

NCLIL/SEC/2022-2023

12.09.2022

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 – 400051Tel: 022-26598235
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Dear Sir,

Re ; Annual Report 2022-Reg 34 SEBI (LODR) Régulations, 2015

This is with ref. to Annual Report 2022 posted in BSE and NSE portals on 5th September, 2022
There are minor spelling mistakes in the Annual Report posted earlier which were now corrected.



Kindly take the same on record.

The same is also available on our website www.nclind.com

Thanking you,

Yours faithfully,

for **NCL INDUSTRIES LIMITED.**



T.ARUN KUMAR
Company Secretary &
Compliance Officer

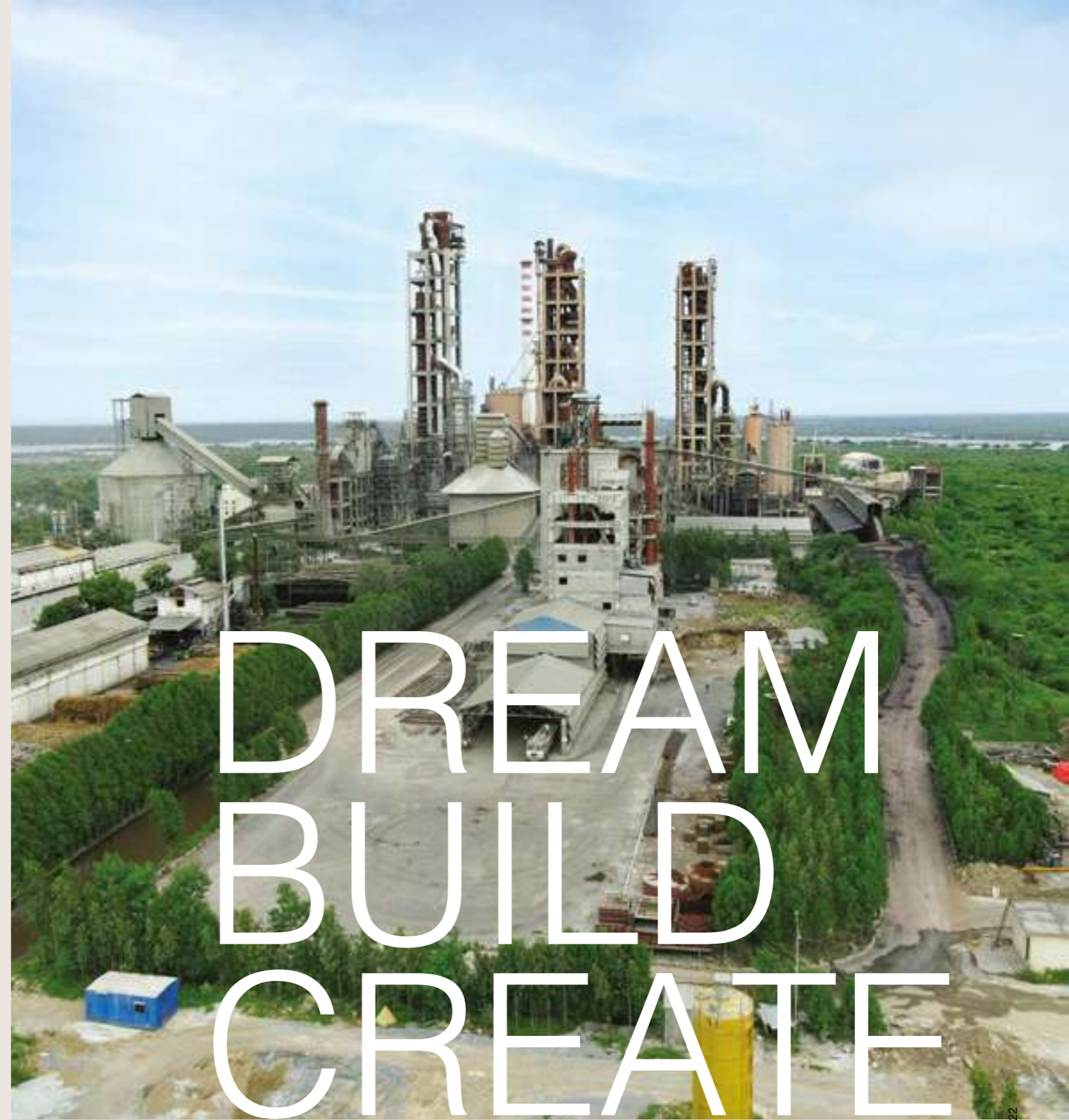


NCL Industries Limited

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

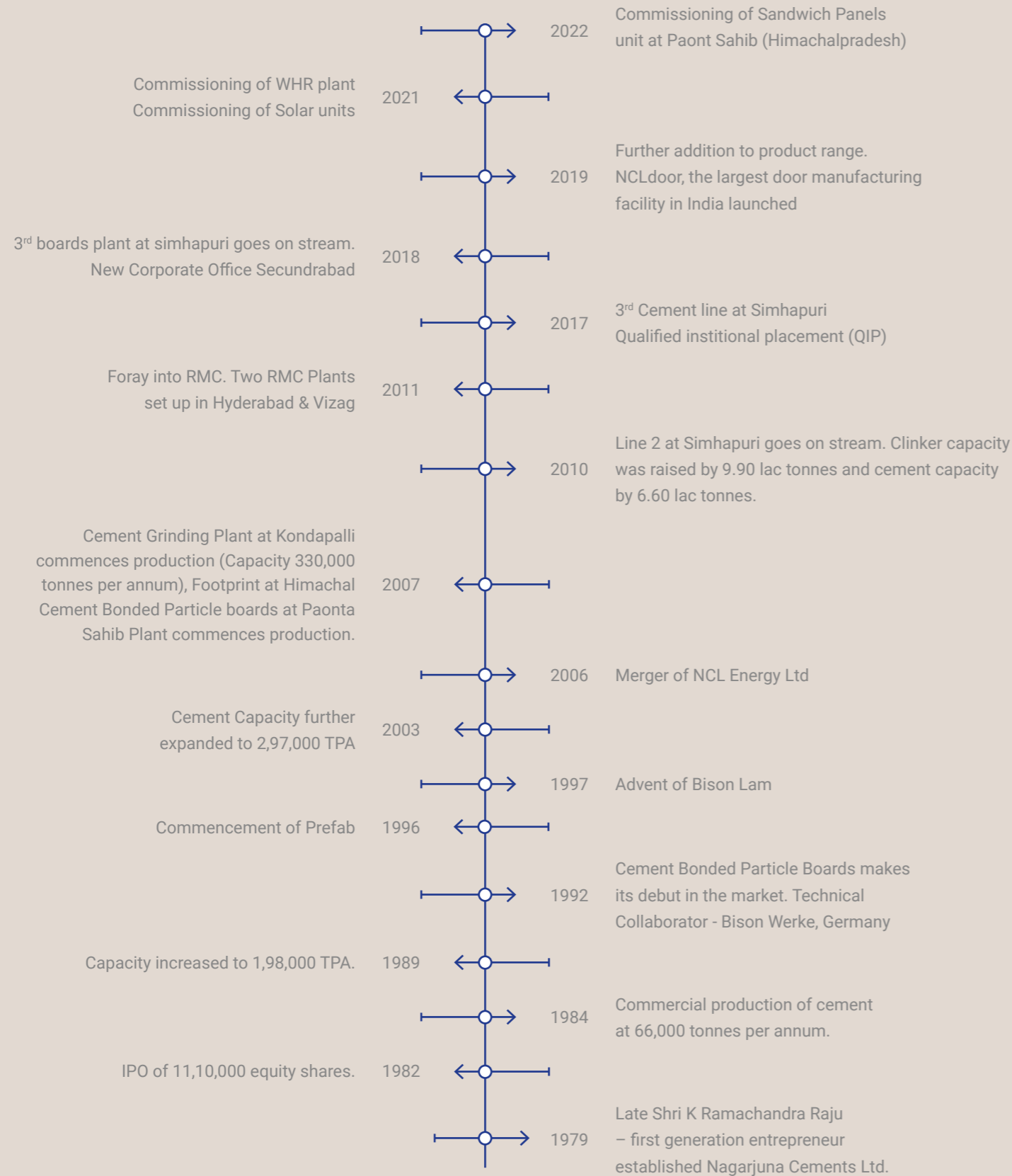
Ahead of the times. Since 1984.

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

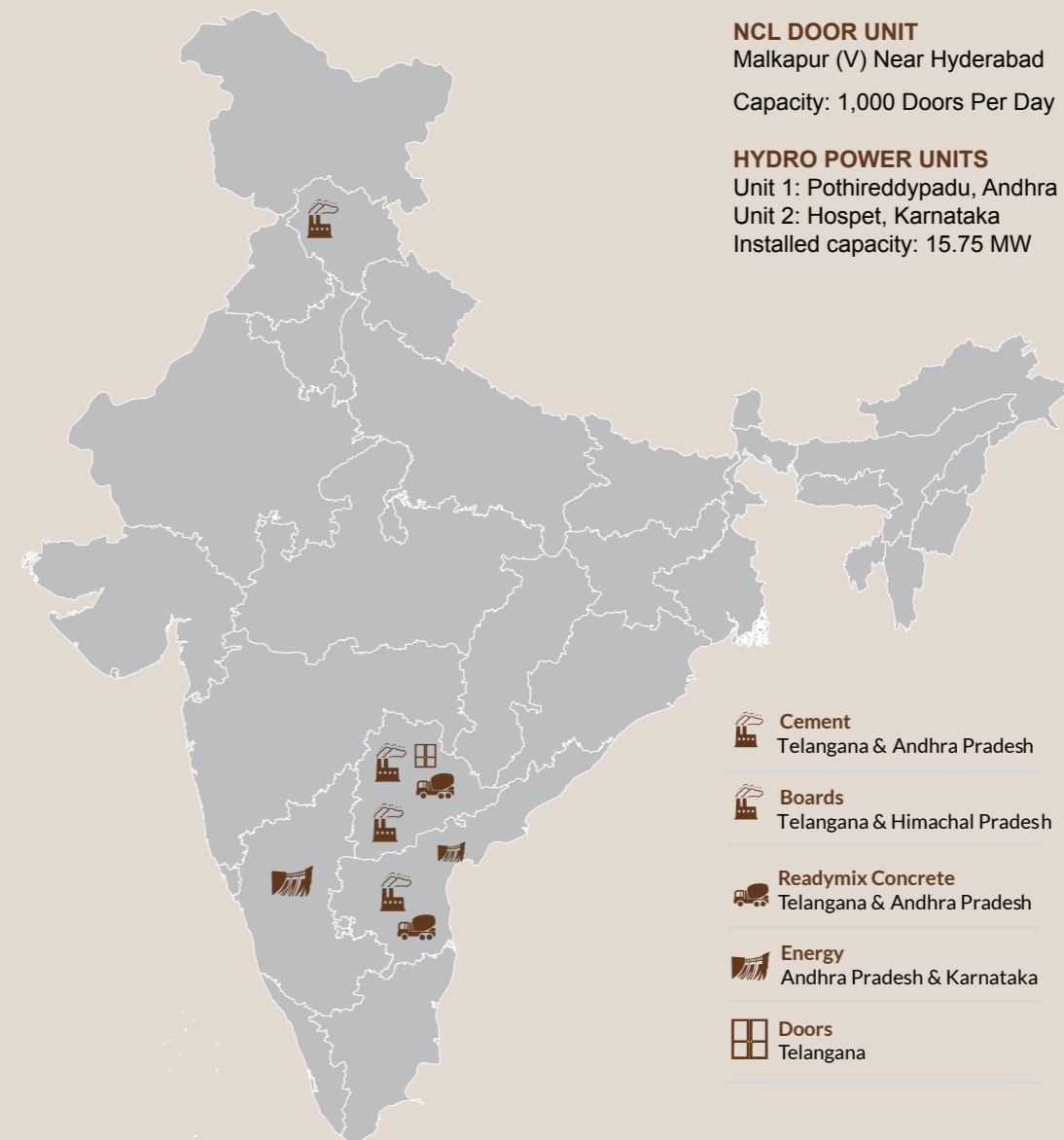
Capacity: 90,000 tons
Distributors: 450+

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

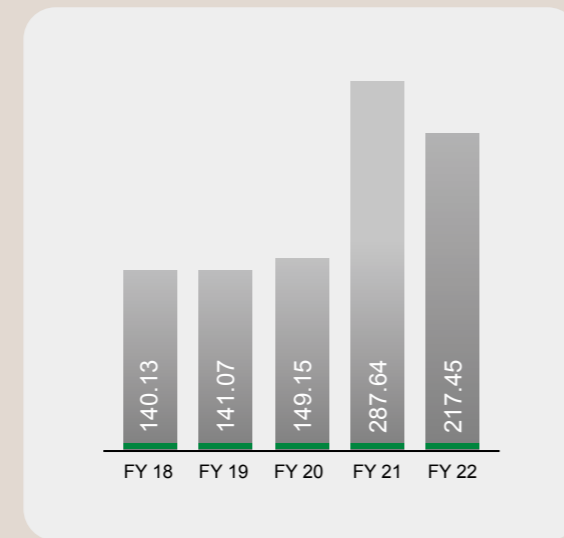


Financial Highlights

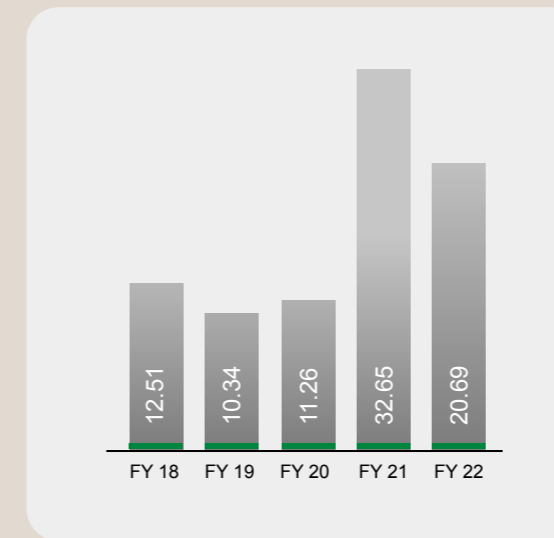
Revenue (₹ in Crores)



EBIDTA (₹ in Crores)



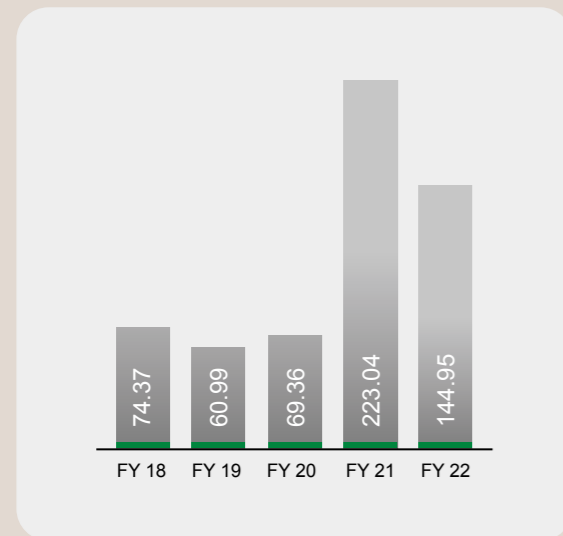
EPS (₹)



Dividend (%)



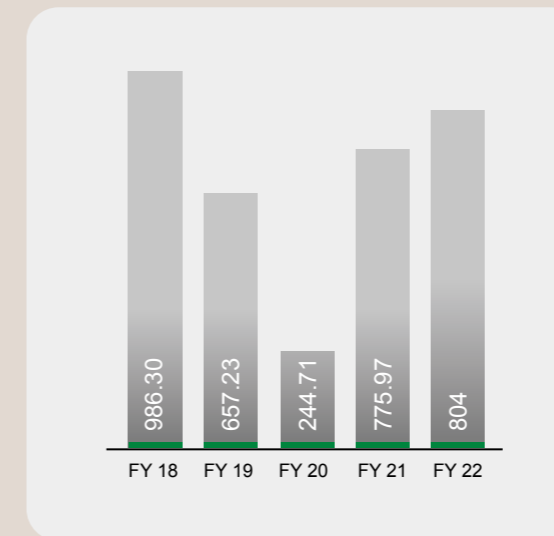
PBT (₹ in Crores)



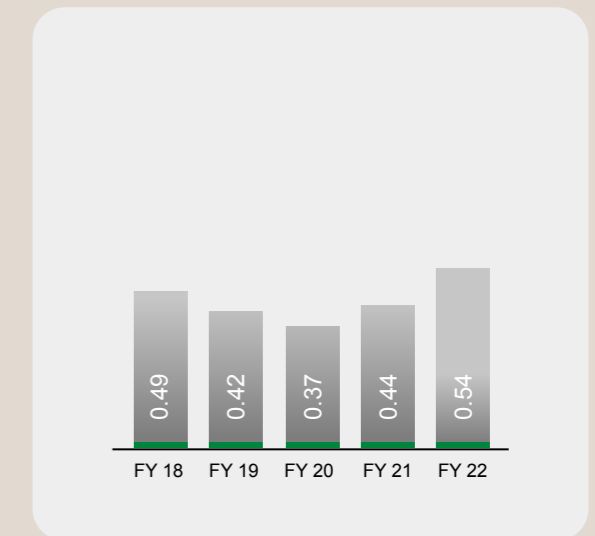
PAT (₹ in Crores)



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

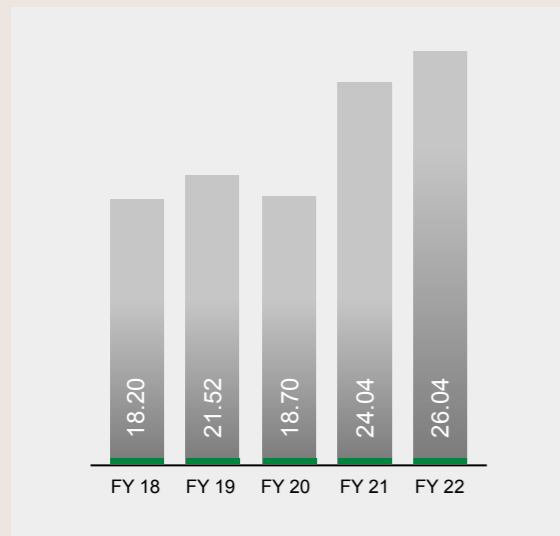
₹1,942.55 (Crores)
Cement division revenue

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.

Business: RMC



Nagarjuna RMC has been redefining the category with its quest for perfection and relentless zeal to bring in the best practices.

With its superior quality key ingredient - OPC 53 Grade Nagarjuna Cement, Nagarjuna RMC is recognized for its consistency, automated processes and impeccable quality. It has been increasingly recognized that Ready Mix Concrete by the cement manufacturer is the way to go to assure quality, prevent adulteration and ensure speed of construction. RMC also has the additional advantage of minimizing wastage of material as well as labour cost.

It has recently launched Nagarjuna RMC in key urban centres like Hyderabad and Visakhapatnam, and has plans to spread to other locations.

Advantage Nagarjuna RMC

The entire process is computerized and monitored by highly experienced professionals. Fully equipped laboratories to test different grades of concrete at various stages. The aggregates are thoroughly cleaned and graded strictly as per IS or BIS norms. Unique flexibility in grades of concrete, transportation and logistics. Assurance of consistent quality and quantity for the required grade builders are free from worries of ordering, procuring, transporting, storing, and processing the aggregates. Minimum material wastage, lesser manpower in the entire construction process.

Ready Mix Segment Turnover FY21-22

₹ **119.95** (Crores)

Ready Mix Sales (Lakh M³)



Locations: Hyderabad - 6, Vizag - 3.

All plants are equipped with an adequate number of transit mixers with 6 cubic meters capacity to ensure seamless distribution.

Business: Cement Boards



A product, an idea that was way ahead of the times is today, a firm favourite with architects, builders, and customers.

To meet the increasing demand and cater to the North India market, the company had set up its second Boards plant with 30,000 tpa capacity in Paonta Sahib, Himachal Pradesh and recently added one more plant of 30,000 TPA near the existing plant at Mattapalli in Telangana and the present total capacity of all the three plants together stands at 90,000 TPA.

Key Product Features

- 62% cement, 28% wood particles, and 10% water ● Strength of cement ● Workability of wood
- Strong & Durable ● Fire Resistant. ● Weather Resistant ● Termite Proof Amazing Sound Insulation
- Environment friendly

Certified to IS 14276/2016 with the fire rating criteria of ISO 834-1975 & IS 3809- 1979 from 30 mins to 240 mins.

Versatile Applications

- False Ceilings ● Partitions ● Floorings ● Doors & Windows ● Interior Cladding ● Exterior Cladding
- CNC Design ● Roof overlay ● Table Tops. ● Cabinets & Cupboards ● Kitchen Platforms & Cabinets.
- Acoustic Insulation ● Wall Paneling

Product Range

Bison Panel Plain Board. Bison Lam. Bison Plank. Bison Designer Board. Sandwich Panel.

Boards division FY21-22

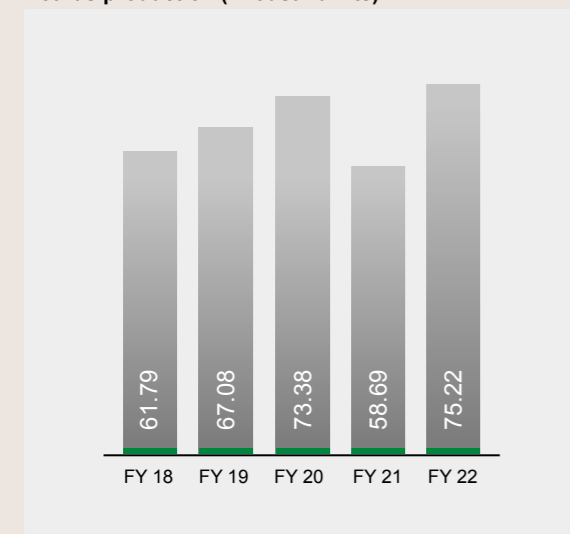
₹ **157.84** (Crores)
Revenue

20%
YOY Growth %

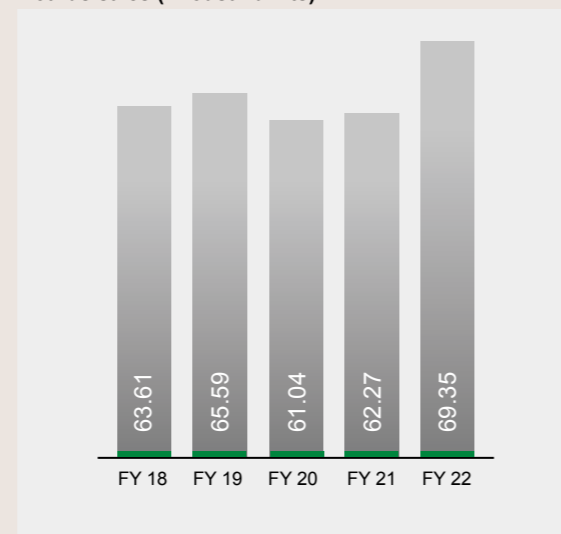
Installed Capacity

90,000
(MT per Annum)

Boards production (Thousand Mts)



Boards sales (Thousand Mts)



From 1992, since it forayed into a new category, Bison Panel has created, built, and nurtured the category to emerge as the leading name. Initiated three decades ago with technical collaboration from Bison Werke of Germany, Bison Panel has, over the years, proved to be the go-to product for its versatile applications, unique properties, and breakthrough global technology.

Business: Doors



There are doors and then there is NCLdoor. NCLdoor is pre-treated to withstand moisture, chemicals, termites, and other common elements that affect the overall life of a door.

Designed to meet the rising consumer demand for world-class, robust door solutions in the housing and commercial buildings materials market, NCLdoor is all set to create a niche for itself.

The range comprises Signature Series, Natura Series, Soft Touch Series and comes with a multitude of choices and a host of advantages.

Key Features

- Technology from Europe ● Professional installation and service ● Customizable ● 5 Year Warranty
- Stylish looks

Key Product Attributes

- Scratch Resistant ● Termite Proof ● Water-Resistant. Chemical Cleaning Resistant ● Casing Wick
- Sound Insulation ● Energy Efficient ● Imported Raw Materials ● Proprietary high-density honeycomb technology ●
- World Class Machinery ● Completely Automated Manufacturing Facility ● Eco friendly / No wood used
- Fire Rated

Doors division FY 21-22

₹26.12 (Crores)
Revenue

114%
YOY Growth %

14,230
Doors production



Did you know? NCLdoor is manufactured at India's largest door manufacturing facility, which is spread over 2 lakh square feet.

Business: Energy



In India, hydro power projects with a station capacity of up to 25 Megawatt each fall under the category of Small Hydro Power (SHP), and it is estimated that SHP potential in India is about 20,000 MW.

NCL Energy was created to meet the ever-increasing demand for clean power and to this end, two mini Hydel Projects have been set up. The first project was completed at the head regulator of the Srisaillam Right Main Canal, which produces 7.5 MW of power, while the second hydel project was constructed on Right Bank High-Level Canal of Tungabhadra dam and generates 8.25 MW. There are plans on the anvil to set up many projects in the near future and an aggressive expansion strategy is being rolled out.

Energy Generated FY21-22

38.94 (MU)

5%

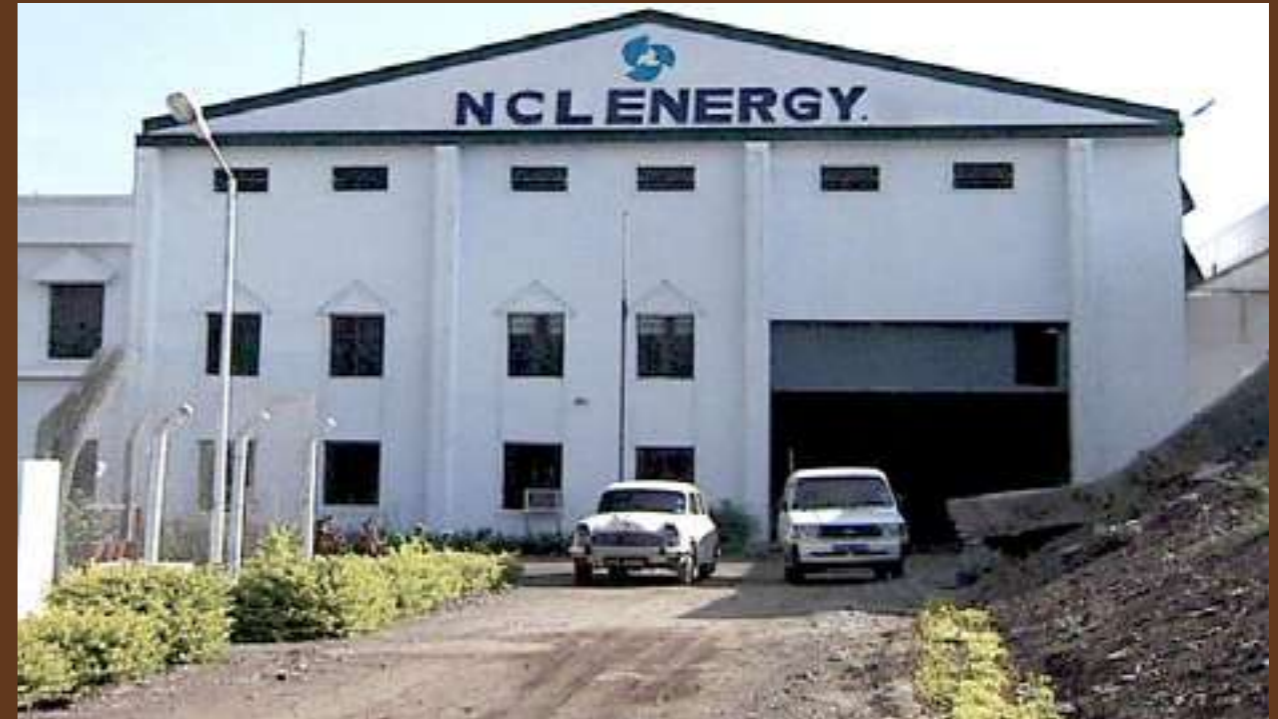
YOY Growth %

Installed Capacity

15.75 (MW)



Hydel Power House at Tungabhadra Dam.



Hydel Power House at Sri Sailam Dam

The hydro sector has a history of more than 120 years in India, and it is clear that in this decade renewable energy will take center stage. There are commitments from many countries to decarbonize as clean and green energy is the need of the hour. For a greener today and tomorrow.

Beyond Business

Our Focus on Social Responsibility



Establishment of NCL four decades ago has been a catalyst for social development in and around the company's area of operations. The company's entry with its first cement plant into the remote Simhapuri village transformed this backward hamlet into a sprawling town.

Education

NCL has established an elementary and a High school in English Medium at Simhapuri to address the school education needs of villagers in the near vicinity. More than 50% of the students who have benefited from this initiative are from the tribal sectors. This school is equipped with digital smart classes and have a teaching staff strength of 28.

To provide opportunities beyond school level, a Junior College has been established and started functioning 2018-19



Healthcare

This Healthcentre has become the First Stop for the medical and healthcare needs of the surrounding tribal hamlets. More than 5.3 Lakhs patients have been treated, and free medicines are provided wherever possible. We have since added diagnostic centre and eye-care to the facilities. Plans are afoot to add facilities of dialysis.

Corporate Information

CIN : L33130TG1979PLC002521

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. P. Sudha Reddy
Independent Director (From 04.01.2021)

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

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

K.Gautam
Joint Managing Director

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

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
State Bank of India
Bank of Baroda
Kotak Mahindra Bank Ltd.

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

Sy.No. 282 (P), Rampally (V),
Keesara (M), Medchal (Dt.),
Telangana State.

UNIT - IV

Sy.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

Sy.No.38-9 to 38-19
Kovvada Grampanchayat
Poosapatirega (M)
Vijayanagaram Dist, AP
Pin - 535204

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

UNIT - VIII

Sy.No. 492,493
Goudavalli,
near Gandimysamma,
Medchal Dist, 500043 Telangana

UNIT - IX

Sivadatta temple Road
Dandu Malkapur(V) Choutuppal(M)
Yadadri Dist 508252-Telangana

NOTICE

Notice is hereby given that the 41st Annual General Meeting of NCL Industries Limited will be held on Tuesday, the 27th September, 2022 at 10.30 A.M IST through Video Conferencing ("VC") / Other Audio-Visual Means ("OAVM") to transact the following business.

ORDINARY BUSINESS

- To receive, consider and adopt the audited Standalone and consolidated Financial Statements of the company for the financial year ended 31st March, 2022 together with the Reports of the Directors and Auditors thereon
- To approve the interim dividend paid and declare final Dividend.
- To appoint a Director in place of Mrs. Pooja Kallidin who retires by rotation and is eligible for reappointment.
- To appoint a Director in place of Mr. Vinodrai V Goradia, who retires by rotation, and to pass with or without modification, the following Resolution as an Ordinary Resolution:

"RESOLVED THAT Mr. Utkal B Goradia, (DIN 08641590) be and is hereby appointed as Director in place of Mr. Vinnodrai V Goradia, who retires by rotation at this meeting."

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

"RESOLVED THAT pursuant to the provisions of Section 139, 141,142 and all other applicable provisions, if any, of the Companies Act, 2013 and the Rules made there under, M/s. M. Bhaskara Rao & Co. (Firm Registration Number: 000459S), be and are hereby appointed as the Statutory Auditors of the Company for a term of five consecutive years, to hold office from the conclusion of the 41st Annual General Meeting up to the conclusion of the 46th Annual General Meeting of the Company, on such remuneration plus taxes and actual out of pocket expenses as recommended by the Audit Committee and approved by the Board of Directors of the Company, from time to time."

NCL INDUSTRIES LIMITED

Registered Office: 7th Floor, NCL Pearl, Near Rail Nilayam,
S D Road, Secunderabad-500026

SPECIAL BUSINESS

- 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, 2023 be and is hereby ratified."

- 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, 198 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 Mr. Utkal B Goradia as Executive Director of the company for a period of 5 years with effect from the date of this meeting on the following terms and conditions as recommended by the Nomination and Remuneration committee".

Salary: Rs. 3,00,000/- per month (with an annual increment of Rs.30,000/-).

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

Housing/HRA: @ 40% of the salary

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

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

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

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

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

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

Encashment of Leave: 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 other perquisites be paid during the tenure of Executive Director as minimum remuneration in the event of absence or inadequacy of profits from the year in which such absence or inadequacy occurs."

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

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

"RESOLVED THAT pursuant to Sections 196, 197, 198 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 Mr. K. Ravi as Executive Vice Chairman of the company for a period of 5 years with effect from 1st October, 2022 on the following terms and conditions as recommended by the Nomination and Remuneration Committee".

Salary: Rs. 8,00,000/- per month (with an annual increment of Rs. 80,000/-)

Commission: 1 % of the net profit of the company computed in a manner laid down under Section 198.

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

Housing / HRA: @ 40% of the salary

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

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

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

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

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

Encashment of Leave: On 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 subject to the provisions of Schedule V to the Companies Act, 2013 or any statutory enactment thereof, the above remuneration by way of salary and other perquisites be paid during the tenure of Executive Vice Chairman as minimum remuneration in the event of absence or inadequacy of profits from the year in which such absence or inadequacy occurs."

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

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

"RESOLVED THAT pursuant to the provisions of Sections 196,197, 198, 203, read with Schedule V and other applicable provisions, if any of the Companies Act, 2013, approval of the company be and is here by accorded to the appointment of Mr. K Gautam, Joint Managing Director as Managing Director for a period of five years w.e.f from 1st October, 2022 at the following remuneration

Salary: Rs. 10,00,000/- per month (with an annual increment of Rs. 1,00,000/-)

Commission: 1 % of the net profit of the company computed in a manner laid down under section 198.

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

Housing/HRA: @ 40% of the salary

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

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

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

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

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

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

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

"FURTHER RESOLVED THAT the above remuneration by way of salary and perquisites be paid as minimum remuneration during the tenure of Managing Director in the event of absence or inadequacy of profits from the year in which such absence or inadequacy occurs."

He 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 pursuant to provisions of Sections 197 (4) and 198 of the Companies Act, 2013, consent of the company be and is hereby accorded to the payment of remuneration by way of commission not exceeding 1% (One Percent) of the Net Profits of the Company to all the Non-Executive Directors in addition to the sitting fees for attending meetings of Board or Committee thereof"

"RESOLVED further that within the overall limit of commission payable as above, the Board of Directors of the Company be and is hereby authorized to fix a monetary ceiling as it may deem fit on the quantum of the Commission payable to each of the Non-Executive Directors in any financial year"

By Order of the Board.
for NCL INDUSTRIES LIMITED,

Place: Hyderabad
Date: 13th August, 2022.

T. ARUN KUMAR
Vice President &
Company Secretary

NOTES:

- The Ministry of Corporate Affairs has, vide its circular dated May 5, 2020 (read with other previous circulars issued in this regard) January 13, 2021 and December 8, 2021 respectively, and clarification circular No.21/2021 dated December 14, 2021 and General Circular No.2/2022 dated 5th May, 2022 issued by the Ministry of Corporate Affairs ('MCA Circulars') and in compliance with the provisions of the Act and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations') 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. The deemed venue for the 41st AGM shall be the Registered Office of the Company
- In compliance with the above MCA circulars, notice together with Annual Report 2021-22 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 2021-22 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.**
- A statement setting out the material facts pursuant to the provisions of Section 102 of the Companies Act, 2013 in respect of item Nos. 6 to 10 of the notice is annexed hereto.
- Members attending AGM through VC / OAVM shall be counted for the purpose of reckoning the quorum under the provisions of the Companies Act, 2013.
- Shareholders seeking any information with regard to accounts are requested to write to the Company at least 12 days before the date of the meeting so as to enable the Management to keep the information ready.
- The Register of Members and Share Transfer Registers will remain closed from **21st September, 2022 to 27th September, 2022 (both days inclusive)** on account of the Annual

General Meeting and determination of payment of final 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 the green initiative and requests the members to register their e-mail address to receive the future correspondence, including Annual Reports through e-mails. In the case members who are holding shares in demat form, the email IDs registered with the DP and made available to the company / RTA shall be the registered email IDs unless communication is received to the contrary.
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. Shareholders who are holding shares in Physical mode should ensure that shares which are lodged for transfer shall be in dematerialized form only. Shareholders are requested to convert their shares which are in physical mode to dematerialized mode for their operational convenience
13. Shareholders who have not encashed their dividend warrants for the years 2015-16, 2016-17, 2017-18, 2018-19, 2019-20 and 2020-21 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.

15. Instructions about E-VOTING:

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 and General circular No.2/2022 dated May, 5th 2022. 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.

1. 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.
2. 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.

3. 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.
4. 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.
5. 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.
6. 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.
7. In continuation of this Ministry's **General Circular No. 20/2020**, dated 05th May, 2020 and General Circular No.02/2022 after due examination, it has been decided to allow companies whose AGMs were due to be held in the year 2022 to conduct their AGMs on or before 31.12.2022, in accordance with the requirements provided in paragraphs 3 and 4 of the General Circular No. 20/2020 dated 5th May,2020 read with MCA General circular no. 02/2022 dated May 05,2022

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

- Step 1:** Access through Depositories CDSL/ NSDL e-Voting system in case of individual shareholders holding shares in demat mode.

Step 2: Access through CDSL e-Voting system in case of shareholders holding shares in physical mode and non-individual shareholders in demat mode.

- (i) The voting period begins on Friday the 23rd September, 2022 @ 9.00 AM and ends on Monday 26th September, 2022 @17.00 Hours. During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cutoff date (record date) of Tuesday the 20th September, 2022 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) Pursuant to SEBI Circular No. **SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 09.12.2020**, under Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, listed entities are required to provide remote e-Voting facility to its shareholders, in respect of all shareholders' resolutions. However, it has been observed that the participation by the public non-institutional shareholders/retail shareholders is at a negligible level.

Currently, there are multiple e-Voting service providers (ESPs) providing e-Voting facility to listed entities in India. This necessitates registration on various ESPs and maintenance of multiple user IDs and passwords by the shareholders.

In order to increase the efficiency of the voting process, pursuant to a public consultation, it has been decided to enable e-voting to **all the demat account holders, by way of a single login credential, through their demat accounts / websites of Depositories / Depository Participants**. Demat account holders would be able to cast their vote without having to register again with the ESPs, thereby, not only facilitating seamless authentication but also enhancing ease and convenience of participating in e-voting process.

Step 1: Access through Depositories CDSL/NSDL e-Voting system in case of individual shareholders holding shares in demat mode.

(v) In terms of **SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 2020** on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Pursuant to above said SEBI Circular, Login method for e-Voting and joining virtual meetings for **Individual shareholders holding securities in Demat mode CDSL/NSDL** is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in Demat mode with CDSL Depository	<ol style="list-style-type: none"> Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are https://web.cdslindia.com/myeasi/home/login or visit www.cdslindia.com and click on Login icon and select New System Myeasi. After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the e voting is in progress as per the information provided by company. On clicking the e voting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers i.e. CDSL /NSDL/ KARVY/ LINKINTIME, so that the user can visit the e-Voting service providers' website directly. If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on www.cdslindia.com home page or click on https://evoting.cdslindia.com/Evoting/EvotingLogin The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the e voting is in progress and also able to directly access the system of all e-Voting Service Providers.
Individual Shareholders holding securities in demat mode with NSDL Depository	<ol style="list-style-type: none"> If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: https://eservices.nsdl.com either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. If the user is not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select "Register Online for IDeAS "Portal or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp

	<ol style="list-style-type: none"> Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password / OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting
Individual Shareholders (holding securities in demat mode) login through their Depository Participants (DP)	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL / CDSL for e-Voting facility. After Successful login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

Important note: Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at above mentioned website.

Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e., CDSL and NSDL

Login type	Helpdesk details
Individual Shareholders holding securities in Demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at toll free No.1800 22 55 33
Individual Shareholders holding securities in Demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: 1800 1020 990 and 1800 22 44 30

Step 2: Access through CDSL e-Voting system in case of shareholders holding shares in physical mode and non-individual shareholders in demat mode.

(vi) Login method for e-Voting and joining virtual meetings for **Physical shareholders and shareholders other than individual holding in Demat form.**

- The shareholders should log on to the e-voting website www.evotingindia.com.
- Click on "Shareholders" module.
- Now enter your User ID
 - For CDSL: 16 digits beneficiary ID,
 - For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.
- Next enter the Image Verification as displayed and Click on Login.
- 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.
- If you are a first-time user follow the steps given below:

For Physical shareholders and other than individual shareholders holding shares in Demat.	
PAN	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) <ul style="list-style-type: none"> Shareholders who have not updated their PAN with the Company / Depository Participant are requested to use the sequence number sent by 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. <ul style="list-style-type: none"> 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.

- (vii) After entering these details appropriately, click on "SUBMIT" tab.
- (viii) 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.
- (ix) For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (x) Click on the EVSN for the relevant company name i.e. **NCL Industries Ltd** on which you choose to vote.
- (xi) 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.
- (xii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xiii) 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.
- (xiv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xv) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.
- (xvi) 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.
- (xvii) There is also an optional provision to upload BR/POA if any uploaded, which will be made available to scrutinizer for verification.
- (xviii) **Additional Facility for Non – Individual Shareholders and Custodians –For Remote Voting only.**
- 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 will be mapped automatically & can be delink in case of any wrong mapping.
 - It is Mandatory that 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 (designated email address by company), if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

INSTRUCTIONS FOR SHAREHOLDERS ATTENDING THE AGM THROUGH VC / OAVM & E-VOTING DURING MEETING ARE AS UNDER:

- The procedure for attending meeting & e-Voting on the day of the AGM is same as the instructions mentioned above for e-voting.
- The link for VC/OAVM to attend meeting will be available where the EVSN of Company will be displayed after successful login as per the instructions mentioned above for e-voting.
- Shareholders who have voted through Remote e-Voting will be eligible to attend the meeting. However, they will not be eligible to vote at the AGM.
- Shareholders are encouraged to join the Meeting through Laptops / IPads for better experience.
- Further shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
- 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.
- 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 at least **12 days prior to meeting** mentioning their name, demat account number/folio number, email id, mobile number at (company email id). The shareholders who do not wish to speak during the AGM but have queries may send their queries in advance **12 days prior to meeting** mentioning their name, demat account number/folio number, email id, mobile number at (company email id). These queries will be replied to by the company suitably by email.
- Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.
- 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.
- 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.

PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL / MOBILE NUMBER. ARE NOT REGISTERED WITH THE COMPANY/ DEPOSITORIES.

- 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), AADHAR (self-attested scanned copy of Aadhar Card) by email to **RTA email id:** info@vccipl.com
- For Demat shareholders, please update your email id & mobile no. with your respective Depository Participant (DP)
- For Individual Demat shareholders – Please update your email id & mobile no. with your respective Depository Participant (DP) which is mandatory while e- Voting & joining virtual meetings through Depository.**

If you have any queries or issues regarding attending AGM & e-Voting from the CDSL e-Voting System, you can write an email to helpdesk.evoting@cdslindia.com or contact attoll free no. 1800 22 55 33

All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Sr. Manager, (CDSL) Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futorex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to helpdesk.evoting@cdslindia.com or call toll free no. 1800 22 55 33.

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 20th September, 2022. (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 2022-23 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@vccipl.com

**STATEMENT CONTAINING MATERIAL FACTS
(Pursuant to Section 102 of the Companies Act, 2013)**

ITEM NO. 6:

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, 2023 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. 7:

Mr. Utkal B Goradia born on 25th October, 1983 is the grandson of Mr.Vinodrai V Goradia, one of the original Promoters of the Company.

Upon retirement of Mr. Vinodrai Goradia as Director, at the Annual General Meeting, a proposal is before the members for the appointment of Mr. Utkal Goradia in his place as Director.

He holds 1,01,981 Equity shares in the company.

Since Mr. Utkal Goradia is already in whole-time employment of the company, he will be treated as a whole-time director in terms of Section 2(94) of the Companies Act 2013. A separate resolution under Item No. 7 is being proposed for approval of his appointment as whole time Executive Director.

He had completed the executive education program on General Management program for IT professional from IIM Bangalore. He has been associated with the company since August 2006. He is presently Vice President and looks after Doors unit activities of the company. Prior to Joining NCL Industries Limited, he was associated with GE Consumer Finance Service. He is also Director in NCL GUANGZHENG Structures Limited (now under the process of strike off).

Your Directors recommend that the resolutions be passed.

The Resolution also proposes that the remuneration as specified therein be paid as minimum remuneration in the absence of inadequacy of profits.

The Cost to the company is Rs.5.41 Lakhs per month

Your Directors recommend that the resolution approving his 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. This General Information, excepting for the Information of the Appointee is common for Item Nos 7, 8 and 9.

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	2017-18	2018-19	2019-20	2020-21	2021-22
Gross income	1,33,999	1,47,141	1,32,481	1,94,192	2,26,508
Net Profit (as computed u/s. 198)	7,664	6,487	7,406	23,499	15,559
Net profit as per P&L Account	4,911	4,678	5,096	14,771	9,743
Amount of Dividend paid #	1208.17	1208.17	1270.28	1809.31	1130.82*
Rate of dividend Declared	25 %	25 %	25 %	40%	30%*

including dividend & Tax
* including proposed dividend

5. Export performance: Rs.20.62 Lakhs Foreign Currency Earnings - CIF basis for the Financial Year 2021-22.
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:

Mr. Utkal B Goradia

1. Background Details

- Mr. Utkal B Goradia born on 25th October, 1983 is the grandson of Mr. Vinodrai V Goradia, one of the original Promoter Directors He had completed the executive education program on General Management program for IT professional from IIM Bangalore. He has been associated with the company since August 2006. Mr. Utkal B Goradia has been appointed as Executive Director for a period of 5 years by the Board of Directors' w.e.f the date of this Annual General Meeting on the recommendation of Nomination and Remuneration Committee.
- Other details stated in Explanatory Statement under Item No. 7 as above.
- The terms of his 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	2020-21	2021-22
	2.96	3.16

3. Recognition and Awards: N A

4. Job profile and his suitability –

Mr. Utkal B Goradia is the in-charge of operations of the Doors and RMC divisions of the Company. Subject to the superintendence, direction and control of the Board, the day-to-day management and administration of the Company is vested with the Managing Director

- Remuneration proposed** - As set out in the resolution for the Item No 7. The remuneration proposed to be paid to the Executive Director has the approval of the Nomination & Remuneration Committee.
- 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.
- Pecuniary relationship directly or indirectly with the company, or relationship with managerial personnel, if any –**

Mr. Utkal B Goradia is holding 1,01,981 Equity shares in the Company

III OTHER INFORMATION

- Reasons of loss/inadequate Profits: Not applicable
- Steps taken or proposed to be taken for improvement: Not applicable
- Expected increase in productivity and profits in measurable terms: Increasing Cement and Boards Production, improving RMC and Doors divisions 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.

Mr. Utkal B Goradia 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:

Members are aware that Mr. K Ravi has been the Managing Director of the company for over 27 years from 1995 excepting for a short period of 24 months, when he was MD of NCL Energy Ltd (later merged with this company.) After successfully leading the company over the years, he expressed his desire to step down as Managing Director, and pave the way for transition of the management to the next generation. While naming the next Managing Director, the Board of Directors, at its meeting held on 30th May, 2022 appointed Mr.K. Ravi as Executive Vice Chairman of the company for a period of 5 years w.e.f 1st October, 2022. This was done to ensure smooth transition and also availability of Mr. K.Ravi's advice to the new Managing Director.

Mr.K. Ravi (68 Years) is a Promoter of the Company, and has been associated with the company from its inception and having more than 40 years experience in Cement and Building materials industry. He has been leading the executive team as Managing Director from 2003.He has successfully steered the company to overcome two separate phases of financial challenges. Further, he has also been instrumental in planning and executing the successive expansion and diversification programmes over the past two decades. Under his leadership, the company achieved new milestones and established new records in terms of turnover and profits during the financial year 2020-21 and achieved highest turnover during the financial year 2021-22.

Apart from being Managing Director of this company, Mr.K. Ravi holds directorships in Hampi Energy Ltd, Kakatiya Industries (P) Ltd, Nagarjuna Cerachem (P) Ltd, Deccan Nitrates (P) Ltd, Sorachem Industries (P) Ltd, Kakatiya Chemicals (P) Ltd, NCL Guangzheng Structures Ltd (now under the process of strike off) Tern Distilleries (P) Ltd, NCL Buildtek Ltd and Vikram Chemicals (P) Ltd. He holds 24,36,745 equity shares in the company.

Apart from Mr. K. Ravi himself, his daughter Mrs. Roopa Bhupathiraju, his son in law Mr. Ashven Datla, may be deemed to be interested in the proposed resolution appointing Mr. K Ravi as Executive Vice Chairman.

The Resolution also proposes that the remuneration as specified therein be paid as minimum remuneration in the absence or inadequacy of profits. As the remuneration proposed for Mr.K.Ravi as Executive Vice Chairman who is a member in the promoter / promoter group and the aggregate of the annual remuneration payable to all the executive directors in the Promoter / promoter group is likely to exceed the limits as specified under Regulation 17 (6) (e) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, approval of the shareholders is being sought for payment of the same through a Special Resolution.

The Cost to the company is around Rs.14.43 Lakhs per month plus applicable commission if any.

Your Directors recommend that the resolution approving his 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:

Please refer to the Information in Item No. 7

II. INFORMATION ABOUT THE APPOINTEE:

Mr. K. Ravi

1. Background Details

Mr. K Ravi has been associated with the Company from its inception, and has been the Managing Director of the company since 2003. Mr. K. Ravi has been appointed as Executive Vice Chairman for a period of 5 years by the Board of Directors' w.e.f 1st October, 2022 on the recommendation of Nomination and Remuneration Committee.

Other details stated in Explanatory Statement under Item No.8 as above.

The terms of his 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	2017-18	2018-19	2019-20	2020-21	2021-22
	312.87	303.01	327.39	677.46	589.99

3. **Recognition and Awards:** Mr.K. Ravi, Managing Director has been conferred the “Entrepreneur of the Year -2012 & for FY 2020-21 by Hyderabad Management Association in recognition of his outstanding entrepreneurship, innovativeness and strategies as exemplified by the high levels of growth and performance of NCL Industries Ltd. Also, business leader of the year for the year 2020-21 awarded by World leadership awards.

4. Job profile and his suitability –

While the day-to-day management and administration of the Company is vested with the Managing Director, Mr. Ravi shall be advising and guiding the managing director, and shall also exercise executive powers in respect of key decisions as and when requested by the Managing Director.

5. **Remuneration proposed** - As set out in the resolution for the Item No 8. The remuneration proposed to be paid to the Executive Vice Chairman 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 directors in other companies of similar size and operations.

7 Pecuniary relationship directly or indirectly with the company, or relationship with managerial personnel, if any –

Mr.K. Ravi is holding 24,36,745 equity shares in the Company.

III OTHER INFORMATION

Please refer to Item No. 7

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

Apart from Mr.K. Ravi himself, Mrs Roopa Bhupatiraju (Daughter), and Mr. Ashven Datla (Son in Law) Directors may be treated as interested in the Resolution.

ITEM NO. 9:

Members are aware that Mr. K Gautam (Aged around 41 years) has been associated with the company as management Trainee from 1st June, 2007 and later promoted as Manager (Projects) during the year 2008. He was appointed as Executive Director for a period of 5 years w.e.f 1st August, 2009 and reappointed for a period of three years from 1st August 2014 to 31 July 2017 and re- appointed for a period of 5 years w.e.f 1st August,2017. At the Board meeting held on 4th January, 2021 he was elevated to Joint Managing Director and appointed for a period of 5 years w.e.f 1st January, 2021 on the recommendation of Nomination and remuneration Committee. Upon the desire expressed by Mr. K Ravi to step down as Managing Director, and as a part of the succession plan, the Board at its meeting held on 30th May, 2022 selected Mr.K. Gautam as Managing Director on the recommendation of Nomination & Remuneration Committee w.e.f 1st October, 2022. His brief resume is enclosed as an annexure to notice.

Apart from Mr. K Gautam himself, his sister Mrs. Pooja Kalidindi may be deemed to be interested in the said Resolution.

The Resolution also proposes that the remuneration as specified therein be paid as minimum remuneration in the absence of inadequacy of profits.

Mr. K Gautam is also Non-Executive Director in Tern Distilleries (P) Ltd

The Cost to the company is around Rs.18.03 Lakhs per month plus applicable commission if any Your Directors recommend that the resolution approving his 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:

Please refer to the Information in Item No. 7

II. INFORMATION ABOUT THE APPOINTEE:

Mr. K Gautam

1. Background Details

Mr. K. Gautam (aged around 41 years) is a BBM (Hons) from ICFAI, Hyderabad and M. Sc (Entrepreneurship and Business management) from University of Luton, Bedfordshire, UK. He was reappointed as Executive Director by the Board of Directors of the Company for a period of 5 years w.e.f. 01.08.2017. In recognition of the contribution made by him and in line with the succession plan for the company, the Board elevated him as Joint Managing Director w.e.f 1st January, 2021 on the recommendation of Nomination and Remuneration Committee. At the Board meeting held on 30th May,2022 the Board appointed him as Managing Director w.e.f 1st October,2022 as part of succession plan on the recommendation of Nomination and Remuneration Committee. The terms of his remuneration are 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	2017-18	2018-19	2019-20	2020-21	2021-22
	62.72	71.68	74.8	90.58	134.58

3. Recognition and Awards: NIL

4 Job profile and his suitability –

Mr.K. Gautam shall be overall in-Charge of operations of all the operating Divisions subject to the superintendence, direction and control of the Executive Vice Chairman designate, and the guidance of the Executive Vice Chairman.

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

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

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

Mr.K. Gautam is holding 16,23,694 equity shares in the Company. Mr. K. Gautam does not have any other pecuniary relationship with the Company. Mr. K Gautam is related to Mrs.Pooja Kalidindi (Sister),

III OTHER INFORMATION

Please refer to the Information in Item No. 7

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

ITEM NO. 10:

Members may recall that at the Annual General Meeting held on 22nd September 2017, they had approved the payment of commission of 1% of the net profits to the non-whole-time directors of the company. This resolution was valid for a period of 5 years, which is ending on 21st September 2022. The current resolution proposes approval for continuation of payment of commission not exceeding 1% of the net profits in the succeeding years, as permitted by Section 197 of the Companies Act 2013

All the Directors of the company other than the executive directors are concerned and interested in the said resolution.

ANNEXURE-1

NCL INDUSTRIES LIMITED 41st Board's Report

Your directors have pleasure in presenting their Report for the financial year ended 31st March 31, 2022.

Financial Results

The Audited Financial Statements (both Standalone and Consolidated) for the year ended March 31, 2022, and the report of the Auditors thereon are being circulated with this report. The salient features of the financial results are as follows:

(Rs. in lakhs)

	2021-22	2020-21
Total Revenue (Gross)	2,26,508	1,94,192
Profit Before Tax	14,495	22,304
Provision for Tax (including deferred tax)	5,131	7,857
Profit for the Year After Tax	9,364	14,447
Transfer to General Reserve	5,000	5,000
Dividend per Equity Share (Face value of Rs.10/ each)	3.00	4.00
Earnings per Equity Share (EPS)	20.69	32.65

Performance Review & State of Company's Affairs

Your Directors are pleased to report record total revenue during the year under review, which witnessed a 16.64% growth in total revenue.

A major part of the growth was accounted for by the Cement Division, which registered a gross Turnover of Rs.1942.55 Crores which was higher by 15.53% in comparison with the previous year. Higher capacity utilization, sales turnover and better price realization contributed to this improved performance.

The Boards Division improved its Turnover by 19.75 % at Rs.157.84 Crores during the year under review (Previous Year Rs.131.81 Crores).

The generation of hydel power during the year was slightly improved by 5.07% at 38.94 million units compared to 37.06 million units in the previous year.

The Ready-Mix Concrete division improved its Turnover by 18 % at 119.95 Crores compared to Rs.101.39 Crores in the previous year.

The Readymade Doors division registered a Turnover of Rs. 26.12 Crores compared to Rs.11.72 Crores in the previous year an increase of 123 % during the year under review.

However, the overall profitability (PBT) fell during the year under review mainly due to the performance of the Cement Division unfavorably compared with the previous year. This was mainly due the abnormal rise in the cost of coal and increase in cost other raw materials like laterite, gypsum, fly ash and packing materials resulting in reduced profitability during the year. However, there is an improvement in Boards net realization and sales during the year 2021-22.

Acquisitions / Joint Ventures

The Company had a wholly-owned subsidiary, Tern Distilleries (P) Limited (TDPL) and a Joint Venture Company, NCL Guangzheng Structures Ltd as on 31st March, 2022. Members are aware that TDPL was acquired mainly to utilize its land situated near Visakhapatnam for establishment of a new grinding unit. The approval and clearances from the Government of Andhra Pradesh are still awaited. In the meantime, the company is looking for alternative locations for the new grinding unit.

As already reported last year, NCL Guangzheng Structures Ltd, the Joint Venture Company formed pursuant to the Joint Venture Agreement (which was terminated) with Qingdao Xinguangzheng Steel Structure Co Ltd, China exists as a 100 % subsidiary of this company without any operations. Your Company applied for striking off the company from the Register of Companies which is under process.

Your company entered in to JV Agreement with Moravia Containers a.s of Czech Republic to manufacture modular containers systems and other products in India and incorporated a separate company i.e Modular Containers (P) Ltd in November, 2021. This J V Agreement was terminated in order to conserve its resources and concentrate on the existing lines of business.

JV Partnership with NCL Buildtek Ltd

As already reported last year, your company in consortium with NCL Buildtek Ltd has bagged an order worth Rs.1863 crores for supply of Pre-painted (GI) Steel Window Frame with Glazed Shutters and GI Powder Coated Door Frames to the Andhra Pradesh State Housing Corporation Ltd (APSHC). As on the date of this report, the JV Partnership Venture received orders worth Rs. 45.72 Crores and supplied Rs. 15.93 Crores worth of material under the above scheme. The JV is ready with the balance material and is awaiting advice on the availability of godown space at the respective destination to receive the supplies.

COVID-19 and its impact

The impact of COVID-19 crisis continued during the financial year 2021-22. Your company has taken necessary safety and hygiene protocols like wearing of face masks, social distancing norms, sanitation at work places and employee awareness programmes etc; were followed as per the directions given by the local government authorities.

MATERIAL CHANGES AND COMMITMENTS IF ANY AFFECTING FINANCIAL POSITION OF THE COMPANY

Financial

During the year under review, the Company received the sanction of a term loan of Rs.75.00 Crores from Kotak Mahindra Bank for augmentation of cement capacity at Suryapet District. Axis Bank has sanctioned additional credit facilities amounting to Rs.13.50 Crores under ECGLS Scheme.

Operations and new projects

Cement Division

The expansion of Line 1 upgradation works at Mattapalli (V) in Suryapet district in Telangana State completed and commenced its operations from 1st May, 2022.

Boards Division

During the year under review, the facility for manufacture of Sandwich Panel Board set up at Mattapalli and expansion of lamination line units at Malkapur near Hyderabad & Paontasahib in Himachal Pradesh have been commissioned and are now operational. Since the Sandwich Panel Board is well received in the market and considering the potential demand, one more Sandwich Panel Board is being set up at Malkapur near Hyderabad.

Ready Mix Concrete Units (RMC)

As reported earlier, the establishment of two more RMC units at Visakhapatnam and Hyderabad were completed and are now in operation.

Dividend

Your Directors are pleased to propose a final dividend of 30% for the financial year 2021-22. This includes the interim dividend of 15% already paid to the shareholders.

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, 2022 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 five independent directors. 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) and Mrs. P. Sudha Reddy (woman entrepreneur) constitute the current team of Independent Directors.

The tenure of Mr. V S Raju is scheduled to end on 21st September 2022. Your Board wishes to place on record its profound appreciation of the contribution of Mr. V S Raju during his tenure as Independent Director. His expertise and experience will be missed at the Board Room.

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.

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 in Section 149(6) of the Act and there has been no change in their status as independent director during the year.

Executive Directors

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

After a successful stint of over 40 years at the helm of affairs, Mr.K. Ravi, expressed his desire to step down as Managing Director to pave the way of the next generation of leadership. The Board has decided to appoint the current Joint Managing Director as the Managing Director of the Company with effect from 1st October 2022. Mr. K Ravi has been appointed as Executive Vice Chairman for a period of five years w.e.f 1st October, 2022, so that the new leadership will continue to have the benefit of his advice and guidance.

One of the original Promoters of the company, Mr. Vinodrai V Goradia is scheduled to retire by rotation at the ensuing Annual General Meeting. He has expressed his desire not to be reappointed. His grandson, Mr. Utkal Goradia is proposed to be appointed in his place as a Director.

Since Mr. Utkal Goradia is already in whole time employment with the company as Vice President, Doors Division, he will be treated as whole time director in terms of Section 2(94) of the Companies Act 2013. Appropriate Resolutions are being proposed in the ensuing Annual General Meeting for appointment of Mr. Utkal B Goradia as Executive Director of the company.

Proposals for their appointment and revised remuneration are being placed before the ensuing Annual General Meeting for approval of the shareholders.

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 review, Mr. T. Arun Kumar is the Company Secretary & Compliance Officer and Nodal Officer under IEPF Rules.

Non-Executive Directors

Mr. Vindodrai V 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.

The Board wishes place on record the valuable contribution made by Mr. Vinodrai V.Goradia during his long association as director of the company from its inception.

Retirement by Rotation

Mr. Vinodrai V Goradia and Mrs. Pooja Kaldindi retire by rotation at the ensuing Annual General Meeting, and are eligible for reappointment. As already mentioned, Mr. Vinodrai Goradia desires not to be reappointed, and his grandson is proposed to be appointed as Director in his place.

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, eight Board meetings were held on 3rd April,2021, 3rd May,2021, 22nd May,2021, 25th June, 2021, 13th August,2021, 28th September, 2021, 2nd November, 2021, and 11th February, 2022. 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 under 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 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 a 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, One Executive and One Non-Executive Director 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. However, the new wave of Covid-19 pandemic, the possible re-imposition of lockdowns to contain the virus by state governments, and diminishing policy support threaten to undermine growth. Kindly refer Point No.37 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.

Related Party Transactions

All Related Party Transactions entered during the financial year 2021-22 were in ordinary course of business and at arm's length basis. Your Company did not enter into any 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 and Significant Material Orders

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.

However, members' attention is drawn to the statement on contingent liabilities and commitments in the notes forming part of the financial statements.

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 Non-Executive Director. The CSR Committee meeting was held on 27th August, 2021 and reviewed the CSR Policy and CSR activities.

Under the provisions of Section 135 of the Companies Act, 2013 an amount of Rs.238.15 Lakhs was required to be spent on CSR activities for the financial year 2021-22. 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 Rs.243.53 Lakhs. The details of the CSR activities during the year under review are listed in **Annexure D** to this Report.

Subsidiaries and Joint Ventures

The Company has two wholly owned subsidiaries, namely NCL Guangzheng Structures Limited (now under the process of strike off) and Tern Distilleries Private Limited, which is currently non-operational as already reported.

As reported elsewhere in this Report, your company has entered into a consortium partnership agreement with NCL Buildtek Ltd. for supply of pre-painted steel windows and doorframes to Andhra Pradesh State Housing Corporation Ltd. (APSHC).Your company has a 50% share in the said Joint Venture.

Investor Education & Protection Fund

The Company has transferred an amount of Rs.19.81 Lakhs relating to Dividends on the shares transferred to the Investor Education & Protection Fund for the financial year 2020-21.

Fixed Deposits

The details relating to Fixed Deposits are as follows:

As on 31st March 2022, Rs.6,893.98 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	35.00	Chairman
2	Mrs.Sonali K Gandhi	2.00	Wife of Mr.Kamlesh Suresh Gandhi
3	Ms.Payal Sanjay Desai	5.00	Daughter of Mr.Kamlesh Suresh Gandhi
4	Mr.Vinodrai.V.Goradia	35.00	Director
5	Mrs.Roopa Bhupatiraju	4.50	Director
6	Mrs.Charulatha V.Goradia	20.00	Wife of Mr.V.V.Goradia
7	Master B.Arjun	18.40	Son of Mrs. Roopa Bhupatiraju- ED
8	Baby Anika Bhupatiraju	7.00	Daughter of Mrs. Roopa Bhupatiraju- ED
9	Mrs.R.Rani	30.00	Wife of Mr.R.Kalidas-Director
10	Mr.R.Arun	18.00	Son of Mr.R.Kalidas-Director
11	Mrs. N.Sita Mahalakshmi	9.00	Mother of Mr.N.G.V.S.G.Prasad-ED & CFO
12	Ms.N.Suchitra Katyayani	100.00	Daughter of Mr.N.G.V.S.G.Prasad- ED & CFO
13	Lt.Gen(Retd) T A DCunha	45.00	Nil

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

The tenure of M/s Venugopal & Chenoy, the current Statutory Auditors is scheduled to expiring on the conclusion of ensuing Annual General Meeting. As recommended by the Audit Committee and the Board, it is proposed that M/s M. Bhaskara Rao & Co, be appointed as statutory auditors for a period of five years till the conclusion of the 46th Annual General Meeting in 2027. Appropriate Resolutions are being proposed at the ensuing Annual General Meeting for such appointment.

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 2021-22. They have been reappointed by the Board of Directors as Cost Auditors of the Company for the Financial Year 2022-23. The remuneration of the cost auditors 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 Audit Report for the financial year ended 31st March 2021 was duly filed with Ministry of Corporate Affairs.

Secretarial Audit

M/s. A J Sharma & Associates, Company Secretaries, have been reappointed 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, 2022

Your Company is proud to state that “Great Place to Work” Organization was granted renewed certification as a “Great Place to Work” from November, 2021 to October, 2022. This reflects the confidence reposed by employees about the work atmosphere and the recognition accorded to them as partners in progress.

Indian Cement Review

Indian Cement review Magazine conferred the award of fastest growing cement company in India (Small category) 2021 to the company

The Federation of Telangana Chamber of Commerce and Industry awarded excellence in CSR activities during the year 2021-22. Also, HM TV awarded Business Excellency award in the category of life time achievement award 2021

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.

PROCEEDING PENDING UNDER INSOLVENCY AND BANKRUPTCY CODE, 2016

There is no proceeding pending against the company under the Insolvency and Bankruptcy Code, 2016 during the year under review.

ONE-TIME SETTLEMENT WITH THE BANKS OR FINANCIAL INSTITUTIONS

There was no instance of onetime settlement with any Bank or Financial Institution during the year under review.

Extract of Annual Return

The Annual Return as required under Section 92 and Section 134 of the Companies Act, 2013 read with Rule 12 of the Companies (Management and Administration) Rules, 2014 is available on the Company’s website https://nclind.com/images/agm-egm/FORM_MGT_9_2021_22.pdf

Acknowledgements

Your directors wish to place on record their appreciation of the support and co-operation extended by Axis Bank, HDFC Bank, SBI, Kotak Mahindra Bank, 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

**Place: Hyderabad
Date: 13th August, 2022**

Kamlesh Gandhi
Chairman
Din: 00004969

REPORT ON CORPORATE GOVERNANCE

(In compliance with Regulation 27&72 SEBI (LODR) Regulations, 2015)

- 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.

3. Board of Directors:

a) Composition and category of Directors.

During the year under review, your Board of Directors had 13 Directors, 4 being Executive Directors and 9 Non-Executive Directors. Five 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:

Eight Board Meetings were held during the year 2021-22

The dates on which the said meetings were held areas under:

- (1) 3rd April 2021, (2) 3rd May 2021, (3) 22nd May 2021, (4) 25th June 2021 (5) 13th August 2021
(6) 28th September 2021 (7) 2nd November 2021 (8) 11th February 2022.

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	8	Yes	4	4	2
Dr.R.Kalidas	I & NED	8	Yes	-	-	1
Lt.Gen (Retd)T.A. DCunha	I & NED	8	Yes	-	-	-
V.S.Raju	I & NED	8	Yes	3	2	2
Mrs.P,Sudha Reddy	I & NED	7	No	5	-	-
V.V. Goradia	NED	8	Yes	-	-	-
Mrs.Pooja Kalidindi	NED	8	Yes	2	-	1
Ashven Datla	NED	8	Yes	6	-	1
P.N.Raju	NED	8	Yes	1	-	1
Mrs.Roopa Bhupatiraju	ED / WD	8	Yes	3	-	-
N.G.V.S.G. Prasad	ED & CFO	8	Yes	2	-	-
K.Gautam	JMD	7	Yes	1	-	-
K. Ravi	MD	8	Yes	9	-	-

**As per the explanation to Regulation 26 of SEBI (LODR) Regulations, 2015, only Audit committee and Stakeholder's 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

***including 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
Mrs.Pooja Kalidindi	Sister of Mr. K Gautam
Mr. K Gautam	Brother of Mrs. Pooja Kalidindi
Mrs. Roopa Bhupati Raju	Daughter of Mr. K Ravi
Mr. Ashven Datla	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 2022 is as under:

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

d) Criteria for performance evaluation of Independent Directors and other Non-Executive Directors

The Nomination & Remuneration Committee has laid down the evaluation criteria for performance evaluation of Independent Directors and other Non-Executive Directors of the company. The performance of each Independent Director has been evaluated by the other members of the Board. Based on the recommendation of the Nomination and Remuneration Committee, the Board reviews the skills / expertise / competence of the Directors, so that the Board of Directors with requisite skills / expertise / competence who can contribute towards providing strategic direction to the Company's management

Two separate meetings of the independent Directors were held on 10th February, 2022 and 28th February, 2022 during the year under review. Independent directors evaluated the performance of other Executive and Non-Executive Directors and conveyed their views to other directors on the Board.

e) Familiarization programme for Independent Directors and other directors

For new inductees to the Board, 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. Familiarization programmes is a continuous process whereby Directors are informed, either through presentations at the Board or Committee meetings, board notes, interactions, business operations, future strategies, business plans, market positions, products & new launches and other operational controls etc;

4. Audit Committee:

The Board has an Audit Committee constituted in compliance with Regulation 18 of the SEBI (LODR) Regulations, 2015. The role of the Audit Committee includes the following:

- Overseeing the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
- Recommending to the Board, the appointment, re-appointment and, if required, the replacement or removal of the statutory auditor and the fixation of audit fees.
- Reviewing, with the management, the quarterly and annual financial statements before submission to the board for approval.

- 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

25th June, 2021, 13th August, 2021, 2nd November, 2021 and 10th February, 2022.

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	4
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, Jt. Managing Director, Executive Director 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.

5) 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	1
Mr.V.S.Raju	Member	Independent	1
Ashven Datla	Member	Non-Executive	1

This Committee considers and recommends the remuneration payable to Executive Directors. During the year under review, one meeting of the Committee was convened on 10th February, 2022.

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 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	153.75	125.05	311.19	589.99
K.Gautam, JMD	79.95	54.63	-	134.58
Mrs.Roopa Bhupatiraju-ED	36.40	24.87	-	61.27
N.G.V.S.G. Prasad - ED & CFO	51.66	35.30	-	86.96

* Allowances / Benefits include HRA, Contribution to PF, Gratuity and Superannuation etc

Remuneration paid to Non-Executive Directors

The Non-Executive Directors were paid sitting fees for attending the meetings of the Board or the Committees thereof at the rate of Rs.25,000/- for Board Meeting and any committee thereof per meeting. 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)
Mr.Kamlesh Gandhi	14	3,50,000	4,95,068
Dr.R.Kalidas	17	4,25,000	6,01,153
Lt.Gen(Retd).T.A.Dcunha	14	3,50,000	4,95,068
Mrs.P.SudhaReddy	9	2,25,000	3,18,258
Mr.V.V. Goradia	8	2,00,000	2,82,896
Mr.Ashven Datla	12	3,00,000	4,24,344
Mrs.Pooja Kalidindi	9	2,25,000	3,18,258
Mr.P.N.Raju	11	2,75,000	3,88,982
Mr.V.S.Raju	16	4,00,000	5,65,791
Total	110	27,50,000	38,89,818

Shareholdings of Non-Executive Directors as on 31st March, 2022:

Non-Executive Directors	No. of Shares
Dr.R.Kalidas	Nil
Lt.Gen(Retd).T.A.Dcunha	1,000
V.V. Goradia	6,66,102
Ashven Datla	17,75,855
Kamlesh Gandhi	100
Mrs.Pooja Kalidindi	14,53,543
P.N.Raju	11,90,010
V.S.Raju	Nil
Mrs.P,Sudha Reddy	Nil

6. Stakeholders Relationship Committee:

The Company has a "Stakeholders Relationship Committee" which consisted of Mr. V.S.Raju as its Chairman and Mrs Pooja Kalidindi & 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.

During the period under review, the Committee met once on 19th March, 2022. The attendance details of the members are given hereunder.

Name	Designation	Category	Committee meeting attended
V.S.Raju	Chairman	Independent	1
Pooja Kalidindi	Member	NED	1
P.N.Raju	Member	NED	1

Compliance Officer

Mr. T. Arun Kumar, Vice President and Company Secretary of the company is also designated as the Compliance Officer and Nodal Officer under IEPF Rules.

7 (i) Details of Investors letters / complaints received during the year ended 31st March 2022.

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

7 (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.

8. CORPORATE SOCIAL RESPONSIBILITY (CSR) COMMITTEE

The Board has a CSR Committee comprising Dr.R. Kalidas (Independent Director) as Chairman, Mr.K.Gautam (Joint Managing 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 27th August, 2021. The attendance details of the members are given hereunder.

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

9) RISK MANAGEMENT COMMITTEE

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

The terms of reference of the Risk Management Committee is to ensure that the Company maintains effective risk management and internal control systems and processes, and report to the Board of Directors on the effectiveness of the risk management program in identifying and addressing material business risks. The Committee reviews various risks on half yearly basis and steps taken to manage the risks and recommend the same to Board

During the year under review, the Committee met twice on 27th August, 2021 and 19th February, 2022. The attendance details of the members are given hereunder.

Name	Designation	Category	Committee meeting attended
Lt.Gen(Retd) T A DCunha	Chairman	Independent	2
Dr.R.Kalidas	Member	Independent	2
P N Raju	Member	NED	2
NGVSG PRASAD	Member	ED & CFO	2

10) General Body Meetings:

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

Year	Date & time of AGM	Place
2020-2021	28.09.2021 at 10.30 AM	NCL Pearl, SD Road, Secunderabad through Video Conference
2019-2020	28.09.2020 at 11.00 AM	NCL Pearl, SD Road, Secunderabad through Video Conference
2018-2019	27.09.2019 at 10.30 AM	KLN Prasad Auditorium, FAPCCI Hall, Lakdikapool, Hyderabad

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

Year	Gist of the Resolutions
2020-21	<ol style="list-style-type: none"> 1 Reappointment of Mr.K.Ravi as an Managing Director for five years w.e.f 1st January,2021 2 Appointment of Mr.K.Gautam, Executive Director as Joint Managing Director for five years w.e.f 1st January,2021 3 Reappointment of Mr.N G V S G Prasad as Executive Director & CFO for five years w.e.f 1st January,2021 4 Revision in remuneration of Mrs.Roopa Bhupatiraju Executive director w.e.f 1st January, 2021.
2019-20	<ol style="list-style-type: none"> 1. Reappointment of Dr.Kalidas as an Independent Director for five years 2. Reappointment of LT Gen (Retd) T A DCunha as an Independent Director for five years 3. Approval of appointment and remuneration of Mrs.Roopa Bhupatiraju as Executive Director for 5 years 4. Consent Board of Directors for borrowing up to a ceiling Of Rs,750 Crores over and above the amount of Share Capital and free reserves of the company
2018-19	<ol style="list-style-type: none"> 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

c) Resolutions passed through Postal Ballot:

No Postal Ballot was conducted during the year under review

11) Disclosures

- 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.
- 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>.
- The Company has a formal Dividend Distribution 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/Dividend Distribution Policy>.
- 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.
- Management Discussion and analysis Report and Business Responsibility Report on the business of the Company forms part of this Annual Report.
- The CEO / CFO certification on the financial statements for the financial year 2021-22 is provided elsewhere in this Annual Report.
- 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 of the financial statements.

- h) The Company has complied with all the requirements of the Corporate Governance Report relating to the financial year 2021-22.
- i) ANNUAL RETURN; www.nclind.com>investors>AnnualReturn
- j) 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.
- k) **Means of communication:**
- The quarterly and half yearly financial results are published in the national and local dailies such as Economic Times, Eenadu, Saakshi and Namaste Telangana.
 - Quarterly / Half yearly financial results of the Company are forwarded to the Stock Exchanges and published in Economic Times, Saakshi, Namaste Telangana and Eenaadu. Half yearly report is not sent to each household of shareholders as the results are published in the newspapers.
 - The results and other official news releases are also posted in the Company's website – www.nclind.com and BSE & NSE websites.

12) Shareholders information:

i) AGM	:	41 st Annual General Meeting
Date	:	27 th September, 2022
Time	:	10.30 A.M Through Video Conferencing / Other Audio-Visual Means
Venue	:	Company Corporate Office, Secunderabad
ii) Financial Year	:	April 1 to March 31 next.
iii) Date of Book Closure	:	21/09/2022 to 27/09/2022, (both days inclusive)
iv) Final Dividend payment date	:	Within 30 days from the date of AGM i.e. 27 th September, 2022.
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	:	INE 732C01016
C) Corporate Id. No.	:	L33130TG1979PLC002521

vii) Stock Market Data - SHARE PRICE –BSE & NSE 01/04/2021 to 31/03/2022

Month	BSE Limited		National Stock Exchange of India Limited	
	High Price	Low Price	High Price	Low Price
Apr-21	195.85	158.00	195.80	143.70
May-21	215.40	180.00	215.45	179.90
Jun-21	237.25	200.30	237.30	200.10
Jul-21	274.55	205.90	274.75	205.05
Aug-21	304.80	220.20	304.95	219.95
Sep-21	251.35	215.40	250.95	215.00
Oct-21	270.00	217.65	270.00	217.00
Nov-21	248.95	204.50	247.00	205.15
Dec-21	229.90	208.50	230.70	208.50
Jan-22	233.40	190.00	233.00	190.00
Feb-22	215.00	171.00	215.00	171.00
Mar-22	188.25	168.00	188.00	168.50

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@vccipl.com

ix) Share transfer system:

Except transmission / transposition, loss of share certificates and name deletion of Shares which are in physical mode, transfer of shares is permitted only through Demat Modes, and effected by the Depositories. The transmission / transposition, loss of share certificates and name deletion of Shares are duly affected within a period of 15 days from the date of their lodgment with the Registrars and Share Transfer Agents and the duly transferred share certificates will be dispatched provided the transfer documents are in order. The Board of Directors has delegated powers to approve the transmissions / issue of duplicate share certificates to Mr.T.Arun Kumar, Company Secretary & Compliance Officer.

x) Distribution of Shareholding as on 31.03.2022

No of Equity Shares held	No of Shareholders	Percentage %	No of Shares	Percentage %
Upto - 500	55119	91.10	5529250	12.22
501 - 1000	2684	4.44	2116454	4.68
1001 - 2000	1295	2.14	1967179	4.35
2001 - 3000	458	0.76	1169718	2.59
3001 - 4000	199	0.33	708374	1.57
4001 - 5000	142	0.24	672758	1.49
5001 - 10000	287	0.47	2095935	4.63
10001 and above	317	0.52	30973122	68.47
Total	60501	100.00	45232790	100.00

xi) Shareholding Pattern as on 31.03.2022

Category of Shareholders	No.of Shares	Percentage %
I) Indian Promoters & Promoter Group		
a) Individual	1,93,40,659	42.76
b) Bodies Corporates	10,32,971	2.28
II) Public Shareholding		
a) Mutual Funds / UTI	2750	0.01
b) Financial Institutions/Banks	10050	0.02
c) Central Government/State Government(s)	7000	0.02
d) Alternate Investment Funds	11614	0.02
e) Foreign Portfolio Investors – Corporate (FPI)	1815	0
(i) Individual (FPI)	1815	0
(ii) Corporate (FPI)	1354281	2.99

(iii) Foreign Nationals	1700	0
III) Non-Institutions		
i) Individual shareholders holding nominal share capital up to Rs.1 Lakh	13182029	29.14
ii) Individual shareholders holding nominal share capital in excess of Rs 1 Lakh	6980731	15.43
IV) Any Other		
a) Bodies Corporates	1349404	2.99
b) Clearing Member	138235	0.31
c) Trust	750	0.00
d) NRI'S	1027682	2.28
e) IEPF Authority	791119	1.75
TOTAL	45232790	100.00

xii) **Dematerialization of Shares**

The shares of the Company are compulsorily traded in DEMAT form by all categories of investors. The Company has arrangements with National Securities Depositories Ltd (NSDL) and Central Depository Services India Ltd (CDSL) to establish electronic connectivity of 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 2022, 97.49 % of shares of the Company were held in Dematerialized form with the following depositories.

		No.of shares.	% on Paid up Capital
1.	NSDL	3,35,67,422	74.21 %
2.	CDSL	1,05,30,595	23.28 %
	Total	4,40,98,017	97.49 %

xiii) **Outstanding GDRs, ADRs or Warrants or Convertible Instruments:**

During the year under review, there were no outstanding GDRs or ADRs. As on the date of this Report, the Company has no outstanding convertible instruments.

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 Kadimpothava ram 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 A P
				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 AP
				UNIT –V Sy.No.208-1,209- 1&2, Tallapalem Road,Ugginapalem (V), Kasimkota (M) 531031 AP
				UNIT –VI Plot No 36. Sy No 460/2, 461, 462/2, 479 to 482, IDA,Mankhal (V), Maheswaram (Mandal), Ranga Reddy (District), Telangana. 501359
				UNIT –VII Sy.No.38-9 to 38-19, Kovvada Gram Panchayat, Pusapati Rega Mandal, Vizianagaram Dist. AP - 535204
				UNIT –VIII S/y 492,493, Goudavalli, near Gandimysamma, Medchal Dist, 500043 Telangana
				UNIT –IX Sivadatta temple Road,Dandu Malkapur(V)Choutuppal(M)Yadadri dist 508252-Telangana

xv) **Address for Investor Correspondence**

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

xvi) **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.

xvii) **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.

xviii) **Credit Rating**

CRISIL Ratings has migrated its rating in compliance with the regulatory guidelines as per circular issued by the Securities and Exchange Board of India (SEBI) on July 16, 2021 and the subsequent SEBI circular dated April 1, 2022, for standardizing the rating scales used by the Credit Rating Agencies. This migration represents only a recalibration of the rating from one scale to another and does not reflect any change in the credit risk profile of the company on long term and short-term borrowings. It is neither an upgrade nor a downgrade of the underlying credit risk profile of the company's Term loans and FD programme.

Rating Action	Rating
Long Term Rating	CRISIL A/Stable
Short Term Rating	CRISIL A1
Fixed Deposits	CRISIL A/Stable (Migrated from 'FA+/Stable')

xix) **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.P.Sudha Reddy (Woman Independent)	Business Management, R&D and Administration	Nil
6	Mrs.Pooja Kalidindi (Promoter Non-Executive, Woman)	Business Management and Commercial	Nil
	Mr. Vinodrai Goradia	Commercial	Nil

7	(Promoter – Non-Executive)		
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 – Jt. Managing 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, Woman)	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 13th August, 2022.

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: 13th August, 2022.

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 31.03.2022, 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: 13th August, 2022

Particulars of Directors whose appointment/reappointment is being sought

Name of the Director	K. Gautam	K. Ravi	Pooja Kalidindi	Utkal B Goradia
Date of Birth	02/11/1981	27/09/1954	24/09/1984	25/10/1983
Qualifications	BBM (Hons) from ICFAI, Hyderabad and M. Sc (Entrepreneurship and Business management) from University of Luton, Bedfordshire, UK	Diploma in Electrical Engineering with specialization in Power Stations network and systems.	Graduate in commerce and PGDPM with specialization in Finance and Marketing.	Executive education program on General Management program from IIM Bangalore
Directorship in other companies	Tern Distilleries (P) Ltd,	NCL Buildtek Ltd, NCL Guangzheng Structures Ltd, Hampi Energy Ltd Nagarjuna Cerachem (P) Ltd Kakatiya Chemicals (P)Ltd, Sorachem Industries (P) Ltd, Deccan Nitrates (P)Ltd, Kakatiya Industries (P) Ltd, Vikram Chemicals (P)Ltd	Hampi Energy NCL Homes Ltd NCL Holdings (A&S) Ltd Maddi Constructions Pvt.Ltd Eastern Ghat Renewable Energy Ltd.	NCL Guangzheng Structures Ltd
Membership of Audit/ Stakeholders Relationship Committees of other public Ltd companies	Nil	Nil	Member Stakeholders Relationship Committee	Nil
No. of shares held in NCL Industries Ltd (as on 13 th August,2022)	16,23,694	24,36,745	14,53,543	1,01,981
Inter-se relationship with other Directors of the company	Brother of Mrs.Pooja Kalidindi and related to Mr. Ashven Datla, Mrs.Roop.Bh and Mr.K.Ravi	Father of Mrs.Bh. Roopa, father in Law of Mr. Ashven Datla and related to Mr.K. Gautam and Mrs.K.Pooja	Sister of Mr K. Gautaam and related to Mr. Ashven Datla, Mrs.Roop.Bh and Mr.K.Ravi	Grandson of Mr.Vinodrai V Goradia
Awards/ Medals etc:	Nil	1.Business Leader of the Year 2021 by World leadership Congress. (2) Entrepreneur of the Year 2021	Nil	Nil

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	
Vikram Chemicals (P) Ltd	
Nagarjuna Cerachem (P) Ltd	
Deccan Nitrates (P) Ltd.	
Tern Distilleries (P) Ltd.	(100% Subsidiary)
NCL Buildtek Ltd. & NCLIL JV	
NCL Holdings (A & S Ltd.)	
Moduler Containers (P) Ltd.	(Subsidiary Company)

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 and 01.01.2021 to 31.12.2025	Total Remuneration of Rs. 589.99 Lakhs for FY2021-22(Including salary, other perks, benefits plus 2% Commission of Net profits U/s 198 of the Companies Act,2013)	Board Approval 29.01.2016 & 04.01.2021 and Shareholders' Approval 20.09.2016 & 28.09.2021
Mr K. Gautam Joint Managing Director	01/08/2017 To 31/07/2022 and 01.01.2021 to 31.12.2025	Total Remuneration of Rs.134.58 lakhs for F.Y.2021-22 (Including salary and other perks and benefits).	Board Approval 27/05/2017, 04.01.2021and Shareholders' Approval Dt.22/09/2017 & 28.09.2021
Mr. NGVSG Prasad Executive Director & CFO	From 30/05/2016 To 30/05/2021 and 01.01.2021 to 31.12.2025	Total Remuneration of Rs.86.96 Lakhs for F.Y.2021-22 (Including salary and other perks and benefits)	Board Approval 30/05/2016, 04.01.2021 Shareholders' Approval 20/09/2016 & 28.09.2021
Mrs.Roopa Bhupatiraju Executive Director	From 04/07/2019 To 03/07/2024	Total Remuneration of Rs.61.27 Lakhs for F.Y.2021-22 (Including salary and other perks and benefits)	Board Approval 27/09/2019, 04.01.2021 & 28.09.2021
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.	Rs.2950.86 lakhs	Omnibus Audit Committee approval dated 25.06.2021
NCL Homes Ltd		Rs. 0.61 Lakhs	
NCL Veka Ltd		Rs.74.23 Lakhs	
NCL Buildtek&NCLIL JV		Rs.0.80 Lakhs	
Kakatiya Industries (P) Ltd		Rs.34.20 Lakhs	
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.	Rs.168.76 Lakhs for the year Terms as applicable to other parties	Omnibus Audit Committee approval dated 25.06.2021
Kakatiya Industries (P) Ltd NCL Veka Ltd		Rs.147.97 Lakhs Nil	

D. Nature of Contract: Rent Paid			
Mrs.Bh. Roopa	5 years w.e.f 15.12.2021	Lease Rent on 3.00 Acres of land situated at S.No.281 & 282 in Rampally (V) Keesara Mandal . Total amount paid in FY 2021-22 Rs. 9.92 Lakhs.	11.03.2020 & 23.04.2022
E. Nature of Contract: Rent Received			
NCL Buildtek Ltd & NCLIL JV		Rs. 27.61 Lakhs	Omnibus Audit Committee approval dated 25.06.2021
F. Nature of Contract: ICD			
NCL Buildtek Ltd NCL Holdings (A & S Ltd)		Rs.1800.00 Lakhs Rs. 230.00 Lakhs	25.06.2021
G. Nature of Contract: Reimbursement of Expenses			
NCL Holdings (A & S Ltd) NCL Buildtek Ltd	No fixed duration. As per the requirement	Rs. 7.73 Lakhs Rs. 48.77 Lakhs	25.06.2021
H. Nature of Contract: Interest Received			
NCL Buildtek Ltd NCL Holdings (A & S Ltd)		Rs.83.51 Lakhs Rs. 5.40 Lakhs	25.06.2021
I. Nature of Contract: Advances			
NCL Buildtek Ltd & NCLIL JV Tern Distilleries (P) Ltd Modular Containers (P) Ltd		Rs.2020.97 Lakhs Rs.98.44 Lakhs Rs.18.98 Lakhs	

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.

This Report conforms to the Business Responsibility Reporting (BRR) requirement of the Securities & Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations) and the National Guidelines on Responsible Business Conduct (NGRBC). The NGRBC are designed to be used by all businesses, irrespective of their ownership, size, sector, structure or location.

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 NGBRC. 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	NCL Industries Limited, 7 th Floor, NCL Pearl, SD Road, Secunderabad – 500026, Tel: 040-30120000 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, ReadyMix 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) NCL 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 & Visakhapatnam(Andhra Pradesh), Batanwali (Himachal Pradesh) (Full details given in Page No. 61 under the Head "Plant Locations") Not Applicable
9	Location of major offices (in case of service businesses)	Not Applicable
10	Number of permanent employees:	955
11	Contractual employees (seasonal, non-seasonal, Temporary):	1272
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;	2.30 %
14	Names of subsidiary / associate companies	NCL Guangzheng Structures Ltd (Now Under the Process of Strike Off) Tem Distilleries(P)Ltd (100% Subsidiary) Modular Containers(P) Ltd (Subsidiary)
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 Party Transaction 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	Whistle-blower Policy Related Party Transaction Policy Dividend Distribution 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?	Two Subsidiary Companies-1.NCL Guangzheng Structures Ltd (now under the process of strike off) Tern Distilleries (P) Ltd (TDPL) (3) Modular Containers (P) Ltd- Joint Venture and Subsidiary Company. (No more a subsidiary since the shareholdings were transferred upon termination of Joint Venture Agreement)
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 (eg.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
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3. Principle-wise (as per NVGs) BR Policy/policies

The National Guidelines on Responsible Business Conduct (NGRBC), 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 consumer 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 / policy 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 Transactions 4. Corporate Social Responsibility 5. Dividend Distribution 6. Code of fair disclosures on UPSI information 7. Insider Trading Code								
2	Has the policy being formulated in consultation with the relevant stakeholders?	Wherever possible and found desirable, this has been done.								
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 to 5 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 oversees 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, 2022 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

India is the second-largest cement producer in the world. The industry offers significant growth with a low per capita consumption and push for infrastructure and affordable housing. Out of this, 98 % lies with the private sector. Cement consumption is expected to grow in Asia ex-China and the Middle East by an estimated 5 percent and 4 percent year-on-year, respectively in 2022. Cement is indispensable 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 Union and State Governments alike have embarked upon major projects in housing, irrigation, roads and highways, ports and railway. These are major demand drivers for cement. Industrial and housing projects in the private sector through individual and institutional initiatives also supplement the demand. In the Union Budget 2022-23 significant allocations made in proposed capital expenditure. The real estate sector will benefit from rapid urbanization. The cement demand in the year 2022-23 is expected to increase due to government focus its attention on the Pradhan Mantri Awas Yojana's plan to construct around 8 Million houses by 2023 and PM Gati Shakti –National Master Plan for multi- modal connectivity.

ReadyMix 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. In recent time several new and innovative applications are being found for the Bison Boards, like false ceilings, kitchen platforms, fixed furniture etc; enhancing the demand potential. Your company recently introduced sandwich panel board as an add on product to Boards units. These boards are gaining popularity, and the demand is steadily growing. To meet the incremental demand, another sandwich panel board unit is being set up near Hyderabad.

Your company is manufacturing these panels at three different locations having a total installed capacity of 90,000 Mt per annum are performing satisfactorily.

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. The thrust given by the Governments for infrastructure development is a demand driver, and a major opportunity. Last financial year, 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 housing industry.

Government infrastructure spending, demand in the real estate segment and continuing rural demand for affordable housing remained major drivers for cement consumption in the last financial year 2020-21. However due to various reasons, the demand growth in the industrial/commercial segment was relatively lower in the current financial year as is evident in the first quarter cement sector growth performance in south India.

The company's 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 introduced 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	2021-22	2020-21	% of Change
1	Inventory Turnover Ratio	15.74	14.60	7.81
2	Interest coverage Ratio	13.48	14.05	-4.05
3	Current Ratio	1.36	1.22	11.47
4	Debt Equity Ratio	0.54	0.48	12.65
5	Return on Investment (%)	14.00	23.79	41.15
6	Debtors Turnover Ratio	11.11	10.28	8.07
7	Net Profit Margin (%)	0.05	0.09	-44.44
8	Operating Profit Margin (%)	7.84	12.79	-38.70

For ratios, please refer performance in Directors Report and notes to accounts

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 (Rs. Lakhs)	Segment Profit before Interest & Tax (Rs. Lakhs)
Cement	86.18	26,04,200Mt	1,94,255.36	16806.13
Boards	7.00	75,219 Mt	15,783.79	1224.85
Energy	0.33	38.94 MU	749.33	353.83
Ready Mix Concrete	5.33	2,60,247 (Cu.Mtrs)	11,994.85	81.70
Readymade Doors	1.16	14,230 (Nos)	2,612.07	-1063.20

E. OUTLOOK

As already stated earlier, the outlook for the cement and building materials industry looks promising medium term despite the uncertainty caused by steep increase in coal and other input costs.

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 steep increase in major raw materials like steel, coal and other building materials poses 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 2022, the company has 955 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

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES FOR THE FINANCIAL YEAR 2021-22

[Pursuant to section 135 of the Companies Act, 2013 and Rule 10 (ii) of the Companies (Corporate Social Responsibility) Rules, 2014]

1. **A brief Outline of Company's CSR Policy:**

NCL Industries Limited (NCL) 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, NCL has been actively engaged in efforts to improve the quality of life in the contiguous localities

The Policy covers current as well as proposed CSR activities to be undertaken by the company and is in alignment with Schedule VII of the Act. The CSR activities under taken / propose to be undertaken in various sectors are for Medical and healthcare, Education, Village Infrastructure development, cleanliness and hygiene

3. **Composition of CSR Committee**

The CSR Committee comprises the following members:

NAME OF THE DIRECTOR	Status	DESIGNATION	No. of meetings of CSR Committee held during the year	No. of meetings of CSR Committee attended during the year
Dr.R.Kalidas	Independent Director	Chairman	1	1
Lt.Gen(Retd)T DCunha	A Independent Director	Member	1	1
Mr.K.Gautam	Joint Managing Director	Member	1	1

3. Details of Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company at the link <https://www.nclind.com/csr policy>

4. This company is not required to provide the details of Impact assessment of CSR projects.

5. The amount available for set off in pursuance of sub-Rule (3) of Rule 7 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 for the succeeding years is as follows:

Financial Year	Mandatory CSR Expenditure Rs (in Lakhs)	Actual CSR Expenditure Rs.(in Lakhs)	Excess Available for set off Rs.(in Lakhs)
2019-20	139.13	215.50	76.37
2020-21	136.34	161.53	25.19
2021-22	238.15	243.53	5.38
Total available for set off in FY 2022-23			106.94

There was no need to avail any set off of the previous years during the year under review.

6. **Average net profits of the company for last three financial years**

Financial Year	Net Profits(Rs.in Lakhs) Under Section 198 of the Companies Act,2013)
2018-19	6022.23
2019-20	6991.20
2020-21	22708.72
Average	11907.38

7. a) Two percent of average net profit of the Company as per Section 135(5) – Rs. 238.15 Lakhs
 b) Surplus arising out of the CSR projects or programmes or activities of the previous financial years- Nil since there were no income generating projects
 c) Amount required to be set off for the financial year, if any – Nil. There was no need to avail this.
 d) Total CSR obligation for the financial year (7a+7b-7c). – Rs. 238.15 Lakhs
8. (a) CSR amount spent or unspent for the financial year 2021-22:

Total Amount Spent for the Financial Year (In Rs) Rs. 243.53 lakhs	Amount Unspent (In Rs) Nil	
	Total Amount transferred to Unspent CSR Account as per section 135(6). Nil	Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5). Nil

(b) Details of CSR amount spent against ongoing projects for the financial year 2021-22: Not Applicable

(c) Details of CSR amount spent against other than ongoing projects for the financial year 2021-22:

S.No	Name of the Project	Items from the List of activities in Sch VII to the Act	Local Area (Yes / No)	Location of the Project	Amt Spent for the Project (Rs.In lakhs)	Mode of Implementation – Direct (Yes / No)	Mode of Implementation - Through Implementing Agency	
1	Normal revenue and operating expenses for NCL High School & NCL Junior College	Promotion of Education including special education	Yes	Mattapalli(V), Suryapet district, Telangana State	171.67	Yes	Name NA	CSR Regn No NA
2	Revenue & Operating Expenses for Sri.K,Ramachandra Raju Health Center	Medical and Health care	Yes	Mattapalli(V), Suryapet district, Telangana State	48.32	Yes	NA	NA
3	Village Development Construction of Toilets,erection of street lights etc.	Rural Development Projects	Yes	Mattapalli(V), Suryapet district, Telangana State	19.08	Yes	NA	NA
4	Normal revenue and operating expenses for NCL Skill Development Centre	employment enhancing vocational skills	Yes	Malkapur(V), Yadadri Bhuvanagiri district, Telangana State	4.46	Yes	Name NA	CSR Regn No NA

- (d) Amount spent in Administrative Overheads: - Nil
 (e) Amount spent on Impact Assessment, if applicable: - Nil
 (f) Total amount spent for the Financial Year (8b+8c+8d+8e): - Rs.243.53 Lakhs
 (g) Excess amount for set off, if any – Rs.5.38 Lakhs

S.No	Particular	Amount (Rs.in Lakhs)
i)	Two percent of average net profit of the company as per section 135(5)	238.15
ii)	Total amount spent for the Financial Year 2021-22	243.53
iii)	Excess amount spent for the financial year [(ii)-(i)]	5.38
iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	-
v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	5.38

9. (a) Details of Unspent CSR amount for the preceding three financial years: Nil
 (b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s): Nil
10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year Not Applicable
11. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5) Not Applicable

K. Ravi Managing Director Din:00720811	Dr.R. Kalidas Chairman-CSR Committee Din:02204518	Date :13/08/2022 Place: Hyderabad
----------------------------------------------	---------------------------------------------------------	--------------------------------------

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	68 years
Qualification	Diploma in Electrical Engineering with specialization in Power Stations network and systems.
Designation:	Managing Director
Date of commencement of employment	Since 11 th January 2003
No. of year of experience	over 44 years
Remuneration	Rs 589.99 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 13/08/2022)	5.39 %

Notes:

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

For and on behalf of the Board

Kamalesh Gandhi
Chairman

Date: 13th August, 2022

Registered Office:

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

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED March 31, 2022

[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 I hereby report that in my opinion, the company has, during the audit period covering the financial year ended on March 31, 2022 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, 2022 according to the provisions of:

- The Companies Act, 2013 (the Act) and the rules made there under
- The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
- The Depositories Act, 1996 and the Regulations and Bye-laws framed there under
- 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**)
- The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') viz:

- The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011
- The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015
- The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 and amended from time to time
- 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. **(Not applicable during the audit period).**
- (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, 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. The Company paid a penalty of Rs 10,000/- during the year imposed by NSE under Regulation 29(2)(3) of SEBI (LODR) Regulations, 2015 for considering payment of interim dividend without advance intimation to the stock exchanges in the previous year.

I further report that

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The Changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance 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.

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: F002120D000736128
Peer Review Certificate No:2411/2022

Place: Hyderabad

Date: 3rd August 2022

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

Place: Hyderabad

Date: 3rd August 2022

A.J.Sharma
 FCS-2120, CP-2176
 UDIN: F002120D000736128
 Peer Review Certificate No: 2411/2022

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 ended 31st March 2022.

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 2022.

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	14/08/2020
3.	Vuppapati Raju Sitarama	Independent Director	00101405	11/11/2016
4.	Trevor Aloysius D'Cunha	Independent Director	07207066	14/08/2020
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	Executive Director & CFO	07515455	30/05/2016
13.	Sudha Reddy Punuru	Woman Director (Independent)	02128148	04/01/2021

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 efficacy or effectiveness with which the management has conducted the affairs of the Company

For A.J.Sharma & Associates
 Company Secretaries

Place: Hyderabad
 Date: 3rd August 2022

A.J.Sharma
 FCS-2120, CP-2176
 UDIN: F002120D000736183
 Peer Review Certificate No: 2411/2022

SECRETARIAL COMPLIANCE REPORT FOR THE YEAR ENDED 31st MARCH 2022

[Pursuant to Circular CIR/CFD/CMD1/27/2019 dated February 08, 2019 for the purpose of compliance with Regulation 24A of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]

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

CIN of Company: L33130TG1979PLC002521
Authorised Capital :Rs 62,00,00,000/-

I/We A.J.Sharma & Associates, Company Secretaries have examined:

- (a) All the documents and records made available to us and explanation provided by NCL Industries Limited (Listed entity)
- (b) The filings/ submissions made by the listed entity to the stock exchanges,
- (c) Website of the listed entity,
- (d) any other document/ filing, as may be relevant, which has been relied upon to make this certification, for the year ended 31st March 2022 in respect of compliance with the provisions of :
- (a) The Securities and Exchange Board of India Act, 1992 ("SEBI Act") and the Regulations, circulars, guidelines issued there under; and
- (b) The Securities Contracts (Regulation) Act, 1956 ("SCRA"), rules made there under and the Regulations, circulars, guidelines issued there under by the Securities and Exchange Board of India ("SEBI")
- The specific Regulations, whose provisions and the circulars/ guidelines issued there under, have been examined, include:
- (a) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015
- (b) Securities and Exchange Board of India (Issue of capital and disclosure requirements) Regulations 2018
- (c) Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
- (d) Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018-Not applicable during the year under review.
- (e) Securities and Exchange Board of India (Share Based Employee Benefits) Regulations 2014-Not applicable during the year under review
- (f) Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations 2018 - Not applicable during the year under review
- (g) Securities and Exchange Board of India (Issue and Listing of Non- Convertible and Redeemable Preference Shares) Regulations, 2013: Not applicable during the year under review
- (h) Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations 2015
- (i) Other regulations as applicable and circulars/ guidelines issued there under and based on the above examination, I/We hereby report that, during the Review Period

The listed entity has complied with the provisions of the above Regulations and circulars/ guidelines issued there under, except in respect of matters specified below:

S No.	Compliance requirement (Regulations, Circulars, guidelines including specific clause)	Deviations	Observations, Remarks of the Practising Company Secretary
	NIL	NIL	NIL

- (b) The listed entity has maintained proper records under the provisions of the above Regulations and circulars/ guidelines issued there under insofar as it appears from my/our examination of those records.
- (c) The following are the details of actions taken against the listed entity/ its promoters/ directors/ material subsidiaries either by SEBI or by Stock Exchanges (including under the Standard Operating Procedures issued by SEBI through various circulars) under the aforesaid Acts/ Regulations and circulars/ guidelines issued there under:

S. No	Action taken by	Details of violation	Details of action taken e.g. fines, warning letter, debarment, etc.	Observations, remarks of the Practising Company Secretary, if any
1.	NSE	Regulation 29(2) (3) of SEBI LODR (Regulations) 2015 for considering interim dividend at Board meeting held on 9 th November 2020 without advance intimation	Penalty of Rs 10,000/- plus GST @18% was imposed on 08/09/2021 after Company's request for waiver of fine was not favourably considered	Interim dividend not being part of agenda was considered by the Board at their meeting held on 9 th November 2020 for which there was no advance intimation to stock exchanges. The Company paid the penalty on 17/09/2021 under protest.

- (d) The listed entity has taken the following actions to comply with the observations made in previous reports:
- (e)

S. No	Observations of the Practising Company Secretary in the previous reports	Observations made in the secretarial compliance report for the year ended (The years are to be mentioned)	Actions taken by the listed entity, if any.	Comments of the Practising Company Secretary on the actions taken by the listed entity
	No action needed to be taken by the listed entity			

Place: Hyderabad
Date: 11.05.2022

For **A.J.SHARMA & ASSOCIATES**
COMPANY SECRETARIES

A.J.SHARMA
FCS-2120, CP-2176
UDIN: F002120D000301837

ANNEXURE - G

Independent Auditor's Report

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
- h. Installation of Solar Power systems wherever feasible

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:

Rs. In Lakhs

S. No.	Particulars	For the year 2021-22	For the year 2020-21
1	Earnings	20.62	37.20
2	Outgo	2778.24	976.89

To The Members of NCL Industries Limited,
Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of NCL Industries Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2022, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Cash Flows and the Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2022 and its profit, total comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing specified under Section 143(10) of the Act (SAs). Our responsibilities under those Standards are further described in the Auditor's Responsibility for the Audit of the Standalone 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 (ICAI) together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, was of most significance in our audit of the standalone financial statements of the current period. 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. We have determined the matters described below to be the key audit matters to be communicated in our report.

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 recognized 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.

Information Other than the Financial Statements and Auditor's Report Thereon

- The Company's Board of Directors is responsible for the other information. The other information comprises the Management Discussion & Analysis, Board's Report and Report on Corporate Governance including Annexures but does not include the consolidated financial statements, standalone 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 during the course of our 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.

Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the Ind AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgements 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 standalone financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error. In preparing the standalone financial statements, management 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 management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so. Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibility for the Audit of the Standalone Financial Statements

Our objectives are to obtain reasonable assurance about whether the standalone 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 standalone financial statements.

As part of an audit in accordance with SAs, we exercise professional judgement and maintain professional scepticism 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 financial 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 system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and there as on ableness of accounting estimates and related disclosures made by the 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 auditor's 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.

Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the standalone financial statements may be influenced. We consider quantitative materiality and qualitative factors in

- (i) Planning the scope of our audit work and in evaluating the results of our work; and
- (ii) to evaluate the effect of any identified misstatements in the standalone financial statements.

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 auditor's 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

1. As required by Section 143(3) of the Act, based on our audit we report:
 - 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 including Other Comprehensive Income, the Statement of Cash Flows and Statement of Changes in Equity 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 Ind AS specified under Section 133 of the Act.
 - e) On the basis of the written representations received from the directors as on March 31, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2022 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 A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
 - g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of Section 197(16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of Section 197 of 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, as amended in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements.
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

- iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
 - iv. a) The Management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
2. The Management has represented, that, to the best of its knowledge and belief, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
 3. Based on the audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.
 - 1) The final dividend proposed in the previous year, declared and paid by the Company during the year is in accordance with Section 123 of the Act, as applicable.

As stated in Note 14 to the standalone financial statements, the Board of Directors of the Company has proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The dividend proposed is in accordance with section 123 of the Act, as applicable.
 2. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure B" statement on the matters specified in paragraphs 3 and 4 of the Order.

For VENUGOPAL & CHENOY,
CHARTERED ACCOUNTANTS,
FRN: 004671S

P V SRIHARI
PARTNER
Membership No.021961
UDIN 22021961AJVXHP3477
Place: Hyderabad
Date: 30.05.2022

Annexure "A" to the Independent Auditor's Report

(Referred to in paragraph 1(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Report on the Internal Financial Controls Over Financial Reporting under Clause (i) of sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of NCL Industries Limited ("the Company") as of March 31, 2022 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. 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.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting of the Company 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") issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, 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 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 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 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, to the best of our information and according to the explanations given to us, 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 March 31, 2022, based on the criteria for internal financial control over financial reporting 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 SRIHARI
PARTNER
Membership No.021961
UDIN 22021961AJVXHP3477
Place: Hyderabad
Date: 30.05.2022

Annexure "B" to the Independent Auditor's Report

(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

In terms of the information and explanations sought by us and given by the Company and the books of account and records examined by us in the normal course of audit and to the best of our knowledge and belief, we state that.

(i) (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment, Capital work-in-progress and relevant details of right-of-use of assets.

(B) The Company has no intangible assets hence disclosure under clause does not arise.

(b) The Company has a programme of verification of property, plant and equipment, Capital work- in-progress and right- of-use of assets so to cover all the items once every three years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the programme, certain property, plant and equipment were due for verification during the year and were physically verified by the Management during the year. According to the information and explanations given to us, no material discrepancies were noticed on such verification.

(c) Based on the examination of the registered sale deed/ transfer deed provided to us, we report that, the title deeds of all the immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the Company) disclosed in the financial statements included in property, plant and equipment and capital work-in-progress are held in the name of the Company as at the balance sheet date. Immovable properties of land whose title deeds have been pledged as security for loans, guarantees etc., are held in the name of the Company based on the information's received by us.

(d) The Company has not revalued any of its property, plant and equipment and intangible assets during the year.

(e) No proceedings have been initiated during the year or are pending against the Company as at March 31, 2022 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made there under.

(ii) (a) The inventories (except for goods-in-transit, which have been received subsequent to the year-end), were physically verified during the year by the Management at reasonable intervals. In our opinion and based on information and explanations given to us, the coverage and procedure of such verification by the Management is appropriate having regard to the size of the Company and the nature of its operations. No discrepancies of 10% or more in the aggregate for each class of inventories were noticed on such physical verification of inventories procedures performed as applicable, when compared with the books of account.

(b) According to the information and explanations given to us, the Company has been sanctioned working capital limits in excess of `Rs. 5 crores, in aggregate, at points of time during the year, from banks or financial institutions on the basis of security of current assets. In our opinion and according to the information and explanations given to us, the quarterly returns or statements comprising stock statements, book debt statements and statements on ageing analysis of the debtors/other receivables filed by the Company with such banks or financial institutions are in agreement with the unaudited books of account of the Company of the respective quarters.

(iii) The Company has made investments in, provided guarantee or security and granted unsecured loans to companies during the year, in respect of which:

(a) The Company has made investment, provided loans, guarantee and security during the year and details of which are given below: (`Lakhs)

Particulars	Investment	Loans	Guarantees	Security
Aggregate amount granted / provided during the year: -				
Subsidiaries	0.75	Nil	Nil	Nil
Associates		2,030	Nil	Nil
Balance outstanding as at Balance Sheet date in respect of the above case: -				
Subsidiaries	3,000.75		Nil	Nil
Associates		2,030	Nil	Nil

The Company has not provided any advances in the nature of loans to any to other entity during the year

- (b) The investments made, guarantees provided, security given and the terms and conditions of the grant of all the above-mentioned loans and guarantees provided, during the year are, in our opinion, prima facie, not prejudicial to the Company's interest.
- (c) In respect of loans granted provided by the Company, the schedule of repayment of principal and payment of interest has been stipulated and the repayments of principal amounts and receipts of interest are regular as per stipulation.
- (d) According to information and explanations given to us and based on the audit procedures performed, in respect of loans granted by the Company, there is no overdue amount remaining outstanding as at the balance sheet date.
- (e) None of the loans granted by the Company have fallen due during the year
- (f) According to information and explanations given to us and based on the audit procedures performed, the Company has not granted any loans either repayable on demand or without specifying any terms or period of repayment during the year. Hence, reporting under clause (iii)(f) is not applicable.
- (iv) The Company has complied with the provisions of Sections 185 and 186 of the Companies Act, 2013 in respect of loans granted, investments made, guarantees, and securities provided, as applicable.
- (v) The Company has accepted deposit or amounts which are deemed to be deposits. The Company has Complied with the relevant provisions of the Companies Act 2013
- (vi) The maintenance of cost records has been specified by the Central Government under Section 148(1) of the Companies Act, 2013. We have broadly reviewed the books of account maintained by the Company pursuant to the Companies (Cost Records and Audit) Rules, 2014, as amended, prescribed by the Central Government for maintenance of cost records under Section 148(1) of the Companies Act, 2013, and are of the opinion that, prima facie, the prescribed cost records have been made and maintained by the Company. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.
- (vii) (a) Undisputed statutory dues, including Goods and Service tax, Provident Fund, Employees' State Insurance, Income-tax, Sales Tax, duty of Custom, duty of Excise, Value Added Tax, cess and other material statutory dues applicable to the Company have been regularly deposited by it with the appropriate authorities in all cases during the year. There were no undisputed amounts payable in respect of Goods and Service tax, Provident Fund, Employees' State Insurance, Income-tax, Sales Tax, duty of Custom, Value Added Tax, cess and other material statutory dues in arrears as at March 31, 2022 for a period of more than six months from the date they became payable.
- (b) Details of statutory dues referred to in sub-clause (a) above which have not been deposited as on March 31, 2022 on account of disputes are given below:

Name of the Statute	Nature of Dues	Amount Rs in Lacks.	Amount paid under protest	Period to which it relates	Forum where the dispute is pending
Sales Tax and VAT Laws	Sales Tax	4.26	-	1997	Sales Tax Appellate Tribunal
Sales Tax and VAT Laws	Sales Tax	16.88	4.00	2000	Sales Tax Appellate Tribunal
Sales Tax and VAT Laws	Sales Tax	37.26	12.81	2013	Sales Tax Appellate Dy Commissioner
Sales Tax and VAT Laws	Sales Tax	197.99	49.49	2010-2012	Sales Tax Appellate Tribunal
Finance Act	Service Tax	1889.28	144.62	2007-2018	CESTAT
Central Excise Act, 1944	Excise Duty	80.85	4.40	2009-2010	CESTAT
Central Excise Act, 1944	Excise Duty	2.00	-	2010-2011	CESTAT
Central Excise Act, 1944	Excise Duty	977.68	48.96	2011-2016	CESTAT

Central Excise Act, 1944	Excise Duty	1.00	0.79	2016	CESTAT
Customs duty Act, 1962	Customs Duty	42.19	-	2013-14	Appellate Commissioner of Customs & Central Excise (Appeals)
Customs duty Act, 1962	Customs Duty	87.79	-	2013-14	CESTAT
Local Areas Act, 2001	Entry Tax	4.48	0.56	2011-2014	Appellate Joint Commissioner
Local Areas Act, 2001	Entry Tax	709.24	177.31	2015-2018	Honourable High Court of Telangana

- (viii) There were no transactions relating to previously unrecorded income that were surrendered or disclosed as income in the tax assessments under the Income Tax Act, 1961 (43 of 1961) during the year.
- (ix) (a) In our opinion, the Company has not defaulted in their payment of loans or other borrowings or in the payment of interest thereon to any lender during the year.
- (b) The Company has not been declared willful defaulter by any bank or financial institution or government or any government authority.
- (c) To the best of our knowledge and belief, in our opinion, term loans availed by the Company were, applied by the Company during the year for the purposes for which the loans were obtained.
- (d) On an overall examination of the financial statements of the Company, funds raised on short-term basis have, prima facie, not been used during the year for long-term purposes by the Company.
- (e) On an overall examination of the financial statements of the Company, the Company has not taken funds from any entity or person on account of or to meet the obligations of its subsidiaries or Associates.
- (f) The Company has not raised loans during the year on the pledge of securities held in its subsidiaries or associates.
- (x) (a) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year and hence reporting under clause (x)(a) of the Order is not applicable.
- (b) During the year the Company has not made any preferential allotment or private placement of shares or convertible debentures (full or partly or optionally) and hence reporting under clause (x)(b) of Order is not applicable.
- (xi) (a) To the best of our knowledge, no fraud by the Company and no material fraud on the Company has been noticed or reported during the year. (b) To the best of our knowledge, no report under sub-section (12) of Section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and up to the date of this report.
- (c) As represented to us by the Management, there were no whistle blower complaints received by the Company during the year and upto the date of this report.
- (xii) The Company is not a Nidhi Company and hence reporting under clause (xii) of the Order is not applicable.
- (xiii) In our opinion, the Company is in compliance with Section 177 and 188 of the Companies Act, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements etc. as required by the applicable accounting standards.
- (xiv) (a) In our opinion the Company has an adequate internal audit system commensurate with the size and the nature of its business.
- (b) We have considered, the internal audit reports issued to the Company during the year and covering the period up to December 2021 and the final internal audit report where issued after the balance sheet date covering the period January 2022 to March 2022 for the period under audit.

(xv) In our opinion during the year the Company has not entered into any non-cash transactions with its directors or persons connected with its directors and hence provisions of Section 192 of the Companies Act, 2013 are not applicable to the Company.

(xvi)(a) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause (xvi)(a), (b) and (c) of the Order is not applicable.

(b) The Group does not have any Core Investment Company as part of the group and accordingly reporting under clause (xvi)(d) of the Order is not applicable.

(xvii) The Company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.

(xviii) There has been no resignation of the statutory auditors of the Company during the year.

(xix) On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

(xx)(a) The Company has fully spent the required amount towards Corporate Social Responsibility (CSR) and there is no unspent CSR amount for the year requiring a transfer to a Fund specified in Schedule VII to the Companies Act or special account in compliance with the provision of sub-section (6) of section 135 of the said Act. Accordingly, reporting under clause (xx) (a) of the Order is not applicable for the year.

(b) In respect of ongoing projects, the Company does not have any unspent Corporate Social Responsibility (CSR) amount as at the end of the previous financial year and also at the end of the current financial year. Hence, reporting under this clause is not applicable for the year.

For VENUGOPAL & CHENOY,
CHARTERED ACCOUNTANTS,
FRN: 004671S

P V SRIHARI
PARTNER
Membership No. 021961
UDIN 22021961AJVXHP3477
Place: Hyderabad
Date: 30.05.2022

NCL Industries Limited Standalone Balance Sheet as at March 31, 2022

(Rs. In Lakhs)

Particulars	Note No	As at Mar 31, 2022	As at Mar 31, 2021
ASSETS			
Non-current assets			
(a) Property, Plant and Equipment	2	77,347.80	78,944.46
(b) Capital work-in-progress		17,099.63	6,053.76
(c) Investment Property			
(d) Other intangible assets			
(e) Financial Assets			
(i) Investments		3,000.75	3,001.00
(ii) Trade Receivables	3	5,307.01	5,671.85
(iii) Loans		-	-
(iv) Other Financial Assets	4	1,971.27	1,998.40
(f) Deferred tax Assets (net)			
(g) Other non-current Assets	5	442.94	364.62
Current Assets			
(a) Inventories	6	12,885.73	10,512.46
(b) Financial Assets			
(i) Investments		-	-
(ii) Trade Receivables	7	11,776.46	10,402.68
(iii) Cash & Cash Equivalents	8	191.72	5,916.30
(iv) Bank Balances other than (iii) above	9	875.01	901.11
(v) Loans	10	2,030.00	-
(vi) Other Financial Assets	11	420.93	424.90
(c) Current Tax Assets			
(d) Other Current Assets	12	13,807.04	5,666.05
Total Assets		1,47,156.29	1,29,857.59
EQUITY AND LIABILITIES			
Equity			
(a) Equity Share Capital	13	4,523.28	4,523.28
(b) Other Equity	14	69,883.76	61,950.43
Liabilities			
Non-current liabilities			
(a) Financial Liabilities	15	28,096.66	23,657.61
(i) Borrowings			
(ii) Trade Payables			
(iii) Other Financial Liabilities	16	348.77	327.33
(b) Provisions	17	9,179.43	8,192.66
(c) Deferred Tax Liabilities (Net)	18	585.22	565.22
(d) Other non-current liabilities			
Current liabilities			
(a) Financial Liabilities			
(i) Borrowings	19	3,720.67	2,966.43
(ii) Trade payables			
a) Total outstanding dues of micro and small enterprises	20	56.38	25.61
b) Total outstanding dues of Creditors other than micro and small enterprises	21	7,061.93	7,282.85
(iii) Other Financial Liabilities	22	15,800.16	11,849.93
(b) Provisions	23	229.26	202.97
(c) Current Tax Liabilities (Net)	24	1,973.42	2,358.23
(d) Other current liabilities		5,697.36	5,955.02
Total Equity and Liabilities		1,47,156.29	1,29,857.59

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

P.V. Sri Hari
Partner
Membership No. 21961
Hyderabad
Dated: 30th May 2022

For and on behalf of the Board

K. Ravi
Managing Director
DIN: 00720811

Kamlesh Gandhi
Chairman
DIN: 00004969

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

T. Arun Kumar
Vice President &
Company Secretary

NCL Industries Limited

Standalone Statement of Profit and Loss for the Year ended March 31, 2022

(Rs. In Lakhs)

Particulars	Note	Year Ended	Year Ended March
Income			
i) Revenue from Operations			
Gross Revenue from Operations	25	2,25,395.40	1,93,400.86
Less: Inter Segment Transfers & Taxes on Sales		62,054.63	55,032.77
Revenue from Operations (Net)		1,63,340.77	1,38,368.09
ii) Other Income	26	1,113.02	658.67
Total Income		1,64,453.79	1,39,026.76
Expenses			
i) Cost of materials consumed	27	25,237.68	20,474.73
ii) Changes in inventories of finished goods, work-in-	28	5.40	1,656.48
iii) Employee benefits expense	29	6,492.36	5,960.41
iv) Manufacturing Expenses	30	55,342.71	40,176.85
v) Administration Expenses		2,935.96	2,279.95
vi) Selling and Distribution Expenses		52,584.72	39,564.76
vii) Finance Costs	31	2,420.46	2,047.49
viii) Depreciation and amortisation expense	32	4,451.65	4,088.16
Total expenses		1,49,470.94	1,16,248.83
Profit/(loss) before exceptional items and tax		14,982.85	22,777.93
Exceptional Items			
Profit Before Tax		14,982.85	22,777.93
Tax Expenses			
-Earlier Years' Tax		170.59	72.17
-Current Tax		4,011.66	6,911.61
-Deferred Tax		986.77	925.57
Profit/(loss) for the period from continuing		9,813.83	14,868.58
I Profit/(loss) for the Period		9,813.83	14,868.58
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		(109.44)	(149.90)
-Equity Instruments through other comprehensive			
-Income Tax relating to these items		38.24	52.38
ii) Items that will be reclassified to profit or loss:			
-Debt Instruments through Other Comprehensive			
-The effective portion of gains and loss on hedging			
-Income Tax relating to these items			
Other Comprehensive Income		(71.20)	(97.52)
Total Comprehensive Income for the period		9,742.63	14,771.06
Earnings per equity share :			
(1) Basic		21.53	32.65
(2) Diluted		21.53	32.65

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

P.V. Sri Hari

Partner

Membership No. 21961

Hyderabad

Dated: 30th May 2022

For and on behalf of the Board

K. Ravi
Managing Director
DIN: 00720811

Kamlesh Gandhi
Chairman
DIN: 00004969

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

T. Arun Kumar
Vice President &
Company Secretary

NCL Industries Limited

Standalone Cash Flow Statement For the Year Ended March 31, 2022

(In Rupees Lakhs)

Particulars	For the year	For the year ended
Cash flow from operating activities		
Profit before income tax from		
Continuing operations	14,873.41	22,628.03
Discontinued operations	-	-
Profit before income tax including discontinued operations	14,873.41	22,628.03
Adjustments for		
Depreciation and amortisation expense	4,451.65	4,088.16
Finance costs	2,420.46	2,047.49
Other Cash Adjustments	-	(10.72)
	21,745.52	28,752.96
Change in operating assets and liabilities, net of effects from purchase of		
(Increase) / Decrease in trade receivables	(1,008.94)	(1,619.26)
(Increase) / Decrease in inventories	(2,373.27)	455.64
Increase / (Decrease) in trade payables	(190.15)	697.96
(Increase) / Decrease in other financial assets	(1,998.90)	145.70
(Increase) / Decrease in other non-current assets	(78.32)	(119.39)
(Increase) / Decrease in other current assets	(8,140.99)	1,019.53
Increase / (Decrease) in provisions	26.29	4.15
Increase / (Decrease) in employee benefit obligations	21.44	(349.02)
Increase / (Decrease) in other current liabilities	(257.66)	1,650.08
Increase / (Decrease) in financial liabilities	3,934.40	593.51
Increase/ (Decrease) in other non-current liabilities	20.00	(831.45)
Cash generated from operations	11,699.42	30,400.41
Income taxes paid	4,528.82	6,685.95
Net cash inflow from operating activities	7,170.60	23,714.46
Cash flows from investing activities		
Payments for property, plant and equipment/ investments	(13,977.38)	(14,510.90)
Proceeds from sale of property, plant and equipment	76.77	944.38
Net cash outflow from investing activities	(13,900.61)	(13,566.52)
Cash flows from financing activities		
Proceeds/ (Repayment) of non-current borrowings	4,439.05	7,121.18
Proceeds/ (Repayment) from current borrowings	754.24	(9,185.44)
Interest paid	(2,404.66)	(2,008.21)
Dividends paid to Company's share holders	(1,809.30)	(1,130.82)
Dividends paid to non-controlling interests		
Net cash inflow (outflow) from financing activities	979.33	(5,203.29)
Net increase (decrease) in cash and cash equivalents	(5,750.68)	4,944.65
Cash and cash equivalents at the beginning of the financial year	6,817.41	1,872.76
Cash and cash equivalents at end of the year	1,066.73	6,817.41
	5,750.68	(4,944.65)

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

P.V. Sri Hari

Partner

Membership No. 21961

Hyderabad

Dated: 30th May 2022

For and on behalf of the Board

K. Ravi
Managing Director
DIN: 00720811

Kamlesh Gandhi
Chairman
DIN: 00004969

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

T. Arun Kumar
Vice President &
Company Secretary

Standalone Statement of Changes in Equity for the period ended 31.03.2022

A. Equity Share Capital

Particulars	No of Shares	Amount
Balance as on 1st April, 2020	45,232,790	4,523.28
Changes in Equity Share Capital during the year	-	-
Balance as on 31st March, 2021	45,232,790	4,523.28
Changes in Equity Share Capital during the year	-	-
Balance as on 31st March, 2022	45,232,790	4,523.28

B. Other Equity

	Reserves and Surplus				Total
	General Reserve	Capital Reserve	Securities Premium Reserve	Retained Earnings	
Balance as on 31st March, 2021	29,000.00	240.91	21,222.84	11,486.68	61,950.43
Profit for the year				9,742.63	9,742.63
Payment of Dividend and Dividend Distribution Tax				(1,809.30)	(1,809.30)
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	5,000.00			(5,000.00)	-
Balance as on 31st March, 2022	34,000.00	240.91	21,222.84	14,420.00	69,883.76
Balance as on 1st April, 2020	24,000.00	240.91	21,222.84	2,857.16	48,320.91
Profit for the year				14,771.06	14,771.06
Payment of Dividend and Dividend Distribution Tax				(1,130.82)	(1,130.82)
Deferred Tax on fixed assets					-
Prior Period Adjustments				(10.72)	(10.72)
Securities Premium on shares issued		-	-		-
Transfer to Debenture Redemption Reserve	-				-
Transfer to General Reserve	5,000.00			(5,000.00)	-
Balance as on 31st March, 2021	29,000.00	240.91	21,222.84	11,486.68	61,950.43

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

Kamlesh Gandhi
 Chairman
 DIN: 00004969

P.V. Sri Hari
 Partner
 Membership No. 21961
 Hyderabad
 Dated: 30th May 2022

N. G. V. S. G. Prasad **T. Arun Kumar**
 Executive Director & CFO Vice President & Company Secretary
 DIN: 07515455

Notes to accounts for the year ended March 31, 2022

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 Registered office of the Company 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, Andhra 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 May 30, 2022.

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:

- it is expected to be realised in, or is intended for sale or consumption in, the Company's normal operating cycle;
- 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 customer 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 Rs. 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

There are no material leases, hence 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 deductible temporary differences to the extent that it is probable that the taxable profits will be available against which those deductible 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.

Borrowings

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.

b) 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.

NCL Industries Limited

2 Property, Plant and Equipment (In Rupees lakhs)

Particulars	Gross carrying value as at April 1, 2021	Additions	Disposal/adjustments	Gross carrying value as at March 31, 2022	Accumulated depreciation as at April 1, 2020	Additions	Disposal/adjustments	Accumulated depreciation as at March 31, 2022	Carrying Value as at March 31, 2021
Land	6,326.84	255.11	-	6,581.95	-	-	-	-	6,581.95
Buildings	15,764.47	674.65	45.06	16,394.06	1,796.18	510.05	4.30	2,301.93	14,092.12
Plant and Machinery	66,867.26	1,486.29	-	68,353.55	10,359.53	3,274.32	-	13,633.85	54,719.70
Electrical Installations	2,322.41	-	-	2,322.41	2,217.95	16.81	-	2,234.77	87.64
Railway Siding	521.41	-	-	521.41	295.45	7.16	-	302.61	218.80
Furniture and Fixtures	337.56	40.79	-	378.35	151.26	52.12	-	203.38	174.97
Office Equipment & Appliances	310.81	61.32	-	372.13	195.45	23.63	-	219.08	153.05
Vehicles	5,209.41	413.60	105.47	5,517.54	3,699.88	567.55	69.46	4,197.97	1,319.57
Total	97,660.17	2,931.76	150.53	1,00,441.39	18,715.70	4,451.65	73.76	23,093.59	77,347.80

Particulars	Deemed cost as at April 1, 2020	Additions	Disposal/adjustments	Gross carrying value as at March 31, 2021	Accumulated depreciation as at April 1, 2020	Additions	Disposal/Adjustments	Accumulated depreciation as at March 31, 2021	Carrying Value as at March 31, 2021
Land	5,813.06	513.78	-	6,326.84	-	-	-	-	6,326.84
Buildings	13,829.76	2,857.60	922.89	15,764.47	1,339.89	456.29	-	1,796.18	13,968.28
Plant and Machinery	56,109.29	10,757.97	-	66,867.26	7,547.76	2,811.76	-	10,359.53	56,507.73
Electrical Installations	2,322.41	-	-	2,322.41	2,206.29	11.66	-	2,217.95	104.46
Railway Siding	521.41	-	-	521.41	236.33	59.12	-	295.45	225.96
Furniture and Fixtures	324.63	12.93	-	337.56	90.19	61.07	-	151.26	186.30
Office Equipment & Appliances	238.81	72.00	-	310.81	134.03	61.42	-	195.45	115.36
Vehicles	5,075.85	233.98	100.42	5,209.41	-	626.83	78.93	3,699.88	1,509.54
Total	76,342.94	14,448.26	1,023.31	97,660.17	14,706.47	4,088.16	78.93	18,715.70	78,944.46

Capital Work in Progress

Balance as at April 1, 2020	8,991.11
Additions/ Adjustments during the year	11,224.71
Capitalized during the year	14,162.07
Balance as at March 31, 2021	6,053.76

Additions/ Adjustments during the year	11299.89
Capitalized during the year	254.02
Balance as at March 31, 2022	17,099.63

Capital Work in Progress Ageing

Ageing for capital work-in-progress as at March 31, 2022 is as follows:

Amount of Capital work in progress for					
Particulars	Less than 1 Year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	11,995.07	1,884.98	1,549.20	1,670.38	17,099.63

Ageing for capital work-in-progress as at March 31, 2021 is as follows:

Amount of Capital work in progress for					
Particulars	Less than 1 Year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	2,475.41	1,944.34	1,632.24	1.77	6053.76

3. Trade Receivables Non-Current

Particulars	As at Mar 31, 2022	As at Mar 31, 2021
Trade Receivables		
Secured, considered Good		
Unsecured, considered good	5,901.01	5,887.85
Which have significant credit risk		
Allowances for doubtful debts	594.00	216.00
Total	5,307.01	5,671.85

FY 2021-22

Trade receivables non-current Ageing Schedule

Outstanding for the following Periods from due date of Payment						
Particulars	Less than six months	6 months to 1 year	1-2 years	2-3 years	More than 3 years	Total
Undisputed Trade receivables considered Good			524.04	4,453.46	923.51	5901.01
Undisputed Trade receivables which have significant credit risk						
Undisputed Trade receivables credit impaired					594.00	594
Disputed Trade Receivables Considered Good						
Disputed Trade receivables which have significant credit risk						
Disputed Trade receivables credit impaired						
Total	0	0	524.04	4453.46	329.51	5307.01

FY 2020-21

Trade receivables non current Ageing Schedule

Particulars	Less than six months	6 months to 1 year	1-2 years	2-3 years	More than 3 years	Total
Undisputed Trade receivables considered Good			4,882.48	933.15	72.22	5887.85
Undisputed Trade receivables which have significant credit risk						
Undisputed Trade receivables credit impaired					216.00	216
Disputed Trade Receivables Considered Good						
Disputed Trade receivables which have significant credit risk						
Disputed Trade receivables credit impaired						
Total	0	0	4882.48	933.15	-143.78	5671.85

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

Movement in allowances for doubtful debt

Particulars	As at Mar 31, 2022	As at Mar 31, 2021
Balance at the beginning of the year	216.00	162.00
Impairment losses recognised	378.00	54.00
Balance at the end of the year	594.00	216.00

4. Other Financial Assets Non-Current

Particulars	As at Mar 31, 2022	As at Mar 31, 2021
secured (considered good)		
Security Deposits		
Deposits with AP & TS SEB	1,295.29	1,291.00
Deposits with Government Departments	303.46	325.80
Deposits with Others	10.05	43.86
Margin Money Deposits	286.31	264.4
Rental Deposits	76.16	73.34
Total	1,971.27	1,998.40

5. Other non-current Assets

Particulars	As at Mar 31, 2022	As at Mar 31, 2021
Deposits in disputed cases		
Taxes paid under Protest	442.94	364.62
Total	442.94	364.62

6. Inventories

Particulars	As at Mar 31, 2022	As at Mar 31, 2021
Raw Materials	1,917.74	1,552.31
Finished Goods	3,433.73	2,932.37
Work in Progress	268.99	775.75
Packing & Other Materials	2,243.46	1,189.25
Stores & Spares	5,021.81	4,062.78
Total	12,885.73	10,512.46

7. Trade Receivables Current

Particulars	As at Mar 31, 2022	As at Mar 31, 2021
(i) Trade Receivables from related parties		
Trade receivables Secured, considered Good		
Trade receivables Unsecured, considered good	24.33	723.68
Trade receivables which have significant increase in credit risk		
Trade receivables credit impaired		
Sub-Total	24.33	723.68
(ii) Other Trade Receivables		
Trade receivables Secured, considered Good		
Trade receivables Unsecured, considered good	11,752.13	9,679.00
Trade receivable which has significant increase in credit risk		
Trade receivables credit impaired		-
Sub-Total	11,752.13	9,679.00
Total	11,776.46	10,402.68

FY 2021-22

Trade receivables current Ageing Schedule

Outstanding for the following Periods from due date of Payment						
Particulars	Less than six months	6 months to 1 year	1-2 years	2-3 years	More than 3 years	Total
Undisputed Trade receivables considered Good	11,012.47	763.99				11,776.46
Undisputed Trade receivables which have significant credit risk						
Undisputed Trade receivables credit impaired					-	-
Disputed Trade Receivables Considered Good						
Disputed Trade receivables which have significant credit risk						
Disputed Trade receivables credit impaired						
Total	11,012.47	763.99	-	-	-	11,776.46

FY 2020-21

Trade receivables current Ageing Schedule

Outstanding for the following Periods from due date of Payment						
Particulars	Less than six months	6 months to 1 year	1-2 years	2-3 years	More than 3 years	Total
Undisputed Trade receivables considered Good	9,538.45	864.23				10,402.68
Undisputed Trade receivables which have significant credit risk						
Undisputed Trade receivables credit impaired						-
Disputed Trade Receivables Considered Good						
Disputed Trade receivables which have significant credit risk						
Disputed Trade receivables credit impaired						
Total	9,538.45	864.23	-	-	-	10,402.68

8. Cash & Cash Equivalents

Particulars	As at Mar 31, 2022	As at Mar 31, 2021
Cash on hand	5.84	5.57
Cheques, Drafts on hand		
Balances with Banks		
(a) in Current Account	185.88	5,910.73
(b) in Cash Credit Account		
Total	191.72	5,916.30

9. Bank Balances other than above

Particulars	As at Mar 31, 2022	As at Mar 31, 2021
Unclaimed Dividend	169.76	103.80
Margin money deposits with Banks	-	-
Fixed deposits redemption reserve	702.15	794.55
Others	3.10	2.76
Total (A)	875.01	901.11

10. Loans

Particulars	As at Mar 31, 2022	As at Mar 31, 2021
Inter Corporate Deposit		
Unsecured, considered good	2,030.00	-
Total	2,030.00	-

Loans to Related Parties

Particulars	As at Mar 31, 2022	As at Mar 31, 2021
NCL Buildtek Limited	1,800.00	-
NCL Holdings Limited	230.00	-
	2,030.00	-

11. Other Financial Assets Current

Particulars	As at Mar 31, 2022	As at Mar 31, 2021
Unsecured (considered good)		
Incentives Receivable from A.P/Telangana Governments	420.93	420.93
Cash Ledger balance in GST		
Other Advances and Contract Assets	-	3.97
Total	420.93	424.90

12. Other Current Assets

Particulars	As at Mar 31, 2022	As at Mar 31, 2021
Un Secured Considered Good		
Advances to Suppliers	6,120.14	2,614.27
Advances for Capital Goods	3,122.68	996.39
Advances to Others	2,834.50	108.87
GST, Central Excise, Service Tax, VAT & Other Receivables	1,551.93	1,398.20
MAT Credit Entitlement Account	-	429.92
Accrued Interest	47.36	49.72
Prepaid expenses	130.43	68.68
Total	13,807.04	5,666.05

13 EQUITY SHARE CAPITAL

(a) The Company has one class of share capital, comprising ordinary shares of Rs. 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 Tern Distilleries Pvt Limited and 75% of Modular Containers Pvt Ltd, being the Subsidiary Companies.

13 EQUITY SHARE CAPITAL

Particulars	As at March 31, 2022	As at March 31, 2021
Authorized		
6,20,00,000 (Previous Year: 6,20,00,000) Equity shares of Rs. 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 Rs.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 Rs. 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 Tern Distilleries Pvt Limited and 75% of Modular Containers Pvt Ltd, being the Subsidiary Companies.

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

Name of the Shareholder	As at Mar 31, 2022		As at Mar 31, 2021	
	No of Shares	% of Holding	No of Shares	% of Holding
K. Ravi	2,388,617	5.28	2,589,482	5.72
Kalidindi Shilpa	2,760,833	6.10	2,760,833	6.10
Roopa Bhupatiraju (Kalidindi Roopa)	2,508,663	5.55	2,268,038	5.01

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

Equity shares	As at Mar 31, 2022		As at Mar 31, 2021	
	No. of shares	Rs. Lakhs	No. of shares	Rs. 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

(d) Shareholding of Promoters

Promoter Name	Number of Shares at the beginning of the year	% of Total Shares	Number of Shares at the end of the year	% of Total Shares	% of Change
KALIDINDI MADHU HUF	1660	0.00	80259	0.18	0.18
NIRHMAL V GORADIA GEETA GORADIA	89463	0.20	89463	0.20	-
GEETA GORADIA AND NIRHMAL V GORADIA	139015	0.31	139015	0.31	-
MEENA SHAH	12474	0.03	12474	0.03	-
ASHWIN GORADIA AND BHARTI GORADIA	86859	0.19	86859	0.19	-
VINODRAI V GORADIA AND CHARULATA V GORADIA	586202	1.30	606102	1.34	0.04
MEERA BIMAL GORADIA AND BIMAL V GORADIA	122735	0.27	124135	0.27	-
BIMAL V GORADIA AND MEERA B GORADIA	323210	0.71	324610	0.72	0.01
G JYOTHI	166992	0.37	166992	0.37	-
KANUMILLI MALATHI	8493	0.02	8493	0.02	-
ASHVEN DATLA	1690955	3.74	1775855	3.93	0.19
KALIDINDI RAVI	2589482	5.72	2388617	5.28	(0.44)
MADHU KALIDINDI	635887	1.41	635887	1.41	-
BHARTI GORADIA ASHWIN GORADIA	53191	0.12	53191	0.12	-
PENUMATSA SATYANARAYANA RAJU	82338	0.18	62314	0.14	(0.04)
VALLI P	2575	0.01	0	0.00	(0.01)
RAMALINGA RAJU PENMETCHA	35275	0.08	35275	0.08	-
K ANURADHA	888473	1.96	912873	2.02	0.06
N JANAKI	45155	0.10	45155	0.10	-
GORADIA CHARULATA VINODRAI AND GORADIA VINODRAI VACHHARAJ	344738	0.76	358487	0.79	0.03
UTKAL B GORADIA AND BIMAL V GORADIA	91016	0.20	92916	0.21	0.01
PENMETSA NARASIMHA RAJU	1190010	2.63	1190010	2.63	-
PENMETSA VARA LAKSHMI	350355	0.77	350355	0.77	-
VENKATA SATYA PADMAVATHI GOTTUMUKKALA, SUVARNA ALLURU, SUREKHA GOTTUMUKKALA	72445	0.16	72445	0.16	-
MADHAVI PENUMASTA	92352	0.20	92402	0.20	-
KANUMILLI SUDHEER	79115	0.17	79115	0.17	-
GAUTAM KALIDINDI	1287330	2.85	1496954	3.31	0.46
KALIDINDI SHILPA	2760833	6.10	2760833	6.10	-
SRIDHAR BHUPATIRAJU	204642	0.45	204642	0.45	-
GOKUL HARINI	10011	0.02	10011	0.02	-
S GOKUL	81638	0.18	81838	0.18	-
POOJA KALIDINDI	1419703	3.14	1453543	3.21	0.07
G.T.SANDEEP	233122	0.52	233122	0.52	-
VEGESANA SAILAJA	10765	0.02	10765	0.02	-
K MALLIKA	36263	0.08	36263	0.08	-
ROOPA KALIDINDI	2268038	5.01	2508663	5.55	0.54
DIVYA PENUMACHA	409021	0.90	446221	0.99	0.09

DITI ASHWIN GORADIA	30000	0.07	30000	0.07	-
NISHI ASHWIN GORADIA	30000	0.07	30000	0.07	-
BHUPATIRAJU SUBBA RAJU	141088	0.31	161088	0.36	0.05
SAI SREEDHAR KANUMILLI	8192	0.02	8192	0.02	-
PADMA GOTTUMUKKALA	85225	0.19	85225	0.19	-
BLUE VALLEY DEVELOPERS (P) LTD	205658	0.45	205658	0.45	-
NCL HOMES LTD	215813	0.48	315813	0.70	0.22
VIKRAM CHEMICALS PVT LTD	13500	0.03	13500	0.03	-
NCL HOLDINGS (A&S) LIMITED	700000	1.55	498000	1.10	(0.45)

14. Other Equity

Particulars	As at Mar 31, 2022	As at Mar 31, 2021
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	29,000.00	24,000.00
Less: Transfer to/from Debenture Redemption Reserve	-	-
Add: Amount transferred from surplus	5,000.00	5,000.00
Closing balance	34,000.00	29,000.00
Debenture Redemption Reserve		
Balance as per the last Financial statement	-	-
Add: Amount transferred to/from General Reserve	-	-
Closing balance	-	-
Retained Earnings		
Balance as per the Last Financial Statement	11,486.68	2,857.16
Add: Profit / (Loss) for the Year	9,742.63	14,771.06
Less: Interim Dividend Paid	1,356.98	678.49
Less: Final Dividend paid	452.32	452.33
Less: Transfer to General Reserve	5,000.00	5,000.00
Less: Prior Period adjustments	-	10.72
Total Appropriations		
Closing Balance	14,420.01	11,486.68
Total	69,883.76	61,950.43

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 Mar 31, 2022	As at Mar 31, 2021
Dividends Recognised		
Final Dividend for the year ended March 31, 2021 of Rs. 1.00 (Rs 1.00 for year 2020) per fully paid-up share.	452.33	452.33
Interim Dividend for the year ended March 31, 2021 and for the year ended March 31, 2022 of Rs. 1.50 (Rs 1.50 for year 2021) per fully paid up share.	1,356.98	678.49
Dividends not recognised at the end of reporting period		
In addition to above, dividend proposed of Rs 1.50 (Rs.1.50 for year ended March 31, 2021) per fully paid equity share. This proposed dividend is subject to the approval of shareholders in the ensuing annual general meeting	678.49	1,130.82

Non-Current Liabilities

15. Borrowings

	As at Mar 31, 2022	As at Mar 31, 2021
Secured		
Term Loans		
- From Banks (Refer Note 'a')	16,889.09	15,032.08
- From Other parties		
Secured Redeemable Non-Convertible Debentures	-	-
Vehicle & Equipment Finance Loans from Banks & Financial Companies (Refer Note 'b')	571.47	324.98
Total Secured Loans	17,460.56	15,357.06
Un Secured		
Deposits from Dealers / Stockists (Note 'c')	6,831.07	3,390.23
Deposits from Public & Shareholders (Note 'd')	3,805.03	4,910.32
Total un Secured Loans	10,636.10	8,300.55
Total	28,096.66	23,657.61

- 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 @ 6.30% to 8.25% per anum.
- 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 9.00% p.a.
- 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 @ 4% p.a.
- Public Deposits aggregating to Rs. 3088.95 lakhs (Previous year Rs 1932.18 lakhs) is repayable within one year and Rs 3805.03 lakhs (Previous Year Rs 4910.32 lakhs) is repayable after one year.

16. Provisions Non-Current

	As at Mar 31, 2022	As at Mar 31, 2021
Provision for Employee Benefits		
Provision for Gratuity	39.63	86.67
Provision for Leave benefits	309.14	240.66
Total Provisions	348.77	327.33

17. Deferred tax assets and liabilities

Deferred tax assets and liabilities are attributable to the following:

Particulars	As at March 31, 2022	As at March 31, 2021
Deferred Tax Liability		
Property, plant and equipment	8,369.67	7,139.89
Intangible assets		
Sub Total	8,369.67	7,139.89
Deferred tax Assets		
Unabsorbed Depreciation as per Income Tax		
Short Term Capital Loss as per Income Tax		
Employee benefits	970.83	1,093.47
Provisions	(161.08)	(40.70)
Sub Total	809.76	1,052.77
Net Deferred Tax Assets	9,179.43	8,192.66

Movement in deferred tax balances during the year

Particulars	Balance as at March 31, 2021	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, 2022
Property, plant and equipment	7,139.89	1,229.78				8,369.67
Intangible assets						-
Employee benefits	1,093.47	(122.63)				970.83
Provisions	(40.70)	(120.38)				(161.08)
Unabsorbed Depreciation as per Income Tax						-
Short Term Capital Loss as per Income Tax						-
Total	8,192.66	986.77	-	-	-	9,179.43

18. Other non-current liabilities.

Particulars	As at Mar 31, 2022	As at Mar 31, 2021
Advances and others		
Advances received for Sales of Fixed Assets	585.22	565.22
Total	585.22	565.22

19. Borrowings Current

Particulars	As at Mar 31, 2022	As at Mar 31, 2021
Loans payable on Demand		
- From Banks		
-Secured		
Cash Credit Loans from Banks	3,720.67	2,966.43
Total	3,720.67	2,966.43

Cash credit Loans from Banks viz. Axis Bank Ltd, HDFC Bank Ltd, State Bank of India and Bank of Baroda 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.

20. Trade Payable Current

Particulars	As at Mar 31, 2022	As at Mar 31, 2021
CURRENT		
Other than Micro and Small Enterprises		
-Trade Payables	6,544.91	6,189.29
-Sundry Creditors - Capital goods	517.02	1,093.56
Micro and Small Enterprises	56.38	25.61
Total	7,118.31	7,308.46

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 2022 is Rs. 15.68 lakhs (2020-21: Rs. 14.24 lakhs). The over dues are mainly on account of disagreements with the parties pending settlement.

Trade payables ageing schedule for the year ended March 31, 2022

Particulars	Unbilled	Not due	<1year	1-2 years	2-3 years	>3 Years	Total
MSME			47.38				47.38
Others	989.18	567.30	4,980.53	116.43	383.79	24.69	7,061.93
Disputed dues – MSME			-		9.00		9.00
Disputed dues – Others							
Total	989.18	567.30	5,027.91	116.43	392.79	24.69	7,118.31

Trade payables ageing schedule for the year ended March 31, 2021

Particulars	Unbilled	Not due	<1year	1-2 years	2-3 years	>3 Years	Total
MSME			16.61				16.61
Others	476.32	537.13	5,770.12	433.17	41.42	24.69	7,282.85
Disputed dues – MSME			-	9.00			9.00
Disputed dues – Others							
Total	476.32	537.13	5,786.73	442.17	41.42	24.69	7,308.46

21. Other Financial Liabilities Current

Particulars	As at Mar 31, 2022	As at Mar 31, 2021
Vehicle & Equipment Finance Loans from Banks & Financial Companies	384.87	355.86
Deposits from Public & Shareholders	3,088.95	1,932.18
Interest accrued and not due	889.57	899.48
Unclaimed Dividend	169.76	130.10
Other Expenses including Provisions	6,141.97	5,385.64
Employee related payables PF, ESI & Others	47.66	43.17
Current Maturities of Long-term Debt	5,077.37	3,103.50
Total	15,800.16	11,849.93

22. Provisions Current

Particulars	As at Mar 31, 2022	As at Mar 31, 2021
Provision for Employee Benefits		
Provision for Gratuity	63.89	48.68
Provision for Leave benefits	23.54	14.14
Provision for Employee Bonus & Ex-gratia	141.83	140.15
Total Provisions	229.26	202.97

23. Current Tax Liabilities (Net)

Particulars	As at Mar 31, 2022	As at Mar 31, 2021
Opening Balance	2,358.23	2,112.78
Current Tax Payable for the Year	4,144.01	6,931.40
Less: Taxes Paid	4,528.82	6,685.95
Total	1,973.42	2,358.23

24. Other Current Liabilities

Particulars	As at Mar 31, 2022	As at Mar 31, 2021
Advance Received from Customers	2,280.00	2,618.86
Statutory dues Payable		
GST, Value Added Tax & CST Payable	3,278.99	3,229.19
TDS Payable	138.37	106.97
Total	5,697.36	5,955.02

25. 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, 2022	Year Ended March 31, 2021
Sale/ Transfer of Products		
Finished Goods	210,603.66	179,504.41
Semi-Finished Goods (Clinker Transfer to Kondapalli Grinding Unit)	14,791.74	13,896.01

Traded Goods	-	0.44
Total Gross Sales	225,395.40	193,400.86
Less: Inter segment Transfers	20,802.71	18,479.04
Less: Taxes on Sales	41,251.92	36,553.73
Revenue from Operations	163,340.77	138,368.09

(b) Company has recognized the Rs 378 lakhs as impairment loss against the amount receivables from its customers or contract assets arising due to contract with its customers during the year.

(iii) Contract Balances

(a) Receivables

Particulars	Year Ended March 31, 2022	Year Ended March 31, 2021
Opening Balance	10,403	14,338
Addition/deduction during the year	1,374	(3,935)
Closing Balance	11,776	10,403

(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, 2022	Year Ended March 31, 2021
Opening Balance	3.97	-
Addition/deduction during the year	(3.97)	3.97
Closing Balance	-	3.97

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

- 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.
- 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.).
- 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.

26. Other Income

Particulars	Year Ended March 31, 2022	Year Ended March 31, 2021
Interest Income		
- From Fixed Deposits	8.85	81.57
- Income from Operation of Trucks (Net)	183.36	122.24
- Others*	162.46	71.63
Scrap Sales	263.59	82.90
Rent	278.35	211.07
Other Non-Operating Revenue (Net of expenses directly attributable to such income)		
-Profit on Sale of Assets	164.82	80.70
-Foreign Exchange Gain	(0.10)	(0.53)
-Misc. Receipt	51.69	9.10
Other Comprehensive Income / (Loss)	(109.44)	(149.9)
Total	1,003.58	508.77

* Includes interest on power consumption deposits of Rs. 59.10 lakhs (Previous Year Rs. 49.17 lakhs)

27. Cost of Materials Consumed

Particulars	Year Ended March 31, 2022	Year Ended March 31, 2021
Details of Rawmaterials Consumed		
Limestone	5,391.44	4,895.77
Al. Laterite	4,808.88	3,140.17
Gypsum	2,405.47	1,532.31
Iron ore / Iron ore powder	81.20	165.49
FlyAsh	4,105.45	2,609.66
Clinker Consumption at Kondapalli Plant	13,547.50	12,893.40
Cement Consumption in Other Divisions	5,364.71	4,119.58
Wood	2,018.36	1,431.24
Chemicals	724.80	429.66
Paper	375.62	306.46
Ready Mix Concrete Materials	3,348.26	2,718.18
Other Materials	1,658.83	786.26
Total	46,040.39	38,953.77
Less: Inter Segment Transfers	20,802.71	18,479.04
Net Consumption of Materials	25,237.68	20,474.73

28. Changes in Inventory

Particulars	Year Ended March 31, 2022	Year Ended March 31, 2021
A. Finished Goods		
Opening Balance	2,932.37	3,761.83
Adjustments		
Closing Balance	3,433.73	2,932.37
Changes in Inventory of Finished Goods	(501.36)	829.46
B. Work in Progress		
Opening Balance	775.75	1,602.77
Closing Balance	268.99	775.75
Changes in Inventory of Work in Progress	506.76	827.02
Net (Increase) /Decrease	5.40	1,656.48

29. Employees' Benefit Expenses

Particulars	Year Ended March 31, 2022	Year Ended March 31, 2021
Salaries and Wages		
Salaries, Wages and Bonus	4794.59	4238.67
Leave Encashment	167.55	175.39
Gratuity	205.19	243.91
Managerial Remuneration	823.20	932.34
Contribution to Provident Fund & Other Funds	277.42	234.17
Staff Welfare Expenses	224.41	135.93
TOTAL	6,492.36	5,960.41

30. Other Expenses

Particulars	Year Ended March 31, 2022	Year Ended March 31, 2021
Manufacturing Expenses:		
Cost of Fuel	32,152.57	18,333.34
Cost of Power	11,080.49	12,303.79
Packing Materials	5,179.31	4,024.49
Stores & Spares consumed	3,233.49	3,045.08
Rep & Maintenance Plant & Machinery	1,795.35	1,180.72
Rep & Maintenance Buildings	1.51	2.46
Rep & Maintenance Others	40.24	28.69
Direct Manufacturing Expenses	1,859.75	1,258.28
Sub total (a)	55,342.71	40,176.85

Administrative Expenses:		
Rent	160.00	150.28
Security Expenses	239.09	200.24
Directors' Sitting fees	27.50	19.60
Licences, Fees & Taxes	307.81	161.42
Insurance	91.74	125.82
Computer Maintenance	75.95	64.12
Office Maintenance	253.91	194.81
Printing & Stationery	27.51	19.12
Postage & Courier	6.63	6.09
Telephone	55.94	46.23
Travelling	366.47	266.84
Vehicle Maintenance	104.97	75.91
Legal & Professional Charges	181.74	77.40
Auditors' Remuneration (i)	11.00	11.00
Bank Charges	100.68	118.74
Staff recruitment and training	29.55	44.47
CSR Expenditure	243.54	161.53
Donations	9.29	27.04
Repairs & Maintenance - Vehicles	22.63	21.03
R & D Expenses	2.42	0.13
Allowance for Bad and Doubtful Debts	378.00	54.00
Miscellaneous Expenses	239.59	434.13
Subtotal (b)	2,935.96	2,279.95
Selling & Distribution Expenses		
Transportation Paid	29,471.17	24,796.23
Advertisement & Publicity	1,381.58	1,493.12
Selling Expenses	21,731.97	13,275.41
Sub Total (c)	52,584.72	39,564.76
TOTAL (a+b+c)	110,863.39	82,021.56

Amount paid to auditors

Particulars	Year Ended March 31, 2022	Year Ended March 31, 2021
As Auditor	10.25	10.25
For Taxation Matters/Tax Audit	0.75	0.75
TOTAL	11.00	11.00

31. Finance Cost

Particulars	Year Ended March 31, 2022	Year Ended March 31, 2021
Interest Expenses & Other Borrowing Costs	2,420.46	2,047.49
TOTAL	2,420.46	2,047.49

32. Depreciation and Amortization Expenses

Particulars	Year Ended March 31, 2022	Year Ended March 31, 2021
Depreciation / Amortization for the year		
Depreciation on Plant, Property & Equipment	4,451.65	4,088.16
TOTAL	4,451.65	4,088.16

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, 2022		Year Ended March 31, 2021	
	Disputed Amount	Paid Under Protest	Disputed Amount	Paid Under Protest
Indirect Taxes Related	4,050.90	442.94	3,672.32	364.62
Others	1,241.85	413.44	1,091.89	363.50

- ii) The Company has given Counter Guarantees to Banks / Financial Institutions for Rs.1555.20 lakhs as at 31st March 2022 (Rs.899.45 lakhs as at 31st March 2021) against the Bank Guarantees obtained.

34. Capital Commitments

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

Description	Year Ended March 31, 2022	Year Ended March 31, 2021
Estimated amount Plant, Property and Equipment of Projects	14057	18035

35. Employee Benefits

- a) **Provident Fund:** Company pays fixed contribution to provident fund at predetermined rates to the government authorities. The contribution of Rs. 259.19 lakhs (Previous year Rs. 224.29 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. Defined Benefit Plan is payable to the qualifying employees on separation. Company considers the liabilities 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. 100% of the Gratuity Plan Asset is entrusted to LIC of India under their group gratuity Scheme

Reconciliation of opening and closing balances of the present value of the defined benefit obligation as at the year ended March 31, 2022 are as follows:

- a) Expense recognized during the year

Description	Year Ended March 31, 2022	Year Ended March 31, 2021		
	Gratuity	Leave encashment	Gratuity	Leave encashment
Current Service Cost	89.72	101.06	57.31	64.81
Interest Cost	6.03	16.54	36.70	10.62
Net Actuarial (Gain) / Loss	109.44	49.95	149.90	99.96
Past Service Cost	-	-	-	-
Short Term Compensated Absence Liability	-	-	-	-
Total Cost	205.19	167.55	243.91	175.39

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

Description	Year Ended March 31, 2022		Year Ended March 31, 2021	
	Gratuity	Leave encashment	Gratuity	Leave encashment
Present Value of Obligations at beginning of the year	135.36	254.80	576.37	163.57
Changes in Present Value of Obligations		-		-
Current Service Cost	89.72	101.06	57.31	64.81
Interest Cost	6.03	16.54	36.70	10.62
Actuarial Loss / (Gain)	109.44	49.95	149.90	99.96
Past Service Cost	-	-	-	-
Settlements	(237.04)	(89.67)	(684.92)	(84.16)
Short Term Compensated Absence Liability	-	-	-	-
Net Present Value of Obligations at the end of the year	103.51	332.68	135.36	254.80
Present Value of Obligations - Current	63.89	23.54	48.68	14.14
Present Value of Obligations - Non - Current	39.62	309.14	86.68	240.66

Actuarial assumptions

- Mortality IALM 2012-14 (ultimate)
- Discounting rate – 6.68% Previous year 6.70 %
- Expected average remaining working lives of employees–12.79 Years (PY 12.59 Years)
- Rate of escalation in salary – 6%

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	
	March 31, 2022	March 31, 2022	March 31, 2021	March 31, 2021
	1% Increase	1% decrease	1% Increase	1% decrease
Effect of 1% change in assumed discount rate	895.26	1050.95	705.53	845.72
Effect of 1% change in assumed salary rate	1044.93	898.78	841.13	708.34

Leave Encashment

Particulars	As at		As at	
	March 31, 2022	March 31, 2022	March 31, 2021	March 31, 2021
	1% Increase	1% decrease	1% Increase	1% decrease
Effect of 1% change in assumed discount rate	304.04	366.35	228.57	286.08
Effect of 1% change in assumed salary rate	365.56	304.21	285.65	228.48

36. Income Tax Expense:

Income Tax recognised in the statement of Profit and Loss	For the year ended	For the year ended
	31.03.2022	31.03.2021
Current Tax		
(i) In respect of Current Year	3,973.42	6,859.23
MAT Credit entitlement adjusted	-	-
(ii) In respect of Previous Year	170.59	72.17
Total Current Tax	4144.01	6931.40
Deferred Tax		
(i) In respect of Current Year	986.77	925.57
Total Deferred Tax	986.77	925.57
Total Tax Expense	5,130.78	7,856.97

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 as of March 31, 2022

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	3,000.75			3,000.75	3,000.75
Assets:					
Cash & Cash Equivalents	192			192	192
Trade Receivable	11,776			11,776	11,776
Other Financial Assets	421			421	421
Liabilities:					
Trade Payable	7,118			7,118	7,118
Borrowings	3,721			3,721	3,721
Other Financial Liabilities	15,800			15,800	15,800

Amount in Rs as of March 31, 2021

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	3,001.00			3,001.00	3,001.00
Assets:					
Cash & Cash Equivalents	5,916			5,916	5,916
Trade Receivable	10,403			10,403	10,403
Other Financial Assets	425			425	425
Liabilities:					
Trade Payable	7,308			7,308	7,308
Borrowings	2,966			2,966	2,966
Other Financial Liabilities	11,850			11,850	11,850

Fair Value Hierarchy Management considers that, the carrying amount of those financial assets and financial liabilities 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 gives the highest priority to quoted prices in active market for identical assets or liabilities. (Level-1 measurements) 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, 2022 is as follows:

Particulars	Amount in Rs. Lakhs
Financial Assets:	
Cash & Cash Equivalents	-
Trade Receivable	-
Deposits	-
Other Financial Assets	-
Financial Liabilities:	
Trade Payable	1,627
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, 2021 is as follows:

Particulars	Amount in Rs. Lakhs
Financial Assets:	
Cash & Cash Equivalents	-
Trade Receivable	-
Deposits	-
Other Financial Assets	-
Financial Liabilities:	
Trade Payable	948
Borrowings	-
Other Financial Liabilities	-

c) 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 minimize 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 carries 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, 2022

Particulars	Gross Carrying Amount	Less than one year	More than one year	More than two year	More than three year
Gross Carrying Amount	17,677.47	11,776.46	524.04	4,453.46	923.51
Expected Credit loss	594.00				594.00
Carrying amount (net of impairment)	17,083.47	11,776.46	524.04	4,453.46	329.51

For the year ended March 31, 2021

Particulars	Gross Carrying Amount	Less than one year	More than one year	More than two year	More than three year
Gross Carrying Amount	16,290.53	10,402.68	4,882.48	933.15	72.22
Expected Credit loss	216.00			143.78	72.22
Carrying amount (net of impairment)	16,074.53	10,402.68	4,882.48	789.37	-

d) 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 facilities 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 committed credit lines.

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

Particulars	Gross Carrying Amount	Less than one year	More than one year	More than two year	More than three year
As on March 31 2022					
Trade Payables	7,118	6,584	116	393	25
Other Financial liabilities	15,800	15,800			
As on March 31 2021					
Trade Payables	7,308	6,800	442	41	25
Other Financial liabilities	11,850	11,850			

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 stake holders, 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 Mar 31, 2022	As at Mar 31, 2021
Borrowings		
Current	3,720.67	2,966.43
Current maturities of non- current borrowings	8,551.19	5,391.54
Non-current	28,096.66	23,657.61
Less: Cash & Bank Balances	191.72	5,916.30
Net Debt	40,176.80	26,099.28
Equity		
Equity share capital	4,523.28	4,523.28
Other equity	69,883.76	61,950.43
Total capital	74,407.04	66,473.71
Gearing ratio in % (Debt/ capital)	54.00	39.26

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 2022 and 31 March 2021.

39 Earnings Per Share

	As at Mar 31, 2022	As at Mar 31, 2021
Net Profit / (Loss) for the Period	9,742.63	14,771.06
Shares		
Weighted average number of equity shares	45,232,790	45,232,790
Earnings per share of par value Rs. 10/- Basic and Diluted in Rupees.		
Basic	21.54	32.65
Diluted	21.54	32.65

40. Expenditure in Foreign Currency:

Particulars	2021-2022	2020-2021
Raw Materials	527.24	267.57
Components, Stores & Spares	113.65	205.34
Capital Goods	2,125.96	501.15
Others	11.39	2.83
Total	2,778.24	976.89

Note 41: 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 Rs. 243.54 (2021-year Rs.161.53) towards Corporate Social Responsibility activities during the Financial Year 2021-22 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 2021-22 are as under:

Particulars	2021-2022	2020-2021
Average of net profits of last three financial years as per Section 198 of the Companies Act, 2013	11907.38	6816.78
Earmarked percentage U/s 135 of the Companies Act, 2013 towards CSR Activities	2%	2%
Amount to be spent towards CSR Activities	238.15	136.34
Amount actually spent on CSR Activities	243.54	161.53

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 (i) above:	243.54	0	243.54

"42. New standards and interpretations (for Standalone accounts):

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards from time to time. On March 23, 2022, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2022, applicable from April 01, 2022, vide G.S.R. 255(E) dated 23.03.2022. These amendments do not have any impact on the Company's financial statements.

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	Joint Managing Director
3. Mr. N G V S G Prasad	Executive Director & CFO
4. Mrs. Roopa Bhoopathiraju	Executive Director
5. Mr. T Arun Kumar	Company Secretary

ii) Non-Whole time Directors

1. Mr. Kamlesh Gandhi	Chairman
2. Dr. R Kalidas	Director
3. Lt. Gen. T A Dcunha (Retd)	Director
4. Mr. V S Raju	Director
5. Mr. V V Goradia	Director
6. Mr. P N Raju	Director
7. Mr. Ashven Datla	Director
8. Mrs Pooja Kalidindi	Director
9. Mrs P Sudha Reddy	Director

iii) Relatives of Key Management Personnel with whom there are transactions

1. Mrs. Charulatha V Goradia	Wife of Mr V V Goradia
2. Mrs. K Sailaja	Wife of Mr. K Ravi
3. Ms. N Chaitra Sarada	Daughter of Mr. N G V S G Prasad
4. Ms N Suchitra Katyayani	Daughter of Mr. N G V S G Prasad
5. Mrs Sita Maha Lakshmi	Mother of Mr. N G V S G Prasad
6. Ms. B Anika	Daughter of Mrs. Roopa Bhoopathiraju
7. Master B Arjun	Son of Mrs. Roopa Bhoopathiraju

iii) 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. Vikram Chemicals Pvt Limited
7. Deccan Nitrates Pvt Limited
8. Tern Distilleries Private Limited (100% subsidiary Company)
9. NCL Buildtek & NCL Industries JV
10. NCL Holdings (A & S) Ltd.
11. Modular Containers Pvt Limited (Subsidiary Company)

b. Related Party Transactions for the Year

i) Remuneration to Key Managerial Personnel	31st March 2022	31st March 2021
Mr. K Ravi, Managing Director	544.89	677.46
Mr. K Gautam, Joint Managing Director	111.93	90.58
Mr. N G V S G Prasad, Executive Director & CFO	72.32	53.82
Mrs. Roopa Bhoopathiraju, Executive Director	50.96	54.67
Mr. T Arun Kumar, Company Secretary	15.68	14.00

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

	31st March 2022	31st March 2022	31st March 2021	31st March 2021
Sale of Finished Goods				
NCL Buildtek Limited	2,950.86		1,710.13	
NCL Homes Limited	0.61		18.79	
Vikram Chemicals Pvt Ltd	7.71		-	
NCL Veka Limited	74.23		8.50	
Kakatiya Industries (P) Limited	34.20		-	
NCL Buildtek & NCL Industries JV	0.80	3,068.41	-	1,737.42
Purchases / Services				
NCL Buildtek Limited	168.76		111.81	
Kakatiya Industries (P) Limited	147.97		116.61	
NCL Veka Limited	-	316.73	-	228.41
Advances				
NCL Buildtek & NCL Industries JV	2,020.97	-	-	-
TERN Distilleries Pvt Ltd	98.44	-	-	-
Modular Containers Pvt Ltd	18.98	2,138.39	-	-
Rent Received				
NCL Buildtek & NCL Industries JV	27.61	27.61		

Rent Paid				
Sri K Ravi	-		0.83	
Smt Roopa B	9.92	9.92	9.10	9.93
Interest Received				
NCL Buildtek Limited	83.51			
NCL Holdings (A & S) Limited	5.40	88.91		-
Reimbursement of Expenses				
NCL Buildtek Limited	48.77		41.10	
NCL Holdings (A & S) Limited	7.73	56.50	-	41.10
Fixed Deposits as the end of the year				
Mr. K Ravi	-		115.00	
Mrs. K Sailaja	-		52.00	
Mrs. Roopa Bhoopathiraju	4.50		4.50	
Ms B Anika	7.00		7.00	
Master B Arjun	18.40		16.40	
Mr. V V Goradia	35.00		20.00	
Mrs. Charulatha V Goradia	20.00		10.00	
Ms. N Chaitra Sarada	-		30.00	
Ms N Suchitra Katyayani	100.00		30.00	
Mrs Sita Maha Lakshmi	9.00		7.50	
Kamlesh Suresh Gandhi	35.00		35.00	
Sonali K Gandhi	2.00			
Paayal Sanjay Desai	5.00			
Trevor Alosius D'cunha	45.00		-	
Mr. Kiran Raghavapudi	-		30.00	
Mrs. Rani Raghavapudi	30.00			
Mr. Arun Raghavapudi	18.00	328.90	18.00	375.40

43. Key Financial Ratios

Ratio	Numerator	Denominator	For the year ended 31st March 2022	For the year ended 31st March 2021	Variance %
Current Ratio	Current Assets	Current Liabilities excluding Current Borrowings	1.36	1.22	11.47%
Debt Equity Ratio	Debt	Net Worth	0.54	0.48	12.65%
Debt Service Coverage Ratio	Earnings before Interest depreciation and Tax	Interest Expense + Principal Repayment	3.41	5.36	(36.37%)
Return on Equity Ratio	Net Profit after taxes	Shareholders equity	0.13	0.22	(41.03%)
Inventory Turnover Ratio	Sale of Products and services	Average Inventory	15.74	14.60	7.78%
Trade Receivables turnover Ratio	Sale of Products and services	Average Trade receivables	11.11	10.28	8.10%
Trade payables turnover Ratio	Purchase	Average Trade Payables	6.43	5.62	14.51%
Net Capital turnover Ratio	Sale of Products and services	Current Assets-Current Liabilities	24.72	49.28	(49.83%)
Net Profit Ratio	Profit after tax	Sale of Products and services	0.05	0.09	(43.78%)
Return on Capital Employed Ratio	Earnings before Interest and Taxes	Capital Employed	0.15	0.25	(38.24%)
Return on Investment	Income generated from investments	Time weighted average of investments	-	-	-

1. Debt = Long Term Secured Loans+ Current Maturities of Long-Term Loans+Long Term unsecured Loans+Current Maturities of unsecured Loan
2. Net worth= Equity Share Capital +Reserves and Surplus
3. Average Inventory = (Opening balance+Closing balance)/2
4. Average Trade Receivables = (Opening balance+Closing balance)/2
5. Average Trade Payables = (Opening balance+Closing balance)/2
6. Capital Employed =Total Assets -Current Liabilities

Notes

1. During the financial year 2021-22 there is a steep increase in fuel expenses in comparison with previous financial year which directly affected the operating margins and as a consequence the variance in ratios are as reported above.

2. Additional Loans were obtained for various ongoing projects, hence the variance in ratios as reported above.

44. Investment in Subsidiaries

Particulars	As at March 31, 2022		As at March 31, 2021	
	No of Equity Shares	Amount	No of Equity Shares	Amount
Investment in Equity Shares (Unquoted)				
Tern Distilleries Pvt Limited - Equity Shares of Rs. 10/- each (100%) (PY 100%)	102,676,347	3000	102,676,347	3000
Modular Containers Pvt Ltd - Equity Shares of Rs. 10/- each (74.90%) (PY Nil)	7490	0.75	-	-
Guangzheng Structures Ltd - Equity Shares of Rs. 10/- each (NIL) (PY 100%)	-	-	10000	1
Total Investment in Unquoted Shares		3000.75		3001

"Note 45:

Impact of the COVID-19 pandemic on the business:

COVID-19 is the infectious disease caused by the coronavirus, SARS-CoV-2. In March 2020, the WHO declared COVID-19 a pandemic. The Company has adopted measures to curb the spread of infection in order to protect the health of the employees and ensure business continuity with minimal disruption. The Company has considered internal and certain external sources of information, including economic forecasts and industry reports, up to the date of approval of the financial results in determining the possible effects on the carrying amounts of Inventories, receivables, deferred tax assets and other current assets, that may result from the COVID-19 pandemic. Although the Company had done exceptionally well for the year, the impact of the global health pandemic may be different from that of estimated as at the date of approval of these financial statements and the Company will continue to closely monitor any material changes to future economic conditions.

"Note 46:

Other information as required under Schedule III of Companies Act, 2013:

- i) The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:
 - a) Directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
 - b) Provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries."
- ii) The Company does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property"
- iii) The Company has not been declared willful defaulter by any bank or financial institution or government or any government authority.
- iv) The Company has no Loans or Advances in the nature of Loans to specified persons that are Repayable on Demand or without specifying any terms or period of repayment.
- v) The Company had no transactions with Companies struck off under section 248 of the Companies Act, 2013 or section 560 of the Companies Act, 1956 during the year.
- vi) The Company has not any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961)

- vii) The Code on Social Security, 2020 ("Code") relating to employee benefits during employment and post-employment benefits received presidential assent in September 2020. The Code has been published in the Gazette of India. However, the date on which the Code will come into effect has not been notified. The Company will assess the impact of the Code when it comes into effect and will record any related impact in the period the Code becomes effective.
- viii) The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.
- ix) The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.

Note 47

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

48 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

Details regarding revenue and expenses attributable to each segment must be disclosed

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, 2022

Particulars	Cement	Boards	Prefab	Energy	RMC	Doors	Unallocable	Total
Segment Revenue from External Customers								
Within India	137,081.54	13,347.37	-	626.31	10,085.11	2,200.44	-	163,340.77
Outside India		-						-
Inter-Segment Revenue	19,692.24	851.15	-	123.03	119.03	17.27	-	20,802.71
Total Segment Revenue	156,773.78	14,198.52	-	749.33	10,204.14	2,217.71	-	184,143.48

Segment Results								
Within India	16,806.13	1,224.85	-	353.83	81.70	(1,063.20)	-	17,403.32
Outside India	-	-	-	-	-	-	-	-
Total segmental results	16,806.13	1,224.85	-	353.83	81.70	(1,063.20)	-	17,403.32
Unallocated Corporate expenses:								
Interest expenses (net)							2,420.46	2,420.46
Profit before tax from ordinary activities	16,806.13	1,224.85	-	353.83	81.70	(1,063.20)	(2,420.46)	14,982.86

for the year ended March 31, 2021

Particulars	Cement	Boards	Prefab	Energy	RMC	Doors	Unallocable	Total
Segment Revenue from External Customers								
Within India	116,988.27	11,263.56	-	543.07	8,636.56	936.63	-	138,368.09
Outside India								-
Inter-Segment Revenue	17,551.88	562.83	-	226.37	69.40	68.57	-	18,479.04
Total Segment Revenue	134,540.14	11,826.39	-	769.44	8,705.96	1,005.20	-	156,847.13
Segment Results								
Within India	24,097.28	973.35	-	405.16	551.50	(1,201.88)		24,825.41
Outside India	-	-	-	-	-	-	-	-
Total segmental results	24,097.28	973.35	-	405.16	551.50	(1,201.88)	-	24,825.41
Unallocated Corporate expenses:								
Interest expenses (net)							2,047.47	2,047.47
Profit before tax from ordinary activities	24,097.28	973	0	405.16	551.49	201.87	(2,047.47)	22,777.94

Segment assets and liabilities for the year ended March 31, 2022

Amount in Rs lakhs

Particulars	Cement	Boards	Prefab	Energy	RMC	Doors	Unallocable	Total
Segment Assets:								
Assets	97,276.28	13,640	8.53	2,733.87	4,406.64	8,288.78	20,802.58	147,156.29
Total Assets Segment Liabilities:								
Liabilities	38,386.65	2,525.09	24.69	48.42	1,489.59	350.53	20,308.72	63,133.68

for the year ended March 31, 2021

Particulars	Cement	Boards	Prefab	Energy	RMC	Doors	Unallocable	Total
Segment Assets:								
Assets	79,423.81	12,603.79	80.81	2,983.91	4,089.24	7,417.58	23,258.38	129,857.52
Total Assets								
Segment Liabilities:								
Liabilities	34,027.16	2,120.71	24.69	53.52	1,549.27	568.83	16,456.87	54,801.05

Consolidated Independent Auditor's Report

To the Members of NCL Industries Limited

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of NCL Industries Limited ("the Parent") and its subsidiaries, (the Parent, its subsidiaries and its associates together referred to as "the Group"), which comprise the Consolidated Balance Sheet as at March 31, 2022, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Cash Flows and the Consolidated Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended ('Ind AS'), and other accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at March 31, 2022, and their consolidated profit, their consolidated total comprehensive income, their consolidated cash flows and their consolidated 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 specified under Section 143 (10) of the Act (SAs). Our responsibilities under those Standards are further described in the Auditor's Responsibility for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the consolidated financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, was of most significance in our audit of the consolidated financial statements of the current period. 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. We have determined the matters described below to be the key audit matters to be communicated in our report

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 Group'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 recognized over a period. Additionally, Evaluated the design of internal controls relating to implementation of the new revenue accounting standard. Selected a sample of continuing	Principal Audit Procedures: We assessed the Group'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 recognized over a period. Additionally, Evaluated the design of internal controls relating to implementation of the new revenue accounting standard. Selected a sample of continuing

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

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.

Information Other than the Financial Statements and Auditor's Report Thereon

- The Parent's Board of Directors is responsible for the other information. The other information comprises the Management Discussion & Analysis, Board's Report and Report on Corporate Governance including Annexures, but does not include the consolidated financial statements, standalone 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 during the course of our 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.

Management's Responsibility for the Consolidated Financial Statements

The Parent's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated cash flows and consolidated changes in equity of the Group in accordance with the Ind AS and other accounting principles generally accepted in India. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgements 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, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Parent, 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 respective entities to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Board of Directors either intends to liquidate their respective entities or to cease operations, or has no realistic alternative but to do so.

The 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 Responsibility 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 judgement and maintain professional scepticism 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 financial 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 Parent has adequate internal financial controls system 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 the 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 auditor's 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 auditor's report. However, future events or conditions may cause the Group 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 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. We remain solely responsible for our audit opinion.

Materiality is the magnitude of misstatements in the consolidated financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the consolidated financial statements may be influenced. We consider quantitative materiality and qualitative factors in

- (i) Planning the scope of our audit work and in evaluating the results of our work; and
- (ii) to evaluate the effect of any identified misstatements in the consolidated financial statements.

We communicate with those charged with governance of the Parent 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 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 auditor's 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

1. As required by Section 143(3) of the Act, based on our audit we report:

- 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 consolidated financial statements have been kept so far as it appears from our examination of those books, returns and the reports.
 - c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including Other Comprehensive Income, the Consolidated Statement of Cash Flows and the Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the relevant 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 Ind AS specified under Section 133 of the Act.
 - e) On the basis of the written representations received from the directors of the Parent as on March 31, 2022 taken on record by the Board of Directors of the Company and the reports of the statutory auditors of its subsidiary companies incorporated in India, none of the directors of the Group companies, incorporated in India is disqualified as on March 31, 2022 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 and the operating effectiveness of such controls, refer to our separate Report in "**Annexure A**" which is based on the auditors' reports of the Parent and subsidiary companies incorporated in India. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of internal financial controls over financial reporting of those companies.
 - g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Parent and such subsidiary companies to their respective directors during the year is in accordance with the provisions of section 197 of 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, as amended in our opinion and to the best of our information and according to the explanations given to us:
 - I. The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group.
 - ii) The Group did not have any material foreseeable losses on long-term contracts including derivative contracts.
 - iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Parent and its subsidiary companies incorporated in India.
 - iv)(a) The respective Managements of the Parent and its subsidiaries and associates which are companies incorporated in India, whose financial statements have been audited under the Act, have represented to us and the auditors of such subsidiaries and associates respectively that, to the best of their knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Parent or any of such subsidiaries or associates to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Parent or any of such subsidiaries or associates ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- (b) The respective Managements of the Parent and its subsidiaries and associates which are companies incorporated in India, whose financial statements have been audited under the Act, have represented to us that, to the best of their knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Parent or any of such

subsidiaries or associates from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Parent or any of such subsidiaries shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

- (c) Based on the audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.
- v) The final dividend proposed in the previous year, declared and paid by the Parent during the year is in accordance with section 123 of the Act, as applicable. As stated in Note 14 to the consolidated financial statements, the Board of Directors of the Parent have proposed final dividend for the year which is subject to the approval of the members of the Parent at the ensuing Annual General Meeting. Such dividend proposed is in accordance with section 123 of the Act, as applicable.

2. With respect to the matters specified in clause (xxi) of paragraph 3 and paragraph 4 of the Companies (Auditor's Report) Order, 2020 ("CARO"/ "the Order") issued by the Central Government in terms of Section 143(11) of the Act, according to the information and explanations given to us, and based on the CARO reports issued by us and by Auditors of the respective companies included in the consolidated financial statements to which reporting under CARO is applicable, we report that there are no qualifications or adverse remarks in the CARO reports of the said companies included in the consolidated financial statements.

For VENUGOPAL & CHENYOY,
CHARTERED ACCOUNTANTS,
FRN: 004671S

P V SRIHARI
PARTNER
Membership No.021961
UDIN 22021961AJVWVN4038

Place: Hyderabad
Date:30.05.2022

Annexure "A" to the Independent Auditor's Report

(Referred to in paragraph 1(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Report on the Internal Financial Controls Over Financial Reporting 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 the Company as of and for the year ended March 31, 2022, we have audited the internal financial controls over financial reporting of NCL Industries Limited (hereinafter referred to as "Parent") and its subsidiary and associate's companies, which are companies incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the Parent, its subsidiary companies, 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 respective Companies 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 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 Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the internal financial controls over financial reporting of the Parent and its subsidiaries and associates, which are companies incorporated in India, 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") issued by the Institute of Chartered Accountants of India and the Standards on Auditing, prescribed under Section 143(10) of the Companies Act, 2013, 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 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 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 is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system over financial reporting of the Parent and its subsidiary companies, which are companies incorporated in India.

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 authorizations of management and directors of the Company; and

(3) provide reasonable assurance regarding prevention or timely detection of unauthorized 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 to the best of our information and according to the explanations given to us, the Parent and its subsidiary companies, which are companies incorporated in India, have, 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 March 31, 2022, based on the criteria for internal financial control over financial reporting established by the respective companies 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 SRIHARI
PARTNER
Membership No.021961
UDIN 22021961AJVWTN4038

Place: Hyderabad
Date: 30.05.2022

NCL Industries Limited Consolidated Balance Sheet as at March 31, 2022

(Rs. In Lakhs)

Particulars	Note No	As at March 31, 2022	As at March 31, 2021
ASSETS			
Non-current assets			
(a) Property, Plant and Equipment	2	80,156.15	81,969.14
(b) Capital work-in-progress		17,126.98	6,053.76
(c) Investment Property			
(d) Other intangible assets			
(e) Financial Assets			
(i) Investments		0.00	-
(ii) Trade Receivables	3	5,307.01	5,671.85
(iii) Loans			
(iv) Other Financial Assets	4	2,111.68	2,002.51
(f) Deferred tax Assets (net)			
(g) Other non-current Assets	5	442.94	364.62
Current Assets			
(a) Inventories	6	12,885.73	10,512.46
(b) Financial Assets			
(i) Investments		-	-
(ii) Trade Receivables	7	11,776.46	10,402.68
(iii) Cash & Cash Equivalents	8	196.70	5,928.01
(iv) Bank Balances other than (iii) above	9	875.01	901.11
(v) Loans	10	2,030.00	-
(vi) Other Financial Assets	11	420.93	424.90
(c) Current Tax Assets			
(d) Other Current Assets	12	13,724.22	5,665.84
Total Assets		147,053.81	129,896.89
EQUITY AND LIABILITIES			
Equity			
(a) Equity Share Capital	13	4,523.28	4,523.28
(b) Other Equity	14	69,560.38	61,946.67
Liabilities			
Non-current liabilities			
(a) Financial Liabilities			
(i) Borrowings	15	28,125.58	23,657.61
(ii) Trade Payables			
(iii) Other Financial Liabilities			
(b) Provisions	16	348.77	328.33
(c) Deferred Tax Liabilities (Net)	17	9,179.43	8,192.66
(d) Other non-current liabilities	18	585.22	565.22
Current liabilities			
(a) Financial Liabilities			
(i) Borrowings	19	3,720.67	2,966.43
(ii) Trade payables	20		
a) Total outstanding dues of micro and small		56.38	25.61
b) Total outstanding dues of Creditors other		7,071.37	7,318.89
(iii) Other Financial Liabilities	21	15,810.14	11,853.34
(b) Provisions	22	230.10	204.57
(c) Current Tax Liabilities (Net)	23	1,973.42	2,358.23
(d) Other current liabilities	24	5,869.07	5,956.03
Total Equity and Liabilities		147,053.81	129,896.89

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

P.V. Sri Hari
Partner
Membership No. 21961
30th May 2022

For and on behalf of the Board

K. Ravi
Managing Director
DIN: 00720811

Kamlesh Gandhi
Chairman
DIN: 00004969

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

T. Arun Kumar
Dated:
Vice President & Company
Secretary

NCL Industries Limited
Consolidated Statement of Profit and Loss for the Year ended March 31, 2022

(Rs. In Lakhs)

Particulars	Note No.	Year Ended March 31,	Year Ended March 31,
Income			
i) Revenue from Operations			
Gross Revenue from Operations	25	225,395.40	193,400.86
Less: Inter Segment Transfers & Taxes		62,054.63	55,032.77
Revenue from Operations (Net)		163,340.77	138,368.09
ii) Other Income	26	1,113.19	790.94
Total Income		164,453.96	139,159.03
Expenses			
i) Cost of materials consumed	27	25,237.68	20,474.73
ii) Changes in inventories of finished goods,	28	5.40	1,656.48
iii) Employee benefits expense	29	6,504.76	5,972.73
iv) Manufacturing Expenses	30	55,342.71	40,176.85
v) Administration Expenses		3,027.02	2,355.12
vi) Selling and Distribution Expenses		52,584.72	39,564.76
vii) Finance Costs	31	2,420.46	2,080.23
viii) Depreciation and amortization expense	32	4,667.98	4,423.97
Total expenses		149,790.73	116,704.87
Profit/(loss) before exceptional items and		14,663.22	22,454.16
Share of Profit/(Loss) of an associate/ a		(59.19)	-
Profit Before Tax		14,604.03	22,454.16
Tax Expenses			
-Earlier Years' Tax		170.59	72.17
-Current Tax		4,011.66	6,911.61
-Deferred Tax		986.77	925.57
Profit/(loss) for the period from		9,435.01	14,544.81
I Profit/(loss) for the Period		9,435.01	14,544.81
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		(109.44)	(149.90)
-Equity Instruments through other			
-Income Tax relating to these items		38.24	52.38
ii) Items that will be reclassified to profit			
-Debt Instruments through Other			
-The effective portion of gains and loss on			
-Income Tax relating to these items			
Other Comprehensive Income		(71.20)	(97.52)
Total Comprehensive Income for the period		9,363.81	14,447.29
Earnings per equity share:			
(1) Basic		20.69	32.65
(2) Diluted		20.69	32.65

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

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Membership No. 21961
Hyderabad

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

T. Arun Kumar
Vice President &
Company Secretary

Dated: 30th May 2022

NCL Industries Limited
Consolidated Cash Flow Statement for The Year Ended March 31, 2022

(In Rupees Lakhs)

Particulars	For the year ended	For the year ended March
Cash flow from operating activities		
Profit before income tax from		
Continuing operations	14,553.78	22,304.26
Discontinued operations	-	-
Profit before income tax including discontinued	14,553.78	22,304.26
Adjustments for		
Depreciation and amortization expense	4,667.98	4,423.97
Finance costs	2,420.46	2,080.23
Other Cash Adjustments	-	(10.72)
	21,642.22	28,797.74
Change in operating assets and liabilities, net of effects		
(Increase) / Decrease in trade receivables	(1,008.94)	(1,619.26)
(Increase) / Decrease in inventories	(2,373.27)	455.64
Increase / (Decrease) in trade payables	(216.75)	734.00
(Increase) / Decrease in other financial assets	(2,135.20)	141.59
(Increase) / Decrease in other non-current assets	(78.32)	(119.39)
(Increase) / Decrease in other current assets	(8,058.37)	1,013.54
Increase / (Decrease) in provisions	25.53	5.75
Increase / (Decrease) in employee benefit obligations	20.44	(348.02)
Increase / (Decrease) in other current liabilities	(86.96)	1,651.09
Increase / (Decrease) in financial liabilities	3,940.99	596.62
Increase/ (Decrease) in other non-current liabilities	20.00	(831.45)
Cash generated from operations	11,691.37	30,477.85
Income taxes paid	4,528.82	6,685.95
Net cash inflow from operating activities	7,162.55	23,791.90
Cash flows from investing activities		
Payments for property, plant and equipment/ investments	(14,004.98)	(14,545.29)
Proceeds from sale of property, plant and equipment	76.77	944.38
Net cash outflow from investing activities	(13,928.21)	(13,600.91)
Cash flows from financing activities		
Repayment of non-current borrowings	4,467.97	7,121.18
Proceeds from current borrowings	754.24	(9,185.44)
Interest paid	(2,404.66)	(2,040.95)
Dividends paid to Company's share holders	(1,809.30)	(1,130.82)
Dividends paid to non-controlling interests		
Net cash inflow (outflow) from financing activities	1,008.25	(5,236.03)
Net increase (decrease) in cash and cash equivalents	(5,757.41)	4,954.96
Cash and cash equivalents at the beginning of the financial	6,829.12	1,874.16
Cash and cash equivalents at end of the year	1,071.71	6,829.12
	5,757.41	(4,954.96)

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

Kamlesh Gandhi
Chairman
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P.V. Sri Hari
Partner
Membership No. 21961
Hyderabad

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

T. Arun Kumar
Vice President &
Company Secretary

Dated: 30th May 2022

DIN: 07515455

A. Equity Share Capital

(In Rupees lakhs)

Particulars	No of Shares	Amount
Balance as on 1st April, 2020	45,232,790	4,523.28
Changes in Equity Share Capital during the year	-	-
Balance as on 31st March, 2021	45,232,790	4,523.28
Changes in Equity Share Capital during the year	-	-
Balance as on 31st March, 2022	45,232,790	4,523.28

B. Other Equity

	Reserves and Surplus					Total
	General	Capital	Securities	Debenture	Retained	
Balance as on 1st April, 2020	24,000.00	240.91	21,222.84	-	2,856.66	48,320.41
Profit for the year					14,764.77	14,764.77
Payment of Dividend and Dividend					(1,130.82)	(1,130.82)
Deferred Tax on fixed assets						-
Prior Period or Other Adjustments		3.03			(10.72)	(7.69)
Securities Premium on shares issued		-	-			-
Transfer to Debenture Redemption	-			-		-
Transfer to General Reserve	5,000.00				(5,000.00)	-
Balance as on 31st March, 2021	29,000.00	243.94	21,222.84	-	11,479.89	61,946.67
Profit for the year					9,363.81	9,363.81
Payment of Dividend and Dividend					(1,809.30)	(1,809.30)
Deferred Tax on fixed assets						-
Prior Period or Other Adjustments					59.19	59.19
Securities Premium on shares issued		-	-			-
Transfer to/from Debenture	-			-		-
Transfer to General Reserve	5,000.00				(5,000.00)	-
Balance as on 31st March, 2022	34,000.00	243.94	21,222.84	-	14,093.60	69,560.38

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

P.V. Sri Hari
Partner
Membership No. 21961
Hyderabad

Dated: 30th May 2022

For and on behalf of the Board

K. Ravi
Managing Director
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DIN: 07515455

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Chairman
DIN: 00004969

T. Arun Kumar
Vice President &
Company Secretary

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 Registered office of the Company 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 Subsidiary	Country of Incorporation	Percentage of Equity interest
Tern Distilleries Private Limited	India	100%
Modular Containers Pvt Ltd	India	75%

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, Andhra 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 May 30, 2022

Basis of Consolidation

The accounting policies have been applied consistently to all periods presented in the consolidated financial statements.

Subsidiary:

The Subsidiary entities 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 subsidiaries 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 unrealized income and expenses arising from intra group transactions are eliminated. Unrealized 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 realized 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 realized 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 realization 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 customer 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 Rs. 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 capitalized as part of the cost of such assets up to the date when such assets are ready for intended use or sale are capitalized 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 because 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

There are no material leases, hence 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 deductible temporary differences to the extent that it is probable that the taxable profits will be available against which those deductible 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.

Borrowings

Borrowings are initially recognized when a Company becomes a party to the contractual provisions subsequently measured at amortized 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:
- b) 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).
- c) Segment Revenue and Expenses:
- d) 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, 2021	Additions	Disposal/adjustments	Gross carrying value as at March 31, 2022	Accumulated depreciation as at April 1, 2021	Additions	Disposal/adjustments	Accumulated depreciation as at March 31, 2022	Carrying Value as at March 31, 2022
Land	7,826.84	255.11	-	8,081.95	-	-	-	-	8,081.95
Buildings	16,581.47	674.65	45.06	17,211.06	2,004.22	543.94	4.30	2,543.86	14,667.19
Plant and Machinery	69,710.26	1,486.29	-	71,196.55	12,286.81	3,456.76	-	15,743.57	55,452.98
Electrical Installations	2,322.41	-	-	2,322.41	2,217.95	16.81	-	2,234.77	87.64
Railway Siding	521.41	-	-	521.41	295.45	7.16	-	302.61	218.80
Furniture and Fixtures	339.56	40.79	-	380.35	153.26	52.12	-	205.38	174.97
Office Equipment & Appliances	311.81	61.32	-	373.13	196.45	23.63	-	220.08	153.05
Vehicles	5,209.41	413.60	105.47	5,517.54	3,699.88	567.55	69.46	4,197.97	1,319.57
Total	102,823.17	2,931.76	150.53	105,604.39	20,854.02	4,667.98	73.76	25,448.24	80,156.15

Particulars	Deemed cost as at April 1, 2020	Additions	Disposal/adjustments	Gross carrying value as at March 31, 2021	Accumulated depreciation as at April 1, 2020	Additions	Disposal/adjustments	Accumulated depreciation as at March 31, 2021	Carrying Value as at March 31, 2021
Land	7,313.06	513.78	-	7,826.84	-	-	-	-	7,826.84
Buildings	14,646.76	2,857.60	922.89	16,581.47	1,513.40	490.82	-	2,004.22	14,577.24
Plant and Machinery	58,952.29	10,757.97	-	69,710.26	9,173.76	3,113.04	-	12,286.81	57,423.45
Electrical Installations	2,322.41	-	-	2,322.41	2,206.29	11.66	-	2,217.95	104.46
Railway Siding	521.41	-	-	521.41	236.33	59.12	-	295.45	225.96
Furniture and Fixtures	326.63	12.93	-	339.56	92.19	61.07	-	153.26	186.30
Office Equipment & Appliances	239.81	72.00	-	311.81	135.03	61.42	-	196.45	115.36
Vehicles	5,075.85	233.98	100.42	5,209.41	3,151.98	626.83	78.93	3,699.88	1,509.54
Total	89,398.22	14,448.26	1,023.31	102,823.17	16,508.98	4,423.97	78.93	20,854.02	81,969.14

Capital Work in Progress

Balance as at April 1, 2020	8,991.11
Additions/ Adjustments during the year	11,224.71
Capitalized during the year	14,162.07
Balance as at March 31, 2021	6,053.76
Additions/ Adjustments during the year	11,327.24
Capitalized during the year	254.02
Balance as at March 31, 2022	17,126.98

Capital Work in Progress Ageing

Ageing for capital work-in-progress as at March 31, 2022 is as follows:

Amount of Capital work in progress for					
Particulars	Less than 1 Year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	12,022.42	1,884.98	1,549.20	1,670.38	17,126.98

Ageing for capital work-in-progress as at March 31, 2021 is as follows:

Amount of Capital work in progress for					
Particulars	Less than 1 Year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	2,475.41	1,944.34	1,632.24	1.77	6053.76

3. Trade Receivables Non-Current

Particulars	As at March 31, 2022	As at March 31, 2021
Other Trade Receivables		
Secured, considered Good		
Unsecured, considered good	5,901.01	5,887.85
Doubtful		
Allowances for doubtful debts	594.00	216.00
Total	5,307.01	5,671.85

FY 2021-22

Trade receivables non-current Ageing Schedule

Outstanding for the following Periods from due date of Payment						
Particulars	Less than six months	6 months to 1 year	1-2 years	2-3 years	More than 3 years	Total
Undisputed Trade receivables considered Good			524.04	4,453.46	923.51	5901.01
Undisputed Trade receivables which have significant credit risk						
Undisputed Trade receivables credit impaired					594.00	594.00
Disputed Trade Receivables Considered Good						
Disputed Trade receivables which have significant credit risk						
Disputed Trade receivables credit impaired						
Total	0	0	524.04	4453.46	329.51	5307.01

FY 2020-21

Trade receivables non-current Ageing Schedule

Outstanding for the following Periods from due date of Payment						
Particulars	Less than six months	6 months to 1 year	1-2 years	2-3 years	More than 3 years	Total
Undisputed Trade receivables considered Good			4,882.48	933.15	72.22	5887.85
Undisputed Trade receivables which have significant credit risk						
Undisputed Trade receivables credit impaired				143.78	72.22	216
Disputed Trade Receivables Considered Good						
Disputed Trade receivables which have significant credit risk						
Disputed Trade receivables credit impaired						
Total	0	0	4882.48	789.37	0	5671.85

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

Movement in allowances for doubtful debt

Particulars	As at March 31, 2022	As at March 31, 2021
Balance at the beginning of the year	216.00	162.00
Impairment losses recognised	378.00	54.00
Balance at the end of the year	594.00	216.00

4. Other Financial Assets Non-Current

Particulars	As at March 31, 2022	As at March 31, 2021
Unsecured (considered good)		
Security Deposits		
Deposits with AP & TS SEB	1,295.29	1,291.00
Deposits with Government Departments	439.76	325.80
Deposits with Others	14.16	47.97
Margin Money Deposits	286.31	264.4
Rental Deposits	76.16	73.34
Total	2,111.68	2,002.51

5. Other non-current Assets

Particulars	As at March 31, 2022	As at March 31, 2021
Deposits in disputed cases		
Taxes paid under Protest	442.94	364.62
Total	442.94	364.62

6. Inventories

Particulars	As at March 31, 2022	As at March 31, 2021
Raw Materials	1,917.74	1,552.31
Finished Goods	3,433.73	2,932.37
Work in Progress	268.99	775.75
Packing & Other Materials	2,243.46	1,189.25
Stores & Spares	5,021.81	4,062.78
Total	12,885.73	10,512.46

7. Trade Receivables Current

Particulars	As at March 31, 2022	As at March 31, 2021
(i) Trade Receivables from related parties		
Trade receivables Secured, considered Good		
Trade receivables Unsecured, considered good	24.33	723.68
Trade receivables which have significant increase in credit risk		

Trade receivables credit impaired		
Sub-Total	24.33	723.68
(ii)Other Trade Receivables		
Trade receivables Secured, considered Good		
Trade receivables Unsecured, considered good	11,752.13	9,679.00
Trade receivable which has significant increase in credit risk		
Trade receivables credit impaired		-
Sub-Total	11,752.13	9,679.00
Total	11,776.46	10,402.68

FY 2021-22

Trade receivables current Ageing Schedule

Outstanding for the following Periods from due date of Payment						
Particulars	Less than six months	6 months to 1 year	1-2 years	2-3 years	More than 3 years	Total
Undisputed Trade receivables considered Good	11,012.47	763.99				11,776.46
Undisputed Trade receivables which have significant credit risk						
Undisputed Trade receivables credit impaired					-	-
Disputed Trade Receivables Considered Good						
Disputed Trade receivables which have significant credit risk						
Disputed Trade receivables credit impaired						
Total	11,012.47	763.99	-	-	-	11,776.46

FY 2020-21

Trade receivables current Ageing Schedule

Outstanding for the following Periods from due date of Payment						
Particulars	Less than six months	6 months to 1 year	1-2 years	2-3 years	More than 3 years	Total
Undisputed Trade receivables considered Good	9,538.45	864.23				10,402.68
Undisputed Trade receivables which have significant credit risk						
Undisputed Trade receivables credit impaired						-
Disputed Trade Receivables Considered Good						
Disputed Trade receivables which have significant credit risk						
Disputed Trade receivables credit impaired						
Total	9,538.45	864.23				10,402.68

8. Cash & Cash Equivalents

Particulars	As at March 31, 2022	As at March 31, 2021
Cash on hand	5.84	5.57
Cheques, Drafts on hand		
Balances with Banks		
(a) in Current Account	190.86	5,922.44
(b) in Cash Credit Account		
Total	196.70	5,928.01

9. Bank Balances other than above

Particulars	As at March 31, 2022	As at March 31, 2021
Unclaimed Dividend	169.76	103.80
Margin money deposits with Banks	-	-
Fixed deposits redemption reserve	702.15	794.55
Others	3.10	2.76
Total (A)	875.01	901.11

10. Loans

Particulars	As at March 31, 2022	As at March 31, 2021
Inter Corporate Deposit		
Unsecured, considered good	2030	-
Total	2,030.00	-

Loans to Related Parties

Particulars	As at March 31, 2022	As at March 31, 2021
NCL Buildtek Limited	1,800.00	-
NCL Holdings Limited	230.00	-
Total	2,030.00	-

11. Other Financial Assets Current

Particulars	As at March 31, 2022	As at March 31, 2021
Unsecured (considered good)		
Incentives Receivable from A.P/Telangana Governments	420.93	420.93
Cash Ledger balance in GST		
Other Advances and Contract Assets	-	3.97
Total	420.93	424.90

12. Other Current Assets

Particulars	As at March 31, 2022	As at March 31, 2021
Un Secured Considered Good		
Advances to Suppliers	6,122.90	2,614.27
Advances for Capital Goods	3,122.68	997.23
Advances to Others	2,748.92	101.44
GST, Central Excise, Service Tax, VAT & Other Receivables	1,551.93	1,402.54
MAT Credit Entitlement Account	-	429.92
Accrued Interest	47.35	49.72
Prepaid expenses	130.43	70.72
Total	13,724.22	5,665.84

13 EQUITY SHARE CAPITAL

Particulars	As at March 31, 2022	As at March 31, 2021
Authorized		
6,20,00,000 (Previous Year: 6,20,00,000) Equity shares of Rs. 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 Rs.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 Rs. 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 Tern Distilleries Pvt Limited and 75% of Modular Containers Pvt Ltd, being the Subsidiary Companies.

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

Name of the Shareholder	As at Mar 31, 2022		As at Mar 31, 2021	
	No of Shares	% of Holding	No of Shares	% of Holding
K. Ravi	2,388,617	5.28	2,589,482	5.72
Kalidindi Shilpa	2,760,833	6.10	2,760,833	6.10
Roopa Bhupatiraju (Kalidindi Roopa)	2,508,663	5.55	2,268,038	5.01

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

Equity shares	As at March 31, 2022		As at March 31, 2021	
	No. of shares	Rs. Lakhs	No. of shares	Rs. 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

(d) Shareholding of Promoters

Promoter Name	Number of Shares at the beginning of the year	% of Total Shares	Number of Shares at the end of the year	% of Total Shares	% of Change
KALIDINDI MADHU HUF	1660	0.00	80259	0.18	0.18
NIRHMAL V GORADIA GEETA GORADIA	89463	0.20	89463	0.20	-
GEETA GORADIA AND NIRHMAL V GORADIA	139015	0.31	139015	0.31	-
MEENA SHAH	12474	0.03	12474	0.03	-
ASHWIN GORADIA AND BHARTI GORADIA	86859	0.19	86859	0.19	-
VINODRAI V GORADIA AND CHARULATA V GORADIA	586202	1.30	606102	1.34	0.04
MEERA BIMAL GORADIA AND BIMAL V GORADIA	122735	0.27	124135	0.27	-
BIMAL V GORADIA AND MEERA B GORADIA	323210	0.71	324610	0.72	0.01
G JYOTHI	166992	0.37	166992	0.37	-
KANUMILLI MALATHI	8493	0.02	8493	0.02	-
ASHVEN DATLA	1690955	3.74	1775855	3.93	0.19
KALIDINDI RAVI	2589482	5.72	2388617	5.28	(0.44)
MADHU KALIDINDI	635887	1.41	635887	1.41	-
BHARTI GORADIA ASHWIN GORADIA	53191	0.12	53191	0.12	-
PENUMATSA SATYANARAYANA RAJU	82338	0.18	62314	0.14	(0.04)
VALLI P	2575	0.01	0	0.00	(0.01)
RAMALINGA RAJU PENMETCHA	35275	0.08	35275	0.08	-
K ANURADHA	888473	1.96	912873	2.02	0.06
N JANAKI	45155	0.10	45155	0.10	-
GORADIA CHARULATA VINODRAI AND GORADIA VINODRAI VACHHARAJ	344738	0.76	358487	0.79	0.03
UTKAL B GORADIA AND BIMAL V GORADIA	91016	0.20	92916	0.21	0.01
PENMETSA NARASIMHA RAJU	1190010	2.63	1190010	2.63	-
PENMETSA VARA LAKSHMI	350355	0.77	350355	0.77	-
VENKATA SATYA PADMAVATHI GOTTUMUKKALA, SUVARNA ALLURU, SUREKHA GOTTUMUKKALA	72445	0.16	72445	0.16	-
MADHAVI PENUMASTA	92352	0.20	92402	0.20	-
KANUMILLI SUDHEER	79115	0.17	79115	0.17	-
GAUTAM KALIDINDI	1287330	2.85	1496954	3.31	0.46
KALIDINDI SHILPA	2760833	6.10	2760833	6.10	-
SRIDHAR BHUPATIRAJU	204642	0.45	204642	0.45	-
GOKUL HARINI	10011	0.02	10011	0.02	-
S GOKUL	81638	0.18	81838	0.18	-
POOJA KALIDINDI	1419703	3.14	1453543	3.21	0.07
G.T. SANDEEP	233122	0.52	233122	0.52	-

VEGESANA SAILAJA	10765	0.02	10765	0.02	-
K MALLIKA	36263	0.08	36263	0.08	-
ROOPA KALIDINDI	2268038	5.01	2508663	5.55	0.54
DIVYA PENUMACHA	409021	0.90	446221	0.99	0.09
DITI ASHWIN GORADIA	30000	0.07	30000	0.07	-
NISHI ASHWIN GORADIA	30000	0.07	30000	0.07	-
BHUPATIRAJU SUBBA RAJU	141088	0.31	161088	0.36	0.05
SAI SREEDHAR KANUMILLI	8192	0.02	8192	0.02	-
PADMA GOTTUMUKKALA	85225	0.19	85225	0.19	-
BLUE VALLEY DEVELOPERS (P) LTD	205658	0.45	205658	0.45	-
NCL HOMES LTD	215813	0.48	315813	0.70	0.22
VIKRAM CHEMICALS PVT LTD	13500	0.03	13500	0.03	-
NCL HOLDINGS (A&S) LIMITED	700000	1.55	498000	1.10	(0.45)

14. Other Equity

Particulars	As at March 31, 2022	As at March 31, 2021
Capital Reserve	243.94	243.94
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	29,000.00	24,000.00
Less: Transfer to/from Debenture Redemption Reserve	-	-
Add: Amount transferred from surplus	5,000.00	5,000.00
Closing balance	34,000.00	29,000.00
Debenture Redemption Reserve		
Balance as per the last Financial statement	-	-
Add: Amount transferred to/from General Reserve	-	-
Closing balance	-	-
Retained Earnings		
Balance as per the Last Financial Statement	11,479.89	2,856.66
Add: Profit / (Loss) for the Year	9,363.81	14,764.77
Less: Interim Dividend Paid	1,356.98	678.49
Less: Final Dividend paid	452.32	452.33
Less: Transfer to General Reserve	5,000.00	5,000.00
Less: Adjustments	(59.19)	10.72
Total Appropriations		
Closing Balance	14,093.60	11,479.89
Total	69,560.38	61,946.67

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, 2022	As at March 31, 2021
Dividends Recognised		
Final Dividend for the year ended March 31, 2021 of Rs. 1.00 (Rs 1.00 for year 2020) per fully paid-up share.	452.33	452.33
Interim Dividend for the year ended March 31, 2021 and for the year ended March 31, 2022 of Rs. 1.50 (Rs 1.50 for year 2021) per fully paid up share.	1,356.98	678.49
Dividends not recognised at the end of reporting period		
In addition to above, dividend proposed of Rs 1.50 (Rs.1.00 for year ended March 31, 2021) per fully paid equity share. This proposed dividend is subject to the approval of shareholders in the ensuing annual general meeting	678.49	1,130.82

Non-Current Liabilities

15. Borrowings

	As at March 31, 2022	As at March 31, 2021
Secured		
Term Loans		
- From Banks (Refer Note 'a')	16,889.09	15,032.08
- From Other parties	-	-
Secured Redeemable Non-Convertible Debentures	-	-
Vehicle & Equipment Finance Loans from Banks &	571.47	324.98
Total Secured Loans	17,460.56	15,357.06
Un Secured		
Deposits from Dealers / Stockists (Note 'c')	6,859.99	3,390.23
Deposits from Public & Shareholders (Note 'd')	3,805.03	4,910.32
Total un Secured Loans	10,665.02	8,300.55
Total	28,125.58	23,657.61

- 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 @ 6.30% to 8.25% per annum.
- 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 9.00% p.a.
- 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 @ 4% p.a.
- Public Deposits aggregating to Rs. 3088.95 lakhs (Previous year Rs 1932.18 lakhs) is repayable within one year and Rs 3805.03 lakhs (Previous Year Rs 4910.32 lakhs) is repayable after one year

16. Provisions Non-Current

	As at March 31, 2022	As at March 31, 2021
Provision for Employee Benefits		
Provision for Gratuity	39.63	87.67
Provision for Leave benefits	309.14	240.66
Total Provisions	348.77	328.33

17. Deferred tax assets and liabilities

Deferred tax assets and liabilities are attributable to the following:

Particulars	As at March 31, 2022	As at March 31, 2021
Deferred Tax Liability		
Property, plant and equipment	8,369.67	7,139.89
Intangible assets		
Sub Total	8,369.67	7,139.89
Deferred tax Assets		
Unabsorbed Depreciation as per Income Tax		
Short Term Capital Loss as per Income Tax		
Employee benefits	970.83	1,093.47
Provisions	(161.08)	(40.70)
Sub Total	809.76	1,052.77
Net Deferred Tax Assets	9,179.43	8,192.66

Movement in deferred tax balances during the year

Particulars	Balance as at March 31, 2021	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, 2022
Property, plant and equipment	7,139.89	1,229.78				8,369.67
Intangible assets						-
Employee benefits	1,093.47	(122.63)				970.83
Provisions	(40.70)	(120.38)				(161.08)
Unabsorbed Depreciation as per Income Tax						-
Short Term Capital Loss as per Income Tax						-
Total	8,192.66	986.77	-	-	-	9,179.43

18. Other non-current liabilities

Particulars	As at March 31, 2022	As at March 31, 2021
Advances and others		
Advances received for Sales of Fixed Assets	585.22	565.22
Total	585.22	565.22

19. Borrowings Current

Particulars	As at March 31, 2022	As at March 31, 2021
Loans payable on Demand		
- From Banks		
-Secured		
Cash Credit Loans from Banks	3,720.67	2,966.43
Total	3,720.67	2,966.43

Cash credit Loans from Banks viz. Axis Bank Ltd, HDFC Bank Ltd, State Bank of India and Bank of Baroda 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.

20. Trade Payable Current

Particulars	As at March 31, 2022	As at March 31, 2021
CURRENT		
Other than Micro and Small Enterprises		
-Trade Payables	6,554.35	6,225.33
-Sundry Creditors - Capital goods	517.02	1,093.56
Micro and Small Enterprises	56.38	25.61
Total	7,127.75	7,344.50

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 2022 is Rs. 15.68 lakhs (2020-21: Rs. 14.24 lakhs). The over dues are mainly on account of disagreements with the parties pending settlement.

Trade payables ageing schedule for the year ended March 31, 2022

Particulars	Unbilled	Not due	<1year	1-2 years	2-3 years	>3 Years	Total
MSME			47.38				47.38
Others	989.18	567.30	4,989.97	116.43	383.79	24.69	7,071.37
Disputed dues – MSME			-		9.00		9.00
Disputed dues – Others							
Total	989.18	567.30	5,037.35	116.43	392.79	24.69	7,127.75

Trade payables ageing schedule for the year ended March 31, 2021

Particulars	Unbilled	Not due	<1year	1-2 years	2-3 years	>3 Years	Total
MSME			16.61				16.61
Others	476.32	537.13	5,806.16	433.17	41.42	24.69	7,318.89
Disputed dues – MSME			-	9.00			9.00
Disputed dues – Others							
Total	476.32	537.13	5,822.77	442.17	41.42	24.69	7,344.50

21. Other Financial Liabilities Current

Particulars	As at March 31, 2022	As at March 31, 2021
Vehicle & Equipment Finance Loans from Banks & Financial Companies	384.87	355.86
Deposits from Public & Shareholders	3,088.95	1,932.18
Interest accrued and not due	889.57	899.48
Unclaimed Dividend	169.76	130.10
Other Expenses including Provisions	6,151.95	5,389.05
Employee related payables PF, ESI & Others	47.66	43.17
Current Maturities of Long-term Debt	5,077.37	3,103.50
Total	15,810.14	11,853.34

22. Provisions Current

Particulars	As at March 31, 2022	As at March 31, 2021
Provision for Employee Benefits		
Provision for Gratuity	63.89	50.28
Provision for Leave benefits	23.54	14.14
Provision for Employee Bonus & Ex-gratia	142.67	140.15
Total Provisions	230.10	204.57

23. Current Tax Liabilities (Net)

Particulars	As at March 31, 2022	As at March 31, 2021
Opening Balance	2,358.23	2,112.78
Current Tax Payable for the Year	4,144.01	6,931.40
Less: Taxes Paid	4,528.82	6,685.95
Total	1,973.42	2,358.23

24. Other Current Liabilities

Particulars	As at March 31, 2022	As at March 31, 2021
Advance Received from Customers	2,451.00	2,618.86
Statutory dues Payable		
GST, Value Added Tax & CST Payable	3,278.99	3,230.20
TDS Payable	139.08	106.97
Total	5,869.07	5,956.03

25. 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, 2022	Year Ended March 31, 2021
Sale/ Transfer of Products		
Finished Goods	210,603.66	179,504.85
Semi-Finished Goods (Clinker Transfer to Kondapalli Grinding Unit)	14,791.74	13,896.01
Traded Goods	-	-
Total Gross Sales	225,395.40	193,400.86
Less: Inter segment Transfers	20,802.71	18,479.04
Less: Taxes on Sales	41,251.92	36,553.73
Revenue from Operations	163,340.77	138,368.09

(b) Company has recognized the Rs 378 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, 2022	Year Ended March 31, 2021
Opening Balance	10,403	14,338
Addition/deduction during the year	1,374	(3,935)
Closing Balance	11,776	10,403

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, 2022	Year Ended March 31, 2021
Opening Balance	3.97	-
Addition/deduction during the year	(3.97)	3.97
Closing Balance	-	3.97

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.

26. Other Income

Particulars	Year Ended March 31, 2022	Year Ended March 31, 2021
Interest Income		
- From Fixed Deposits	8.85	81.57
- Income from Operation of Trucks (Net)	183.36	122.24
- Others*	162.63	71.63
Scrap Sales	263.59	82.90
Rent	278.35	211.07
Dividend Income		
Other Non-Operating Revenue (Net of expenses directly attributable to such income)		
-Profit on Sale of Assets	164.82	80.70
-Liabilities Written Back		-
-Foreign Exchange Gain	(0.10)	(0.53)
-Misc. Receipt	51.69	(8.53)
Other Comprehensive Income / (Loss)	(109.44)	-
Total	1,003.75	641.04

* Includes interest on power consumption deposits of Rs. 59.10 lakhs (Previous Year Rs. 49.17 lakhs)

27. Cost of Materials Consumed

Particulars	Year Ended March 31, 2022	Year Ended March 31, 2021
Details of Raw materials Consumed		
Limestone	5,391.44	4,895.77
Al. Laterite	4,808.88	3,140.17
Gypsum	2,405.47	1,532.31
Iron ore / Iron ore powder	81.20	165.49
Fly Ash	4,105.45	2,609.66
Purchased Clinker Consumption	2,209.89	3,925.58
Clinker Consumption at Kondapalli Plant	13,547.50	12,893.40
Cement Consumption in Other Divisions	5,364.71	4,119.58
Wood	2,018.36	1,431.24
Chemicals	724.80	429.66
Paper	375.62	306.46

Ready Mix Concrete Materials	3,348.26	2,718.18
Other Materials	1,658.83	786.26
Total	46,040.39	38,953.77
Less: Inter Segment Transfers	20,802.71	18,479.04
Net Consumption of Materials	25,237.68	20,474.73

28. Changes in Inventory

Particulars	Year Ended March 31, 2022	Year Ended March 31, 2021
A. Finished Goods		
Opening Balance	2,932.37	3,888.69
Adjustments	-	(126.86)
Closing Balance	3,433.73	2,932.37
Changes in Inventory of Finished Goods	(501.36)	829.46
B. Work in Progress		
Opening Balance	775.75	1,602.77
Closing Balance	268.99	775.75
Changes in Inventory of Work in Progress	506.76	827.02
Net (Increase) /Decrease	5.40	1,656.48

29. Employees' Benefit Expenses

Particulars	Year Ended March 31, 2022	Year Ended March 31, 2021
Salaries and Wages		
Salaries, Wages and Bonus	4806.99	4192.58
Leave Encashment	167.55	175.39
Gratuity	205.19	243.91
Managerial Remuneration	823.20	932.34
Contribution to Provident Fund & Other Funds	277.42	234.54
Staff Welfare Expenses	224.41	193.97
Adjustment on account of effective interest - Employee loans		
TOTAL	6,504.76	5,972.73

30. Other Expenses

Particulars	Year Ended March 31, 2022	Year Ended March 31, 2021
Manufacturing Expenses:		
Cost of Fuel	32,152.57	18,333.34
Cost of Power	11,080.49	12,303.79
Packing Materials	5,179.31	4,024.49
Stores & Spares consumed	3,233.49	3,045.08

Rep & Maintenance Plant & Machinery	1,795.35	1,180.72
Rep & Maintenance Buildings	1.51	2.46
Rep & Maintenance Others	40.24	28.69
Direct Manufacturing Expenses	1,859.75	1,258.28
Subtotal (a)	55,342.71	40,176.85
Administrative Expenses:		
Rent	160.00	150.28
Security Expenses	273.90	240.16
Directors' Sitting fees	27.50	19.60
Licenses, Fees & Taxes	347.31	171.70
Insurance	93.78	127.86
Computer Maintenance	75.95	64.12
Office Maintenance	263.65	194.81
Printing & Stationery	27.51	19.12
Postage & Courier	6.63	6.09
Telephone	55.94	46.23
Travelling	366.47	266.84
Vehicle Maintenance	104.97	75.91
Legal & Professional Charges	185.18	83.25
Auditors' Remuneration (i)	11.40	11.40
Bank Charges	100.68	118.74
Staff recruitment and training	29.55	44.47
CSR Expenditure	243.54	161.53
Donations	9.29	27.04
Repairs & Maintenance - Vehicles	22.63	21.03
R & D Expenses	2.42	0.13
Allowance for Bad and Doubtful Debts	378.00	54.00
Miscellaneous Expenses	240.72	450.81
Subtotal (b)	3,027.02	2,355.12
Selling & Distribution Expenses		
Transportation Paid	29,471.17	24,796.23
Advertisement & Publicity	1,381.58	1,493.12
Selling Expenses	21,731.97	13,275.41
Sub Total (c)	52,584.72	39,564.76
TOTAL (a+b+c)	110,954.45	82,096.73

Amount paid to auditors

Particulars	Year Ended March 31, 2022	Year Ended March 31, 2021
As Auditor	10.65	10.65
For Taxation Matters/Tax Audit	0.75	0.75
For Reimbursement of Expenses	-	-
TOTAL	11.40	11.40

31. Finance Cost

Particulars	Year Ended March 31, 2022	Year Ended March 31, 2021
Interest Expenses & Other Borrowing Costs	2,420.46	2,080.23
TOTAL	2,420.46	2,080.23

32. Depreciation And Amortization Expenses

Particulars	Year Ended March 31, 2022	Year Ended March 31, 2021
Depreciation / Amortization for the year		
Depreciation on Plant, Property & Equipment	4,667.98	4,423.97
TOTAL	4,667.98	4,423.97

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, 2022		Year Ended March 31, 2021	
	Disputed Amount	Paid Under Protest	Disputed Amount	Paid Under Protest
Indirect Taxes Related	4,050.90	442.94	3,672.32	364.62
Others	1,241.85	413.44	1,091.89	363.50

- ii) The Company has given Counter Guarantees to Banks / Financial Institutions for Rs.1555.20 lakhs as at 31st March 2022 (Rs.899.45 lakhs as at 31st March 2021) against the Bank Guarantees obtained.

34. Capital Commitments

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, 2022	Year Ended March 31, 2021
Estimated amount Plant, Property and Equipment of Projects	14057	18035

35. Employee Benefits

a) Provident Fund: Company pays fixed contribution to provident fund at predetermined rates to the government authorities. The contribution of Rs. 259.19 lakhs (Previous year Rs. 224.29 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. Defined Benefit Plan is payable to the qualifying employees on separation. Company considers the liabilities 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. 100% of the Gratuity Plan Asset is entrusted to LIC of India under their group gratuity Scheme

Reconciliation of opening and closing balances of the present value of the defined benefit obligation as at the year ended March 31, 2022 are as follows:

a) Expense recognized during the year

Description	Year Ended March 31, 2022	Year Ended March 31, 2021		
	Gratuity	Leave encashment	Gratuity	Leave encashment
Current Service Cost	89.72	101.06	57.31	64.81
Interest Cost	6.03	16.54	36.70	10.62
Net Actuarial (Gain) / Loss	109.44	49.95	149.90	99.96
Past Service Cost	-	-	-	-
Short Term Compensated Absence Liability	-	-	-	-
Total Cost	205.19	167.55	243.91	175.39

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

Description	Year Ended March 31, 2022		Year Ended March 31, 2021	
	Gratuity	Leave encashment	Gratuity	Leave encashment
Present Value of Obligations at beginning of the year	135.36	254.80	576.37	163.57
Changes in Present Value of Obligations		-		-
Current Service Cost	89.72	101.06	57.31	64.81
Interest Cost	6.03	16.54	36.70	10.62
Actuarial Loss / (Gain)	109.44	49.95	149.90	99.96
Past Service Cost	-	-	-	-
Settlements	(237.04)	(89.67)	(684.92)	(84.16)
Short Term Compensated Absence Liability	-	-	-	-
Present Value of Obligations at the end of the year	103.51	332.68	135.36	254.80
Present Value of Obligations - Current	63.89	23.54	48.68	14.14
Present Value of Obligations - Non - Current	39.62	309.14	86.68	240.66

Actuarial assumptions

- Mortality IALM 2012-14 (ultimate)
- Discounting rate – 6.68% Previous year 6.70 %
- Expected average remaining working lives of employees–12.79 Years (PY 12.59 Years)
- Rate of escalation in salary – 6%

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

	March 31, 2022	March 31, 2022	March 31, 2021	March 31, 2021
	1% Increase	1% decrease	1% Increase	1% decrease
Effect of 1% change in assumed discount rate	895.26	1050.95	705.53	845.72
Effect of 1% change in assumed salary rate	1044.93	898.78	841.13	708.34

Leave Encashment

Particulars	As at		As at	
	March 31, 2022	March 31, 2022	March 31, 2021	March 31, 2021
	1% Increase	1% decrease	1% Increase	1% decrease
Effect of 1% change in assumed discount rate	304.04	366.35	228.57	286.08
Effect of 1% change in assumed salary rate	365.56	304.21	285.65	228.48

36. Income Tax Expense:

Income Tax recognised in the statement of Profit and Loss	For the year ended	For the year ended
	31.03.2022	31.03.2021
Current Tax		
(i) In respect of Current Year	3,973.42	6,859.23
MAT Credit entitlement adjusted	-	-
(ii) In respect of Previous Year	170.59	72.17
Total Current Tax	4144.01	6931.40
Deferred Tax		
(i) In respect of Current Year	986.77	925.57
Total Deferred Tax	986.77	925.57
Total Tax Expense	5,130.78	7,856.97

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 as of March 31, 2022

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	197			197	197
Trade Receivable	11,776			11,776	11,776
Other Financial Assets	421			421	421
Liabilities:				-	-
Trade Payable	7,128			7,128	7,128
Borrowings	3,721			3,721	3,721
Other Financial Liabilities	15,810			15,810	15,810

Amount in Rs as of March 31, 2021

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	5,928			5,928	5,928
Trade Receivable	10,403			10,403	10,403
Other Financial Assets	425			425	425
Liabilities:				-	-
Trade Payable	7,345			7,345	7,345
Borrowings	2,966			2,966	2,966
Other Financial Liabilities	11,853			11,853	11,853

Fair Value Hierarchy Management considers that, the carrying amount of those financial assets and financial liabilities 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 gives the highest priority to quoted prices in active market for identical assets or liabilities. (Level-1 measurements) 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, 2022 is as follows:

Particulars	Amount in Rs. Lakhs
Financial Assets:	
Cash & Cash Equivalents	-
Trade Receivable	-
Deposits	-
Other Financial Assets	-
Financial Liabilities:	
Trade Payable	1,627
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, 2021 is as follows:

Particulars	Amount in Rs. Lakhs
Financial Assets:	
Cash & Cash Equivalents	-
Trade Receivable	-
Deposits	-
Other Financial Assets	-
Financial Liabilities:	
Trade Payable	948
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 minimize 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 carries 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, 2022

Particulars	Gross Carrying Amount	Less than one year	More than one year	More than two year	More than three year
Gross Carrying Amount	17,677.47	11,776.46	524.04	4,453.46	923.51
Expected Credit loss	594.00				594.00
Carrying amount (net of impairment)	17,083.47	11,776.46	524.04	4,453.46	329.51

For the year ended March 31, 2021

Particulars	Gross Carrying Amount	Less than one year	More than one year	More than two year	More than three year
Gross Carrying Amount	16,290.53	10,402.68	4,882.48	933.15	72.22
Expected Credit loss	216.00			143.78	72.22
Carrying amount (net of impairment)	16,074.53	10,402.68	4,882.48	789.37	-

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 facilities 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 committed credit lines.

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

Particulars	Gross Carrying Amount	Less than one year	More than one year	More than two year	More than three year
As on March 31 2022					
Trade Payables	7,128	6,594	116.43	392.79	24.69
Other Financial liabilities	15,810	15,810			
As on March 31 2021					
Trade Payables	7,345	6,836	442.17	41.42	24.69
Other Financial liabilities	11,853	11,853			

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, 2022	As at March 31, 2021
Borrowings		
Current	3,720.67	2,966.43
Current maturities of non- current borrowings	8,551.19	5,391.54
Non-current	28,125.58	23,657.61
Less: Cash & Bank Balances	196.70	5,928.01
Net Debt	40,200.74	26,087.57
Equity		
Equity share capital	4,523.28	4,523.28
Other equity	69,560.38	61,946.67
Total capital	74,083.66	66,469.95
Gearing ratio in % (Debt/ capital)	54.26	39.25

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 2022 and 31 March 2021.

39. Earnings Per Share

	As at March 31, 2022	As at March 31, 2021
Net Profit / (Loss) for the Period	9,363.81	14,447.29
Shares		
Weighted average number of equity shares	45,232,790	45,232,790
Earnings per share of par value Rs. 10/ – Basic and Diluted in Rupees.		
Basic	20.69	32.65
Diluted	20.69	32.65

40. Expenditure in Foreign Currency:

Particulars	2021-2022	2020-2021
Raw Materials	527.24	267.57
Components, Stores & Spares	113.65	205.34
Capital Goods	2,125.96	501.15
Others	11.39	2.83
Total	2,778.24	976.89

Note 41: 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 Rs. 243.54 (2021-year Rs.161.53) towards Corporate Social Responsibility activities during the Financial Year 2021-22 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 2021-22 are as under:

Particulars	2021-2022	2020-2021
Average of net profits of last three financial years as per Section 198 of the Companies Act, 2013	11907.38	6816.78
Earmarked percentage U/s 135 of the Companies Act, 2013 towards CSR Activities	2%	2%
Amount to be spent towards CSR Activities	238.15	136.34
Amount actually spent on CSR Activities	243.54	161.53

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 (i) above:	243.54	0	243.54

42. New standards and interpretations (for Standalone accounts):

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards from time to time. On March 23, 2022, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2022, applicable from April 01, 2022, vide G.S.R. 255(E) dated 23.03.2022. These amendments do not have any impact on the Company's financial statements."

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	Joint Managing Director
3. Mr. N G V S G Prasad	Executive Director & CFO
4. Mrs. Roopa Bhoopathiraju	Executive Director
5. Mr. T Arun Kumar	Company Secretary

ii) Non-Whole time Directors

1. Mr. Kamlesh Gandhi	Chairman
2. Dr. R Kalidas	Director
3. Lt. Gen. T A D Cunha (Retd)	Director
4. Mr. V S Raju	Director
5. Mr. V V Goradia	Director
6. Mr. P N Raju	Director
7. Mr. Ashven Datla	Director
8. Mrs Pooja Kalidindi	Director
9. Mrs P Sudha Reddy	Director

iii) Relatives of Key Management Personnel with whom there are transactions

1. Mrs. Charulatha V Goradia	Wife of Mr V V Goradia
2. Mrs. K Sailaja	Wife of Mr. K Ravi
3. Ms. N Chaitra Sarada	Daughter of Mr. N G V S G Prasad
4. Ms N Suchitra Katyayani	Daughter of Mr. N G V S G Prasad
5. Mrs Sita Maha Lakshmi	Mother of Mr. N G V S G Prasad
6. Ms. B Anika	Daughter of Mrs. Roopa Bhoopathiraju
7. 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. Vikram Chemicals Pvt Limited
7. Deccan Nitrates Pvt Limited
8. Tern Distilleries Private Limited (100% subsidiary Company)
9. NCL Buildtek & NCL Industries JV
10. NCL Holdings (A & S) Ltd
11. Modular Containers Pvt Limited (Subsidiary Company)

b. Related Party Transactions for the Year

i) Remuneration to Key Managerial Personnel	31st March 2022	31st March 2021
Mr. K Ravi, Managing Director	544.89	677.46
Mr. K Gautam, Joint Managing Director	111.93	90.58
Mr. N G V S G Prasad, Executive Director & CFO	72.32	53.82
Mrs. Roopa Bhoopathiraju, Executive Director	50.96	54.67
Mr. T Arun Kumar, Company Secretary	15.68	14.00

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

	31st March 2022		31st March 2021	
Sale of Finished Goods				
NCL Buildtek Limited	2,950.86		1,710.13	
NCL Homes Limited	0.61		18.79	
NCL Veka Limited	74.23		8.50	
Kakatiya Industries (P) Limited	34.20		-	
NCL Buildtek & NCL Industries JV	0.80	3,068.41	-	1,737.42
Purchases / Services				
NCL Buildtek Limited	168.76		111.81	
Kakatiya Industries (P) Limited	147.97		116.61	
NCL Veka Limited	-	316.73	-	228.41
Advances				
NCL Buildtek & NCL Industries JV	2,020.97	-	-	-
TERN Distilleries Pvt Ltd	98.44	-	-	-
Modular Containers Pvt Ltd	18.98	2,138.39	-	-
Rent Received				
NCL Buildtek & NCL Industries JV	27.61	27.61		
Rent Paid				
Sri K Ravi	-		0.83	
Smt Roopa B	9.92	9.92	9.10	9.93
Interest Received				
NCL Buildtek Limited	83.51			
NCL Holdings (A & S) Limited	5.40	88.91		-
Reimbursement of Expenses				
NCL Buildtek Limited	48.77		41.10	
NCL Holdings (A & S) Limited	7.73	56.50	-	41.10
Fixed Deposits as the end of the year				
Mr. K Ravi	-		115.00	
Mrs. K Sailaja	-		52.00	
Mrs. Roopa Bhoopathiraju	4.50		4.50	
Ms B Anika	7.00		7.00	
Master B Arjun	18.40		16.40	
Mr. V V Goradia	35.00		20.00	
Mrs. Charulatha V Goradia	20.00		10.00	

Ms. N Chaitra Sarada	-		30.00	
Ms N Suchitra Katyayani	100.00		30.00	
Mrs Sita Maha Lakshmi	9.00		7.50	
Kamlesh Suresh Gandhi	35.00		35.00	
Sonali K Gandhi	2.00			
Paayal Sanjay Desai	5.00			
Trevor Alosius D'cunha	45.00		-	
Mr. Kiran Raghavapudi	-		30.00	
Mrs. Rani Raghavapudi	30.00			
Mr. Arun Raghavapudi	18.00	328.90	18.00	375.40

44. Key Financial Ratios

Ratio	Numerator	Denominator	For the year ended 31st March 2022	For the year ended 31st March 2021	Variance %
Current Ratio	Current Assets	Current Liabilities excluding Current	1.35	1.22	10.71%
Debt Equity Ratio	Debt	Net Worth	0.55	0.48	13.21%
Debt Service Coverage Ratio	Earnings before Interest depreciation and Tax	Interest Expense + Principal Repayment	3.38	5.33	(36.56%)
Return on Equity Ratio	Net Profit after taxes	Shareholders' equity	0.13	0.22	(41.80%)
Inventory Turnover Ratio	Sale of Products and services	Average Inventory	15.74	14.60	7.78%
Trade Receivables turnover Ratio	Sale of Products and services	Average Trade receivables	11.11	10.28	8.10%
Trade payables turnover Ratio	Purchase	Average Trade Payables	6.41	5.60	14.44%
Net Capital turnover Ratio	Sale of Products and services	Current Assets- Current Liabilities	25.65	49.76	(48.45%)
Net Profit Ratio	Profit after tax	Sale of Products and services	0.05	0.09	(44.75%)
Return on Capital Employed Ratio	Earnings before Interest and Taxes	Capital Employed	0.15	0.25	(38.71%)
Return on Investment	Income generated from investments	Time weighted average of investments	-	-	0.00%

1. Debt = Long Term Secured Loans+ Current Maturities of Long-Term Loans+Long Term unsecured Loans+Current Maturities of unsecured Loans
2. Net worth= Equity Share Capital +Reserves and Surplus
3. Average Inventory = (Opening balance+Closing balance)/2
4. Average Trade Receivables = (Opening balance+Closing balance)/2
4. Average Trade Payables = (Opening balance+Closing balance)/2
5. Capital Employed =Total Assets -Current Liabilities

Notes

1. During the financial year 2021-22 there is a steep increase in fuel expenses in comparison with previous financial year which directly affected the operating margins and as a consequence the variance in ratios are as reported above.
2. Additional Loans were obtained for various ongoing projects, hence the variance in ratios as reported above.

Note 45:

Impact of the COVID-19 pandemic on the business:

COVID-19 is the infectious disease caused by the coronavirus, SARS-CoV-2. In March 2020, the WHO declared COVID-19 a pandemic. The Company has adopted measures to curb the spread of infection in order to protect the health of the employees and ensure business continuity with minimal disruption. The Company has considered internal and certain external sources of information, including economic forecasts and industry reports, up to the date of approval of the financial results in determining the possible effects on the carrying amounts of Inventories, receivables, deferred tax assets and other current assets, that may result from the COVID-19 pandemic. Although the Company had done exceptionally well for the year, the impact of the global health pandemic may be different from that of estimated as at the date of approval of these financial statements and the Company will continue to closely monitor any material changes to future economic conditions.

Note 46:

Other information as required under Schedule III of Companies Act, 2013:

- i) The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:
 - a. Directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
 - b. Provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries."
- ii) "ii) The Company does not have any Benami property, where any proceeding has been initiated or pending against the Company for
- iii) holding any Benami property"
- iv) The Company has not been declared willful defaulter by any bank or financial institution or government or any government authority.
- v) The Company has no Loans or Advances in the nature of Loans to specified persons that are Repayable on Demand or without specifying any terms or period of repayment.

- vi) The Company had no transactions with Companies struck off under section 248 of the Companies Act, 2013 or section 560 of the Companies Act, 1956 during the year.
- vii) The Company has not any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961)
- viii) The Code on Social Security, 2020 ("Code") relating to employee benefits during employment and post-employment benefits received presidential assent in September 2020. The Code has been published in the Gazette of India. However, the date on which the Code will come into effect has not been notified. The Company will assess the impact of the Code when it comes into effect and will record any related impact in the period the Code becomes effective.
- ix) The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.
- x) The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.

Note 47

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

48 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

Details regarding revenue and expenses attributable to each segment must be disclosed

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, 2022

Particulars	Cement	Boards	Energy	RMC	Doors	Unallocable	Total
Segment Revenue from External Customers							
Within India	137,081.54	13,347.37	626.31	10,085.11	2,200.44	-	163,340.77
Outside India		-					-
Inter-Segment Revenue	19,692.24	851.15	123.03	119.03	17.27	-	20,802.71
Total Segment Revenue	156,773.78	14,198.52	749.33	10,204.14	2,217.71	-	184,143.48
Segment Results							
Within India	16,806.13	1,224.85	353.84	81.72	(1,063.20)	(378.82)	17,024.50
Outside India	-	-	-	-	-	-	-
Total segmental results	16,806.13	1,224.85	353.84	81.72	(1,063.20)	(378.82)	17,024.50
Unallocated Corporate expenses:							
Interest expenses (net)						2,420.46	2,420.46
Profit before tax from ordinary activities	16,806.13	1,224.85	353.84	81.72	(1,063.20)	(2,799.28)	14,604.04

for the year ended March 31, 2021

Amount in Rs lakhs

Particulars	Cement	Boards	Energy	RMC	Doors	Unallocable	Total
Segment Revenue from External Customers							
Within India	116,988.27	11,263.56	543.07	8,636.56	936.63	-	138,368.09
Outside India		-					-
Inter-Segment Revenue	17,551.88	562.83	226.37	69.40	68.57	-	18,479.04
Total Segment Revenue	134,540.14	11,826.39	769.44	8,705.96	1,005.20	-	156,847.13
Segment Results							
Within India	24,097.28	973.34	405.16	551.49	(1,201.88)	(291.00)	24,534.40
Outside India	-	-	-	-	-	-	-
Total segmental results	24,097.28	973.34	405.16	551.49	(1,201.88)	(291.00)	24,534.40

Unallocated Corporate expenses:							
Interest expenses (net)						2,080.23	2,080.23
Profit before tax from ordinary activities	24,097.28	973.34	405.16	551.49	(1,201.88)	(2,371.22)	22,454.16

Segment assets and liabilities

for the year ended March 31, 2022

Amount in Rs lakhs

Particulars	Cement	Boards	Prefab	Energy	RMC	Doors	Unallocable	Total
Segment Assets:								
Assets	97,276.28	13,639.61	8.53	2,733.87	4,406.64	8,288.78	20,700.10	147,053.81
Segment Liabilities:								
Liabilities	38,386.65	2,525.09	24.69	48.42	1,489.59	350.53	20,489.16	63,314.13

for the year ended March 31, 2021

Amount in Rs lakhs

Particulars	Cement	Boards	Prefab	Energy	RMC	Doors	Unallocable	Total
Segment Assets:								
Assets	79,423.81	12,603.79	80.81	2,983.91	4,089.24	7,417.58	23,240.61	129,839.74
Segment Liabilities:								
Liabilities	34,027.23	2,120.71	24.69	53.52	1,549.27	568.83	16,498.97	54,843.23



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