



**NITCO  
LIMITED  
ANNUAL  
REPORT  
2016 - 2017**

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# CORPORATE INFORMATION

## Board of Directors

Mr. Vivek Talwar, Chairman & Managing Director

Mr. Rohan Talwar, Non-Independent Director  
(resigned on February 14, 2017)

Mr. Pradeep Saxena, Independent Director

Mr. Sharath Bolar, Independent Director

Mrs. Bharti Dhar, Independent Director

## Key Managerial Personnel

Mr. Ashok Kumar Goyal, Chief Executive Officer,  
(retired on November 14, 2016)

Mr. Ajith Babu, Chief Executive Officer,  
(appointed on November 14, 2016)

Mr. Bhaskar Borkar, Chief Financial Officer

Mr. Puneet Motwani, Company Secretary and Compliance Officer

## Statutory Auditor

A.Husein Noumanali & Company, Chartered Accountant

## Registrar and Share Transfer Agent

Link Intime India Private Limited

C-101, 247 Park, L.B.S. Marg, Vikhroli, (West),

Mumbai – 400 083

Tel: 022 4918 6000

Fax: 022 4918 6060

E-mail: [mumbai@linkintime.co.in](mailto:mumbai@linkintime.co.in)

Website: [www.linkintime.co.in](http://www.linkintime.co.in)

## Registered Office

NITCO Limited,

NITCO House, Station Road, Kanjur Marg (East),

Mumbai – 400 042, Maharashtra,

Tel: +91 22 6752 1555

Fax: +91 22 6752 1500

## Works

### Ceramic Tiles Division

Village Shirgaon, Taluka Alibaug, Post Poynad,

District Raigad, Maharashtra – 402 108

### Marble Division

Survey No 176, Village Silli,

Silvassa – 396 230



# About us

NITCO (Northern India Tiles Corporation) Limited was established in 1966 by Late Mr. Pran Nath Talwar, a first generation entrepreneur. The Company is engaged in providing floor and wall solutions with a portfolio comprising a comprehensive range of tiles, marbles and mosaic. The Company has also forayed into real estate.

The Company's equity shares are listed on the Bombay Stock Exchange and the National Stock Exchange. The promoters held 69.54% of the Company's equity as on March 31, 2017.



## Presence

NITCO is headquartered in Mumbai and possesses a pan-India presence through a wide distribution network comprising approximate 1200 dealers and 5000 retail outlets (at the close of 2016-17).

The Company's manufacturing units are strategically located in multiple states. While its Marble division is located in Silvassa (Dadra and Nagar Haveli), its Ceramic Tiles division is located in Alibaug (Maharashtra), 51% JV for manufacturing Vitrified and Wall Tiles is located in Morbi (Gujarat) and Mosaic Tiles division in Alibaug (Maharashtra).

## Clientele

Apart from catering to domestic demands, the Company enjoys a sizeable client base overseas and exports to Nepal, Turkmenistan, Kenya, South Africa, Belgium, Mauritius, Oman, Argentina, Uganda, Zambia, U.K. , Ethiopia, Tanzania, Seychelles, Netherlands, Qatar, Uganda, Poland, Saudi Arabia, Uganda, U.S.A., Burundi, Australia.

## Innovation at NITCO

NITCO constantly endeavors to give consumers the best by curating designs that are technologically impressive and products that are aesthetically appealing. As far as designer variants with technological innovations are concerned, NITCO is truly the brand to reckon with. Its high definition digital printing technology is a breakthrough in the Indian tile market.

The Digital printing used in our latest offering ensures high-resolution, multilayer printing as fine as nanometer grade on flat as well as curved or textured surfaces. The technology also ensures a uniform, edge-to-edge printing thus creating a seamless look. We use this technology for both vitrified and ceramic-based tiles. Our high abrasion-resistant glaze composition not only gives lifelong protection to the floor but also the perfect aesthetics for one's space.

Taking cue from universal elements, HD digital tiles – like NITCO's Trulife create true to life surfaces. With the use of modern techniques like 8 colour prism printing technology, every surface carved, every texture imprinted exudes nature in its minutest feature. Razor sharp detailing, finest resolution and plethora of sizes take you closer to Mother Nature.

## Certifications

The Tile Plant at Alibaug, Maharashtra has been certified for Integrated Management System (ISO 9001:2008 - For Quality Management, ISO 14001:2004 - Environment Management, OHSAS 18001:2007 - Occupational Health and Safety Management) and the Corporate office has been certified for ISO 9001:2008 - For Quality Management .

NITCO obtained the prestigious Bureau of Indian Standards (BIS) certification for products manufactured at our Alibaug facility.

This certification would enable us to use the well known "ISI" mark on our product /packaging which is synonymous with quality products.



# Key Corporate Highlight for 2016-17

## A. DEMAND GENERATION ACTIVITIES

### I. Architects Meets

We, at NITCO understand the design requirements of architects and their significance in our industry. NITCO focuses on organising multiple Architect Meet's at various regions to increase the awareness of NITCO's products among the architect community.

### II. Dealer Meets

NITCO understands the utmost importance of channel partners and to more concrete our dealerships network, we at NITCO to continuous multi-state Dealers Meets.

### III. Dealer Boys Training program

We believe in Training that Endeavour's the business and to provide training to Dealers Boys is part of it. It majorly helps us believing product, design and quality of NITCO and to make same believe to customer to win over competition.

## B. LAUNCH NITCO PREMIER REWARD PROGRAM FOR DEALERS

First time in Tiles industry NITCO introduced Dealer Reward Scheme on its website portal. Dealers with their individual login enjoy flexibility of program with 'Your reward – Your choice' and enables them of dynamic self tracking to stay updated on Points status. This Comprehensive program Scheme covers Sales of all Products

## C. NITCO LEGENDS HELD AT PATTAYA FOR TOP DEALERS

NITCO strongly believes that their Dealers are not just Channel Partners but a part of family. NITCO Legends is our new Initiative to improve engagement and connect with the Top NITCO dealers, to enhance share of mind and heart and to rebuild the relationship which in turn will rebuild our business.

By creating a differentiated platform for the Top Dealers, make them feel special keep themselves as the members of the top circle by default and also make other dealers desire to be in that circle.



# Over the years...



Year	Highlights
1997	<ul style="list-style-type: none"> <li>Commissioned the Alibaug ceramic tiles unit</li> </ul>
2002	<ul style="list-style-type: none"> <li>Received the Quality Excellence award for the Alibaug unit from the Institute of Trade and Industrial Development</li> </ul>
2004	<ul style="list-style-type: none"> <li>Upgraded the Alibaug plant for manufacturing porcelain tiles</li> </ul>
2006	<ul style="list-style-type: none"> <li>Expansion of ceramic tiles capacity at Alibaug</li> <li>Listed on the BSE and NSE</li> <li>Installed six windmills (7.5 MW) at Dhule (Maharashtra)</li> </ul>
2007	<ul style="list-style-type: none"> <li>Launch of the first Le Studio exclusive showrooms</li> <li>Best SAP Project Implementation award from SAP India Ltd</li> <li>Received marble import license by the DGFT for 15,895 MT.</li> <li>Entered real estate development through Nitco Realities (subsidiary) with 100% shareholding</li> <li>Launched exclusive showrooms under the Le Studio brand</li> </ul>
2008	<ul style="list-style-type: none"> <li>First Construction World award win</li> </ul>
2009	<ul style="list-style-type: none"> <li>Second Construction World award win</li> <li>Added wall tiles to its product portfolio</li> <li>Received ISO 9001:2008, ISO 14001:2004 and OHSAS 18001:2007 certifications</li> <li>GAIL commenced RLNG supplies at the Alibaug unit</li> </ul>
2010	<ul style="list-style-type: none"> <li>Set-up a marble processing facility with equipment supplied by Breton S.p.A at Silvassa</li> <li>Launched premium category porcelain tiles under the Naturoc brand</li> </ul>
2011	<ul style="list-style-type: none"> <li>Commissioned a 5.5 MW cogeneration gas-based power plant at Alibaug</li> <li>Completed the construction of the Biz Park at Thane, spread across 2 lac sq. ft</li> </ul>
2012	<ul style="list-style-type: none"> <li>Marble processing plant at Silvassa commenced commercial operations</li> <li>Installed automatic pelletiser and polishing line at the ceramic tiles plant at Alibaug</li> </ul>
2013	<ul style="list-style-type: none"> <li>Ranked 20th among 'Dream companies to work for' by the World HRD Congress</li> <li>Acquired 51% stake in the equity of New Vardhman Vitriified Private Limited</li> </ul>
2014	<ul style="list-style-type: none"> <li>Commercial production through the joint venture</li> <li>Launched digital wall tiles</li> </ul>
2015	<ul style="list-style-type: none"> <li>Launch of large format GVT tiles from Alibaug factory (196x1200mn, 600x1200mn)</li> </ul>
2016	<ul style="list-style-type: none"> <li>Launch of all GVT tiles from JV (800x800 mn, 600x600 mn &amp; 600x1200mn)</li> </ul>
2017	<ul style="list-style-type: none"> <li>Launch of NITCO premier loyalty programme</li> </ul>





# Business model

## Distribution network

With a strong distribution network, NITCO caters to demand from across India. Widening its presence further, the Company has built a reliable client base overseas as well. The Company has increased its distribution network in the North and East zone of the country.

## Brand equity

The NITCO brand stands for pioneering innovation in 600x600 mm glazed vitrified tiles of which the Company is among the largest manufacturers in India. We also manufacture rustic tiles utilising a unique 'dry powder application' technology which imparts a natural 'stone' feel with undulated surfaces embellished using a special glaze.

## Asset-light

NITCO shuffled its operating model to a joint-venture led approach. The Company invested in brown field expansion at Gujarat-based facilities and saved on similar capex costs that would be required for green field projects, strengthening long-term profitability and moderating capital costs.

## Multi-segment

Although a major segment of the Company's business comprises floor tiles, NITCO also has interests in marble and digital wall tiles, enabling it to offer complete flooring solutions. The Company is also engaged in manufacturing of Mosaico. Besides, the Company is also engaged in real estate development.

## Customer-focused

NITCO's products are sold across both retail and institutional channels, enabling it to enhance its customer base and drive both volumes and margins.



# Key corporate strengths

Over 5000 retail outlets mark NITCO's presence in the country. The Company possesses over 1200 direct dealers, backed by 17 depots powering the distribution network. It also operates 13 exclusive showrooms, Le Studio pan-India, for displaying its exquisite range of tiles, mosaico and marble. The Company also has around 67 showrooms operating as franchisees under Le Studio Express (LSE) and 93 franchisees under Nitco Look. Apart from this, NITCO has introduced Shop-in-Shop concept for GVT and Wall Tiles category in the name of GVT Gallore and Wall – Couture.

## Technology

NITCO deploys world-class manufacturing technology with fully-automated production lines enabling the delivery of globally-benchmarked products. Stringent quality standards are also maintained at the marble division with the Breton equipment at Silvassa remaining the only one of its kind in India.

## International expertise

NITCO leverages Italian know-how to gain an edge over peers. Superior marble is sourced from select quarries in Italy and other locations globally and thereafter cut and smoothened with finesse, enabling the supply of international standard products.

## Innovative design

NITCO introduced rectangular wooden strips for the first time in India, reconciling wood textures and colours. The Company also introduced super gloss scratch-proof floor tiles (resistant to dirt and bacteria). Moreover, the Company's 100% matte finish tiles possess anti-skid properties, widening their scope of applicability. NITCO has also ventured into digital tiles, providing attractive and eye-catching designs.

## Our Product Portfolio

Product	Portfolio
Floor Tiles	Ceramic Tiles, Vitrified Tiles – Soluble Salt , Ultra/Double charged, Gres Porcelain Tiles (Naturop), HD Digital Tiles
Wall Tiles	HD Digital Tiles – Light, Dark and highlighters
Marble	Natural Marble, Engineered Marble
Mosaic	Signature Collection, Magnum Opus Collection, Décor collection, Solitaire collection, Creust Collection, Frame collection, Steps Risers & Skirtings.