

NCL ALLTEK & SECCOLOR LTD.

About the company : The company started its journey in 1989 as manufacturers , suppliers & wholesalers of comprehensive windows and doors solutions with 617 employees and is based in Hyderabad . The company has established a state of art infrastructure for the production of supreme quality products that help in creating world class residential & commercial premises . The company sells its products through a network of dealers . NCL Seccolor Ltd merged with a closely held public listed company Alltek Coating Products Limited .Alltek produces sprayplasters (interiors) and textured paints (exteriors) & emulsion paints. NCL Alltek & Seccolor Limited was formerly known as Alltek Coating Products Ltd & changed its name to NCL Alltek & Seccolor Ltd in January 2003. Company has 13 manufacturing units & 16 regional offices present across nation . **Alltek** company is the first company to start manufacturing acrylic based putties (spray plasters) . Today it is the largest manufacturer of spray plasters in India. The company now manufactures White cement based putty and other Cement based products like Tile adhesive, Mortars and Plasters. **Seccolor** has started manufacturing pre-painted steel doors windows, partitions, glazing etc., in 1988 with technology from M/s Industries Secco S.P.A of Italy and marketing the products under the brand name of Seccolor. **Fly Ash Bricks** :The Project has started its commercial operations in September 2016.NCL Fly Ash Bricks are light weight, Eco Friendly and Good insulation.

Holding Company : NCL Industries Ltd .

About the products - : Colour coated windows , Gi doors , Gi Door Frames , Full Height Partitions , UPVC Doors , Steel Windows , Cold , Rolled Formed Sections , Eco Office Partitions , UPVC Doors , Steel Glazing , Ventilators , Galvanized Doors & Windows. The finished products are graded on several parameters before they qualify for sales to the customers .

Primary Competitive Advantage :

- Experienced R &D department .
- Large product line.
- Good financial position .
- Large production capacity

Nature of Business :

- Manufacturer .
- Supplier
- Wholesaler.

Key Customers :

- AP State Government
- Karnataka State Government
- MES
- Hyundai
- Toyota
- BSNL
- Bharat Petroleum

- ONGC
- WIPRO
- Indian Oil
- SAIL

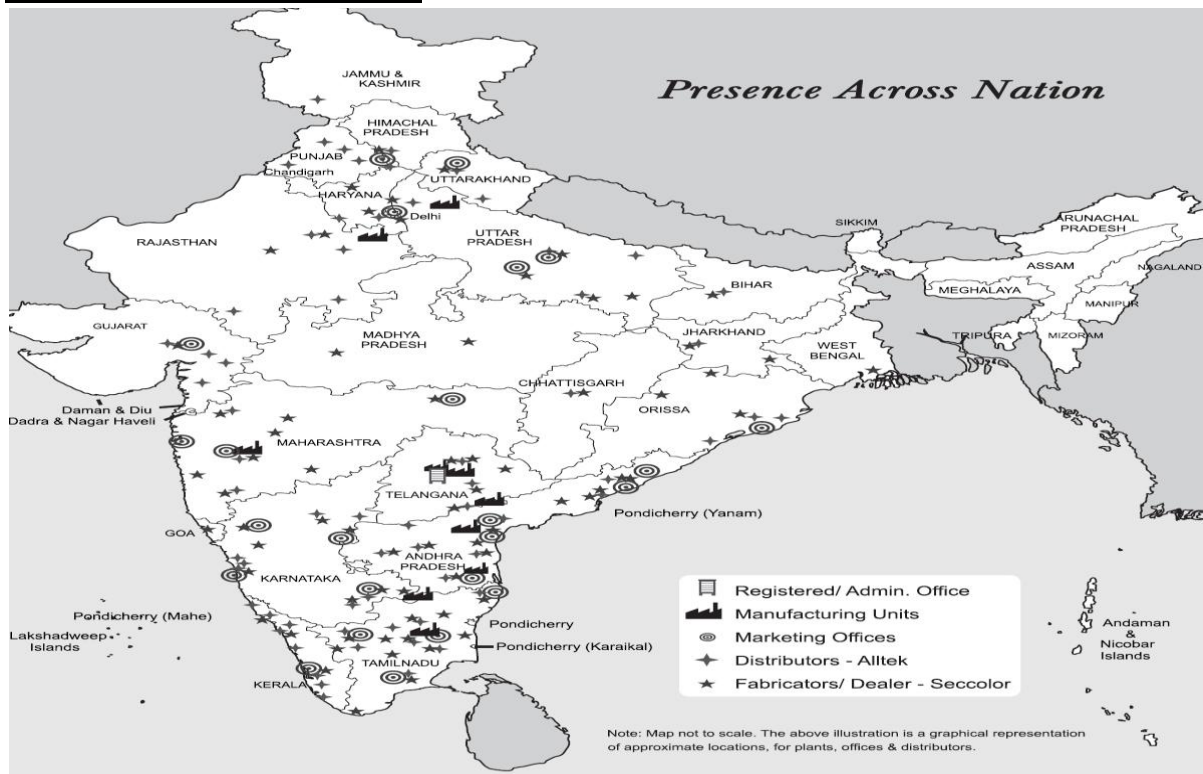
Operations:

During the year, the company has been able to marginally increase the profitability and Turnover in spite of the steep increase in the cost of steel, our main raw material. Demonetization has impacted the operation of builders. As we rely heavily on builders for our marketing we could not achieve the desired turnover and profitability. However proposed changes in G.S.T will have a favourable impact. Furniture , bedding , marbles , granite , door , windows , frames of aluminium , mirror , safety glass , sheets , glassware are some of the items which were under the tax bracket of 28% , but after the proposed changes in G.S.T all the above mentioned products fall under 18% tax bracket and hence are bound to benefit

Dividend :

Dividend of 55% for the year ended 31st March 2017 was recommended by board . i.e Rs 5.50 per equity share . Dividend of Rs 3.18 Crs was paid during the year.

Presence across the nation :



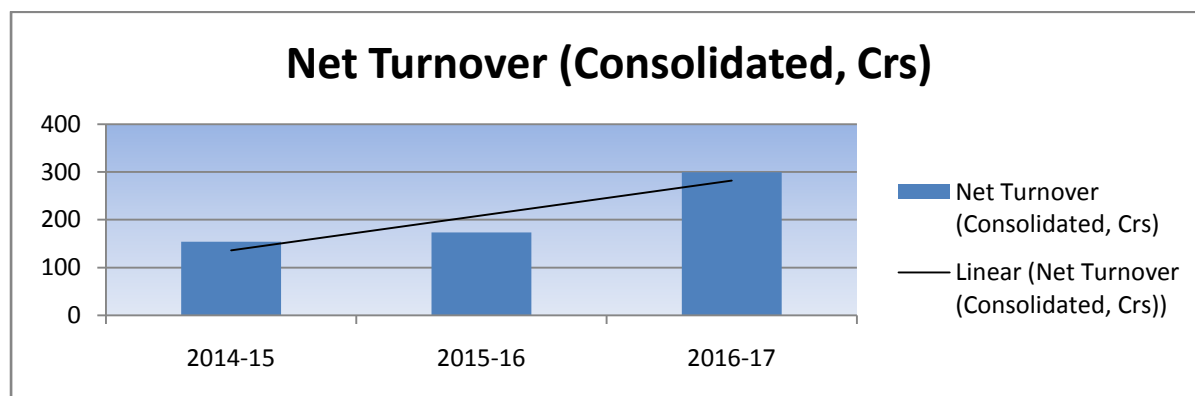
Financials of the subsidiary : Total assets (Gross) = Rs 173.15 Crs , Total Revenues(Gross) = 141.45 Crs and Cash Inflow = 27.15 lacs as on 31st March 2017.

Number of Shares O/S : 57,84,868

Financials of the company for the year 2016-17 :

Particulars	2016-17
Net Turnover (Crs)	299.82
Consolidated EPS	31
Market Cap(Crs)	245.85
Basic Ratios	
Basic EPS(Excluding exceptional items)	28.23
Price per share	425
Book Value per share	206.06
Dividend per share	5.5
Operating ratios	
EBITDA/Net Sales	0.14
PAT/Net Sales	0.05
Inventory Days	103.39
Asset Turnover Ratio	1.08
Return Ratios	
Return on Equity	16.18%
Return on Assets	6.49%
Return on Invested Capital	8.42%
Valuation Ratios	
P/E	15.05
P/BV	2.06
EV/Net Sales	1.17
EV/EBITDA	8.28
P/Sales	0.81
Solvency Ratios	
D/E	0.71
Current Ratio	1.51
Debt	85.51Crs

Trend in Net Turnover from 2014-15 to 2016-17:



Key Financial Elements of the company (Crs):

Financial Elements	2015-16	2016-17	Growth/Decline %
EBIT	25.19	37.06	47.12%
PAT	11.82	17.93	51.69%
NET SALES	175.33	299.81	71%
DEBT	49.95	85.51	71.19%
NET INCOME	14.81	17.93	21.06%
Tangible Fixed Assets	34.98	98.48	181.5%

Long term borrowings (Non Current) :

Long Term Borrowings(Non Current , Crs)	2015-16	2016-17
Secured	28.43	18.2
Unsecured	33.53	33.27

Subsidiaries of the Company :All are Indian Subsidiaries (Figures in lacs)

Name of the subsidiary	Span tile Mgf. Company Pvt. Ltd.	NCL Green Habitats Pvt. Ltd.	Eastern Ghat Renewable Energy Ltd.	Suncrop Sciences Pvt. Ltd.	Kakatiya Industries Pvt. Ltd.	NCL Wintech India Ltd.
Share capital	20.46	161.05	53.00	120.00	985.48	2630.00
Reserves & surplus	6.60	780.40	-	(230.10)	68.29	1668.91
Total assets	31.56	5771.55	244.53	667.19	1914.99	8685.86
Total Liabilities	4.50	2622.76	191.53	777.29	861.22	4386.95
Investments	-	-	-	-	11.31	-
Turnover / Total Income	7.13	1065.71	-	722.07	449.01	11817.07
Profit before taxation	4.98	114.69	-	(75.91)	33.06	1024.71
Provision for taxation	1.31	37.92	-	-	6.13	344.74
Profit after taxation	3.66	75.91	-	(51.74)	20.67	614.37
Proposed Dividend	Nil	Nil	Nil	Nil	Nil	Nil
% of shareholding	100	100	100	53	93	56

Cash Flow from financing activities:

Cash Flow from financing activity 2016-17
Long term borrowings increased by 17.98 Crs during the year
Short term borrowings increased by 23.63 Crs during the year

Cash Flow from operating activities:

Operating Cash Flow 2016-17	
Long term loans and advances (Assets) decreased by 8.88 Crs in the year 2016-17 compared to the previous year	Inventories increased by 30.09Crs during the year 2016-17
Short term loans and advance(Assets) increased by 2.40 Crs in the year 2016-17 compared to the previous year	Current liabilities also increased by 31.56Crs during the year 2016-17
Current Assets(Trade Receivables & other current assets) increased by 56.1 Crs	