging and exhilarating. We have experienced depths of depression and heights of glory. It is a matter of immense satisfaction that we overcame every adversity with grit and determination as a team. At the same time we did not allow our successes to make us go overboard. We took each success as a stepping stone to reach a higher, re-calibrated objective.

It has been a privilege to lead a team of executives, staff and workers who have shown exemplary solidarity. Moving on from a turnover of Rs. 45 crores in 1995 to Rs.2,254 crores in FY 2022, and increasing the net worth of the company from Rs.17.83 crores in 1995 to Rs.744 crores in FY 2022 would not have been possible without their steadfast support and whole hearted co-operation. I wish to take this opportunity to convey my heart-felt gratitude to them.

As I sign off, I wish to thank you, dear Shareholders, for being with the company through adversity and prosperity, and reposing confidence in me and my team. I hope we have been able to justify that confidence and live up to your expectations. I am sure that the same support and confidence will be reposed on Gautam and his team.

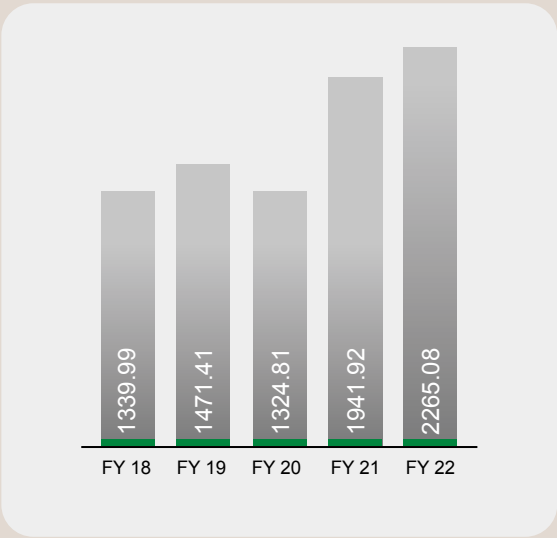
With warm regards,

K. Ravi
Managing Director



Financial Highlights

Revenue (₹ in Crores)



EBIDTA (₹ in Crores)



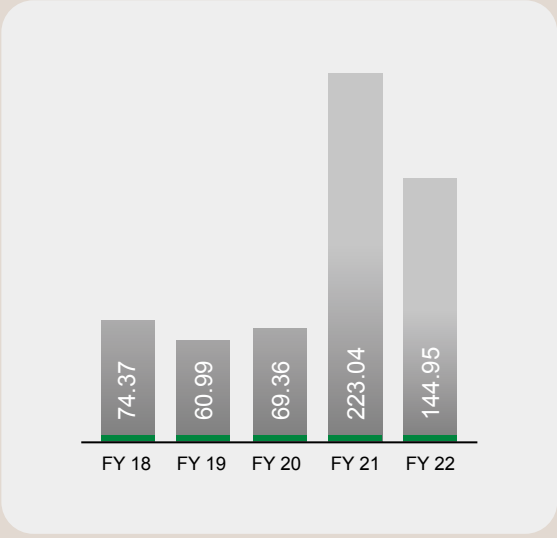
EPS (₹)



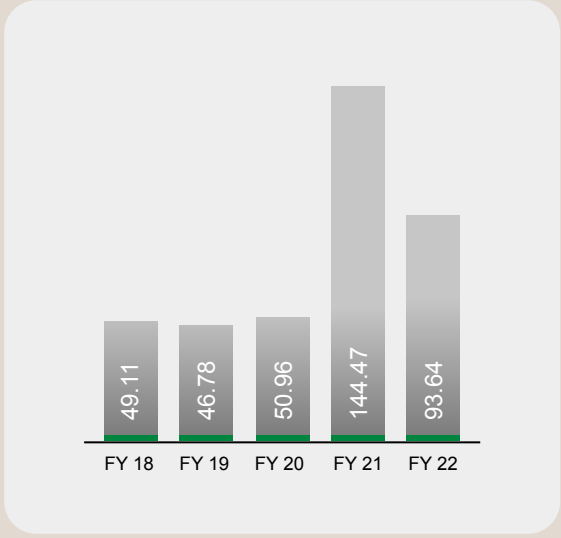
Dividend (%)



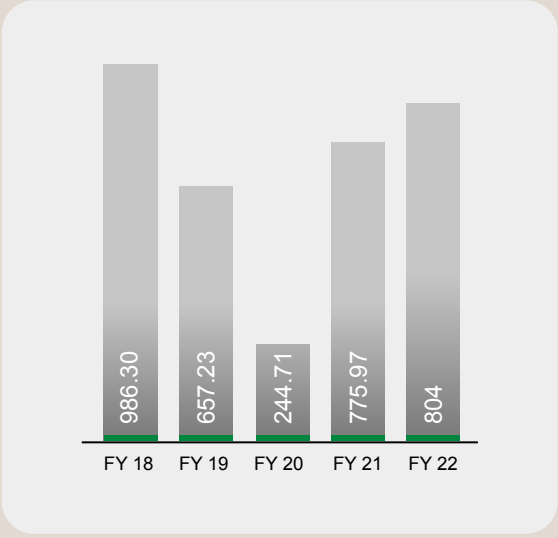
PBT (₹ in Crores)



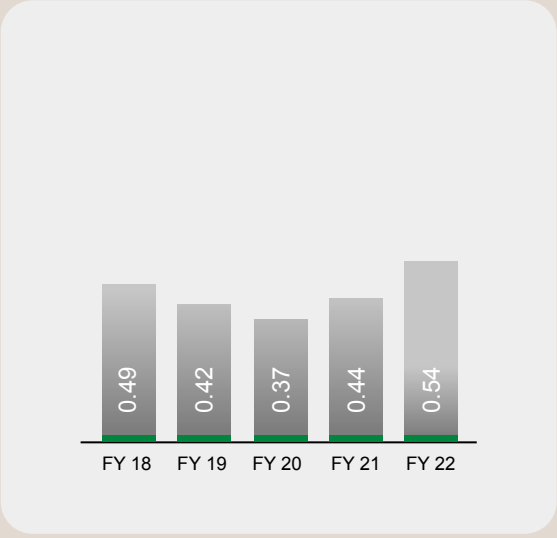
PAT (₹ in Crores)



Market CAP (₹ in Crores)



Debt to Equity



Our Business Divisions

CEMENT



RMC



CEMENT BONDED PARTICLE BOARD



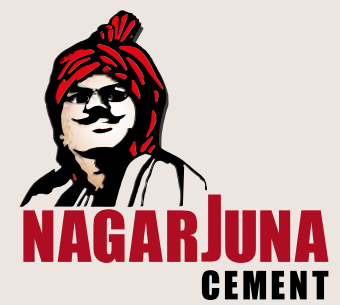
DOORS



ENERGY



Business: Cement



Nagarjuna Cement has become a brand synonymous with quality and reliability among consumers and competitors alike across South India.

Popularly known as 'Monagadu Cement', Nagarjuna Cement is ideal for a variety of applications - from small housing to megastructures and irrigation projects. Over the past 37 years it has established itself as a premier brand, trusted by one and all.

Factories

Simhapuri (Suryapet District), Telangana. Kondapalli (Krishna District), Andhra Pradesh.

Available in various grades & options

Ordinary Portland Cement (Grades 53 & 43). Pozollona Portland Cement. A special cement (IRS Grade 53 S) for Indian Railways for making concrete sleepers. In 50 Kg HPDE bags meeting relevant specifications of BIS quality in Laminated/Paper Bags. In Bulk as per Customer's choice

Key Highlights FY21-22

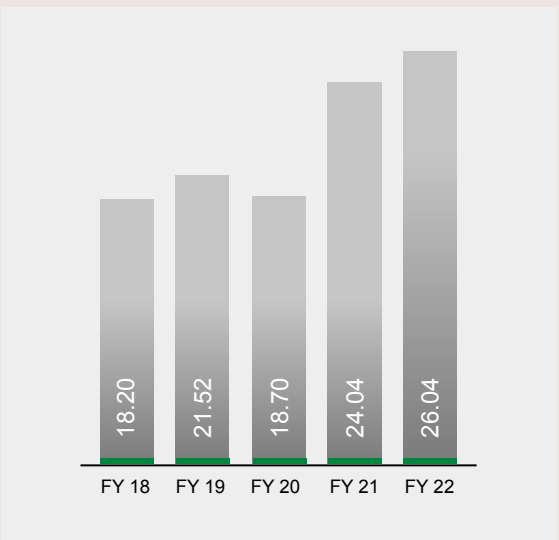
₹1,942.55 (Crores)
Cement division revenue

16%
YOY Growth

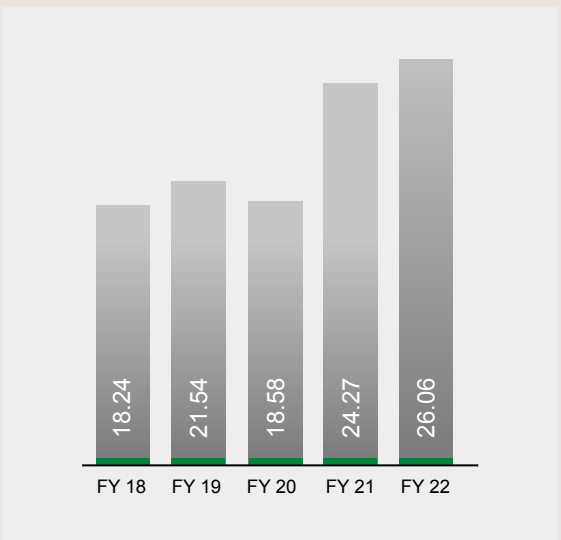
Installed Capacity

2.70
(Million Tons per Annum)

Cement Production (Lakh Mts)



Cement Sales (Lakh Mts)



Nagarjuna Cement is one of the chosen brands for Polavaram, the national irrigation project is expected to supply water and stabilize over 75 lakh acres. The dam is being built across the Godavari River in Andhra Pradesh. The project is a multipurpose major terminal reservoir project for the development of irrigation, hydropower, and drinking water facilities. Nagarjuna Cement is the single largest supplier of cement for this prestigious project.