



VISAKA INDUSTRIES LIMITED[®]

CIN: L52520TG1981PLC003072

CORP OFF : "VISAKA TOWER", 1-8-303/69/3, S.P. ROAD, SECUNDERABAD - 500 003.
TEL : +91-40-2781 3833, 2781 3835, www.visaka.co E-mail : vil@visaka.in

Ref: VILSEC/NSE/AnnualReport2022/FY2023/54

Date:03.09.2022

To

National Stock Exchange of India Limited,
Exchange Plaza, 5th Floor,
Plot No. C/1G Block, Bandra Kurla Complex, Bandra (East), Mumbai – 400 051,
Scrip Code – VISAKAIND ISIN CODE: INE392A01013

Dear Sir/Madam,

Sub: Clarification on submission of 40th Annual Report of Visaka Industries Limited

Ref: Your email dated September 2nd, 2022, 09:24:08 PM

With reference to the subject cited above, we hereby inform you that, we have submitted 40th Annual Report of Visaka Industries Limited on 25th, May, 2022, 11.38.PM simultaneously dispatching to the Shareholders as per the regulation 34 of the SEBI (LODR), 2015 through <https://digitalexchange.nseindia.com> with subject name of Annual General Meeting. We also hereby submit the following information for your reference and records. Our Annual Report is appearing on the NSE website and screen shot of the same is attached herewith for your reference.

Date of Submission: 25-05-2022.

Date of Dispatch of Annual Reports to Shareholders: 25-05-2022

Time of submission: 11.38 PM

NSE Acknowledgment Number: 2022052058499.(Attached a copy for your ready reference)

This is for your information and records.

Thanking you,

for VISAKA INDUSTRIES LIMITED

Ramakanth Kunapuli
Assistant Vice President & Company Secretary

Encl.a/a

Regd. Office & Factory	: A.C. Division I, Survey No. 315, Yelumala Village, R.C. Puram Mandal, Sanga Reddy District, T.S, Pin 502 300.
Factory : A.C. Division II	: Survey No. 170/1, Manikantham Village, Paramathi-Velur Taluq, Namakkal District, Tamil Nadu, Pin 637 207.
Factory : A.C. Division III	: GAT.No.70/3A & 70/3A/3 & 70/1B &70/1C, Sahajpur Industrial Area, Nandur (V), Daund (Tq), Pune, Maharashtra, Pin 412 020.
Factory : A.C. Division IV	: Plot No.11, 12,18 To 21 & 30, Changsole Mouza, Bankibundh G.P. No. 4, Salboni Midnapur West, W.B, Pin 721 147.
Factory : A.C. Division V	: Survey No. 90/2A 90/2B 27/1, G.Nagenhalli Village, Kempannadodderi Post, Kestur Road, Kora Hobli, Tumkur Dist, Karnataka, Pin 572 138.
Factory : A.C. Division VI	: Village & Post, Kannawan, PS Bachrawan, Tehsil Maharajgunj, Dist Raebareli, U.P, Pin 229 301.
Factory : A.C. Division VII	: Survey No. 385, 386, Jujjuru (V), Near Kanchikacharla, Veerulapadu (M), Krishna Dist, A.P, Pin 521 181.
Factory : A.C. Division VIII	: Plot No. 1994 (P) 2006, Khata No. 450, Chaka No. 727, Paramanpur (V), P.S. Sason, Tehsil Maneswar, Sambalpur Dist, Odisha, Pin 768 200.
Factory : Textile Division	: Survey No. 179 & 180, Chiruva Village, Mouda Taluk, Nagpur District, Maharashtra, Pin 441 104.
Factory : V-Boards Division I	: Gajalapuram Village, Kukkadam Post, Vemulapaly Mandal, Adjacent to Kukkadam Railway Station, Nalgonda Dist, T.S, Pin 508 207.
Factory : V-Boards Division II	: GAT No : 248 & 261 to 269, Delwadi Village, Daund Taluq, Pune Dist, Maharashtra, Pin 412 214.
Factory : V-Boards Division III	: Mustil Nos. 106, 107 & 115, Jhaswa Village, P.S. & Tehsil Salawas, Jhajjar, Haryana, Pin 124 146.



National Stock Exchange Of India Limited

Date 25-May-22

[NSE Acknowledgement](#)

Symbol: VISAKAIND






.....
Name of the company: Visaka Industries Limited

.....
Subject: Annual General Meeting

.....
Date of Submissions: 25-May-2022 23:38:00

.....
Application No. 2022052058499

.....
We hereby acknowledge receipt of your submission. Please note that the content and information provided is pending to be verified by National Stock Exchange of India Limited.

Information Memorandum		Transaction	the Exchange about related party transaction for the period ended March 2022		
SAST Regulations	VISAKAIND	Visaka Industries Limited	Newspaper Advertisements	Visaka Industries Limited has informed the Exchange about Newspaper Advertisements. Pursuant to Regulation 47 of the SEB... Read More	 27-May-2022 13:41:40
Regulation 29					
Regulation 31(1) & 31(2)	VISAKAIND	Visaka Industries Limited	Annual General Meeting	Visaka Industries Limited has informed the Exchange about Notice of Annual General Meeting to be held on 17-Jun-2022	 25-May-2022 23:42:13
Reason For Encumbrance					
Pledged Data					
System Driven Disclosures – PIT	VISAKAIND	Visaka Industries Limited	Transcript of Analysts/Institutional Investor Meet/Con. Call	Visaka Industries Limited has informed the Exchange about Transcript of Analysts/Institutional Investor Meet/Con. Call	 18-May-2022 16:55:33
System Driven Disclosures – SAST					
Regulation 7 (Promoter)	VISAKAIND	Visaka Industries Limited	Loss of share certificate	Visaka Industries Limited has informed the Exchange about Loss of share certificate	 18-May-2022 16:42:14
Regulation 7 (Non Promoters)					
Regulation 29 (Promoters)					



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Ref:VILSTEX/AnnualReport2022/FY2023/20

Date: 25.05.2022

To,

National Stock Exchange of India Limited, Exchange Plaza, 5 th Floor, Plot No. C/1G Block, Bandra Kurla Complex, Bandra (East), Mumbai – 400 051	BSE Limited, The Senior General Manager, Listing Compliances, Floor 25, P. J. Towers, Dalal Street, Mumbai – 400 001
Scrip Code – VISAKAIND	Scrip Code – 509055

Dear Sir/Madam,

Sub: Submission of the Annual Report for FY-2021-22 along with Notice of AGM, Explanatory Statement, etc.

With reference to above, please find enclosed herewith Annual Report of the Company for the financial year 2021-22 along with the Notice of the 40th Annual General Meeting (AGM), which is being dispatched today to members of the company.

The said report is also being placed on the website of the Company at www.visaka.co.

This is for your information and records please.

Thanking you,

Yours faithfully,

For VISAKA INDUSTRIES LIMITED

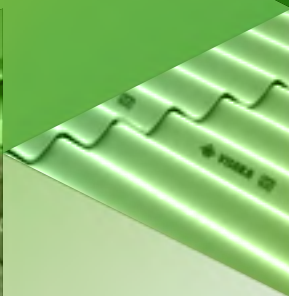

Ramakanth Kunapuli
Assistant Vice President &
Company Secretary



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Green is the way!



Visaka Industries Limited
Annual Report 2021-22

Forward-looking statement

In this Annual Report we have disclosed forward-looking information to enable investors to comprehend our prospects and take informed investment decisions. This report and other statements - written and oral - that we periodically make contain forward-looking statements that set out anticipated results based on the management's plans and assumptions. We have tried wherever possible to identify such statements by using words such as 'anticipates', 'estimates', 'expects', 'projects', 'intends', 'plans', 'believes', and words of similar substance in connection with any discussion of future performance.

We cannot guarantee that these forward-looking statements will be realised, although we believe we have been prudent in assumptions. The achievement of results is subject to risks, uncertainties and even inaccurate assumptions. Should known or unknown risks or uncertainties materialise, or should underlying assumptions prove inaccurate, actual results could vary materially from those anticipated, estimated or projected. Readers should bear this in mind.

We undertake no obligation to publicly update any forward-looking statements, whether as a result of new information, future events or otherwise.

Revenue from operations

1416 crore

PAT attributable to owners

118 crore

Contents

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Green is the way!

There is a larger global movement towards a new age of products.

Products that are durable across the decades.

Products that are easy to recycle.

Products manufactured with environment-friendly resources.

Products associated with renewable energy.

At Visaka Industries, our products tick each of these boxes.

This is enhancing our relevance as a company that continues to draw richly from its environment-friendly past, is respected for its green business model of the present and will become increasingly relevant in people's lives as a green company in the future.

Green is the way!

'Green'.

This one word underlines the business of Visaka Industries Limited.

We manufacture roofing sheets that endure across the decades.

We manufacture fibre cement boards and panels that are environment friendly.



We manufacture solar roofing products and solutions that are being described as tomorrow's solutions.

We manufacture textile yarns from recycled fibre that empower fabric and apparel makers to make responsible products.

Through this 'green' orientation, we are strengthening our profitability (today) and sustainability (tomorrow).

Our ethos

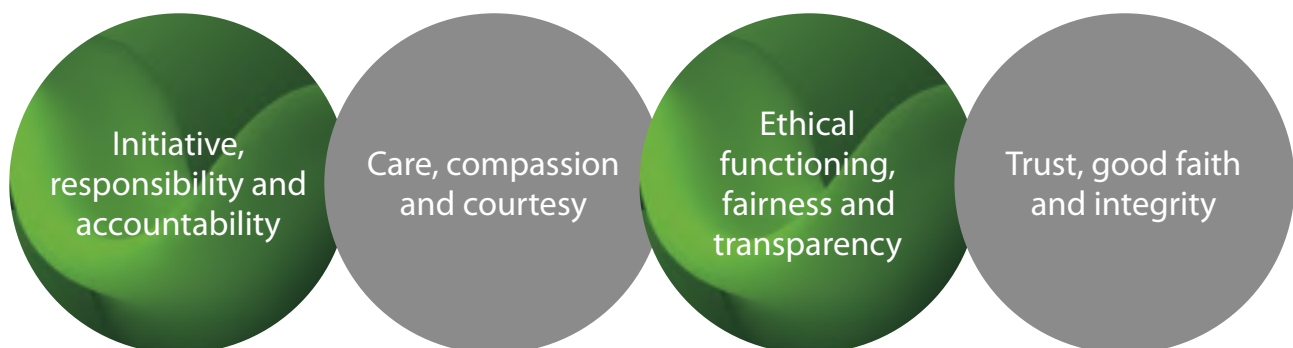
Vision

Committed to be a
'credible', 'passionate' and
'innovative' solutions-
providing company

Mission

To be a complete cost-effective and
qualitative building solutions provider.
To identify potential products, which add
value to the societal needs. To explore and
enhance our niche textile markets. To create
value and trust among all the stakeholders.

Values



Background

The Company was incorporated in 1981 by Dr. G. Vivekanand. It is presently stewarded by Mr. G. Vamsi Krishna, son of Dr. G. Vivekanand and Mrs. Saroja Vivekanand. Over the last four decades, the Company has established itself as one of the leading building construction material providers and a dependable synthetic yarns manufacturer in India.

Pan-India presence

The Company is headquartered in Hyderabad (India). Visaka has 13 manufacturing locations across India.

- ♦ Building products facility possesses an annual production capacity of 8,02,000 tonnes of cement roofing sheets and 2,39,750 tonnes of fibre cement flat board products.
- ♦ Yarn spinning plant possesses an annual production capacity of 2,752 twin air-jet spinning positions equivalent to 82,560 ring spindles.

- ♦ Manufacturing units are supported by 13 marketing offices across India.

Product basket

The Company commenced the manufacture of corrugated cement fibre sheets in 1985. The Company diversified into the manufacture of synthetic yarns in 1992. The Company widened its business by manufacturing V Next fibre cement boards from 2008. This was followed by the launch of a one-of-its-kind solar roofing product called ATUM in 2018.

The Company's non-asbestos roofing business accounted for 40% of its revenues in 2021-22.

Distribution network

The Company's products are marketed directly to retailers as opposed to the conventional distributor-retailer approach. The Company's distribution network comprises more than 7,000

dealers in urban, rural and suburban India.

Brands

Our cement roofing sheets are marketed under the Visaka / Shakti brands

Our Boards / Panels / Planks are marketed under the V Next brand

Our integrated solar panel roofing is offered under the ATUM brand

Our synthetic blended yarn is marketed under the Wonder Yarn brand

Listing

The Company's equity shares are listed and actively traded on the BSE and NSE. Visaka's market capitalisation was ₹1,012 crore as on March 31, 2022. The promoters owned a 48.36% stake in the Company's equity capital.

Awards

- ♦ Achieved 24th position in BW Businessworld India's Most Sustainable Companies, 2021-22
- ♦ The Company was awarded the Most Trusted Brands Award 2021 by CNBC TV18 in 2020-21
- ♦ Silver Winner Spotlight awards by LACP Under Category Annual Report for 2011-12
- ♦ Awareness Centre of Environment World Environment Day 2006
- ♦ AP Distinguished Industrial Award

from Exhibition Society in 2003

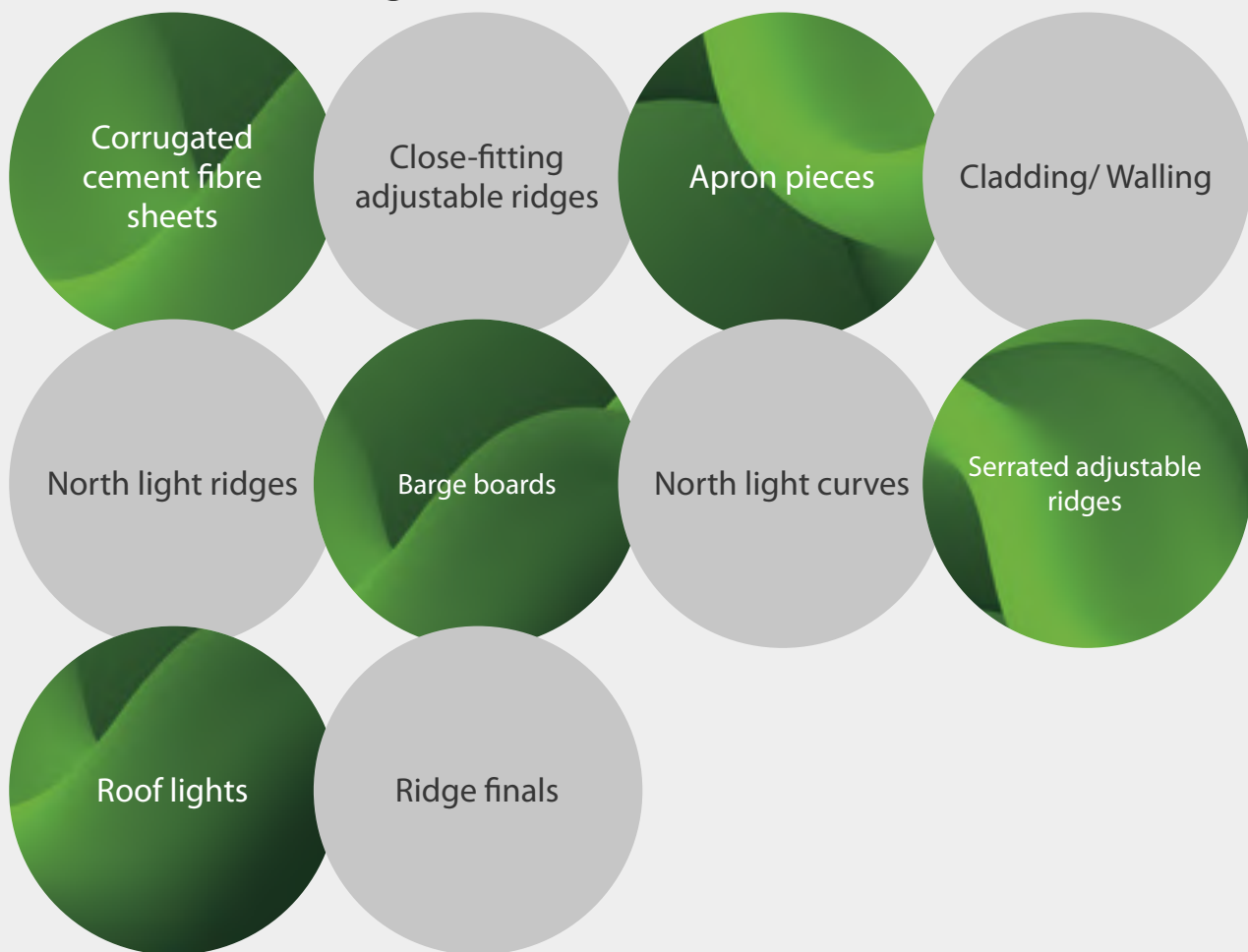
- ♦ The Exhibition Society AP Distinguished Industrialist Award 2003 (Large)
- ♦ All India Manufacturers' Association Best Performance in Large and Medium Scale, 2001
- ♦ Man of the Millennium award 2000
- ♦ Council for Industrial Development & Trade Industrial Promotion Gold Medal Award 1990
- ♦ Productivity award from the Andhra

Pradesh Federation of Chamber of Commerce in 1987.

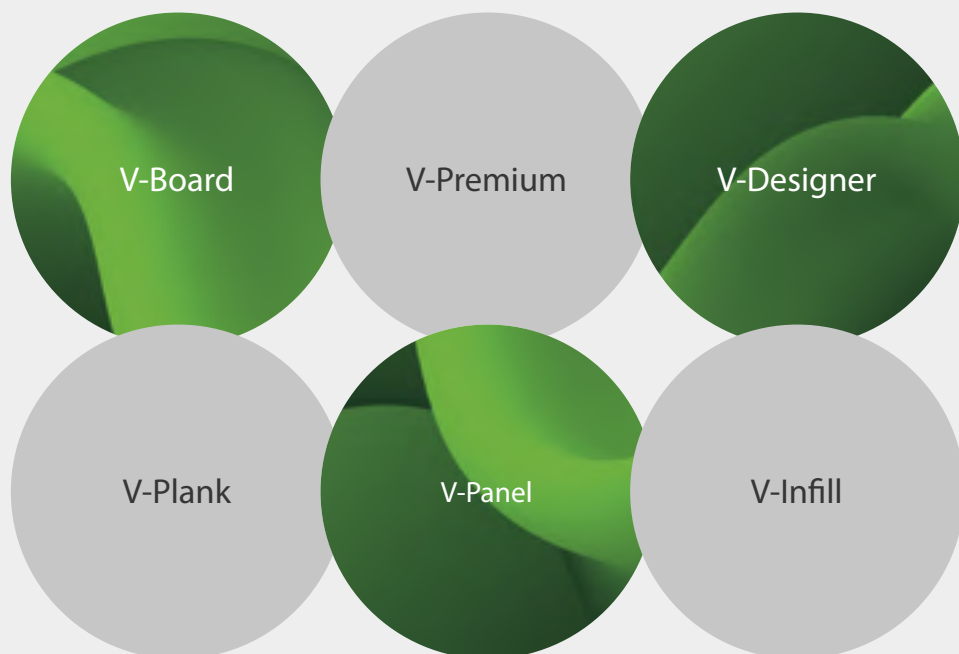
- ♦ FAPCCI The Best Industrial Productivity Effort in the State 1987 (Large)
- ♦ Best Management Award from the Government of Andhra Pradesh in 1987
- ♦ Award from Council for Industrial Development in 1985

Visaka's product portfolio

Cement roofing sheets



V Next



Yarns



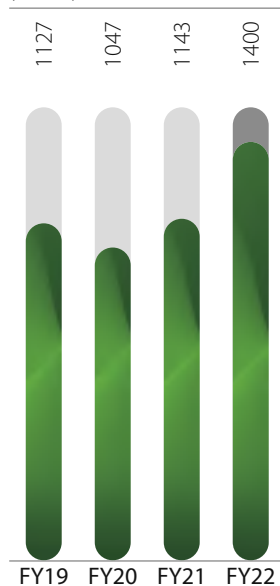
Solar roofing



How Visaka has grown over the years

Revenues

(₹ crore)



Definition

Growth in sales, net of taxes and duties

Why is this measured?

It is an index that showcases the Company's ability to optimise business operating costs despite inflationary pressures, which can be easily compared with the retrospective average and sectoral peers

What does it mean?

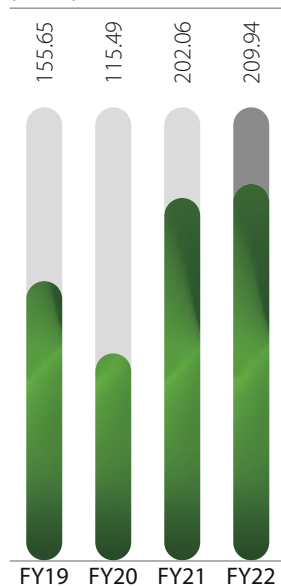
Aggregate sales increased 22.5% to ₹1400 crore in 2021-22

Value impact

The Company performed better than the sectorial average country's economic growth and reporting record revenues in its existence

EBITDA

(₹ crore)



Definition

Earning before the deduction of fixed expenses (interest, depreciation, extraordinary items and tax)

Why is this measured?

It is an index that showcases the Company's ability to enhance business operating surplus despite inflationary pressures, resulting in a number that can be compared with sectoral peers

What does it mean?

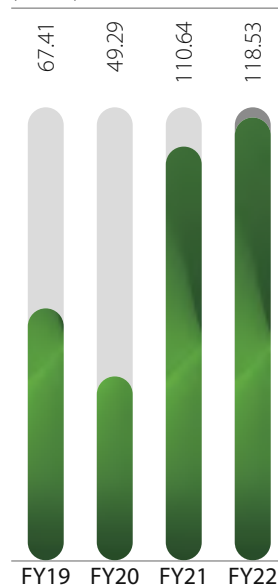
Helps create a robust growth engine and allows the Company to build profits in a sustainable manner

Value impact

The Company's EBITDA was 3.9% higher than its previous peak.

Net profit

(₹ crore)



Definition

Profit earned during the year after deducting all expenses and provisions

Why is this measured?

It highlights the strength in the business model to generate value for its shareholders

What does it mean?

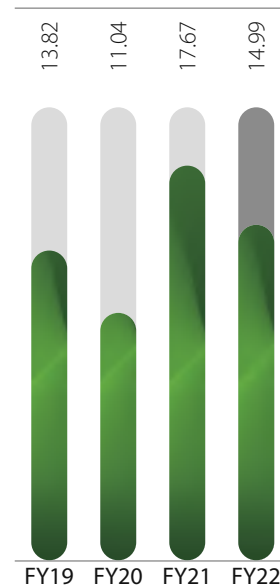
Ensures that adequate cash is available for reinvestment and allows the Company's growth engine to not run out of steam

Value impact

The Company reported a 7% increase in net profit in FY2021-22, reflecting enhanced viability

EBITDA margin

(%)



Definition

EBITDA margin is a profitability ratio used to measure a company's pricing strategy and operating efficiency

Why is this measured?

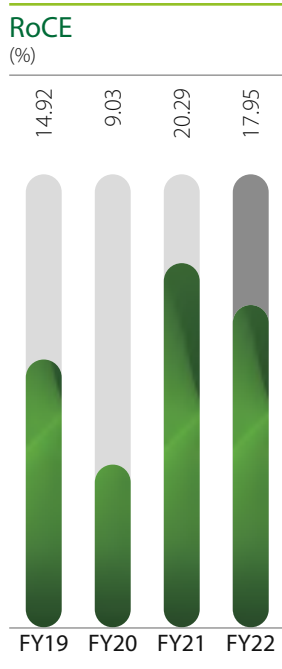
The EBITDA margin gives an idea of how much a company earns (before accounting for interest and taxes) on each rupee of sales

What does it mean?

Demonstrates adequate buffer in the business, which when multiplied by scale, enhances surpluses

Value impact

The Company reported a 268 bps decline in EBITDA margin during FY2021-22 on account of higher resource and logistic costs



Definition

It is a financial measure of a company's profitability and efficiency with which its capital is employed

Why is this measured?

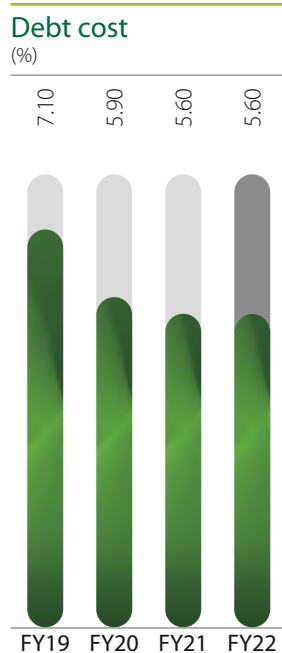
RoCE is a useful metric for comparing profitability across companies based on the amount of capital they use – especially in capital-intensive sectors

What does it mean?

Enhanced RoCE can potentially drive valuations and perception

Value impact

The Company reported a 234 bps decline in RoCE during 2021-22 due to an increase in capital employed in business expansions



Definition

This is derived through the calculation of the average cost of the consolidated debt on the Company's books

Why is this measured?

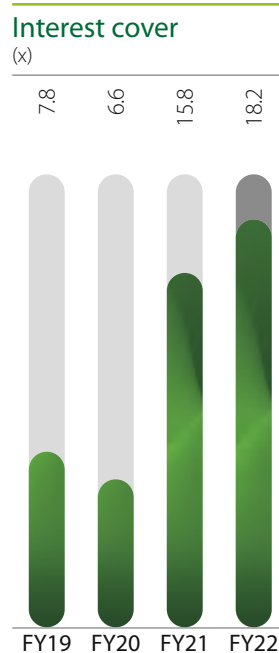
This indicates our ability in convincing bankers and other debt providers of the robustness of our business model, translating into a progressively lower debt cost (potentially leading to higher margins)

What does it mean?

Enhanced cash flows; strengthened credit rating for successive declines in debt cost

Value impact

Debt cost remained stable during the year under review



Definition

This is derived through the division of EBITDA by interest outflow

Why is this measured?

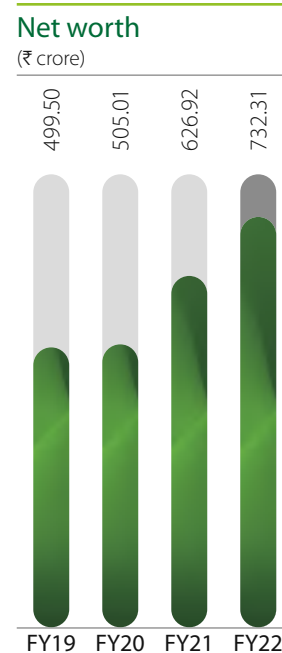
Interest cover indicates the Company's comfort in servicing interest outflow - the higher the better

What does it mean?

A company's ability to meet its interest obligations, an aspect of its solvency, is arguably one of the most important factors in guaranteeing sizeable returns to shareholders

Value impact

The Company's interest cover increased to 18x during the year under review



Definition

This is derived through the accretion of shareholder-owned funds

Why is this measured?

Net worth indicates the financial soundness of the Company – the higher the better

What does it mean?

This indicates the borrowing capacity of the Company and influences the gearing (which in turn influenced the cost at which the Company can mobilise debt)

Value impact

The Company's net worth strengthened 16.8% during the year.

This annual report will not commence with a performance review

It will commence with a preview of the national future instead, a suitable landscape for the Visaka Industries of the future

1

Mr. Narendra Modi, the Indian Prime Minister, committed that India would be a net zero carbon emissions country by 2070 at the climate change Summit G20 and COP-26

2

This is having a cascading effect: Indian Railways has committed to become a net zero company by 2030 through the use of environment - friendly products

3

The GST regime, rapid e-commerce growth and growing importance of logistics are likely to drive warehouse creation across the country

4

There is a greater focus on affordable housing in India today than ever; housing finance companies are seeking to finance affordable housing customers investing in 'green' domestic products

Visaka. Right company at the right time.

There is an increased preference for green products the world over

33

% of global consumers who reduced their emissions in 2021

(Source: euromonitor.com)

71

% increase in online searches for sustainable products the world over in the last five years

(Source: Economist Intelligence Unit)

16

% increase in global public concern for nature

41

£ billion, the size of the UK market for ethically and sustainably sourced goods, 2019

4

X, number of times the UK market for ethically and sustainably sourced goods grew in 20 years

(Source: we forum.org)

50+

% of C-Suite executives from fashion and textile sectors who say consumer demand is driving their sustainability agenda

(Source: we forum.org)

44

US\$ trillion, nature's estimated value to the global economy, more than half the global GDP

(Source: weform.org)

42

% by which Gen X consumers prefer to pay more for sustainable brands

(Source: First Insight)

90

% of Gen X consumers who said they would be willing pay an extra 10% or more for sustainable products

(Source: forbes.com, March 2022)

0.07

% of synthetic fibre production that uses recycled resources

(Source: Common Objective)

30-40

US\$ billion, estimated size of India's new 'green' building market

74.64

US\$ billion, projected size of the global green technology and sustainability market by 2030 (growing 21.9%)

(Source: Investopedia)

STRATEGIC DEPTH

'Green is the way' and Visaka

At Visaka Industries, our environment-friendliness is drawn from a structured approach that comprises ability, responsibility and sustainability



Ability

At Visaka Industries, we believe that 'green' products need to be affordable, accessible and available. This warrants an ability to maximise all factors that transpire within our control: to moderate costs, enhance quality, strengthen the Balance Sheet and protect the interests of all stakeholders. These initiatives make it possible for Visaka to remain competitive across regions, products and market cycles, a robust foundation to take the environment-friendliness of our products ahead.

Responsibility

Often – as it happens in an uncertain world – this is not enough. There is a premium on flexibility in the face of uncertainty, patience in the face of sluggishness, agility in the face of opportunity and prudence in the use of resources, practices and processes. This premium on discipline emphasizes the role of responsibility, a culture-defining framework that deepens our commitment to an environment-friendly mindset.

Sustainability

The third factor - sustainability - is increasingly relevant. Companies need to moderate their carbon footprint, consume a lower quantum of finite natural resources, manufacture products that do not need to be periodically changed and address the needs of all stakeholders.

The combination – ability, responsibility and sustainability – made it possible for Visaka to outperform in the past, report an attractive performance in 2021-22 and is likely to generate attractive growth across the foreseeable future.

Green is
the way at
Visaka



Ability



Responsibility



Sustainability



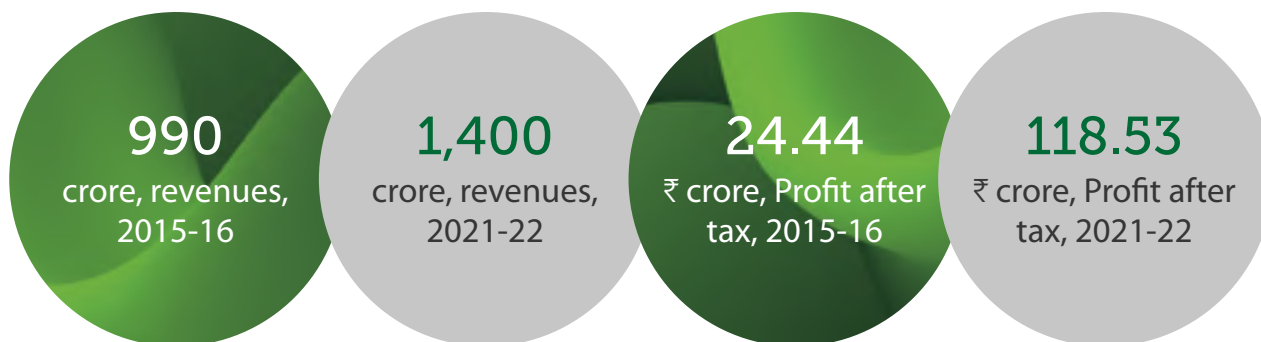
BIG PICTURE

How 'Green is the way' is transforming Visaka

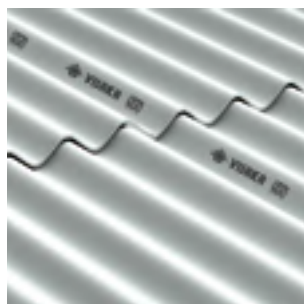
This ethic is increasingly showing up in our performance

Visaka and ability

Increased revenues despite an erratic economic environment

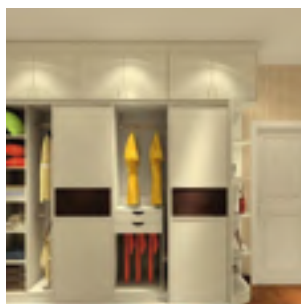


Strong market position



Cement roofing sheets

Market share (%)	18
Market position	2



V Next products

Market share (%)	32
Market position	1



Yarn (twin air-jet spun)

Market share (%)	80
Market position	1



Solar roofing (ATUM)

Market share (%)	100
Market position	1

8

Number of years Visaka has been India's largest fiber cement board and panel producer

15

Number of years Visaka has been India's second largest cement roofing sheets manufacturer

27

Number of years Visaka has been the largest producer of air-jet spun yarn in India

Visaka and responsibility

1.02

Debt-equity ratio, 2015-16

0.28

Debt-equity ratio, 2021-22

278

₹ crore, net debt, 2015-16

152

₹ crore, net debt, 2021-22

Visaka and sustainability

14

% of revenues from new age businesses, 2015-16

22

% of revenues from new age businesses, 2021-22

The Joint Managing Director's overview

I am pleased to present yet another year of profitable growth at our Company, which validates the sustainable robustness of our business model.

Overview

I am pleased to present another year of growth at our Company, which validates the sustainable robustness of our business model.

Sales revenues increased 23%, EBITDA grew 4% and profit after tax increased 7% during the year under review. The relationship between these outcomes indicates that our business model is attractively structured to enhance stakeholder value with every successive increase in revenues despite a sharp increase in costs. Each of our businesses reported record numbers; the aggregate record revenues reported by your Company were 23% higher than the

previous best and this improvement was despite a sharp increase in the cost of raw materials and logistics, the Russia-Ukraine war and foreign exchange volatility.

Some measures to optimise rising input costs comprised the use of product mix alternatives following R&D, cost-effective measures, automation, processes simplification, superior technology use in production, increased operational scale, quality vendors and procuring from nearest places.

The revenue proportion from new products increased from 19% of our turnover to 22% during the last financial year.



Thinking different

The principal driver of our profitable growth was the Visaka DNA. Over the years, this DNA manifested in the capacity to think different.

When industry observers indicated that the largest would survive in a volume-led business, we focused on becoming the best instead.

When experts felt that manufacturing large volume commodity yarns would be safest, we selected to go niche instead.

When industry observers advised cement roofing players like ours to wait for the pandemic to blow over, we invested to enhance manufacturing capacity instead.

When observers advised us to stick to our knitting (cement roofing sheets and synthetic yarns), we diversified into the manufacture of fibre cement boards and solar roofing solutions.

When most advisors cautioned us about the pandemic-induced slowdown, what

we heard was 'opportunity'.

When most felt that sticking to conventional products was the best way into the future, we broadbased to the manufacture of environment-friendly building products.

The outcome was that the revenue proportion from new products increased from 19% of our turnover to 22% during the last financial year.

Relevance

A few years ago, we decided that when it came to business or capacity expansion, whatever we did would be linked to the national economic direction.

The one sector on which we placed all our new chips was the country's building sector (housing and commercial). This direction was influenced by the extensive under-ownership of homes across the country. We were convinced that as Indians earned more, there would be a traction towards increased home ownership.

Visaka was at the right place at the right time. The Indian government selected to

focus on growing the affordable housing segment, the largest bulge of India's real estate sector. Your Company had been addressing this segment through the manufacture of cement roofing sheets for nearly three decades; any extension into the building materials sector would make it possible to enhance our presence in the same segment, enhance cross-sale opportunities, carve out a larger share of the trade partner's wallet and strengthen our brand as a committed building materials player.

I am pleased to communicate that this long-term directional shift has been

more than validated. It has broadbased our presence towards new age and environment-friendly building materials like fibre cement boards and solar roofing; it has graduated us from the commodity segment to a niche; it has extended us from the domestic to exports market; it has enhanced our brand from the conventional or legacy to the modern and progressive. The Company will continue to invest in the new age businesses, building scale and recall, creating a platform for profitable and sustainable growth into the long-term.

20

%, revenue generated from fibre cement boards and panels business, FY22

60

%, revenue generated from cement roofing sheets business, FY22

Our cement roofing sheets business

The Company leveraged its national leadership (number two by market share) during the last financial year. Principally, the Company protected its brand, which stood for 'trust'. This translated into quicker offtake and a premium over the average prevailing market average. This business accounted for 60% of the Company's revenues during 2021-22.

The attractive offtake of the product was the result of a consumer recognition of the advantage of a cement roofing sheet over the metal alternative. Over the last few years, there has been a growing recognition of the limitations of the metal product – in terms of a high heat transfer and the sound generated by this product when raining. Consumers acknowledged the multi-decade durability of our product ('buy it, lay it, forget it'). Metal sheets became more expensive during the commodity inflation of the last

financial year, strengthening the overall price-value proposition for cement roofing sheets.

The result was that the capacity utilisation of this business strengthened from 89% to 96% during the last financial year. The Company added a second manufacturing line (capacity 100,000 TPA) in our Raebareli plant, the first such expansion in 10 years. This expansion was funded through accruals and commercial production commenced on 5th may 2022. By virtue of utilising existing infrastructure is expected to generate an attractive payback in less time. This expansion will make it possible for our Company to amortise fixed costs and brand spending effectively, strengthening our margins and surplus.

Our fibre cement boards business

The Company leveraged its national leadership (32% market share) in this business during the last financial year. The Company generated a 40% higher turnover from this business. This business accounted for 20% of the Company's revenues during 2021-22; exports accounted for 20% of this business.

We are optimistic of the long-term prospects of this business for various reasons. One, the products ride the need for economical, yet effective, interiors. Two, it is superior to a cement or brick wall for reasons of cost and time taken to erect. Three, the product is accepted as environment-friendly. Four, the product is enjoying an export traction, which makes it possible to market the product in India without discounting. Five, the fibre cement board is only just beginning

to get accepted by general consumers, which augurs well for its long-term scalability and profitability. Six, there is a fashion element in this business, marked by a demand for value-added features like colour design boards, facades, planks and other designed interior products, making it possible to price as per need.

This optimism translated into our commissioning one more board unit at Udumalpet (near Coimbatore) from January 2022, enhancing our overall fibre cement board capacity by 30% to 2,20,000 TPA. The ₹105 crore expansion was funded through accruals, an attractive foundation for business sustainability.

Our solar roofing solutions business

This is one of the most exciting businesses within our Company – for its scope and scalability. The ATUM solar roof leveraged its uniqueness during the last financial year. The Company generated a ₹14 crore turnover from this business on a sales volume of 5.3MW.

The year under review was favorable for this business not only because of the volume offtake but because the product attracted large institutional buyers like Indian Railways and Serum Institute, to name a few. The product comes at a

time when there is a growing interest in the subject (solar energy) on account of its affordability and the fact that it is cheaper than grid energy; besides, there is a growing interest in monetising roof space through solar energy, creating a wide market across residential and commercial property owners.

What makes this segment compelling within the Company's revenue mix is the virtually unlimited headroom at a time when the world is turning towards renewable energy. The competition for

this innovative product is virtually non-existent; even as there could be some competition with the traditional solar panel, its robustness and functionality promise a growing market share. By the virtue of being patented in South Africa and USA (in addition to India), we foresee a large market for this game-changing product.

Our synthetic yarns business

The Company's synthetic yarns business reported a 83% higher turnover. This business accounted for 18% of the Company's revenues during 2021-22; exports accounted for 18% of this business

The yarn business reported an impressive recovery on the basis of a release in

pent-up demand and a normalisation in textile sector activity across the principal weaving hubs of Mumbai and Bhilwara. The Company continued to manufacture yarns for premium fabrics and upholstery, a segment that was not as extensively impacted. The outlook of this business remains optimistic on account of its

niche, committed clientele, increased exports and new free trade deals being signed by India that could open new markets.

Optimism

The US and Indian economies have committed decisively to infrastructure investment across the coming years, which augurs favourably for the Company's building materials business. Besides, a number of prominent national builders are making decisive decisions in favour of green products. By the virtue of V Boards being IGBT-certified and emitting 30 times lesser carbon emissions compared to other products in the building industry, the product is attractively placed to capitalise.

During the current financial year, the Company foresees revenue growth of

15%; exports could rise to 25 to 30% of the Company's revenues in the coming years. On the overall, one foresees stronger revenues, margins and surplus.

If there is an overarching message one would like to leave shareholders with, it is this: your Company's revenues have been prudently blended with a bias towards non-roofing and non-textiles. Our business will ride the Indian economic story, growing personal consumption and a preference for renewable energy.

Our products address large consumption opportunities within India and the world,

which provide us with multi-year growth prospects, which should enhance value in the hands of all those who own our Company.

G. Vamsi Krishna
Joint Managing Director

CHIEF FINANCIAL OFFICER'S PERFORMANCE OVERVIEW

An insight into the financial heart of our business

Overview

The big message that we seek to communicate is that the Company built on its business during the year under review even as it encountered challenges related to raw material cost volatility, supply chain bottlenecks, staggered vaccination process, capacity commissioning, working capital management, protecting the price-value proposition of the end products, enhancing product mix offtake, increasing the preference

for environment-friendly products, enhancing cash flows and growing the business without seeking recourse to incremental debt. The Company successfully addressed these challenges, making it yet another growth year. The improvement in performance was a validation of the Company's maturing, critical mass and enhanced competitiveness.

Profitable growth

During the last decade, the Company scaled around a foundation of three businesses – traditional cement roofing sheets, non-roofing non-textiles and textiles – to enhance resilience in the face of economic and market cycles. This long-term direction was validated during the year under review. The Company reported 23.5% revenue growth from

operations (compared with the Indian GDP growth of a projected 8.6% to generate peak revenues. The Company reported a 7% increase in PAT that was more than ₹100 crore for the second sequential occasion despite losing a part of the first quarter to the pandemic.

Biggest achievement

The biggest achievement is not how we performed; it was how the improvement was perceived by some of the most demanding rating agencies in India. At a time when most companies struggled to protect their rating, your Company protected its credit rating of AA- for long-term and short-term borrowings as appraised by CARE Ratings Ltd. This protection represents a validation of the

three P's – the Company's performance, promoter and prospects. This creditable rating is likely to have a range of positive spin-offs: from empowering the Company to mobilise low-cost debt

to widening its lending consortium to emerging as a front-line talent recruiter – a platform to scale the business to the next level.

Credit rating

FY20		AA-
FY21		AA-
FY22		AA-

Capital efficiency

The Company reported creditable profitability during the year under review. EBITDA margin was 15%; Return on Capital Employed declined marginally by 234 bps to 18% due to an increase in working capital outlay; RoE declined marginally from 19.55% to 17.44% due to increased equity.

Despite the moderate declines, the Company protected the overall integrity of its Balance Sheet from impairment, a validation of its volume-driven and value-accretive business model. As an index of the Company's profitability, the average cost of gross debt was 5.6% while the Company generated an average 17.44% Return on Equity, underlining the intrinsic profitability of the business. Even though the interest on gross debt was treated as an expense and the interest earned on liquid deposits shown as 'Other Income', the Company's net interest outflow was negligible.

The overall improvement in the health of the business was the result of various long-term priorities: enhance economies of scale and brand in the volume-driven cement sheets business, generating a premium in the boards and panels business and value-addition in the solar roof and yarns businesses. The clarity of this approach created a foundation for

the Company to build on – the higher the offtake, the better the profitability.

Across the foreseeable future, we expect to generate a return superior to what our risk partners (shareholders) would be able to generate if they invested in alternative asset classes. The Company will seek to maximise capital efficiency through low-cost debt mobilization, investment in projects with shrinking payback, value-addition and superior working capital management. The Company will maximise capital efficiency by entering a product segment, creating reasonable capacity, seeding the market, growing a consumption appetite, investing accruals in additional capacity in under-penetrated regions, widening this to a pan-India footprint proximate to consumption markets and using this proximity cum logistical advantage to widen its business moat.

Over the decades, the Company grew its cement roofing sheets business from scratch to emerge as the second largest. This approach was also replicated in the

fibre boards business that the Company entered in 2008-09, emerging as the largest Indian producer in a little more than a decade.

Our objective is to generate a superior margin. This commitment was disrupted during the last financial year when our EBITDA margin declined following a sharp increase in raw material and logistics costs. However, this decline in margins was more than made up by an increase in our sales volumes and the value-addition we generated from some of our products, a validation of our volume- and value-driven approach.

EBITDA margin %

FY20		11
FY21		18
FY22		15

Business mix

Our objective is to blend our revenues with a slant towards non-roofing non-textile revenues. When we entered this business in 2008-09, our cement roofing sheets business accounted for 78% of revenues and textiles for 22%. The non-textiles non-roofing business enhanced value-addition beyond the commoditised cement roofing sheets segment; it empowered the Company to capitalise on a growing boards and panels opportunity.

During the year under review, our non-textiles non-roofing solutions generated 22% of revenues; the cement roofing sheets business generated 60% of revenues while the textiles business (affected by lockdown during first quarter) accounted for 18% of revenues.

The proportion of non-textiles non-roofing revenues is expected to increase to 30% of the overall turnover across the foreseeable future, strengthening value-addition and broadbasing the revenue mix.

Non-textiles non-roofing sheets revenue proportion %

FY20		20
FY21		19
FY22		22

Liquidity

As a policy, the Company seeks to maximise the use of accruals in business growth, moderating the use of borrowed funds. During the year under review, the Company drew about 25% of the sanctioned short-term loans (on average), which made it possible to moderate interest outflow and enhance profitability, a virtuous cycle.

The Company enhanced its working capital hygiene through the following priorities: shrinking our receivables cycle through better terms of trade with our primary customers (trade partners), marketing products with strong offtake and graduation to a value-added product mix.

The Company placed a premium on liquidity, preferring it over profitability when the alternative was between maximum revenues with stretched liquidity and moderate revenues with enhanced liquidity. The success of this approach was evident in the cash flows. Over the years, the Company recognised the importance of working with a progressively under-borrowed Balance Sheet, rising interest cover, attractive gearing and lower Net debt/EBITDA. The Company focussed on protecting terms of trade (within tolerance limits), leveraging cash in hand to generate raw material discounts and addressing fresh capital expenditure with resources at its

disposal (no incremental debt).

The result of this financial discipline is that the Company repaid ₹10 crore of Non Current borrowings during the last financial year while its investment of ₹145 crore in expansion projects and normal CAPEX was funded through net worth. This represents a watershed in the Company's existence. By breaking the debt-funded chain, the Company intends to generate additional cash flows (that would otherwise have serviced debt), strengthening a virtuous cycle of reinvestment, cash flow generation and enhanced value.

Debt management

The Company used working capital loans and short-term foreign currency loans for working capital purposes that were mobilised at competitive rates. The Company's total debt increased from ₹155 crore to ₹208 crore; net worth strengthened from ₹627 crore to ₹732 crore; gearing was marginally higher

from 0.25 in 2020-21 to 0.28 in 2021-22 as the Company grew net worth on the one hand and used short-term debt to address increased working capital requirements.

The capital expenditure notwithstanding, the Company is proceeding to a net

cash position. The cost of debt on the Company's books was 5.6% during the year under review .

The debt-equity ratio was marginally higher from 0.25 in 2020-21 to 0.28 in 2021-22 as the Company grew net worth on the one hand and used short-term

debt to address increased working capital requirements. It would be pertinent to indicate that the Company's gross debt comprised an interest-free loan from the Government of The Pradeshia Industrial & Investment Corporation of UP Ltd. (PICUP) of ₹62.46 crore, dealer deposits of ₹40.5 crore (securing receivables) and public deposits of ₹13.28 crore.

When the Company invests in capital expenditure to finance expansion, it

balances the role of debt and net worth. By the virtue of investing in products with strong traction that generates an attractive return within a compressed period, the Company repays debt with speed. This preference for long-term

debt is shareholder value-accretive after it has repaid debt, maximised cash flows and created a war chest for the second investment round.

Debt-equity ratio

FY20		0.60
FY21		0.25
FY22		0.28

Working capital management

The Company's focus is not just the quantitative growth of the business but also the hygiene of its numbers, reflected in its working capital management. It generally seeks to draw working capital less than the sanctions provided by the banks. During the year under review, the Company drew only 25% of the sanctioned working capital. There was a premium on competent working capital management; there was a sharp increase in the cost of raw materials. Working capital as a proportion of the

total employed decreased from 44% to 42% across the last year; the proportion of inventory in the working capital outlay increased from 70% to 73%. The Company's receivables cycle declined to 31 days from 39 days of turnover equivalent during the year under review due to a better management of trade

partners. The Company did well to moderate its inventory size in terms of days of turnover, a validation of its supply chain partnerships and capacity to pay on time and in full.

Working capital as % of total capital employed

FY20		48
FY21		44
FY22		42

Accruals management

Capital discipline is central to the Company's sustainability. The Company generated ₹156 crore in cash profit during the year under review, of which

16.20% was returned to shareholders as dividend. During the year, the Company invested ₹145 crore in capacity expansion of its non-textiles non-roofing business,

cement roofing sheets business and normal capital expenditure.

Way forward

The Company ended the year under review around a strong financial foundation. The Company's net worth stood at ₹732 crore as on March 31, 2022, with ₹49 crore in long-term debt and ₹159 crore in short-term debt. The Company's large net worth was the

outcome of a long-term build-up of surpluses. In an unpredictable world, this significant net worth bias implies relative de-risking; it provides the Company patient and resilient capital in challenging periods.

Shafi Singanamala,
Chief Financial Officer

THE BIG PICTURE

Visaka is prepared for a US\$ 5 trillion Indian economy

The Company is invested in businesses that will ride India's economic growth

Overview

Visaka has invested in businesses that ride the Indian economic growth. The stronger the growth of the economy, the better the Company's performance. From a macro perspective, the Company is attractively placed. In 2021, India, with a population of around 1.40 billion, possessed an economy estimated at US\$ 2.92 trillion, the sixth largest in the world. India is likely to grow faster to emerge as the world's third largest economy by the end of this decade.

National turnaround: India's tax collections reported a record 27.07 lakhs crore in 2021-22 compared with the Budget estimate of ₹22.17 lakhs crore; tax-to-GDP ratio jumped from 10.3% in 2020-21 to 11.7% in 2021-22, the highest since 1999. The value of goods exported from India witnessed 40% growth during the 2021-22 financial year, touching a record US\$ 417.8 billion and surpassing the target set by the government by 5%. *This could strengthen all the Company's businesses.*

Infrastructure spending: In the 2022 Union Budget, India announced a 35% increase in infrastructure outlay. The PLI schemes are expected to strengthen MSMEs, increasing their contribution to the Indian economy from 30% to 40%. National Infrastructure Pipeline (NIP) was launched with projected infrastructure

investment of around 111 lakhs crore (US\$ 1.5 trillion) during 2020-2025 to provide world-class infrastructure. (Source: Money Control, pib.gov.in, Livemint). *This could grow the cement roofing sheet, solar roofs and panels businesses of the Company.*

Population and demographics: The current population of India is 1.40 billion as on 2022; by 2027, India could overtake China to become the most populous country. More than 50% of India's current population is below the age of 25; over 65% population is below 35. India's population is urbanising, evolving its preferences and aspirations. The country could have the world's third-largest number of high-income households by 2030. *This could catalyse all businesses in which the Company is present.*

The current population of India is 1.40 billion as on 2022; by 2027, India could overtake China to become the most populous country. More than 50% of India's current population is below the age of 25; over 65% population is below 35.





More than

50%

of India's current population is below the age of 25; over

65%

population is below 35.

Middle-class: Around 55% of India's population could belong to the consuming class by 2030, a significant improvement from 24% today. (Source: Economic Times). By 2030, India will move from being an economy led by the bottom of the pyramid, to one led by the middle-class. The number of middle-income households is expected to rise from 50% of all households today to 80% by 2030, accounting for 75% of consumer spending by that year. *This could catalyse all the businesses in which the Company is present.*

Spending: As 140 million households move into the middle-class and another 20 million move into the high-income bracket, they could spend 2-2.5x more on essential categories (food, beverages, apparel, personal care, gadgets, transport and housing) and 3-4x more on services (healthcare, education, entertainment and household care). Upper-middle-income and high-income entrants could drive a 15-20% increase in the ownership of durables (washing machines, refrigerators, TVs and personal vehicles). *This could catalyse the offtake of cement roofing sheets, panels, solar roofs and textiles, all the businesses the Company is present in.*

Plan B: Plan B is an increasingly used reference to describe the world's need to reduce its excessive dependence on China for resources and products and broaden the global supply chain. The country that comes collectively closest in terms of scale, costs, legal framework, knowledge base and manufacturing tradition is India. The optimism on this count arises from the fact that even a nominal movement away of the world's procurement from China can drive India's share of exports and global trade. *This could strengthen the country's industries,*

catalysing the businesses where the Company is present.

Make in India: Atmanirbhar Bharat is expected to enhance self-reliance and provide for the country's growing needs from within. This is expected to strengthen India's position as a competitive global products and services provider. *This could catalyse the erection of infrastructure, strengthening the offtake of cement roofing sheets, panels and solar roofs.*

Rural housing: There is a greater emphasis on affordable housing in India, backed by interest subvention provided by the government to borrowers. The real estate sector is expected to reach US\$ 1 trillion in market size by 2030, up from US\$ 200 billion in 2021 and contribute 13% to the country's GDP by 2025. *This is expected to strengthen prospects of the cement roofing sheets and panels segment.*

Renewable energy: There is a greater focus on renewable energy in India. The country has set an ambitious target to achieve 500 GW renewable energy by 2030. The Indian Prime Minister pledged at the COP26 Climate Conference in Glasgow that India would achieve net zero carbon emissions by 2070. (Source: Economic Times). *This trend is expected to widen the market for the Company's solar roofs business.*

Textiles: India's textiles sector is expected to capitalise on the China +1 factor, resulting in enhanced demand for yarn coming to India. India is investing in mega textile parks to strengthen its positioning as a dependable global supplier. *This trend is expected to drive demand for synthetic yarn manufactured by the Company.*

How Visaka is structured to enhance value for all stakeholders

A report on how we enhance stakeholder value in an institutionalised manner

Overview

In the modern world, it is no longer enough to enhance shareholder value. The operative term that is being increasingly used is 'stakeholder value'.

By the very nature of the term, 'stakeholder' does not merely refer to the interest group that owns equity in the Company. It refers to every single individual or sentient being likely to be influenced by the Company's brand, product or operations. In short, it refers to everyone and everything, living or not.

This represents an understanding of how the value sought to be created needs

to be integrated across all stakeholders, the measure by which all companies are appraised. This Integrated Value-Creation Report is being increasingly respected for its appraisal of 'hard' and 'soft' initiatives in its reporting format. The report draws on diverse strands (financial, management commentary, governance, remuneration and sustainability reporting) in explaining an organisation's ability to create, enhance and sustain value.

Interestingly, the influence of an Integrated Report enhances an understanding across diverse stakeholders (employees, customers, suppliers, business partners, local communities, legislators, regulators and policy makers), underlining the need for an organisation to enhance value in a sustainable manner.

Our sustainability is derived from a favourable national direction

Rising population

India's population was around 1.40 billion in 2022 and is expected to surpass China's by 2027 – a perpetually growing market

Rural market

India is the largest rural market in the world, strengthening demand for cement roofing sheets

Demographic dividend

The Indian population's median age of 28 (2022) compares well with the global average (30), driving demand for fashionable products (hence, synthetic yarns)

Renewable energy

There is a growing traction for renewable energy products, on account of their cost-efficiency over grid power

Affordable housing

India's affordable housing segment of US\$ 2.6 billion is expected to grow to US\$ 1 trillion by 2030, sustaining the offtake of cement roofing sheets

(Source: Population U, Business Standard, Indian Retailer, Statista, India.com, ETimes, Times of India)

Our sustainability framework

Strategy

- ◆ Manufacture products that address unmet needs or around unaddressed value
- ◆ Ensure environment responsibility through products and processes
- ◆ Manufacture products that address national priorities (housing, renewable energy, clothes)

Manufacturing excellence

- ◆ Maximise asset utilisation; moderate costs
- ◆ Invest in cutting-edge technologies; higher efficiency
- ◆ Deepen specialisation in each location

Environment integrity

- ◆ Moderate resource consumption per unit of output
- ◆ Protect the ecological balance
- ◆ Benchmark around regulatory compliance standards

Procurement economies

- ◆ Procure quality resource through enduring relationships
- ◆ Procure economically by promising volumes in exchange for value
- ◆ Procure sustainably through market cycles

Brand and customer capital

- ◆ Invest in corporate and product brands
- ◆ Manufacture different grades; widen choice
- ◆ Launch products of the future; create markets

People competence

- ◆ Enhance talent productivity
- ◆ Invest in knowledge, experience and passion
- ◆ Deepen a culture of outperformance

Distribution footprint

- ◆ Footprint across a number of States
- ◆ Manufacture products close to consumers
- ◆ Address primary customers (channel partners)

Financial structure

- ◆ Moderate debt / debt cost; turn net cash surplus
- ◆ Strengthen working capital efficiency
- ◆ Focus on value-addition

Community support

- ◆ Provide community support
- ◆ Focus on integrated development
- ◆ Engage in a sustainable way for extended impact

Constituents of Visaka's value creation

The Financial Capital generates surpluses driving the financial engine.

Manufactured Capital encompasses periodical investments in efficient processes and technologies, enhancing productivity, product quality and consistency while moderating costs.

Intellectual Capital comprises knowledge and experiences that take the business ahead.

Sector's criticality and how Visaka's strategy

Strategic focus	Key enablers			
Innovate and excel	Investment in product improvement, certifications and training	Invested in digitalisation	Introduced the innovative ATUM	Enhanced synthetic yarn quality to address premium customers
Cost advantage	Invested in scale to enhance manufacturing and brand economies	Moderated debt and debt cost; enhanced the role of accruals in business growth	Negotiated superior trade terms	Positioned manufacturing plants near consuming markets
Supplier of choice	Marketed its dependability and brand assurance	Delivered superior product quality, customisation (yarns) and product longevity (cement roofing sheets)		Positioned itself as a deliverer of a lower ownership cost
Robust people practices	Focused on long-term talent retention	Merit-based employer	Facilitated talent development	Trained, remunerated fairly, provided stable jobs
Responsible corporate citizenship	Engaged in community-strengthening initiatives	Focused on activities near its manufacturing facilities	Engaged in enhancing community living standards	Allocated and spent 2% of the profit in 2021-22 in CSR activities

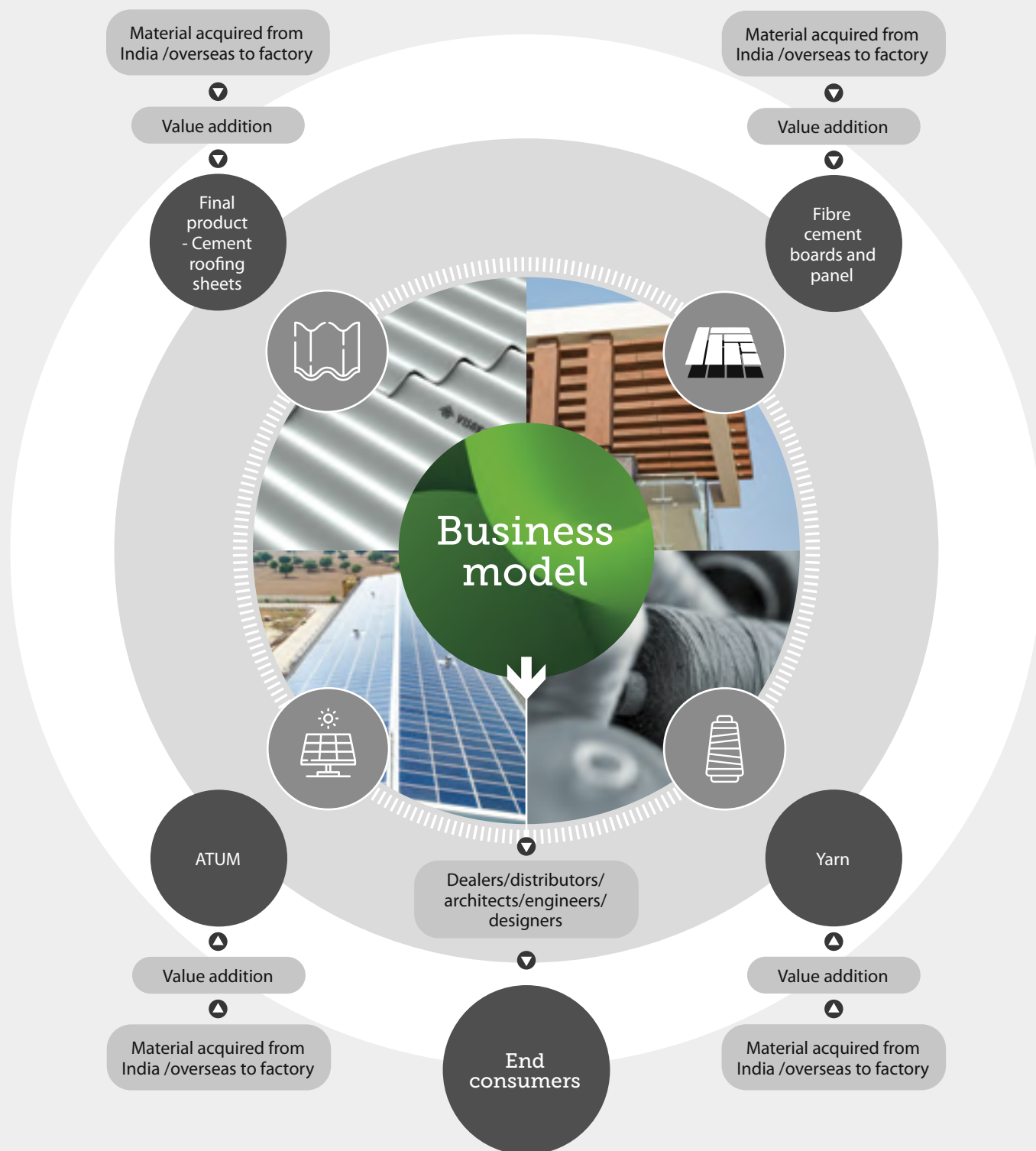
Human Capital comprises people skills, experiences and capabilities.

Social & Relationship Capital comprises the value of the Company derives from its engagements with vendors and customers and efforts towards societal uplift.

Natural Capital comprises the Company's efforts towards a responsible consumption of natural resources and efficient production with a declining carbon footprint.

		Materiality	Capital impacted
-	-	Could affect growth; could enhance commoditization; could erode brand premium	Manufactured, Intellectual and Financial
Reduced receivables by 8 days of turnover equivalent in the year	-	Could make it difficult for the Company to compete	Financial and Social
Certifications enhanced product acceptance	Provided a superior consumer value proposition	Could affect sustainability of the brand proposition is compromised	Intellectual, Manufactured and Social
Remunerated employees ₹132 crore in 2021-22	-	Talent attrition could enhance knowledge drain, affecting viability	Intellectual and Human
-	-	Could affect the Company's respect as a responsible corporate citizen	Social and Natural

Value-creation chain





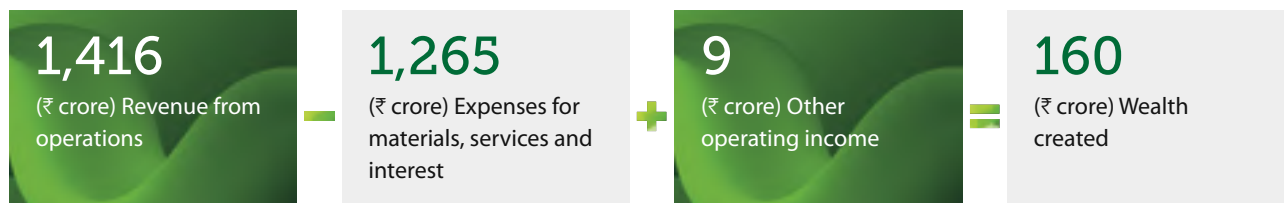
Engaging our stakeholders

We recognise the importance of fostering and maintaining strong relationships with key stakeholders through transparent, sincere and effective engagements. We are intent on improving on our established credibility and rapport with them.

Stakeholder group	Customers	Government, competent authorities	
Visaka's considerations	Our products are used by these stakeholders and therefore it is imperative that they are fully aware of the indications, benefits and impacts of our products while we need to have a thorough understanding of their perceptions and expectations	Our ability to produce, market and distribute products is dependent on the marketing authorisations and regulatory approvals issued by the authorities	
Stakeholder interests	<ul style="list-style-type: none"> ◆ Quality and affordability ◆ Consistent, reliable and on-time supply of product ◆ Impact of product recalls or any quality, efficacy concerns which may arise 	<ul style="list-style-type: none"> ◆ Legal and regulatory compliance ◆ Affordable outcomes ◆ Social and environmental impact of operations ◆ Tax revenues and investments 	
How we engage	<ul style="list-style-type: none"> ◆ Engage with dealers, architects, designers and retailers ◆ Open communication with customers through commercial discussions and meetings 	<ul style="list-style-type: none"> ◆ Audits of manufacturing sites by regulatory authorities to ensure Good Manufacturing Practice (GMP) and regulatory compliance ◆ Participation in industry bodies ◆ Reports and interactions aimed at confirming legislative and regulatory compliance policies and processes ◆ Involvement in government programmes aimed at creating jobs and uplifting disadvantaged communities 	
Capitals impacted	<ul style="list-style-type: none"> ◆ Intellectual ◆ Manufactured 	<ul style="list-style-type: none"> ◆ Manufactured ◆ Social & Relationship ◆ Natural 	

	Employees	Suppliers, consultants and business partners	Investors and funders
	Employees play a critical role in ensuring we achieve our strategic objectives. We need to understand the needs, challenges and aspirations of this important stakeholder group	These stakeholders play an important role in enabling us to meet our commitments to customers	As providers of capital, these stakeholders require to be kept informed of material developments impacting the Group and its future prospects
	<ul style="list-style-type: none"> ♦ Job security ♦ Equitable remuneration packages, performance incentives and benefit structures ♦ Diversity and inclusivity ♦ Performance management, skills development and career planning ♦ Reputation as an ethical employer ♦ Employee health, safety and wellness 	<ul style="list-style-type: none"> ♦ Fair engagement terms and timely settlement ♦ Ongoing communication on our expectations and service levels provided ♦ Fair selection processes 	<ul style="list-style-type: none"> ♦ Growth in revenue, EBITDA and returns on investment ♦ Appropriate management of capital expenditure, working capital and expenses ♦ Gearing, solvency and liquidity ♦ Dividends ♦ Security over assets, ethical stewardship of investments and good corporate governance ♦ Fair executive remuneration
	<ul style="list-style-type: none"> ♦ Direct engagements by supervisors and business management ♦ Conferences and townhall meetings ♦ Induction and internal training ♦ Employee wellness campaigns 	<ul style="list-style-type: none"> ♦ One-on-one meetings to discuss service levels or other commercial aspects ♦ Interactions regarding safety, health, environmental and ethical compliance 	<ul style="list-style-type: none"> ♦ Dedicated investor and analyst presentations, roadshows and one-on-one meetings ♦ Stock exchange announcements, media releases and published results ♦ Annual General Meetings ♦ Investor relations section of the Visaka's website ♦ Engagements with the financial media
	<ul style="list-style-type: none"> ♦ Human 	<ul style="list-style-type: none"> ♦ Social & Relationship ♦ Financial 	<ul style="list-style-type: none"> ♦ Financial

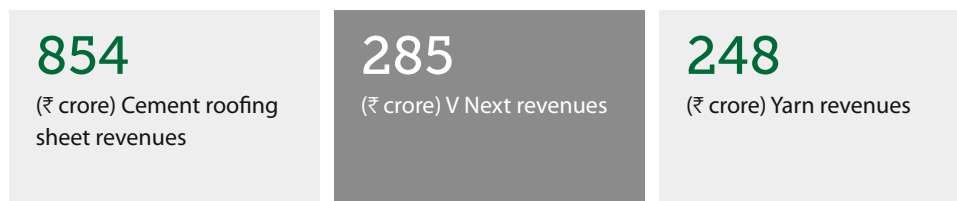
Value created by our Company in 2021-22



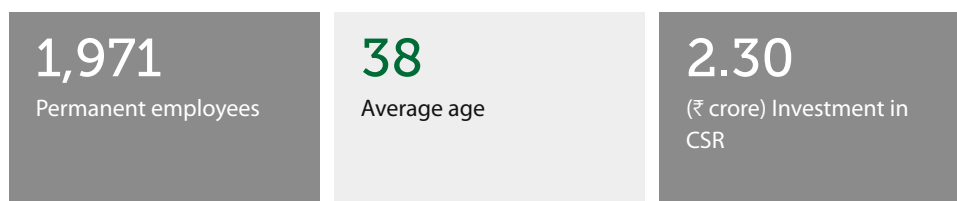
Financial capital



Manufacturing capital

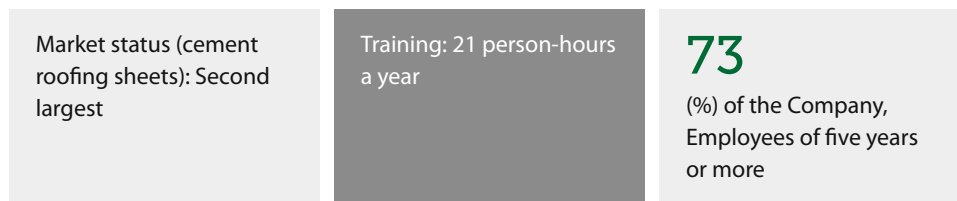


Human capital



Social capital

Intellectual capital



Natural capital



How Visaka Industries has enhanced shareholder value

Our value-accretive business model

At Visaka Industries, we have enhanced value across the decade on account of our leadership (number two) presence in the cement roofing sheets segment, revenue visibility from the synthetic yarns business and a growing presence in non-roofing, non-textiles businesses. These businesses have capitalised on the vast addressable market within India.

How our valuation has grown

Capital appreciation

214

(₹ crore) market capitalisation, 31 March 2020

782

(₹ crore) market capitalisation, 31 March 2021

1,012

(₹ crore) market capitalisation, 31 March 2022

Relative outperformance

How Visaka's equity price (CAGR) performed vis-à-vis the BSE Sensitive Index

	1 year	3 years	5 years	10 years
Stock price	23%	12%	17%	23%
Sensex	18%	15%	15%	13%

Dividend payout

The Company paid out an aggregated ₹194 crore in dividend across 26 successive years ending 2021-22.

Dividend payout (₹ crore)

FY18	11.12
FY19	11.12
FY20	23.82
FY21	24.72
FY22	25.36

Dividend payout ratio (%)

FY18	16.7
FY19	16.5
FY20	48.3
FY21	22.3
FY22	21.40





Business mix

Blend of four businesses in one	De-risked approach	Roofing (conventional and renewable), synthetic yarn and boards	Businesses linked to lifestyle quality	Address rural and urban needs
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Housing focus

Addressing roofing and paneling needs	Addressing interior and exterior requirements	Servicing protection and functional priorities	Superior price-value proposition
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Capacity dispersal

13 pan-India manufacturing locations	Plants proximate to markets	Lower logistic costs; quicker service	Better risk dispersal in the event of downtime
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Financial discipline

Focus on capacity creation with short payback	Financing through moderate debt and accruals	Funding through concessional or low-cost debt	Modest overall gearing of 0.28 (31 March 2022)
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Brand

Products marketed under the Visaka/Shakti/V Next/Wonder yarn brands	Brands recognised for superior price-value proposition	Brands positioned around 'peace of mind' and 'trust'	Brands spending at around 2-3% of annual revenues
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Integration

Boards are used in the manufacture of panels	All interior product manufacturing to be progressively integrated	Integration to enhance margins and synergies	Interior boards distributed through cement roofing sheet network
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Responsibility

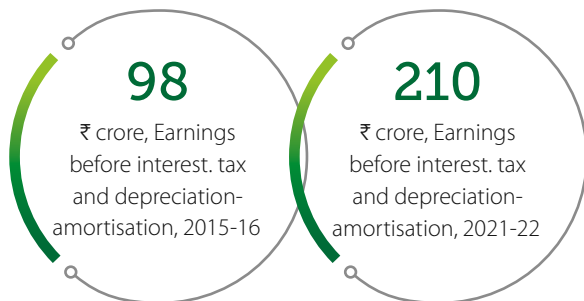
ESG-compliant business model	Extensively de-risked approach	Robust governance and disclosures	Focus on enhanced stakeholder value
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Sustainability

Addressing a core national requirement (roofing, panelling and yarn)	Investment in scalable business platforms	Long-term relationships with stakeholders	Comfortable Net debt/EBIDTA of 0.72; credible AA- credit rating
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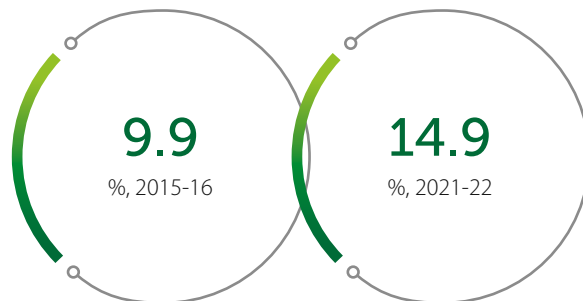
How we generated superior financial hygiene

EBITDA



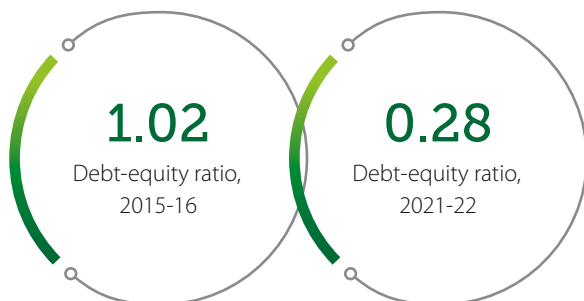
CAGR 13.5%, six years ending 2021-22

EBITDA margin



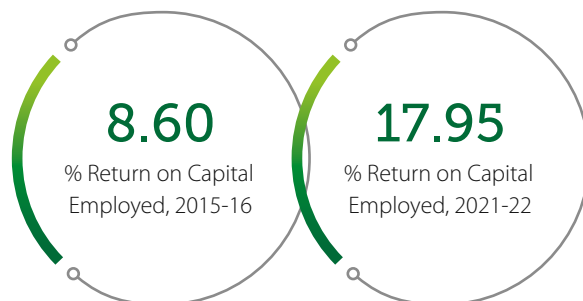
500 bps growth, six years ending 2021-22

Gearing



0.74x decline, six years ending 2021-22

RoCE



935 bps increase, six years ending 2021-22





How we intend to enhance shareholder value going ahead

Progressive debt reduction

Visaka had debt of ₹304 crore as on 31 March 2020 which reduced to 208 crore as on 31st March 22.

Gearing increased from 0.25 to 0.28 (as on 31 March 2022)

Revenue broadbasing

Visaka had a longstanding cement roofing sheets and synthetic yarn presence

It extended to the manufacture of fibre cement sheets, boards and solar roofing products

It moderated the proportion of cement roofing sheets to 60% in turnover (2012-22)

It intends to moderate this proportion to 50% by 2025.

Reducing logistic costs

Visaka commenced business with a unit in Udumalpet (Tamil Nadu) catering to South India

The Company now has 13 plants across India

Logistics cost was 10.5% of revenue from operations in 2021-22

The Company strategically located the plant at Udumalpet, Tamil Nadu to moderate logistics costs

Growing through accruals

Visaka grew the business through a combination of debt and equity

It invested ₹457 crore accruals in six years ending 2021-22

Business growth is likely to be generated from accruals going ahead

Visaka's health, safety and environment (ESG) commitment

Overview

At Visaka Industries, we are committed to make and market products that are safe for the consumer, ecology, employees and communities. As a building products and textile yarns manufacturer we place the highest importance on workforce health and safety. The Company invested 1-2% of its revenues on HSE initiatives each year.

Our HSE focus

<ul style="list-style-type: none"> ◆ Set safety, health & environment targets and regularly review it for continual improvement. ◆ Identify associated hazards and implement appropriate steps to control risks at an acceptable level. ◆ Create awareness for water conservation among employees and 	<p>communities.</p> <ul style="list-style-type: none"> ◆ Motivate employees and communities to adopt new water conservation techniques (sprinklers, drip irrigation and rainwater harvesting etc.) ◆ Reduce freshwater consumption through engineering control and ingenious ideation 	<ul style="list-style-type: none"> ◆ Maximise recycling; reuse waste and scrap ◆ Dispose waste in an environment friendly and energy-efficient manner. ◆ Comply with all applicable legal and other requirements
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Health initiatives

<p>The Company reported zero health mishaps since inception due to the following initiatives.</p> <ul style="list-style-type: none"> ◆ Raw material management can pose a risk to human health if done without 	<p>safeguards. To mitigate this risk, the handling of all raw material has been automated</p> <ul style="list-style-type: none"> ◆ The Company provides personal protection equipment to handle 	<p>hazardous raw materials</p> <ul style="list-style-type: none"> ◆ The Company's factories maintain health records of workers; periodic health tests and analyses are conducted coupled with recommendations
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Safety initiatives

Focus		
<ul style="list-style-type: none"> ◆ Providing safe working conditions ◆ Providing personal protection equipment 	<ul style="list-style-type: none"> ◆ Following standard operating procedures. ◆ Conducting safety training; enhancing awareness programmes during Safety 	<p>Week, Fire Week, Environment Day, Water Day and Earth Day.</p>

Outcomes

- ◆ The Company reported zero accidents during the year under review
- ◆ The Company possesses OHSAS certifications on safety management
- ◆ The Company reported 99.5% of no-incident lapses

Visaka's Covid-19 protection initiatives

The Company protected employees during Covid-19 pandemic through the following initiatives: mental and physical health status coordination; updating health benefits to accommodate emergencies and restoring normalcy.

Initiatives

- ◆ All administrative employees were provided the option to work from home during the lockdown
- ◆ There were special leave provisions for pandemic-affected employees
- ◆ Employees were periodically engaged with to ascertain their wellbeing
- ◆ Nose masks, hand wash liquids and sanitisers were provided; the Company sanitised its offices and factories.
- ◆ Benefits like on-time salaries/wages, yearly increments / performance-linked incentives/ annual bonuses to employees remained protected
- ◆ Health insurance cover was increased for employees
- ◆ Vaccination was conducted for employees and contractors across the Company's premises

Environment

The Company reduced, recycled and replaced consumption through the following initiatives:

- ◆ Reused 100% of our process waste water
- ◆ Recycled 100% discarded post production FCBs
- ◆ Reused discarded paper bags for fibre pulp production
- ◆ Reduced dependence on natural fibre pulp to reduce deforestation
- ◆ Reused fly ash delivered by coal power plants
- ◆ Reused 100% process wastewater
- ◆ Identified new and sustainable raw materials
- ◆ Used waste rice husk and agri briquettes for steam production
- ◆ Installed sewage treatment plants to treat waste-water
- ◆ Installed air pollution control equipment inside DG sets
- ◆ Achieved the highest green building certification (Platinum)
- ◆ Provided green cover across 35% of the total site area

Outlook

- ◆ The Company intends to become net zero in terms of electricity use mix across all its plants
- ◆ The Company intends to enhance respect as a leading sustainable building materials manufacturer

Water conservation

There is a growing premium on prudent water conservation. Utilisation of an autoclave steam water and RO reject water is in process.

Electricity conservation

The Company benchmarked energy consumption across its manufacturing plants to enhance overall performance. It implemented solar power PV in plants. It moderated a reliance on diesel and researched the use of bio-diesel in DG sets. It increased the proportion of renewable energy as a part of the electricity mix. It invested in air blowers, variable frequency drives and radiators. It installed LEDs and EF3 and rated motors across its manufacturing facilities.

Green cover

The Company allocated around 35% of its total site area to tree cover. All trees, shrubs and grass varieties procured were native to the region. The small leaf trees helped arrest pollution.

Material conservation

The Company consumed recycled yarn equivalent to 173 million PET bottles in producing sustainable yarn.



Manufacturing excellence

Overview

The Company's manufacturing capabilities are built around execution excellence. The manufacturing operations are data-driven, enhancing accuracy in resource demand projections. The manufacturing function comprises experienced professionals and competence to fabricate manufacturing equipment.

Strengths

- ◆ The Company's products adhere to ASTM, European and Indian (IS) standards
- ◆ The Company integrated forwards to enhance sustainability (boards to panels)
- ◆ The Company created a dust-free and ergonomic shop floor

Challenges and counter-initiatives

Challenge: The Company encountered a raw material price increase of almost 10% during the year under review.

Counter-initiatives: The Company attempted to offset this increase through value-engineering and research-led process improvement.

Challenge: The Company faced a decline in the margins of fibre cement sheets due to increased raw material costs.

Counter-initiatives: Continuous R&D, deploying cutting-edge production technologies and increased scale of operations were some cost-effective measures, which helped optimise raw material costs leading to stable margins in 2021-22.

Highlights, 2021-22

- ◆ The Company implemented a brownfield capacity expansion of 1,00,000 tonnes per annum in the roofing sheets business (Raebareli) and about 50,000 tonnes per annum in the boards business (Udumalpet). These plants will reduce logistics costs in reaching

consumption markets

- ◆ The Company deepened engagements with vendors who can supply raw materials around a superior price-value proposition
- ◆ The Company enhanced manufacturing automation to enhance productivity
- ◆ The Company invested in research to develop cost-effective raw materials without compromising end product quality

Outlook

The Company will seek to invest deeper in research to cap manufacturing costs.



Supply chain management

Overview

There is a premium on competent supply chain management in the businesses where Visaka is present, translating into a high raw material availability, high asset utilisation and lower inventory.

Big numbers

~10,000

Dealer stations across India as on 31st March, 2022

Strengths

- ♦ Strong brand of paying vendors on time
- ♦ Proprietary competence in commissioning new units, reducing a dependence on vendors
- ♦ Dispersed manufacturing units, helping procure from proximate supply sources
- ♦ Long-term contracts with resource suppliers, enhancing procurement stability

Challenges and counter-initiatives

Challenge: The second pandemic wave transportation and productivity

challenges during first two months of the last financial year

Counter-initiatives: Competent planning by the procurement team and coordination among various plants helped address the challenge of interrupted supply, protecting overall capacity utilisation

Challenge: Port congestion and container shortage affected imports

Counter-initiatives: Long-term contracts with suppliers and global transport agencies helped address international demand on time and in full.

Highlights, 2021-22

- ♦ Despite delays from equipment suppliers, the Company commercialised

the board plant at Udumalpet in January 2022.

- ♦ The Company expanded its cement roofing sheet in Raebareli
- ♦ The Company delivered record production and sales across its roofing and fibre cement board businesses

Outlook

The Company intends to deepen its supply chain to minimise supply shocks.



Quality Management review

Overview

The Company is committed to deepen quality benchmarks to protect the health and safety of users.

The Company engaged with prospective suppliers only after rigorous testing and site visits to ensure that raw material quality addresses the Company's high standards and requirements.

The Company invested in research and development to ensure that high quality

standards were maintained; regular market feedback helped enhance product quality.

The Company achieved the highest global exports share due to its robust quality framework.

The Company's quality processes comprised the testing of raw materials according to the industry standards and requirements and testing of finished goods to determine the mechanical and strength properties in line with quality standards.

Our certifications

- ◆ IS 14862:2000
- ◆ ISO 9001:2015
- ◆ IS 8336

Highlights, 2021-22

The Company reported increased production and dispatch (domestic and international markets) following greater demand arising out of enhanced product quality.

Outlook, 2022-23

The Company intends to strengthen its Total Productive Maintenance (TPM) movement, plug improvement areas,

enhance quality specifications and implement TPM in all plants following back-to-back commitments from large global institutional customers.

Big numbers

1

V Next boards, domestic market position

2

Cement roofing sheets, domestic market position

38

Countries, market presence



Building a digitalised company

Overview

The last few years have been an inflection point in our business. There is a growing recognition that technology is not just important to the Company; it is intrinsic to its existence. Technology is not required to only improve a function or two; technology is imperative to build an efficient company at all levels – technology in developing innovative products, providing superior service, making process-driven cost savings and enhancing operational efficiency.

The result is that technology at Visaka is being widely perceived as the principal competitive differentiator, where most players work within a narrow corridor of competitiveness. The more successful companies are inevitably those possessing superior enabling technology leading to enhanced overall competitiveness. At Visaka, we believe that we remain competitive, liquid and viable in business only on account of the technology we use.

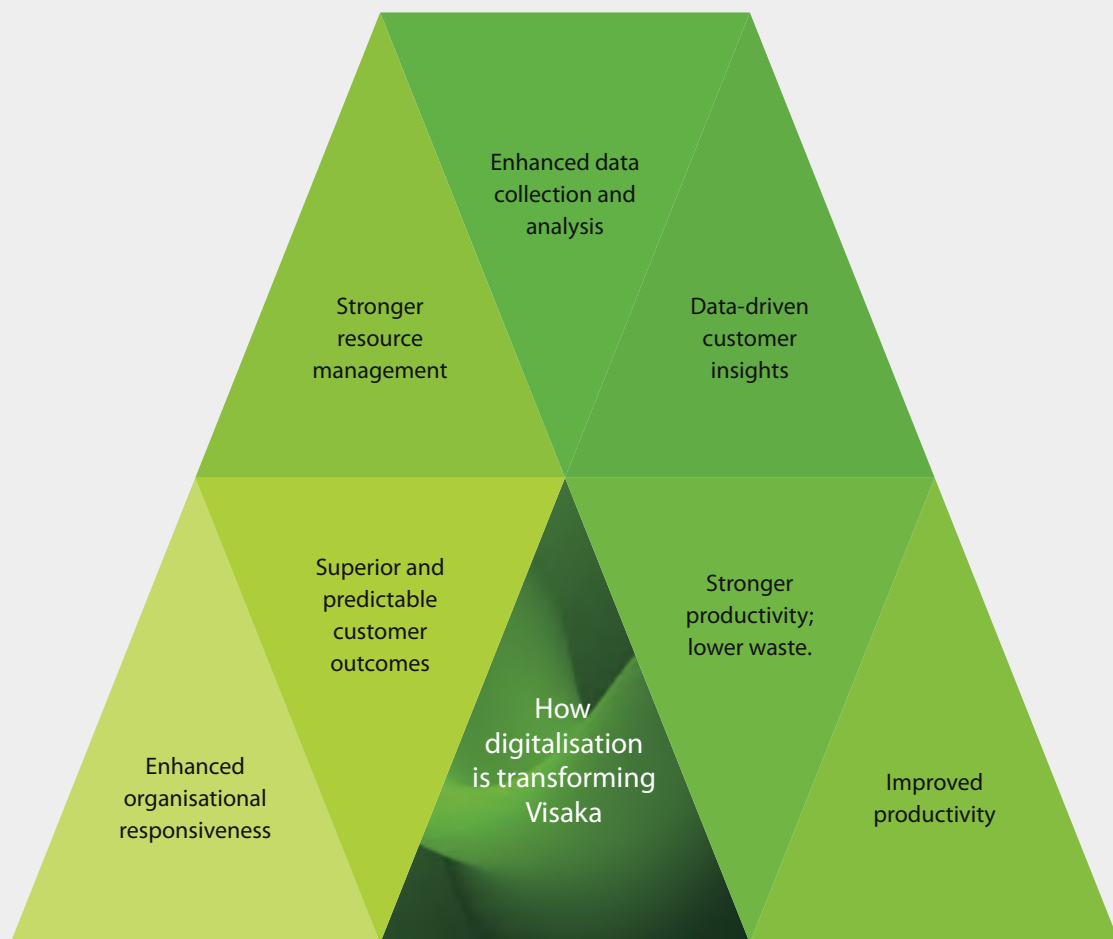
Challenges and mitigation

There is a need to digitally reach customers in B2C products (ATUM).

Highlights, 2021-22

- ◆ A progressive digitalisation of the IT department
- ◆ Enhanced V Next solution app for the Company's products

- ◆ Digital marketing using social media platforms
- ◆ Launch of an IoT-based app for charging stations for solar roofing products
- ◆ Automation of manual processes across the Finance/Human Resource/Operations functions





Corporate Social Responsibility

Overview

At Visaka, corporate social responsibility is an integral part of the Company's culture. Visaka has continued to address the needs of peripheral communities. During the year under review, the Company spent ₹2.30 crore in CSR initiatives.

Our CSR vision

The Company's vision is to actively contribute to the social and economic development of the communities in which we operate. In doing, so to build a better, sustainable way of life for the weaker sections of society and raise the country's human development index.

Our focus areas

- ◆ Improving Human Development Index
- ◆ Promoting educational facilities to the underprivileged

- ◆ Providing drinking water and sanitation facilities
- ◆ Engaging in rural development
- ◆ Enhancing skills leading to sustainable livelihoods
- ◆ Strengthening a framework for dependable health care

CSR initiatives, 2021-22

- ◆ The Company provided educational infrastructure in schools and colleges, including the construction of classrooms and laboratories

- ◆ The Company provided solar-powered carts to street vendors to empower them to earn a living at night
- ◆ The Company reimbursed salaries to tutors in the backward districts of Telangana
- ◆ The Company provided drinking water, conducted health camps and widened rural electrification coverage through solar roofing

BUSINESS DIVISION ANALYSIS #I

Cement roofing sheets

Business profile



Overview

The Company commenced the manufacture of cement roofing sheets in 1985 with an annual capacity of 36,000 metric tonnes. It possessed the capacity to manufacture 8,02,000 metric tonnes across eight plants by the close of the year under review, accounting for 60% of the Company's revenues.

The Company's volumes grew 7% in 2021-22 compared to the previous year. Demand remained stable compared to the pent-up demand witnessed during the previous year. The Company embarked on the exercise to add 100,000 metric tonnes per annum to its installed capacity – the first such instance after 10 years - which is expected to become

operational in the first quarter of 2022-23. The performance improvement was partly catalysed by a rise in steel prices that enhanced the price-value proposition of cement roofing sheets.

Strengths

Sectoral expertise: Visaka has been in business for over four decades, aggregating rich experience of consumer preferences, resource logistics and market cycles.

Certifications: The Company's products were certified with accreditations like BIS, which translated into quality consistency and brand recall.

Wide footprint: The Company established a large retail footprint of about 7,000 pan-India dealers.

Extensive scale: The Company is the second largest manufacturer of cement roofing sheets, accounting for 18% of the sector's pan-India capacity and generating procurement, branding and administrative economies

Sectorial trend

The Company expects to capitalise on higher minimum support prices (MSP) and favourable agriculture harvest of

2021-22. The increased cash flows with farmers is likely to sustain home building and renovation, strengthening the offtake of cement roofing sheets.

There is a growing consumer perception that cement roofing sheets provide superior value over metal sheets for rural residential applications, with lower heat transfer and sound during the monsoons; besides, the product built on multi-decade product durability, enhancing the price-value proposition. During the last financial year, widening the price difference between a cement roofing sheet and steel, strengthening preference and offtake for the former.

Highlights, 2021-22

- ◆ Revenues increased 6% from ₹791 crore in 2020-21 to ₹841 crore.
- ◆ Capacity utilisation was 96% compared to 89% in 2020-21.
- ◆ Sales accounted for 60% of the Company revenues

- ◆ EBITDA from the business accounted for 17% of the Company's EBITDA compared with 21.8% in the previous year

Way forward

The Company's roofing business is expected to perform creditably following a sustained increase in rural incomes, which should sustain demand growth. Favourable monsoons are also expected to sustain industry growth into yet another year. In view of the Russia-Ukraine war, there were challenges in supply-chain management and the availability of raw materials. The Company is taking adequate measures to address the challenges. The Company expects to pass cost increases (inputs and logistics) to customers by capitalising on the cost differential enjoyed over steel. Moreover, in the next two to three years, the Company expects to generate 50% of its revenue mix from cement roofing sheets.

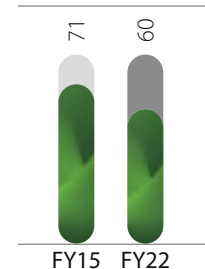
Capacity utilisation

	FY18	FY19	FY20	FY21	FY22
Installed capacity (metric tonnes)	802,000	802,000	802,000	802,000	802,000
Capacity utilisation (%)	88	92	80	89	96

Sales growth

	FY18	FY19	FY20	FY21	FY22
Sales (₹ crore)	677	728	626	791	841
Sales growth (%)	+6.2	+7.6	-14	26	6

Contribution to total sales (%)



BUSINESS DIVISION ANALYSIS #II

V Next products, fibre cement boards and panels

Division profile



Overview

Visaka commenced the manufacture of fibre cement boards and panels in 2009. The user-friendly substitute for conventional walls and dry wall solutions (V Next panel) is manufactured with technical inputs from Australia and accepted by builders and practicing professionals in India and overseas.

These panels are manufactured in an asbestos-free manufacturing units at Miryalaguda, Telangana and Jhajjar, Haryana. V Next panel is energy-efficient with superior thermal and acoustic properties. The product is offered in three thickness variants – 50mm, 75mm and 100mm – with a standard width of 600mm and lengths of 2,400mm, 2,700mm, 3,000mm and 3,300mm. The product is widely used as ready-to-install walls for sturdy structures like site camps, offices, villas, resorts, farmhouses, partitions in malls, hotels and hospitals. The Company manufactures V Next Board, non-asbestos autoclaved fibre cement board using the Hatchek process with high pressure steam curing technology.

Visaka's capacity is 2,20,000 metric tonnes per annum for boards and 19,750 metric tonnes per annum for panels. The Company is the leading player in terms of market share, accounting for 32% of

sectoral capacity. It is also the exclusive producer of the premium product -Type A. Visaka is expanding its distribution network and spreading product awareness by engaging with opinion influencers (carpenters, architects and contractors). Based on diverse options to explore creative applications, V Next has developed a growing clientele in India, Middle East and Africa.

The Company's focus is to increase value-added products from this business. The manufacture of grading designer boards will generate superior pricing with the objective to enhance the proportion of value-added products from the present 10%. The business has developed a committed clientele in the Middle East, Europe, Nepal, Sri Lanka and Thailand, among other countries, for around 30% of its capacity.

Strengths

Quality: V Next products are manufactured using cellulose fiber; they are Green Pro Certified products (V-Board, V-Designer, V-Plank, V-Premium and V-Panel) by CII-IGBC. Visaka is the only company to be Green Product-certified in the category of fibre cement boards.

Certification: The Company's products are certified fire-proof, water-proof,

termite-resistant and UV-resistant by TUV Singapore. The Company's automated fibre cement board plant is ISI-certified, consuming far lower power compared to the sectoral average.

Customised: The Company started with more than 30 applications but has since selected to focus on seven customised applications.

Value-added: The Company introduced value-added products like designer boards and exterior boards like planks. It introduced the path-breaking V-Infill (load bearing dry wall) technology that accelerates construction. This lightweight concrete (cement, sand, expanded polystyrene concrete and a proprietary additive) is mixed with water and poured between a structure made with V Next frames, TMT rods and V-Boards as facing sheets.

Procurement: The Company sources fly ash and cement from areas proximate to its facilities. The Company's plants in Pune and Miryalaguda are proximate to the large cities, strengthening logistics management across the working capital cycle.

Features: The Company invested its V Next products with superior attributes of fire- and termite resistance, denseness, moisture free, swelling-free, tensile, water

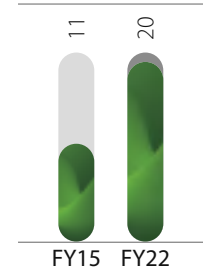
Capacity utilisation

	FY18	FY19	FY20	FY21	FY22
Installed capacity (metric tonnes)	129,750	179,750	179,750	189,750	239,750
Capacity utilisation (%)	81	67	76	71	76

Sales growth

	FY18	FY19	FY20	FY21	FY22
Sales (₹ crore)	152	177	196	203	284
Sales growth (%)	9	17	11	3	40

Contribution to total sales (%)



absorbance and water vapour resistance.

Challenges and mitigation

The Company encountered challenges related to raw material inflation that put a premium on passing these to customers. Besides, the Company encountered some consumer resistance following inflation that affected disposable incomes.

Highlights, 2021-22 (V Next products)

- ◆ Revenues increased by 40% from ₹203 crore in 2020-21 to ₹284 crore in 2021-22.
- ◆ Capacity utilisation stood at 76% (71% in the previous year).
- ◆ Sales accounted for 20% of revenues.

- ◆ The Company engaged directly with marquee customers like Mahindra Life Spaces, Tatas and L&T, strengthening the institutional proportion of its revenues.

- ◆ The Company developed a functional app, empowering customers to access a complete design (for commercial space, factory or residential space) using the V Next product, a single point solution.

- ◆ The Company reinforced its leadership position related to wall panelling and dry wall applications; the Company will enter the false ceiling segment where gypsum board has been a prominent player; the Company will leverage its existing relationships with prominent residential developers like Alliance Group, Sobha

Developers, Puravankara and Panchsheel in Pune.

- ◆ Exports accounting for 20% of revenues (17% in the previous year); the domestic segment is expected to remain robust on account of demand restabilisation in the country's real estate sector.

- ◆ The Company is marketing products across more than 2500 outlets pan-India and the business is expected to grow around 25%.

- ◆ The Company will set up a panels unit along with the Udumalpet facility, to push the dry wall concept

Way forward

The V Next brand performed creditably and expected to grow attractively, catalysed by growth in the domestic and export markets. The Company expects to generate B2B contracts from large companies, making it possible to grow this business by about 25%.

Did you know?

V Next started by selling about 1000 square feet a day. The product now sells about 10 million square feet a month

Did you know?

V Next segment is a product of choice for almost all new and prominent projects for brand-enhancing clients like Microsoft, Amazon, JW Marriott, Tatas and L&T

Did you know?

V Next is a preferred interior panel across most Dubai malls

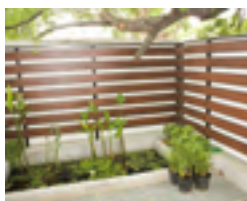
The V Next portfolio



V-Board for interiors



V-Premium for exteriors



V-Plank for exteriors



V-Panel for internal and external walls



V-Infill for load bearing walls

V Next applications

Wall panelling	Dry walls	Partitions	False ceilings
Mezzanine flooring	Roof underlay	Kitchen cabinets	Shelves
External cladding	Sidings	Façades	Gates cladding
Soffits (flower-bed ceilings)	<div>Did you know?</div> <p>V Next Boards emits 36 kg of carbon compared to 1 ton of carbon by concrete, almost 800 kg by plywood and 2 tonnes by steel</p>		

ATUM

Overview

The pioneering ATUM solar roof was launched in 2018, a breakthrough in the field of sustainable energy. Visaka secured patents for this product in USA, South Africa and India.

ATUM is an integrated solar roofing system that addresses all functions of a traditional roof while generating renewable energy. The Company manufactures integrated solar panels with a cement base, providing superior heat insulation over a traditional roof without compromising aesthetics.

In the last few years, ATUM established itself as a trusted product deployed across segments and geographies. The Company is optimistic of prospects based on the Indian government's renewable energy commitment and a resolution to moderate carbon footprint.

The Company developed applications for data center players and the railways, generating repeat orders. The Company also commenced exports to Africa and the Middle East, broadbasing its geographic coverage.

Differentiated features

Strength: ATUM demonstrated the capacity to withstand wind speeds of >180 km per hour, enhancing reliability

Integration: The product provides an integrated power generating roofing solution (~2 metres x1 metre correlates to 21.5 square feet for a 320-watt peak).

Productive: The product is attractively low on space but high on productivity; a 1-kilowatt panel can be installed across 66.5 square feet compared to a conventional solar panel that occupies 100 square feet

Durable: The product provides an enduring solution (40-45 years for the roofing application and >25 years for the power generation function).

Certified: The product is backed by relevant certifications (BIS certified-IS:14286/ IEC 61215, IEC 61730 Part-1 and IEC 61730 Part-2). ATUM received the prestigious UL certification that opened markets in USA and Europe

Challenges and mitigation

Since the product is still relatively new, there is a need to enhance awareness. The Company engaged in extensive marketing during the year. There was a need to validate product quality. The Company received BIS certification for ATUM

Highlights, 2021-22

- ◆ The Company implemented 97 projects; it ended the year with a project pipeline of 15 MW across hospitals, pharmaceuticals and data centres.
- ◆ The Company launched ATUM Charge, a self-sustaining solar powered-charging station that will be set up across India and the world
- ◆ The Company generated repeat orders from Hindustan Aeronautics, in addition

to a large pan-India hospital segment, data centres and large family enterprise

◆ The following are some of the ATUM roof clients:

- ◆ Indian Railways
- ◆ Serum Institute (Covishield)
- ◆ Mahindra Resorts
- ◆ Manipal Institute
- ◆ Rainbow Hospital
- ◆ Pheonix Group

◆ The business got patents for the product in the US, South Africa and India

Way forward

- ◆ The Company has set up 250 charging stations, providing green energy to its consumers. Further, the Company plans to add more charging stations in 2022-23.
- ◆ The Company is fabricating ATUM Life, a chain of experience centres offering all eco-friendly sustainable and green products under one roof.
- ◆ The Company intends to launch about 10 ATUM Life studios to explain the product
- ◆ ATUM Life will enable consumers adopt sustainable products like V Next solutions, emerging as a point of reference and experience



Did you know?

If a traditional solar panel consumes 100 square feet to generate one kilo watt or 4.5 units a day, ATUM promises to do the same using 66.5 square feet – enhanced space efficiency

ATUM Projects executed in 2021-2022

Region	Number of projects	Capacity (kilowatts)
South	58	2460
West	26	2334
North	3	63
East & North East	3	311
Export	7	142

New age products







BUSINESS DIVISION ANALYSIS #III

Synthetic yarns

Overview

Visaka extended into the manufacture of synthetic yarn in 1992 when it commissioned a factory in Nagpur. The plant was designed to produce 2,000 tonnes of man-made yarns per annum using the cutting-edge air-jet spinning technology.

Over the years, the Company manufactured specialised products (mélange, high twist and specialty yarns) in different blends utilised by quality-conscious fabric manufacturers, resulting in realisations among the highest in the country's yarn sector. The Company's quality emphasis is validated by prominent downstream brands like Donear, Siyaram Silks, Raymonds, GBTL, RSWM, BSL Suitings and Arvind Mills, among others. The Company scaled its spinning capacity in 2016-17 to produce 12,000 tonnes per annum.

Strengths

The synthetic yarn division performed creditably, maintaining traditional margins year. The last few years proved turbulent for the textile industry wherein it took shutdowns and incurred losses.

Reputed: The Company invested in periodic capacity addition (12,000 metric tonnes of yarns per annum at present) to service the growing requirements of some of the biggest fabric brands in India.

Technology: The Company manufactures yarns with the sophisticated twin airjet spinning technology.

Best-in-class: The yarns manufactured by the Company are marked by low pilling, no singeing and excellent dye pick-up, low picks per inch, low weaving costs, low value loss/ fresher piece lengths, high perspiration absorption, low shrinkage, smooth appearance and cotton-touch feel.

Preferred: The yarns produced by Visaka enhance loom productivity and are preferred by demanding fabric manufacturers

Highlights, 2021-22

- ♦ Revenues increased by 83% from ₹135 crore in 2020-21 to ₹247 crore
- ♦ Capacity utilisation increased from 60% in 2020-21 to 90%

♦ EBITDA from this business was 18.5% of what reported by the Company

♦ The Company produced 250 tonnes of sustainable yarn, a new venture derived from bottles, which was well accepted in Europe and America.

Way forward

The Company continued to observe market trends before deciding whether it would enhance manufacturing capacity.

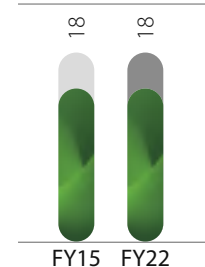
Capacity utilisation

	FY18	FY19	FY20	FY21	FY22
MTS machines	41	41	41	41	41
Spinning positions	2752	2752	2752	2752	2752

Sales growth

	FY18	FY19	FY20	FY21	FY22
Sales (₹ crore)	169	219	215	135	247
Sales growth (%)	-3%	+30%	-2%	-37%	83

Contribution to total sales (%)



Risk management

Our business divisions and risk probabilities

Divisions	Risk probabilities	Reasons
Cement roofing sheets	High-moderate	Rural economic slowdown Slowdown in building and construction sector
V Next	Moderate-low	Differentiated products and market
ATUM	Moderate	Comparatively new in market
Yarn	Low	Superior customer reach and product quality

Building products business

Risks	Probability	Mitigation
There is a perception that cement asbestos products are harmful	Medium	<ul style="list-style-type: none"> ♦ The quantum of fibre used in India is minimal. No fatalities have been reported in India by users of the material. ♦ The Company uses white fibre whereas the carcinogenic blue fibre is banned. ♦ The free floating asbestos used by the Company is well below the 0.1 fibres/ml of air standard fixed by Ministry of Environment. ♦ The Company's on-going audit ensures a safe workplace for employees. ♦ The Company presents its case responsibly to the external world that the material used is safe
There is a risk of interrupted fibre supply that could affect production	Medium	<ul style="list-style-type: none"> ♦ The Company imports all the fibre it needs (three grades, from Russia, Kazakhstan, Brazil). ♦ Even as the Company has been working with suppliers for long, it enters into annual contracts with them based on its production plan for predictable supply. ♦ The Company keeps adequate raw material inventory as a hedge against shipment delays and unavailability of material.

Risks	Probability	Mitigation
There is a risk of supplying far from the production plant, incur high freight costs, transshipment breakage and endangered profitability.	Medium-low	<ul style="list-style-type: none"> ♦ The Company has progressively commissioned plants in regions with attractive offtake but relatively inadequate supply. ♦ The Company's strategy is to service consumers across a radius of 500 km. ♦ Each of the Company's plants covers mutually exclusive marketing zones, maximising national coverage.
There is a risk of realisations declining in the event of product oversupply or demand destruction	Medium-low	<ul style="list-style-type: none"> ♦ There is a risk of oversupply especially when new capacities come on stream without corresponding market growth, resulting in a decline in realisations. However, as the market grows, realisations correct. ♦ The Company has generally marketed its products in regions of under-supply, enhanced recall and strengthened its market share. The result is that its material has generally sold quicker even in times of oversupply and commanded a premium in times of undersupply
The business is exposed to forex risk, considering that nearly all the Company's requirement of fibre is imported.	Low	<ul style="list-style-type: none"> ♦ The Company has a proactive hedging policy handled by a committee of executives. ♦ The Company also enjoys a natural hedge for a part of its imports through yarn and V Next products export.

Textile business

Risks	Probability	Mitigation
The Company may be affected by commodity realisations.	Low	<ul style="list-style-type: none"> ♦ The Company has consciously selected to be present at the value-added end of the business through the manufacture of niche and premium products. Some of the products fetch realisations higher than the prevailing industry average. The Company's average realisation per kg of end product was ₹189 in 2020-21 and ₹231 in 2021-22.
The Company could be affected by a rise in input prices.	High-medium	<ul style="list-style-type: none"> ♦ This risk affects the entire industry. However, the Company has always passed on costs due to its premium quality positioning.

Risks	Probability	Mitigation
The Company could be affected by a decline in offtake and product relevance.	Low	<ul style="list-style-type: none"> ♦ The Company has deliberately graduated to the manufacture of yarns used in value-added products. ♦ The Company addresses the needs of weavers who make branded garments and home textiles. There is a growing market for these products in India on account of income increase, a greater proportion of the population becoming earners, a decline in the average age and a general inclination to graduate to a better living standard.
The Company's textiles business could be affected by client attrition	Low	<ul style="list-style-type: none"> ♦ The Company customises yarn products and produces challenging counts not easily replicated by competitors, helping retain customers.

Board's Report



Dear members

Your Directors are pleased to present the 40th Annual Report on the operational and business performance of the Company together with the Audited Financial Statements (Standalone and Consolidated) for the Financial Year ended March 31, 2022.

Financial Performance

The summarized financial performances for the Financial Year ended March 31, 2022 are as under:

(Rs. In lakhs)

Particulars	Standalone		Consolidated	
	2021-22	2020-21	2021-22	2020-21
Total Revenues	1,42,567	1,15,479	1,42,568	1,15,513
Profit before depreciation and Taxes	19,839	18,925	19,821	18,925
Profit before taxes	16,077	14,926	16,059	14,926
Provision for taxes (Including deferred tax)	4,224	3,861	4,227	3,861
Total comprehensive income	11,895	11,087	11,874	11,086
Dividend *	2,802	824	2,802	824
Balance brought forward from previous year	27,268	17,006	27,268	17,006
Profit available for appropriation	36,362	27,268	36,341	27,268

*Dividend paid during the respective years

Performance review and the state of Company's affairs:

The Company's consolidated total income for the year 2021-22 was Rs. 1425.68 crores, up by 23% over the previous year. Profit before tax (PBT) was Rs. 160.59 crores representing a growth of 8% over the previous year.

The Company's standalone total income for the year 2021-22 was Rs. 1425.67 crores, up by 23% over the previous year. Profit before tax (PBT) was Rs. 160.77 crores representing a growth of 8% over the previous year.

The company has posted another good year of performance by achieving highest turnover and profits with all segments contributing significantly. The demand for the Company's products is stable in spite of Covid related lockdowns in the first quarter and challenges being faced in the supply chain and increase in resources cost etc.

The Company's other key performance indicators are as under:

- Cash Profit increased by 3% to Rs. 156 crores from Rs. 151 crores in previous year
- The capital expenditure for FY 2021-22 was incurred of Rs. 145 crores, major part of Rs. 81 Crores is in respect of V Next Boards & Panels projects at Udumlpet near Coimbatore and Rs. 49 Cores is towards setting up of additional line at Asbestos unit at Raebareli near Lucknow and other capital expenditure

There is no change in the nature of the business of the Company during the year under review.

DIVIDEND

Your Directors declared an interim dividend of Rs. 7/- (i.e. 70%) per share of Rs. 10/- each fully paid up during the financial year under

review. Your Directors are pleased to recommend a Final Dividend of Rs. 8/- (i.e. 80%) per share of Rs. 10/- each for the Financial Year 2021-22. With the above, the total dividend payout would be Rs.15/- (i.e. 150%) per share of Rs. 10/- which is on par with the previous year's Dividend of Rs. 15/- per share (i.e.150%). The dividend, if approved at the 40th annual general meeting (AGM), will be paid to all eligible members.

TRANSFER TO RESERVES

The company has not proposed to transfer any amount to the general reserve.

SHARE CAPITAL

The paid-up share capital of your company increased by Rs.80.00 lacs to Rs. 1728.10 lacs during the year under review consequent to allotment of Eight Lakh Equity Shares of Rs. 10/- each fully paid up issued to promoters and promoter group upon conversion of 8,00,000 convertible warrants.

Subsidiary companies:

The Company has two subsidiaries as on March 31, 2022 i.e. VNEXT Solutions Private Limited and Atum Life Private Limited, Vnext Solutions Pvt Ltd is setup to capitalise on the expertise gained in the various applications of its products. Viz., EPC contracts, Turnkey solutions, construction of Infil houses with Atum Solar panels, V-Boards, V-Panels and Infil material.

Atum Life Private Limited is formed to deal with the sustainable and eco-friendly products. The Company is proposed to open studios to deal with various range of sustainable products including holding company's sustainable products. The Company has put up Atum charging stations which provides clean energy to consumers. ATUM Charge is India's First Green EV charging stations and it is powered by our own ATUM Solar roofing. The Company aims for Zero emissions, net zero facilities and sustainable network.

The Statement containing salient features of the financial statement of Subsidiaries / associate companies / joint ventures (Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014) in form AOC-1 is annexed as Annexure-1.

In terms of Section 129(3) of the Companies Act, 2013, the consolidated financial statements of the company and all its subsidiaries prepared in accordance with Ind AS 110 and 111 as specified in the Companies (Indian Accounting Standards) Rules, 2015, forming part of the annual report. In accordance with Section 136 of the Companies Act, 2013, the audited financial statements and related information of the company and its subsidiaries, wherever applicable, are available on the company's website: www.visaka.co. These are also available for inspection during regular business hours at our corporate office in Hyderabad, India.

Management discussion and analysis

Global economic review

The global economy grew an estimated 5.9% in 2021 compared to a de-growth of 3.3% in 2020. This improvement was largely due to increased vaccination rollout the world over and a revival in economic activity based on catch-up consumption.

The global economic recovery is attributed to accelerated vaccine rollout across 4.4 billion people, around 56% of the global population (single dose). The spot price of Brent crude oil increased 53.34% from USD 50.37 per barrel at the beginning of 2021 to USD 77.24 per barrel at the end of the calendar year, strengthening the performance of oil exporting countries and moderating growth in importing nations. Global FDI reported an increase from \$929 billion in 2020 to an estimated \$1.65 trillion in 2021.

The global economy was affected by prohibitive shipping freight rates, a shortage of shipping containers and semiconductor chips in 2021, affecting global economic recovery. Inflation was at its highest since 2011, especially in the advanced economies, catalysed by a run up in commodity prices. Some emerging and developing economies were positioned to withdraw policy support to contain inflation even as the economic recovery was still incomplete.

The prominent feature of the global economic activity during the year under review was a sharp revival in commodity prices to record levels following the drop at the time of pandemic outbreak. The commodities that reported a sharp increase in prices comprised steel, coal, oil, copper, food grains, fertilisers and gold.

The global economy is projected to grow at a modest 2.6% in 2022 following the Russia-Ukraine crisis. A higher interest rate environment could affect emerging markets and developing economies with large foreign currency borrowings and external financing needs in 2022.

Regional growth (%)	2021	2020
World output	5.9	(3.3)
Advanced economies	5.0	(4.9)
Emerging and developing economies	6.3	(2.4)

(Source: IMF, World Bank, UNCTAD)

Performance of major economies

United States: The country reported GDP growth of 5.7% in 2021 compared to a de-growth of 3.4% in 2020, following the government's investment of trillions of dollars in COVID relief.

China: The country's GDP grew 8.1% in 2021 compared to 2.3% in 2020 despite it being the novel coronavirus epicentre.

United Kingdom: The country's GDP grew 7.5% in 2021 compared to a 9.9% de-growth in 2020.

Japan: The country reported growth of 1.7% in 2021 following a contraction in the previous year.

Germany: The country reported a GDP growth of 2.9% in 2021 compared to a decline of 4.9% in 2020.

(Source: World Bank, IMF, Business Standard, Times of India)

Indian economic review

The Indian economy reported an attractive recovery in 2021-22, its GDP rebounding from a de-growth of 7.3 per cent in 2020-21 to a growth of 8.6 (E) per cent in 2021-22. By the close of 2021-22, India was among the six largest global economies, its economic growth rate was the fastest among major economies (save China), its market size at around 1.40 billion the second most populous in the world and its rural under-consumed population arguably the largest in the world.

Y-o-Y growth of the Indian economy

	FY19	FY20	FY21	FY22
Real GDP growth (%)	6.1	4.2	(7.3)	8.6 (E)

Growth of the Indian economy, 2021-22

	Q1, FY22	Q2, FY22	Q3, FY22	Q4, FY22
Real GDP growth (%)	20.1	8.4	5.4	4.8 (E)

The Indian economy was affected by the second wave of the pandemic that affected economic growth towards the fag end of the previous financial year and across the first quarter of the financial year under review. The result is that after a growth of 1.6 per cent in the last quarter of 2020-21, the Indian economy grew 20.1 per cent in the first quarter of FY 2021-22 due to the relatively small economic base during the corresponding period of the previous year.

India's monsoon was abundant in 2021 as the country received 99.32% of a normal monsoon, lower though than in the previous year. The estimated production of rice and pulses recorded volumes of 127.93 million tonnes and 26.96 million tonnes respectively. The total oilseeds production of the country recorded a volume of 371.47 million tonnes. Moreover, based on the spatial and temporal distribution of the 2021 monsoon rainfall, the agricultural gross value added (GVA) growth in FY22 is anticipated to be 3-3.5%. The country's manufacturing sector grew an estimated 12.5 per cent, the agriculture sector 3.9 per cent, mining and quarrying by 14.3%, construction by 10.7% and electricity, gas and water supply by 8.5% in FY 2021-22.

There were positive features of the Indian economy during the year under review.

India attracted highest annual FDI inflow of USD 83.57 billion in FY 2021-22, a validation of global investing confidence in India's growth story. The government approved 100% FDI for insurance intermediaries and increased FDI limit in the insurance sector from 49% to 74% in Union Budget 2021-22.

India surpassed the Rs 88,000 crore target set for asset monetisation in 2021-22, raising over Rs 97,000 crore with roads, power, coal, mining and minerals accounting for a large chunk of the transactions.

The Indian government launched a four-year Rs. 6 lakh crore asset monetisation plan (roads and highways, pipelines, power transmission lines, telecom towers, railways station redevelopment, private trains, tracks, goods sheds, dedicated freight corridor, railways stadiums, airports, projects in major ports, coal mining projects, mineral mining blocks, national stadia, redevelopment of colonies and hospitality assets).

In 2021, India was the largest recipient of global remittances. The country received USD 87 billion during 2021, with the US being the largest source (20%). India's foreign exchange reserves stood at an all-time high of USD 642.45 billion as on September 3, 2021, crossing USD 600 billion in FOREX reserves for the first time.

India's currency weakened 3.59% from Rs. 73.28 to Rs. 75.91 to a US dollar through FY 22. The consumer price index (CPI) of India stood at an estimated 5.3% in FY 2021-22. India reported improving Goods and Services Tax (GST) collections month-on-month in the second half of 2021-22 following the relaxation of the lockdown, validating the consumption-driven improvement in the economy. The country recorded its all-time highest GST collections in March 2022 standing at Rs. 1.42 lakh crore, which is 15% higher than the corresponding period in 2021.

India ranked 62 in the 2020 World Bank's Ease of Doing Business ranking. The country received positive FPIs worth Rs. 51,000 crore in 2021 as the country ranked fifth among the world's top leading stock markets with a market capitalisation of \$3.21 trillion in March 2022.

The fiscal deficit was estimated at Rs. 15.91 trillion for the year ending March 31, 2022 on account of a higher government expenditure during the year under review.

India's per capita income was estimated to have increased 16.28% from Rs. 1.29 lakh in 2020-21 to Rs.1.50 lakh in 2021-22 following a relaxation in lockdowns and increased vaccine rollout.

India's tax collections increased to a record Rs 27.07 lakh crore in FY 2021-22 compared with a budget estimate of Rs 22.17 lakh crore. While direct taxes increased 49 per cent, indirect tax collections increased 30 per cent. The tax-to-GDP ratio jumped from 10.3 per cent in FY21 to 11.7 per cent in FY22, the highest since 1999.

Retail inflation in March at 6.95 per cent was above the RBI's tolerance level of 6 per cent but fuel prices played no part in this surge. Retail inflation spiked to a 17-month high in March 2022, above the upper limit of the RBI's tolerance band for the third straight month.

(Source: Economic Times, IMF, World Bank, EIU, Business Standard, McKinsey, SANDRP, Times of India, Livemint, InvestIndia.org, Indian Express, NDTV, Asian Development Bank)

Indian economic reforms and Budget 2022-23 provisions

The Budget 2022-23 seeks to lay the foundation of the Indian economy over the 'Amrit Kaal' period of the next 25 years leading to 100 years of independence in 2047. The government is emphasizing the role of PM GatiShakti, Inclusive Development, Productivity Enhancement & Investment, Sunrise Opportunities, Energy Transition and Climate Action, as well as Financing of Investments.

The capital expenditure target of the Indian government expanded by 35.4% from Rs.5.54 lakh crore to Rs. 7.50 lakh crore. The effective capital expenditure for FY23 is seen at Rs. 10.7 lakh crore. An outlay of Rs. 5.25 lakh crore was made to the Ministry of Defence, which is 13.31% of the total budget outlay. A boost was provided to India's electric vehicle policy 'Scheme for Faster Adoption and Manufacturing of (Hybrid and) Electric Vehicle in India'. An announcement of nearly Rs. 20,000 crore was made for the PM Gati Shakti National Master Plan to catalyse the infrastructure sector. An expansion of 25,000 km was initiated for 2022-23 for the national highways network. To boost the agricultural sector, an allocation of Rs. 2.37 lakh crore was made towards the procurement of wheat and paddy under MSP operations. An outlay of Rs. 1.97 lakh crore was announced for the Production Linked Incentive (PLI) schemes across 13 sectors.

Outlook

India's medium-term optimism is derived from the fact that three down cycles – long-term, medium-term and short-term – could well be reversing at the same time. The long-term downtrend, as a result of nonperforming assets, scams and overcapacity could be over; the medium-term downtrend that was caused by the ILFS crisis, select banks collapse and weakening NBFCs could well be over; the short-term downtrend on account of the pandemic has weakened following the acceleration of the vaccine rollout.

There is a possibility of each of these downtrends having played out, which could well lead to a multi-year revival in capital investments. Some USD 500 billion worth of investments are expected to be made in the wind and solar infrastructure, energy storage and grid expansion.

The Indian economy is projected to grow by 8% in FY23 (World Bank estimate), buoyed by tailwinds of consistent agricultural performance, flattening of the COVID-19 infection curve, increase in government spending, favourable reforms and an efficient roll-out of the vaccine leading to a revival in economic activity.

Across the next three years, capital expenditure in core sectors - cement, metal, oil refining and power - should be about Rs. 5 trillion. Besides, the government's production linked incentives (PLI)-led capex should generate an incremental Rs 1.4 trillion in sectors like consumer durables, pharmaceuticals and automobiles.

Indian construction and building materials industry

India's construction industry addresses growth coming out of its real estate and urban development. The construction industry witnessed a rebound to grow 15.8% to US\$541.54 billion in 2021, driven by the global response to broadbase supply lines away from China, government housing schemes, large captive market and pent-up demand following COVID-19. India is expected to emerge as the third largest construction market by 2025, with output expected to increase an average 7.1% a year in line with the national goal to modernize infrastructure and create 'smart' urban development. This industry has an extensive coverage with contributions of around 55% to the steel, 15% to the paint and 30% to the glass industries.

The government permitted 100% FDI under the automatic route in completed projects for operations and the management of townships, malls/shopping complexes and business construction, which helped the real estate sector attract US\$23.9 billion during 2017-21. The Indian construction industry is expected to report average annual growth of 11.6% between 2022 and 2025 on account of investments of US\$1.5 trillion in National Infrastructure Pipeline during FY2020-2025. A vast transformation is expected in markets and industries, marked by digitisation.

The Indian construction industry is expected to return to recovery in 2022. Even as commercial construction could remain subdued, private developers are optimistic of prospects. The National Infrastructure Plan is expected to drive infrastructure construction. (Sources: indiaglobalbusiness.com, IBEF, Businesswire)

Rural India proxy

The business of your company is catalysed by the prospects of rural India, from where it derives [60] per cent of its revenues through the sale of asbestos roofing sheets. This is a large market, marked by around 65 per cent of the country's population, growing rural incomes, increased aspirations and the need to live better. India's rural India population accounted for 44% of the global rural population, indicating the size of the addressable market (Source: World Bank).

Rural India accounts for around 55 per cent of India's manufacturing GDP; rural areas were host to nearly 75 per cent of new factories built in the last decade, and rural factories account for 70 per cent of all new manufacturing jobs. Nielsen estimates that the FMCG market in rural India could generate US\$ 100 billion in revenues by 2025, catalysed by online portals and smartphone ownership.

The health of the country's rural sector has been catalysed by abundant monsoons and harvests as well as attractive minimum supplier prices, strengthening farm incomes. In turn, enhanced incomes have generated home renovation or building, catalysing the demand for asbestos roofing sheets. (Source: ibef.com)

Sectorial drivers

Increasing population and urbanization: India's population is expected to rise from 1.40 billion in 2022 to 1.52 billion in 2036, 70% in urban India.

Demographic dividend: India's median age of population is 28, lower than the global average of 30, which is expected to sustain the national economic growth (including the construction sector).

Growing real estate sector: The real estate sector is expected to grow from US\$541.54 billion in 2021 to US\$842.54 billion in 2025, driving building materials demand.

Smart Cities Mission and AMRUT: Under the Union Budget FY 2022-23, Rs.14,100 crore was outlined for Smart Cities Mission and AMRUT, catalysing urban growth (marginally higher than Rs. 13,750 crore allocated under Union Budget 2021-22).

Pradhan Mantri Awas Yojana - Gramin (PMAY-G): India seeks to establish 30 million houses in rural areas by 2022, strengthening construction growth.

Budgetary allocation: According to Union Budget 2022-23, the Ministry of Rural Development was allocated Rs 1,35,944 crore. Besides, for MNREGS, the rural employment guarantee scheme, the budgetary allocation remained unchanged at Rs 73,000 crore despite a revised estimated for FY22 of nearly Rs 98,000 crore. (Source: The wire, Money Control)

Indian fibre cement products sector overview

Fibre cement products in India are a prevalent roofing material. These materials are developed with high quality cement and imported fibre. Fibre cement roofing sheets are complex building and construction materials, especially utilized in roofing and facade applications owing to their strength and durability. However, fibre cement roofing sheets demand is majorly driven by strict regulations against the use of asbestos in construction due to the health risks involved in its use. The Indian fibre cement market was 33,346.93 kilotons by volume in 2021.

The Indian fibre cement roofing sheets market was anticipated to grow to US\$ 963.86 million by FY 2027, growing at a CAGR of more than 5%. The growth is likely to be driven by economic development, infrastructure investments and suitability of fibre cement roofing products over alternatives. In terms of raw materials, the Indian fiber cement roofing sheets market is classified into portland cement, chrysotile asbestos fibre and others. The roofing category is expected to sustain popularity on account of established longevity and utility.

The fibre cement board comprises cement, silica and cellulose fibre. This green product enjoys traction in India (produced and marketed by Visaka under the brand of VNext products), utilized in internal and external applications (except roof). The product is a replacement for brick work applications, plywood applications, MDF applications and gypsum board applications. (Source: Techsciresearch, Yahoo)

Indian solar rooftop market overview

India is a prominent solar power generating nation, its solar capacity having grown dramatically in the past few years. The National Solar Mission intends to enhance India's renewable energy capacity to 225GW by 2022 and 500GW by 2030. The Indian rooftop solar market is estimated to grow 25% compounded for five years.

India installed 1,700 MW solar capacity in 2021; the residential segment accounted for 35%, followed by the commercial segment (33%), industrial segment ((26%) and government segment (6%). A significant growth in rooftop installations is expected in FY22-23.

The share of the industrial segment increased from 23% in 2015 to nearly 70% in 2019. Maharashtra, Rajasthan, Tamil Nadu, Karnataka, and Gujarat are key rooftop solar power states, accounting for nearly 46% of the national rooftop solar capacity. The rooftop solar market recorded its best year on account of a pent-up demand spillover from 2020. (Source: solarquarter.com, Economic Times, Business Standard)

Indian textiles industry review

Textile industries employ more than 18 million people directly and more than 20 million people indirectly, contributing 2% to India's GDP and 7% to industrial production as of 2021. India is among the top five global exporters in various categories like natural fibre, MMF spun yarn, filament yarn, woven fabric and home textiles.

The Indian textile sector registered a growth of 41% in the first three quarters of FY 2021-22 compared to the corresponding quarters of financial year 2020-21. The government aims to enhance India's textiles export from \$29.6 billion in 2020 to \$100 billion by 2026. The Indian textiles market is expected to grow to more than US\$ 209 billion by 2029.

Man-made fibres (MMF) are poised to grow as a result of significant investments in world-class production plants, ongoing innovation, new product mix and the need for countries to seek an alternative to China in their restructured supply chain.

Indian government's textile vision is to reach revenues of US\$ 350 billion by 2024-25, warranting capacity trebling to 12 billion kg in five years. In December 2021, the government approved a production-linked incentive (PLI) scheme for textiles. The scheme is expected to promote production of man-made fabric (MMF) apparel, MMF fabrics and products of technical textiles with an aim to increase the global presence of India in these products. The government announced extension of the Rebate of State and Central Taxes and Levies (RoSCTL) scheme for apparel and made-ups for three years.

The Government aims to encourage private investments through investments under Integrated Textile Parks Scheme and the Technology Upgradation Fund. The Indian textile industry is the second largest employer in the country after the agricultural

sector, in terms of employment creation, offering direct and indirect employment to around 100 million people.

Under the Union Budget 2022-23, the total allocation for the textile sector was Rs. 12,382 crore (US\$ 1.62 billion). Out of this, Rs.133.83 crore (US\$ 17.5 million) is for Textile Cluster Development Scheme, Rs. 100 crore (US\$ 13.07 million) for National Technical Textiles Mission, and Rs. 15 crore (US\$ 1.96 million) each for PM Mega Integrated Textile Region and Apparel parks scheme and the Production Linked Incentive Scheme. (Source: IBEF, IMARC, Statista, India textile journal.com)

Big numbers

2%

Share of India's GDP, 2021

12%

Share of textile exports in country's overall exports, 2021

Growth drivers

Millennial demand: Millennials comprise 34% of India's population and 23% of the nation's working population; this millennial demand drives textile sector growth.

Affluent middle class: Aspiring households that earn Rs 5 to Rs 20 Lakhs catalyse consumption. Affluent households have more than doubled from 10 million to 24 million since 2008. Aspirers have increased from 31 million households to 57 million during the same period. Elites earning beyond Rs 20 Lakhs jumped from 3 to 9 million since 2008.

Growing aspirations: India comprises an aspiring population, marked by lifestyle enhancement, strengthening the offtake of apparel.

Western wear demand: Owing to casual dress code in offices and urbanisation, the demand for western wear could increase, strengthening prospects of the textile sector.

Growing online brands: India's e-commerce market is estimated to reach USD 350 billion in 2030, catalysed by rising internet penetration, online shopping and smartphone use (Sources: Economic Times, Mint, Wazir Advisors, Mint, IBEF)

Financial overview

Analysis of the profit and loss statement

Revenues: Revenue from operations reported 23% growth from Rs 1,146 crore in FY2020-21 to Rs 1416 crore in 2021-22. Other income of the Company reported a 15% growth and accounted for 0.7% share of the Company's revenues reflecting the Company's dependence on its core business operations.

Expenses: Total expenses of the Company increased 26% from Rs 1005 crore in FY2020-21 to Rs 1265 crore in 2021-22 due to higher production. Employee expenses accounting for 9.34% of the Company's revenues and increased by 10% from Rs 120 crore in FY2020-21 to Rs 132 crore in FY 2021-22.

Analysis of the Balance Sheet Sources of funds

- The capital employed by the Company increased by 20% from Rs 798 crore as on 31st March, 2021 to Rs 958 crore as on 31st March, 2022.
- The net worth of the Company increased from Rs 627 crore as on 31st March, 2021 to Rs 732 crore as on 31st March, 2022 owing to increase in reserves and surpluses. The Company's equity share capital increased from 1.648 crore equity shares to 1.728 crore equity shares of Rs 10 each, during the year under review.
- Long-term debt of the Company decreased to Rs 49 crore as on 31st March, 2022. The long-term debt-equity ratio of the Company stood at 0.07 in 2021-22 compared to 0.12 in FY2020-21.
- Finance costs of the Company decreased from Rs 12.81 crore in FY2020-21 to Rs 11.56 crore in 2021-22 following the repayment of liabilities and negotiation of better terms with bankers. The Company's interest cover stood at a comfortable 18.2 in 2021-22 15.8 in FY2020-21.

Applications of funds

- Fixed assets (gross) of the Company increased by 18% from Rs 577 crore as on 31st March, 2021 to Rs. 679 crore as on 31st March, 2022 due to expansion.

Other non-current assets

- Other non-current assets of the Company enhanced from Rs 43.09 crore as on 31st March, 2021 to Rs 47.85 crore as on 31st March, 2022

Working capital management

- Current assets of the Company increased from Rs 503 crore as on 31st March, 2021 to Rs 548 crore as on 31st March, 2022. The current and quick ratios of the Company stood at 1.75 and 0.62, respectively in 2021-22 compared to 2.17 and 0.96, respectively in FY2020-21.
- Inventories including raw materials, work-in-progress and finished goods among others increased by 18% from Rs 249 crore as on 31st March, 2021 to Rs 293 crore as on 31st March, 2022. The inventory cycle days decreased from 88 days of turnover equivalent in FY2020-21 to 71 days of turnover equivalent in 2021-22.
- Trade receivables increased by 26% from Rs 111 crore as on 31st March 2021 to Rs 140 crore as on 31st March, 2022. More than 96% of the receivables are considered good. The Company debtor turnover cycle is 31 days due to higher turnover during 2021-22 compared to 39 days in FY2020-21.
- Cash and bank balances of the Company decreased from Rs 117 crore as on 31st March, 2021 to 27 crore as on 31st March, 2022.

- Loans and advances made by the Company increased by 113% from Rs 48 crore as on 31st March, 2021 to Rs 102 crore as on 31st March, 2022 on account of increased advances payable to suppliers and others.

Margins

The EBITDA margin of the Company decreased by 268 basis points from 17.67 % in FY2020-21 to 14.99 % in 2021-22, while the net profit margin of the Company decreased by 121 basis points.

Key ratios

Particulars	2021-22	2020-21
Debt-equity ratio	0.28	0.25
Return on equity (%)	17.44	19.55
Earnings per share (Rs) - Basic	71.26	68.47
Debtors Turnover (days)	31	39
Inventory Turnover (days)	71	88
Interest Coverage Ratio	18.2	15.8
Current Ratio	1.75	2.17
EBITDA Margin (%)	14.99	17.67
Net Profit Margin (%)	8.46	9.68

Internal financial control systems and their adequacy

The Company's internal audit system has been continuously monitored and updated to ensure that assets are safeguarded, established regulations are complied with and pending issues are addressed promptly. The audit committee reviews reports presented by the internal auditors on a routine basis. The committee makes note of the audit observations and takes corrective actions wherever necessary. It maintains constant dialogue with statutory and internal auditors to ensure that internal control systems are operating effectively. Based on its evaluation (as provided under Section 177 of the Companies Act, 2013 and Clause 18 of SEBI Listing Regulations), the Audit Committee has concluded that as of 31st March, 2022, the Internal Financial Controls were adequate and operating effectively.

M/s. Price Waterhouse & Co. Chartered Accountants LLP, the Statutory Auditors of the Company audited the financial statements included in this Annual Report and issued a report on the internal controls over financial reporting (as defined in Section 143 of the Companies Act, 2013).

Human resources

The Company believes that its dedicated and motivated employees are its greatest asset. The Company till now has offered competitive compensations, healthy work environment and the employee performances are recognized through a planned reward and recognition programme. The Company intends to develop a workplace where every employee can recognize and attain his or her true power. The Company motivates individuals to undertake voluntary projects apart from their scope of work that help them to learn and nurture creative thinking. The

Company's permanent employee strength stood at 1971 as at 31st March, 2022

Cautionary statement

The statement made in this section describes the Company's objectives, projections, expectation and estimations which may be 'forward looking statements' within the meaning of applicable securities laws and regulations. Forward-looking statements are based on certain assumptions and expectations of future events. The Company cannot guarantee that these assumptions and expectations are accurate or will be realised by the Company. Actual result could differ materially from those expressed in the statement or implied due to the influence of external factors which are beyond the control of the Company. The Company assumes no responsibility to publicly amend, modify or revise any forward-looking statements on the basis of any subsequent development, information or events.

Fixed Deposits

During the year under review, your Company has accepted Rs.0.74 crores as public deposits and repaid Rs.0.72 crores upon maturity making the outstanding as on March 31, 2022 to Rs.13.28 crores. In this regard, it is further stated that:

- There were no deposits lying unpaid or unclaimed at the end of the year i.e. 31.03.2022
- There has been no default in repayment of deposits or payment of interest thereon during the year
- There are no deposits lying with the Company which are not in compliance with the requirements of Chapter V of the Companies Act 2013 (Act) and
- As provided under the Act, the outstanding deposits accepted under the provisions of previous Act have been repaid and squared off, fully.

Investor Education and Protection Fund (IEPF)

Pursuant to the applicable provisions of the Companies Act, 2013, read with the IEPF Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ('the Rules'), all unpaid or unclaimed dividend are required to be transferred by the Company to the IEPF established by the Government of India, after the completion of seven years. Further, according to the said Rules, the shares on which dividend has not been paid or claimed by the shareholders for seven consecutive years or more shall also be transferred to the demat account of the IEPF Authority. In compliance with the aforesaid provisions the Company has transferred the unclaimed and unpaid dividends and corresponding shares to IEPF.

Unclaimed Dividend and Shares

Your company, during the year under review, in compliance with provisions of Section 125 of the Companies Act 2013, read with relevant applicable rules and circulars issued thereunder from time to time by the Ministry of Corporate Affairs, New Delhi, transferred 8345 Equity Shares during the year to the IEPF

Authority in respect of which no claim of dividend has been made for seven consecutive years

Further, in terms of the aforesaid provisions, upon expiry of 7 consecutive years' period, unclaimed dividend amount pertaining to the Year 2014-15 together with shares, if any, will be transferred to the said fund on or before August 31st 2022

Banks and financial institutions

Your Company is prompt in making the payment of interest and repayment of loans to the financial institutions / banks apart from payment of interest on working capital to the banks. Banks and Financial Institutions continue their unstinted support in all aspects and the Board records its appreciation for the same.

Corporate social responsibility

Your Company, as a responsible Corporate Citizen has spent an amount of Rs.230.07 lakhs towards CSR activities as against minimum amount to be spent i.e. Rs.205.97 Lakhs for the Financial year 2021-22 towards objectives of which entail it to undertake the CSR activities as contemplated under Schedule VII of the Companies Act, 2013 and CSR policy adopted by the Company.

A report on CSR activities as required under Rule 8 of the Companies (Corporate Social Responsibility) Rules, 2014 is enclosed as Annexure-2.

CSR policy of the Company may be accessed on the Company's website at the link: www.visaka.co.

Directors and key managerial personnel

As on 31st March 2022, Smt. G. Saroja Vivekanand, Managing Director, Shri G.Vamsi Krishna, Joint Managing Director, Shri J P Rao, Whole-time Director, Shri S. Shafiulla, CFO and Shri Ramakanth Kunapuli, AVP & Company Secretary are Key Managerial Personnel of the Company in accordance with the provisions of Section(s) 2(51), 203 of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014. Details of appointment and resignation of KMP. During the year under review, the changes in KMP's are given below:

- a. Shri I. Srinivas VP & Company Secretary was ceased as Company Secretary w.e.f 5th May 2021 due to his sudden demise.
- b. Shri M Muralidhar was appointed as Company Secretary w.e.f 1st November, 2021 and resigned for the position of Company Secretary w.e.f 22nd January, 2022
- c. Shri Ramakanth Kunapuli was appointed as AVP & Company Secretary w.e.f 22nd January, 2022.

The Board of Directors in its meeting held on 30th April, 2022, on the recommendations of Nomination and Remuneration Committee, re-appointed Shri Gaddam Vamsi Krishna (DIN: 03544943) as Joint Managing Director of the Company for a period of Five years effective from May 06, 2022. The said appointment

is subject to approval of the members at the ensuing annual general meeting.

Shri G Vamsi Krishna is holding 1,21,730 shares of the Company. He does not hold any directorships in any other public limited companies.

Shri J.P. Rao, Whole-time director (DIN-03575950) is liable to retire by rotation at the ensuing annual general meeting and being eligible, offers himself for reappointment. Shri J P Rao is not holding any shares of the Company. He does not hold any directorships in any other public limited companies.

Directors' Responsibility Statement

Pursuant to Section 134(5) of the Companies Act, 2013, Directors of your Company state that:

- a) In the preparation of the annual accounts for the year ended March 31, 2022, the applicable accounting standards have been followed along with proper explanation relating to material departures and the annual accounts have been prepared in compliance with the provisions of the Companies Act, 2013.
- b) They have selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the company for the said period.
- c) 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 by preventing and detecting fraud and other irregularities.
- d) They have prepared the annual accounts on a going concern basis.
- e) They have laid down internal financial controls in the Company that are adequate and are operating effectively and
- f) They have devised proper systems to ensure compliance with the provisions of all applicable laws and these are adequate and are operating effectively.

Corporate Governance

Pursuant to the provisions of Chapter IV read with Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, a separate section on Corporate Governance has been incorporated in the Annual Report for the information of the shareholders. A certificate from the statutory auditors of the Company regarding compliance with the conditions of Corporate Governance as stipulated under the said Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 also forms part of this Annual Report.

Statutory Auditors and auditors' report

M/s. Price Waterhouse & Co., Chartered Accountants LLP (FRN 304026E/E300009), Hyderabad statutory auditors who were appointed as statutory auditors of the Company to hold the office from the conclusion of the 35th annual general meeting till the conclusion of 40th annual general meeting to be held in the year 2022 audited the books of the Company for the financial year 2021-22 and submitted their report. The report of the Statutory Auditors on the financial statements for the financial year 2021-22 does not contain any modifications or adverse remarks.

The Board of Directors of the Company on the recommendation of the Audit Committee re-appointed M/s. Price Waterhouse & Co., Chartered Accountants LLP (FRN 304026E/E300009), Hyderabad as statutory auditors of the Company for a further period of Five year from the conclusion of this 40th Annual General Meeting till the conclusion of the 45th Annual General Meeting to be held in the year 2027 on such remuneration as may be decided by the Board of Directors in consultation with the Statutory Auditors of the Company. The said appointment is subject to approval of the members of the Company in their ensuing Annual General Meeting.

Cost audit:

In terms of the Section 148(1) of the Companies Act, 2013 read with the Companies (Cost Records and Audit) Rules, 2014, the Company is required to maintain cost records pertaining to building products division and textile products division and stipulated cost records pertaining to the said Divisions are to be audited.

M/s. Sagar & Associates, Cost Accountants, Hyderabad, were appointed as Cost Accountants of the Company for conducting the cost audit for the financial year 2021-22 at a remuneration of Rs.1,65,000/- (exclusive of out-of-pocket expenses and applicable taxes) and the same was ratified by members of the company at the 39th annual general meeting of the Company.

The Board after considering the recommendations of its Audit Committee, appointed the aforesaid firm as cost auditors for the financial year 2022-23 and appropriate resolution in this connection has been included in the notice calling the ensuing annual general meeting of the Company for ratification of their remuneration by FY 22-23. Cost audit report for the financial year ended March 31, 2021 was filed with the Central Government on August 21, 2021.

Secretarial audit:

Your Board has appointed Mr. K. V. Soorianarayanan, Practicing Company Secretary, Secunderabad, as Secretarial Auditor of the Company for the financial year 2021-22 and secretarial audit report for the financial year ended March 31, 2022 in FORM MR-3 is enclosed as Annexure-3.

The report of the Secretarial Auditors for the financial year 2021-22 does not contain any modifications or adverse remarks.

Criteria for identification, appointment, remuneration and evaluation of performance of Directors

Your Company constituted Nomination and Remuneration Committee (hereinafter referred to as "the Committee"), to oversee, inter-alia, matters relating to:

- Identify persons who are qualified to become directors and persons who can be appointed in senior management in accordance with the criteria laid down, recommend to the Board their appointment and removal
- Formulate the criteria for determining qualifications, positive attributes and independence of a director
- Recommend to the Board a policy relating to the remuneration for the directors, key managerial personnel and other employees
- Carry out evaluation of every director's performance including that of Independent Directors and
- Devise a policy to be followed for identification, appointment, remuneration and evaluation of performance of directors including Company's Board diversity etc., as approved by the Board.

The criteria for appointment, qualifications, and positive attributes along with remuneration policy as applicable to Directors, KMPs and other Senior management personnel and the criteria to be followed for performance evaluation of each director including Independent Directors of the Company is enclosed as Annexure – 4.

Formal annual evaluation made of the performance of the Board, its committees and of individual directors

Your Company believes that it is the collective effectiveness of the Board that impacts the Company's performance and thus, the primary evaluation platform is that of collective performance of the Board.

The parameters for evaluation of Board performance, as laid under evaluation criteria adopted by the Company, have been derived from the Board's core role of trusteeship to protect and enhance shareholder value as well as fulfil expectations of other stakeholders through strategic supervision of the Company.

The said criteria also contemplate evaluation of Directors based on their performance as directors apart from their specific role as independent, nonexecutive and executive directors as mentioned below:

- Every director will be evaluated on discharging their duties and responsibilities as enshrined under various statutes and regulatory facet, participation in discussions and deliberations in achieving an optimum balance between the interest of company's business and its stakeholders.
- Executive Directors will also be evaluated based on targets/ criteria given to Executive Directors by the Board from time to time in addition to their terms of appointment.

- c. Independent Directors will also be evaluated on discharging their obligations in connection with their independence criteria as well as adherence with the requirements of professional conduct, roles, functions and duties, specifically applicable to Independent Directors as contained in Schedule IV to the Companies Act, 2013.

The criteria also specifies that the Board would evaluate each committee's performance based on the mandate on which the committee has been constituted and the contributions made by each member of the said committee in effective discharge of the responsibilities.

The Board of Directors of your Company has made annual evaluation of its performance, its committees and directors for the financial year 2021-22 based on aforesaid criteria.

Particulars of loans, guarantees or investments

Details of investments made by the Company, are given in the notes to the financial statements (Please refer Note Nos. 5 & 6.1). During the year under review, your Company did not give any other loans or guarantees, provide any security or make any investments as covered under Section 186 of the Companies Act, 2013, other than as disclosed above.

Related party transactions

Related party transactions entered during the financial year under review are disclosed in notes to the financial statements of the Company for the financial year ended March 31, 2022. These transactions entered were at an arm's length basis and in the ordinary course of business.

There were no materially significant related party transactions with the Company's promoters, directors, management or their relatives, which could have had a potential conflict with the interests of the Company. Form AOC-2, containing the particulars of the aforesaid related party transactions is enclosed as Annexure-5.

The Policy on materiality of related party transactions and dealing with related party transactions as approved by the Board may be accessed on the Company's website under investor relations/ listing compliances tab at www.visaka.co.

Risk Management

The Company has established Enterprise Risk Management process to manage risks with the objective of maximizing shareholders value.

The Board of Directors of the Company has formed a Risk Management Committee to implement and monitor the risk management Policy of the Company. During the year under review, Risk management Committee and the Board have periodically reviewed various elements of risks and steps taken to mitigate the same. Reviewed the challenges in the supply chain and availability of raw materials in view of the war between

Russia and Ukraine. The Company is taking adequate measures to address these challenges.

Other disclosures

Board Meetings:

During the year under review the Board met five times i.e. on 22.04.2021, 26.07.2021, 30.10.2021, 22.01.2022 and 04.02.2022. Other details viz., members of the Board and their attendance etc., are given in report on Corporate Governance which forms part of this Annual Report.

Audit Committee:

The Audit Committee comprises Three Independent Directors viz., Smt. Vanitha Datla, (Chairperson), Shri Gusti J. Noria, Shri P. Srikar Reddy apart from Smt G Saroja Vivekanand, Managing Director as members. All the recommendations made by the Audit Committee were accepted by the Board.

Compliance with Secretarial Standards

The Company has complied with applicable provisions of the Secretarial Standards issued by the Institute of Company Secretaries of India and approved by the Government of India under Section 118(10) of the Companies Act, 2013.

Conservation of Energy, Technology Absorption, Foreign Exchange Earnings and Outgo:

Information required under section 134(3)(m) of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014, is enclosed herewith as Annexure-6.

Vigil Mechanism:

In accordance with the provisions of the Companies Act, 2013 and SEBI(LODR) Regulations the Company established Vigil Mechanism to report genuine concerns by all its stakeholders. The Audit Committee of the Board periodically reviews the complaints received if any under the policy.

The Vigil Mechanism Policy has been uploaded on the website of the Company under investor relations/ listing compliances tab at www.visaka.co.

Annual Return

As required under Section 92(3) of the Companies Act, 2013 and read with Rule 12(1) of the Companies (Management and Administration) Amendment rules, 2020, Annual Return for the financial year 2021-22 is available on the Company's website under investor relations/ listing compliances tab at www.visaka.co.

Remuneration of Directors, Key Managerial Personnel, Employees and General:

Statement showing disclosures pertaining to remuneration and other details as required under Section 197(12) of the Act read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is enclosed

as Annexure-7. In terms of Section 197(12) of the Companies Act, 2013, read with Rule 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, a statement showing the names and other particulars of the top ten employees in terms of the remuneration drawn as set out in said rules forms part of the annual report. Considering the first proviso to Section 136(1) of the Companies Act, 2013, this annual report, excluding the aforesaid information, is being sent to the shareholders of the Company and others entitled thereto. The said information is available for inspection at the Corporate office of the Company during business hours on working days of the Company up to the date of the ensuing annual general meeting. Any shareholder interested in obtaining a copy thereof, may write to the Company Secretary in this regard.

General:

Your Directors state that no disclosure or reporting is required in respect of the following items as there were no transactions on these items during the year under review:

- i. Issue of equity shares with differential rights as to dividend, voting or otherwise.
- ii. Issue of shares (including sweat equity shares) to employees of the Company under any scheme.
- iii. No significant or material orders were passed by any regulator or Court or Tribunal which impacts the going concern status and Company's operations in future.
- iv. details in respect of frauds reported by auditors under sub-section (12) of section 143 other than those which are reportable to the Central Government
- v. material changes and commitments, if any, affecting the financial position of the company which have occurred between the end of the financial year of the company to which the financial statements relate and the date of the report;
- vi. the details of application made or any proceeding pending under the Insolvency and Bankruptcy Code, 2016 (31 of 2016) during the year alongwith their status as at the end of the financial year.
- vii. the details of difference between amount of the valuation done at the time of one-time settlement and the valuation done while taking loan from the Banks or Financial Institutions along with the reasons thereof.
- viii. There are no qualification, reservation or adverse remark or disclaimer made by the auditor in his report and by the company secretary in practice in his secretarial audit report;

Your Directors further state that:

- a) The company has complied with the provisions of constitution of internal complaints committee under the sexual harassment of women at workplace (prevention, prohibition and redressal) Act, 2013 and
- b) During the year under review there were no cases filed/ no complains have been made to Internal Complaints Committee. pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

Acknowledgements:

Your Directors would like to express their sincere appreciation for the assistance and co-operation received from the financial institutions, banks, government authorities, customers, vendors and members during the year under review. Your Directors also wish to place on record their deep sense of appreciation for the committed services by the Company's executives, staff and workers.

The Directors deeply regret the loss of life caused due to the outbreak of COVID-19 and are grateful to every person who risked their life and safety to fight this pandemic.

On behalf of the Board of Directors

Date: 09.05.2022
Place: Secunderabad

Dr. G Vivekanand
Chairman

FORM NO. AOC.1

**Statement containing salient features of the financial statement of Subsidiaries/associate companies/joint ventures
(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)**

Part "A": Subsidiaries

(Information in respect of each subsidiary to be presented with amounts in ₹ Lakhs)

Sl. No.	Particulars	Subsidiary 1	Subsidiary 2
1.	Name of the Subsidiary	VNEXT SOLUTIONS PRIVATE LIMITED	ATUM LIFE PRIVATE LIMITED
2.	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	SAME AS HOLDING COMPANY	SAME AS HOLDING COMPANY
3.	Reporting currency and Exchange rate as on the last date of the relevant financial year in the case of foreign subsidiaries	NOT APPLICABLE	NOT APPLICABLE
4.	Share capital	101.00	141.00
5.	Reserves & surplus	7.31	(27.88)
6.	Total assets	349.40	144.37
7.	Total Liabilities	349.40	144.37
8.	Investments	-	-
9.	Turnover	390.24	8.50
10.	Profit before taxation	9.52	(27.49)
11.	Provision for taxation	2.40	-
12.	Profit after taxation	7.12	(27.49)
13.	Proposed Dividend	NIL	NIL
14.	% of shareholding	100%	100%

Notes: The following information shall be furnished at the end of the statement:

- Names of subsidiaries which are yet to commence operations: **NIL**
- Names of subsidiaries which have been liquidated or sold during the year: **NIL**

Part "B": Associates and Joint Ventures: **NIL**

Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures

Name of Associates/Joint Ventures	Name 1	Name 2	Name 3
1. Latest audited Balance Sheet Date			
2. Shares of Associate/Joint Ventures held by the company on the year end			
No.			
Amount of Investment in Associates/Joint Venture			
Extend of Holding %			
3. Description of how there is significant influence			
4. Reason why the associate/joint venture is not consolidated			
5. Net worth attributable to Shareholding as per latest audited Balance Sheet			
6. Profit / Loss for the year			
i. Considered in Consolidation			
ii. Not Considered in Consolidation			

- Names of associates or joint ventures which are yet to commence operations.
- Names of associates or joint ventures which have been liquidated or sold during the year.

Note: This Form is to be certified in the same manner in which the Balance Sheet is to be certified.

Annexure-2

CSR Activities for Financial Year 2021-22

(Persuant to Section 135 of the Companies Act 2013 and rules made thereunder)

- Brief outline on CSR Policy of the Company: At Visaka, CSR is no mere acronym, is an integral part of the Visaka's culture imbibed by one and all involved in the working of the Company. Our vision is to actively contribute to the social and economic development of the communities in which we operate. In doing, so to build a better, sustainable way of life for the weaker sections of society and raise the country's human development index.

- Composition of CSR Committee:

Sl. No.	Name of Director	Designation /Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1	Shri Gusti J.Noria	Chairman - Independent Director	1	1
2	Shri G. Appender Babu	Member - Independent Director	1	1
3	Dr. G.Vivekanand	Member - Non Executive Director	1	1
4	Smt. G.Saroja Vivekanand	Member - Managing Director	1	1
5	Shri J.P.Rao	Member - Whole-time Director	1	1

- Provide the web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company. <https://visaka.co>
- Provide the details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social responsibility Policy) Rules, 2014, if applicable (attach the report). Not Applicable

- Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any: **Not Applicable**

Sl. No.	Financial Year	Amount available for set-off from preceding financial years (in Rs)	Amount required to be set- off for the financial year, if any (in Rs)
1			
2			
3			

- Average net profit of the company as per section 135(5). 10298.48 Lacs
- Two percent of average net profit of the company as per section 135(5) 205.97 Lacs
 - Surplus arising out of the CSR projects or programs or activities of the previous financial years. -
 - Amount required to be set off for the financial year, if any -
 - Total CSR obligation for the financial year (7a+7b-7c). 205.97 Lacs

8. (a) CSR amount spent or unspent for the financial year:

Total Amount Spent for the Financial Year (in Rs.)	Amount Unspent (in Rs.)				
	Total Amount transferred to Unspent CSR Account as per section 135(6)		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5)		
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
2,30,07,147.07	-	-	-	-	-

(b) Details of CSR amount spent against ongoing projects for the financial year: NIL

(1) Sl. No	(2) Name of the Project	(3) Item from the list of activities in schedule VII to the Act	(4) Local area (Yes/ No)	(5) Location of the project		(6) Project Duration	(7) Amount allocated for the project (in Rs.).	(8) Amount spent in the current financial Year (in Rs.).	(9) Amount transferred to Unspent CSR Account for the project as per Section 135(6) (in Rs.).	(10) Mode of Implementation – Direct (Yes/No).	(11) Mode of implementation – Through implementing agency.	
				State.	District						Name	CSR registration number.
1.												
2.												
3.												

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

(Amount in Rs.)

1	2	3	4	5		6	7	8	
Sl. No	Name of the Project	Item from the list of activities in schedule VII to the Act.	Local area (Yes/ No).	Location of the project.		Amount spent for the project (in Rs.)	Mode of implementation - Direct (Yes/No).	Mode of implementation - Through implementing agency.	
				State.	District.			Name.	CSR registration number.
1	Provision of Drinking Water, Conducting Health Camps, Eradication of Poverty, Food Distribution	Clause I of Schedule VII	Yes	Telangana	Hyderabad	14,20,079.29	Yes		
			No	Telangana	Karimnagar	4,38,925.00	Yes		
			No	Telangana	Mancherial	3,41,630.00	Yes		
			Yes	Telangana	Nalgonda	1,00,000.00	Yes		
			Yes	Telangana	Sangareddy	1,30,794.00	Yes		
			Yes	Tamilnadu	Namakkal	1,47,935.00	Yes		
			Yes	Tamilnadu	Paramathi	27,050.00	Yes		
			No	Tamilnadu	Salem	50,000.00	No		
			Yes	Maharashtra	Pune	99,999.97	Yes		
			Yes	West Bengal	Medinipur	87,500.00	Yes		
			Yes	Karnataka	Tumkur	61,870.00	Yes		
			Yes	Andhra Pradesh	Vijayawada	19,800.00	Yes		
			No	Andhra Pradesh	Guntur	96,000.00	Yes		
			Yes	Andhra Pradesh	Krishana	1,22,640.00	Yes		
Yes	Haryana	Jhanswa	51,500.00	Yes					
2	Building of Classrooms and Toilets in schools and colleges	Clause II of Schedule VII	No	Telangana	Khammam	50,000.00	Yes		
			Yes	Telangana	Secunderabad	1,43,75,391.08	Yes		
			Yes	Telangana	Hyderabad	1,51,000.00	Yes		
			Yes	Andhra Pradesh	Vijayawada	42,500.06	Yes		
			Yes	tamilnadu	Paramathi	73,063.24	Yes		
			Yes	Telangana	Secunderabad	5,49,101.54	Yes		
3	Supply of classroom furniture and payment of teachers salaries	Clause II of Schedule VII	Yes	Telangana	Sangareddy	1,62,484.00	Yes		
			No	Telangana	Karimnagar	16,17,700.00	Yes		
			Yes	Tamilnadu	Namakkal	45,000.00	Yes		
			Yes	Maharashtra	Nagpur	20,400.00	Yes		
			Yes	Andhra Pradesh	Vijayawada	25,000.00	Yes		
		Yes	Odissa	Sambalpur	16,783.89	Yes			
4	Ensure Environmental Sustainability - Flora and Fauna : Distribution of Solar Power Carts enabling them to earn their livelihood to overcome poverty	Clause IV of Schedule VII	Yes	Telangana	Hyderabad	26,50,000.00	Yes		
5	Sports	Clause VII of Schedule VII	Yes	West Bengal	Salboni	26,000.00	Yes		
			Yes	Maharashtra	Nagpur	7,000.00	Yes		
	TOTAL					2,30,07,147.07			

(d) Amount spent in Administrative Overheads: NIL

(e) Amount spent on Impact Assessment, if applicable: **Not Applicable**

(f) Total amount spent for the Financial Year (8b+8c+8d+8e): **2,30,07,147.07**

(g) Excess amount for set off, if any: Not applicable

Sl. No.	Particular	Amount (in Rs.)
(i)	Two percent of average net profit of the company as per section 135(5)	2,05,97,000.00
(ii)	Total amount spent for the Financial Year	2,30,07,147.07
(iii)	Excess amount spent for the financial year [(ii)-(i)]	24,10,147.07
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	NIL
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	24,10,147.07

9. (a) Details of Unspent CSR amount for the preceding three financial years: **NOT APPLICABLE**

Sl. No.	Preceding Financial Year	Amount transferred to Unspent CSR Account under section 135 (6) (in Rs.)	Amount spent in the reporting Financial Year (in Rs.).	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any.			Amount remaining to be spent in succeeding financial years. (in Rs.)
				Name of the Fund	Amount (in Rs.).	Date of transfer.	
1.							
2.							
3.							

(b) Details of CSR amount spent in the financial year for **ongoing projects** of the preceding financial year(s): Not Applicable

(1) Sl. No	(2) Project ID.	(3) Name of the Project.	(4) Financial Year in which the project was commenced.	(5) Project duration.	(6) Total amount allocated for the project (in Rs.).	(7) Amount spent on the project in the reporting Financial Year (in Rs.).	(8) Cumulative amount spent at the end of reporting Financial Year. (in Rs.)	(9) Status of the project - Completed /Ongoing.
1.								
2.								
3.								

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. **(asset-wise details). NOT APPLICABLE**

(a)	Date of creation or acquisition of the capital asset(s).	
(b)	Amount of CSR spent for creation or acquisition of capital asset.	
(c)	Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc.	
(d)	Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset).	

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**

The CSR Committee confirms that the implementation and monitoring of the CSR policy is in compliance with the objective and policy of the Company

G Saroja Vivekanand
Managing Director
DIN: 00012994

Gusti J Noria
(Chairman CSR Committee).
DIN: 00015561

FORM MR-3

SECRETARIAL AUDIT REPORT

for the financial year ended on 31st March, 2022
[Pursuant to section 204(1) of the Companies Act, 2013 and Rule No. 9 of the
Companies (Appointment and Remuneration Personnel) Rules, 2014]

To
The Members of
VISAKA INDUSTRIES LTD.
Visaka Towers, 1-8-303/69/3,
S. P. Road, Secunderabad – 500003

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **VISAKA INDUSTRIES LTD** (hereinafter called the Company).

Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our 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, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2022 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:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2022 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ("SCRA") and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of –
 - (a) Foreign Direct Investment,
 - (b) Overseas Direct Investment, and
 - (c) External Commercial Borrowings;

- (v) The Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992;
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
 - (d) The Securities and Exchange Board of India (Share Based Benefits) Regulations, 2014;
 - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
 - (f) 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;
 - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and
 - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;
- (vi) We have also examined compliance with the applicable clauses of the following:
 - (a) Secretarial Standards issued by The Institute of Company Secretaries of India.
 - (b) The Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and
 - (c) Labour Laws and other applicable laws to the Company

During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.



We further report that -

- (i) 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.
- (ii) 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 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.
- (iii) All decisions at Board Meetings and Committee Meetings were carried out unanimously as recorded in the minutes of the meetings of the Board of Directors or Committees of the Board, as the case may be.

We 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.

We further report that, the compliance by the Company of applicable financial laws such as Direct and indirect laws and maintenance of financial records and books of accounts have not been reviewed in this Audit since the same have been subject to review by the statutory auditors, tax auditors and other designated professionals.

K.V. Soorianarayanan

Practising Company Secretary

M.No.3380

C.P. No: 12678

Place: Hyderabad

Date: 29.04.2022

Peer Review Cert No. 1147/2021

UDIN: F003380D000244258

Note: 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.

'Annexure A'

To

The Members of

VISAKA INDUSTRIES LTD.

Visaka Towers, 1-8-303/69/3,

S. P. Road, Secunderabad – 500003

Our 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. We 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. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
4. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
5. 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.

Place: Hyderabad

Date: 29.04.2022

K.V. Soorianarayanan

Practising Company Secretary

M.No.3380

C.P. No: 12678

Peer Review Cert No. 1147/2021

UDIN: F003380D000244258

Document setting out criteria followed by Nomination and Remuneration Committee of the Board of Visaka Industries Limited for identification, appointment, remuneration and evaluation of performance of directors

Visaka Industries Limited, as required under the provisions of Section 178 of the Companies Act, 2013 and Securities Exchange Board of India (Listing Obligations and Disclosures Requirements) Regulations, 2015 (Listing Regulations) constituted a Board level committee titled "Nomination and Remuneration Committee" (herein after referred as the Committee) to oversee, inter-alia, matters relating to:

- a) identify persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, recommend to the Board their appointment and removal;
- b) formulate the criteria for determining qualifications, positive attributes and independence of a director;
- c) recommend to the Board a policy relating to the remuneration in whatever form payable to the directors, key managerial personnel, senior management and other employees;
- d) specify, from time to time, the manner for effective evaluation of performance of Board, its Committees and individual directors to be carried out either by the Board or Committee or an Independent external agency and review its implementation and compliance and
- e) devise a policy on Board Diversity

Now this document sets out the framework and guidelines that the said Committee is expected to observe in discharging its functions effectively as contemplated under aforesaid provisions i.e. to oversee process of identifying persons qualified to become directors of the Company, determining their qualifications, positive attributes and independence as well as identifying persons who may be appointed in senior management in accordance with the Company's internal requirements from time to time; in making its recommendations to the Board as to their appointment or removal as the case may be and to carry out evaluation of every director's performance including Independent Directors.

This document also contains the remuneration policy relating to the remuneration of the Directors, Key Managerial and Senior Managerial Personnel as well as policy on Board Diversity as recommended by the Committee and approved by the Board.

It is to be noted that framework and guidelines set out hereunder is subject to such periodical reviews and the Committee in

consultation with Board of Directors and top management of the Company, may make such alterations as may be required from time to time to meet the exigencies arising out of statutory modifications or otherwise.

Definitions: Words used hereunder will have the same meaning as defined and ascribed in the Companies Act, 2013 (herein after referred to as the Act) and SEBI Listing Regulations.

Matters pertaining to Nomination of Directors, KMPs, Senior Management and other employees

Nomination Criteria for Directors:

In identifying and recommending the candidature for appointment as Director, the Committee will consider the following criteria:

- i) Ethical standards of integrity and probity, maturity and balance of mind to perform the designated role, ability to bring exercise of independent judgment and judicious thinking, qualification, expertise as strategist, eminence in his field of expertise.
- ii) Possessing appropriate skills, experience and knowledge in one or more fields of Business including International Business, Strategy and Expansion, Engineering, Medicine, finance, law, management, sales, marketing, administration, research, corporate governance, technical operations or other disciplines related to preferably the company's business.
- iii) Non-disqualified under the applicable provisions of Companies Act, 2013, rules made thereunder, Listing Agreement or any other enactment for the time being in force, as the case may be;
- iv) Ensure that the Company shall not appoint or continue the employment of any person as Whole-time Director who has attained the age of seventy years without the approval of shareholders by passing a special resolution with proper justification.
- v) Ensure that the proposed Director consents to act as Director and can devote his time and energies towards the overall development and betterment of the Company's business.
- vi) Ensure that the proposed Director discloses his interest and Company's shareholding, if any and the Committee feels that

such interest will not affect in discharging his duties towards the Company in pursuance of the said appointment.

- vii) Ensure that the candidature of the Director will be in line with and promote the objectives enshrined in Company's policy on Board Diversity.

Nomination Criteria for KMPs / Senior Management personnel:

The committee will consider:

- i) Ethical standards of integrity and probity, maturity and balance of mind to perform the designated role, qualification, expertise and experience.
- ii) Possessing adequate qualification, expertise and experience as prescribed by the Company for the position he / she is considered for appointment. The Committee for this purpose, if required, will avail the assistance of other top executives of the Company but however, has discretion to decide whether qualification, expertise and experience possessed by a person is sufficient / satisfactory for the concerned position.
- iii) Ensure that the person discloses his interest and the Committee feels that such interest will not affect in discharging his duties towards the Company in pursuance of the said appointment.

Additional Criteria for Appointment of Independent Directors:

The Committee will consider whether the Director meets the criteria of Independence as well as other attributes as mentioned under the provisions of Section 149 of the Companies Act, 2013 read with applicable rules and Schedule IV thereunder and SEBI Listing Regulations, including any amendments made thereof from time to time.

Additional Responsibility of the Board:

It is further to be noticed that it is the responsibility of the Board to obtain other relevant and applicable approvals and procedures as laid down under the provisions of the Companies Act, 2013, rules made thereunder, Listing Agreement or any other enactment for the time being in force and applicable as the case may be.

Term / Tenure, Continuity and Renewal:

The Term / Tenure of the Directors shall be governed as per provisions of the Companies Act, 2013 and rules made thereunder as amended from time to time. The terms of KMPs and other Senior Management employees shall be governed under their respective terms of appointment.

As regards the continuity or renewal of appointment of Directors; their resignation and removal, the Committee will make its recommendations to the Board, based on the periodical evaluation process to be done under this document from time to time as well as subject to observation of provisions as contemplated under the Companies Act, 2013 and other applicable laws including listing

agreement relating to disqualifications, resignation, removal and retirement.

Directors, KMPs and Senior Management Personnel shall retire as per the applicable provisions of the Act and the prevailing policy of the Company respectively. The Board will have the discretion to retain the Director, KMP, Senior Management Personnel in the same position / remuneration or otherwise even after attaining the retirement age, for the benefit of the Company.

Matters pertaining to Remuneration:

This document also sets out the following remuneration policy applicable to the remuneration payable to Directors, key managerial and other Senior Managerial personnel and other employees of the Company.

General:

- 1) The Company's remuneration policy, in general, is driven by the success and performance of the individual employee as well as his expertise in critical areas of operations of the Company.
- 2) The Committee will recommend the remuneration to be paid to the Managing Director, Whole-time Director, KMP and Senior Management Personnel to the Board for their approval and while recommending such remuneration, the Committee will consider, inter-alia, whether:
 - a) The level and composition of remuneration is reasonable and sufficient to attract, retain and motivate the person of the quality required to run the company successfully;
 - b) The remuneration is comparable and in proportion to the accepted industry standards;
 - c) Relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
 - d) To the extent possible, such remuneration to directors, key managerial personnel and senior management involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the company and its goals:
- 3) The remuneration / compensation / commission etc. so recommended shall be subject to the prior/post approval of the shareholders of the Company and Central Government, wherever required.
- 4) Increments to the existing remuneration/ compensation structure may be recommended by the Committee to the Board which should be within the slabs approved by the Shareholders in the case of Executive Directors.
- 5) Where any insurance is taken by the Company on behalf of its Whole-time Director, Chief Executive Officer, Chief Financial Officer, the Company Secretary and any other employees

for indemnifying them against any liability, the premium paid on such insurance shall not be treated as part of the remuneration payable to any such personnel. Provided that if such person is proved to be guilty, the premium paid on such insurance shall be treated as part of the remuneration.

- 6) Loans, advances and other similar kind of benefits to KMPs, Senior Management Personnel are governed under Company's relevant policies as applicable to all the employees of the Company read with relevant provisions of all applicable laws in that connection.

Remuneration to Executive Directors, KMP and Senior Management Personnel:

a) Fixed pay:

The Executive Director/ KMPs shall be eligible for a monthly remuneration as may be approved by the Board on the recommendation of the Committee. The breakup of the pay scale and quantum of perquisites including, employer's contribution to P.F, pension scheme, medical expenses, club fees etc., shall be decided and approved by the Board/ the Person authorized by the Board on the recommendation of the Committee and approved by the shareholders and Central Government, wherever required.

Besides, Managing Director is eligible for commission such that the total remuneration payable shall not exceed 5% of the net profits for each financial year as determined under the provisions of the Companies Act, 2013.

Remuneration payable to Senior Management Personnel is governed by their respective terms of appointment.

b) Minimum Remuneration:

If, in any financial year, the Company has no profits or its profits are inadequate, the Company shall pay remuneration to its Whole-time Director in accordance with the provisions of Schedule V of the Act and if it is not able to comply with such provisions, with the previous approval of the Central Government.

c) Provisions for excess remuneration:

If any Executive Director draws or receives, directly or indirectly by way of remuneration any such sums in excess of the limits prescribed under the Act or without the prior sanction of the Central Government, where required, he / she shall refund such sums to the Company and until such sum is refunded, hold it in trust for the Company. The Company shall not waive recovery of such sum refundable to it unless permitted by the Central Government.

Remuneration to Non-Executive / Independent Director:

a) Sitting Fee:

The Non-Executive / Independent Director may receive remuneration by way of fee for attending meetings of Board

or Committee thereof. Provided that the amount of such fee shall not exceed such amount per meeting as may be prescribed by the Central Government from time to time and approved by the Board.

b) Commission:

Commission may be paid within the monetary limit approved by shareholders, subject to the limit not exceeding 1% of the profits of the Company computed as per the applicable provisions of the Act subject to a maximum of Rs.10.00 lacs.

Matters pertaining to Evaluation:

The Company conducts its operations under the overall direction of the Board of Directors within the framework laid down by various statutes, more particularly by the Companies Act, 2013; the Articles of Association, Listing Regulations, internal code of conduct and policies formulated by the Company for its internal execution. The Board of the company is comprising of eminent people from different fields facilitating Board's diversity apart from having sufficient number of independent directors.

In the context of the company's business, Engineering, Project Execution, Marketing, business strategy and evaluation of performance with industry benchmarks in the fields of Building materials, roofing and textile (yarn) are the key core skill / expertise / competence, apart from governance, finance and taxation functions.

The Board while discharging its duties / responsibilities is assisted by various committees of the board like Audit Committee, Nomination & Remuneration Committee, Stakeholder Relationship Committee, CSR Committee, etc.

These committees are statutorily obligated to review various matters as stipulated under Companies Act, 2013 and Listing Regulations.

The company believes that it is the collective effectiveness of the Board and its committees coupled with individual performance of each director in his field of eminence, that enhances Company's performance and thus, the primary evaluation platform is that of performance of the Board as a whole, its committees and each of the directors individually.

The parameters of evaluation for Board or its committees or each of the individual directors' performance, are derived from each of its or his core role of trusteeship to protect and enhance shareholder value as well as to fulfil expectations of other stakeholders through strategic supervision of the Company.

With regard to the evaluation process; the Companies Act, 2013 read with Listing Regulations contemplates that:

- a) Nomination and Remuneration Committee, from time to time, shall lay down / specify the manner for effective evaluation of performance of Board, its Committees and individual directors to be carried out either by the Board or Committee or an Independent external agency as well as review its implementation and compliance;

- b) The Independent Directors in a separate meeting shall review, performance of the non-independent directors
 - a) and the Board as a whole and performance of the Chairperson of the Company (after taking into account views of Executive and Non-Executive directors);
 - b) Performance evaluation of an Independent Director shall be done by the entire board of directors, excluding the director being evaluated;

In view of the above, until further decided otherwise, the company adopts the following manner for effective evaluation of Board, its committees and individual directors:

- i. the Board shall evaluate performance of its own, its committees, Independent Directors;
- ii. the Nomination and Remuneration Committee shall evaluate every director's performance;
- iii. Independent Directors in a separate meeting shall evaluate the performance of the Board as a whole, Non- Independent Directors and chairperson

Criteria for evaluation:

Evaluation of Directors will be done based on their performance as directors apart from their specific role as independent, nonexecutive and executive directors as mentioned below:

- a. Every director will be evaluated on meeting their duties and responsibilities as enshrined under various statutes and other regulatory facet, participation in discussions and deliberations in achieving an optimum balance between the interest of company's business and its stakeholders.
- b. Executive Directors, being evaluated as Directors as mentioned above, will also be evaluated based on targets / criteria given to executive Directors by the board from time to time in addition to their terms of appointment.
- c. Independent Directors, being evaluated as a Director as mentioned above, will also be evaluated on meeting their obligations connected with their independence criteria as well as adherence with the requirements of professional conduct, roles, functions and duties specifically applicable to Independent Directors as contained in Schedule IV to the Companies Act, 2013.

The Board will evaluate each of its committee's performance based on the mandate on which the committee has been constituted and the contributions made by each member of the said committee in effective discharge of the responsibilities of the said committee.

In all these cases, be it by Board or by Independent Directors or by any of its committees, the evaluation of each Director would be done based on parameters like

- a. well informed and understand the Company, its business and the external environment in which it operates;
- b. prepare well and participate actively in the Board and its committee meetings;
- c. Effectively probe to test the assumptions; rendering independent and unbiased opinion;
- d. Resolute in holding to their views and resisting pressure from others;
- e. Follow-up on matters about which they have expressed concern;
- f. strive to attend all meetings of the Board of Directors, Committees and General meetings;
- g. Contributions in development of a Strategy, Business plan or risk management;
- h. Maintenance of good interpersonal and cordial relationship with other Board members, KMPs and Senior Management personnel;
- i. Diplomatic and convincing way of presenting their views and listening to views of others;
- j. up-to-date with the latest developments in areas such as the corporate governance framework, financial reporting and in the industry and market conditions etc.,
- k. adhering to ethical standards, code of conduct of the Company and insider trading guidelines etc.;
- l. making timely disclosures of their interest and disclosure of non-independence, when it exists and
- m. His/her contribution to enhance overall brand image of the Company.

The Nomination & Remuneration Committee will follow the same in evaluating performance of each Director of the Company.

As stated above, it is to be noted here that the Directors collectively as a Board or individually as Independent Directors, Non-Independent Director etc., will be evaluated by the Board, Independent Directors etc., based on the criteria adopted for that purpose and in the eventuality of existence of discrepancies, if any between the evaluation made by the Committee and the Board or Independent Directors, the Board of Directors will have the discretion to decide and act on the same.

ANNEXURE-5

FORM NO. AOC-2

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

Form for disclosure of particulars of contracts / arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arms-length transactions under third proviso thereto:

1. Details of contracts or arrangements or transactions not at arm's length basis: **Not Applicable**

(a) Name(s) of the related party and nature of relationship	}	Not Applicable
(b) Nature of contracts/arrangements/transactions		
(c) Duration of the contracts / arrangements / transactions		
(d) Salient terms of the contracts or arrangements or transactions including the value, if any		
(e) Justification for entering into such contracts or arrangements or transactions		
(f) date(s) of approval by the Board		
(g) Amount paid as advances, if any		
(h) Date on which the special resolution was passed in general meeting as required under first proviso to section 188 Not Applicable		

2. Details of material contracts or arrangement or transactions at arm's length basis:

(a) Name(s) of the related party and nature of relationship	}	* Please refer the note given below
(b) Nature of contracts/arrangements/transactions		
(c) Duration of the contracts / arrangements / transactions		
(d) Salient terms of the contracts or arrangements or transactions including the value, if any:		
(e) Date(s) of approval by the Board, if any:		
(f) Amount paid as advances, if any:		

Transactions like payment of remuneration and Dividend are as per the terms approved by the shareholders.

Transactions like payment of remuneration and Dividend are as per the terms approved by the shareholders. Acceptance of the public deposits was done in pursuance of issue of advertisement inviting public deposits under the provisions of Schedule V of the Companies Act, 2013; terms of which are having equal and universal application to all the deposit holders. Unsecured loan availed was to meet short-term requirements, the interest rate of which is on par with working capital. Transaction relating to contribution to CSR activities was made in compliance with the requirements of the Section 135 of the Companies Act, 2013 after due approvals. Please refer CSR section in Board's report for more details in this regard. Advances reflects the advances given in the ordinary course of business and the salary advances availed as a part of the conditions of service extended by the company to all its employees. Transactions pertaining to advertisement expenses, purchases and sales are also entered in the ordinary course of business at an arm's length basis as per business requirements of the Company.

***NOTE:** The details of names, nature of relationship; nature of such contracts / arrangements / transactions is disclosed in Note No. 41 of the Standalone Financial Statements.

Particulars of Energy Conservation, Technology Absorption and Foreign Exchange Earnings and Outgo required under the Companies (Accounts) Rules, 2014

A. Conservation of energy:

i. Steps taken for conservation of energy

- Better layouts at the time of project implementation to simplify the operations.
- Right sizing of Drives.
- Automatic power factor controller (APFC) to maintain power factor closer to unity in order to ring down the energy bills.
- High efficiency equipment for handling Vacuum, Process Water, Compressed air and hydraulic equipment.
- Installation of energy efficient motors (IE3 & IE4)
- Replacing of hydraulic ACB system with servo system
- Stopping drives during idle machine running by programming in PLC.
- Replacing of metal halide lights with LED.
- Installation of new compressors (Year 2017) and Energy Audits by Eficomp for Electricity and Air.

Following Steps taken By Spinning Division for conservation of Energy:

- VFD Installed in All drive of Humidification Plants.
- VFD Installed at Fresh water Pump.
- VFD installed in Continuous Waste Evacuation System.
- Autoclave Vacuum Pump equipped with VFD.
- Convention light replaced with LED Lights.
- TFO machines Run on Optimum Speed
- Power Factor maintained almost Unity throughout Year by Using Online System.
- Continuous running of Filters optimized to intermittent Running.
- Optimization of Contract Demand:

Thro' continuous monitoring and forecasting, we are optimizing and revising contract demands.

- Contract Demand revised in the month of Nov'2021 from 5600 KVA to 5450 KVA to maintain full loading

during Winter season (Reduced use of Humidification and other equipments).

- Contract Demand revised in the month of Mar 2022 from 5450 KVA to 5600 KVA to maintain full loading during Summer season (Full capacity use of Humidification and other equipment).

ii. Steps taken by the company for utilising alternate sources of energy and investment made thereon:

AC-Division has been utilising the solar power generated from it 30KW, 686KW, captive solar plant setup at Patancheru & Raebareli.

Company has been utilising the Solar Power generated from its 2.5 MW Captive Solar Plant setup at Miryalguda, Telangana with a capacity of 42 lakh units per annum. In addition, installed 1 MW roof top solutions at different manufacturing locations, which add 12 lakh units per annum utilising renewable energy sources.

Addition of almost 2.8 MW rooftop installation work is underway and the results will be seen in the current FY (2022-23).

B. Technology absorption:

i. Efforts made towards technology absorption and the benefits derived therefrom:

- A) The Company is continuously endeavouring to upgrade its technology from time to time in all aspects through in-house R&D primarily aiming at reduction of cost of production and improving the quality of the product.
- B) The Company could successfully reduce the cost of production, by using the inhouse developed alternative raw materials, power consumption and improving technical efficiencies and productivity.

AC Division:

- (a) AC-Division is continually endeavouring to upgrade its manufacturing technology of hatchback machine time to time through In-house R&D, brainstorming and implementing different KAIZENS aiming to get benefit in PQCDMS (Productivity, Quality, Cost, Delivery Safety and Moral)
- b) Installation of rooftop solar panels work is underway at Nandur plant.

VNext Boards Division:

- (a) Installed a new stirring system for pulp chests with energy-saving stirring units in the FY 2021-22.
- (b) Installation of rooftop solar panels work is underway at Delwadi plant.

Spinning Division:

- (a) Use of recycled polyester fibre as an alternate to virgin Polyester – 57 products developed as replica).
- (b) Auto cone packing machine with Auto strapping installed in the month of Jun'21 to go for packing automation.
- (c) Auto bale plucker installation in Unit No. 4 in the month of Aug'21.
- (d) Bale clamp attachment installed on Electrical forklift for Unloading of fiber bales.
- (e) Bag Loader machine procured for Loading of finished goods in truck.

ii. Particulars of imported technology (imported during the last 3 years reckoned from the beginning of the financial year):

The company has imported machinery from Taiwan to accommodate automatic painting of Planks with improved technology in the year 2020

Our AC manufacturing technology is fully developed by own

iii. Expenditure incurred on research & development

a) Expenditure on R&D:

No specific expenditure exclusively on R&D has been incurred. The indigenous technology available is continuously being upgraded to improve the overall performance of the Company.

R & D is continuous and an ongoing process for alternate RM, Asbestos fibre replacement, reduction of RM cost. The expenses are already included in our existing RM cost. No separate expenditure exclusively has been accounted till now. We will start to maintain separate expenditure exclusively on R & D activities.

b) Specific areas in which R&D carried out by the Company:

AC-Division: Finding out the alternate RM for cement, Asbestos fibre already 10% of GGBS has replaced 10% of cement & Recron, wollastonite, CRP are jointly replacing 15% of Asbestos fibre till date. Further analysis of Trails continued for more Asbestos Fibre replacement and reduction of RM cost by maintaining the product quality and productivity

Fibre Cement roofing: The Company has been experimenting various substitutes both for cement and fibre and has also been varying the ratio of raw materials for improving quality and reducing cost.

VNext Boards: The company has been experimenting on the different alternative raw materials and other alternative products, keeping in the view of varying applications to meet the customer requirements and to reduce the cost. The focus is on usage of recycling and sustainable products.

Spinning Division: The company has been trying various new products with different fibres and their blends in various counts. The new shades are developed in conventional and sustainable yarn counts. Sustainable yarn developed for new segments like shoppers' bag, home & kitchen furnishings.

Benefits derived because of the above R&D:

Fibre cement roofing: The Company has achieved reduction in cost and increase in productivity.

Vnext boards: The Company could develop new value-added designer variants and water repellent board and alternative raw materials and developed products to suit U.K markets.

Spinning Division: Developing new customer base related to sustainable products, Knitting Industries etc. and new products help us sustain the volume and profitability.

c) Future course of action:

Fibre cement roofing: In respect of the Asbestos Division, use of substitute fibers is being continuously experimented.

Spinning Division: The company is continuously experimenting with new blends and shades and higher speeds. Exploring to strengthen and exploring New splicing technology to increase battery separator fabric customer base in India.

Exploring rewinding of yarn through Autoconer with Usterised clearing for some exclusive customer (100 % Spliced and Uster cleared). Also exploring the facility for TFO yarn with splicer for making knot free yarn.

- Proposed in Capital Budget to install High Energy Efficient 30 HP Motor's in TFO machine to reduce power consumption.
- We are in planning to install Offline Solar Inverter for Pump House street lighting initially.
- Hydro Pneumatic automatic System for fresh water supply in Plant at required pressure only.

FOREIGN EXCHANGE EARNINGS / OUTGO:

The details of foreign exchange earnings / outgo during the year 2021 - 22 are as follows:

(Amount in Lakhs)

Particulars	2021-22	2020-21
Earnings in Foreign Currency		
Exports of Goods (FOB Value)	9,270.45	6,094.79
CIF Value of Imports		
Raw Materials	26,585.53	14,240.61
Capital Goods	264.20	-
Components & Spare parts	203.15	184.92

Activities relating to exports, initiatives taken to increase exports, development of new export markets for products and services, and export plans:

The Company is exporting its yarn and V-Next products. Efforts are on to develop new varieties of these products to meet the

requirements of export market as well as increase the volume. New markets in various countries are being continuously explored to make the market broad based.

Annexure-7

Statement of particulars as per Rule 5 of Companies (Appointment and Remuneration of Managerial personnel) Rules, 2014.

- (i) The ratio of the remuneration of each director to the median remuneration of the employees of the company for the financial year 2021-22:

Sl. No.	Name of the Director	Ratio of the remuneration to the median remuneration of the employees
1	Dr. G. Vivekanand, Chairman	3.55
2	Smt. Vanitha Datla, Independent Director [@]	NA
3	Shri Gusti J. Noria, Independent Director	4.02
4	Shri G. Appender Babu, Independent Director	3.74
5	Shri P. Srikar Reddy, Independent Director	3.89
6	Smt. G. Saroja Vivekanand, Managing Director	281.00
7	Shri G. Vamsi Krishna, Joint Managing Director	166.00
8	Shri J P Rao, Whole-time Director	38.61

@ No remuneration was taken

- (ii) The percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager in the financial year.

Sl. No.	Name of the KMP	Percentage increase in the remuneration
1	Smt. G. Saroja Vivekanand	5.80
2	Shri G. Vamsi Krishna	5.04
3	Shri J P Rao	15.00
4	Shri Shafiulla Singanamala	14.00
5	Shri Ramakanth Kunapuli [§]	NA

There was no increase in the remuneration paid to other directors

[§]Shri Ramakanth Kunapuli, AVP & CS was appointed as Company Secretary w.e.f 22nd January, 2022

- (iii) Percentage increase in the median remuneration of employees in the financial year. 4.5%
- (iv) The number of permanent employees on the rolls of Company as on 31st March, 2022 stood at 1971
- (v) Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration. -NA-
- (vi) The Remuneration paid to Key Managerial Personnel is as per the Remuneration Policy of the Company.

For and on behalf of the Board

Place: Secunderabad
Date: 09-05-2022

Dr G Vivekanad
Chairman

Report on Corporate Governance

In Compliance with the chapter IV read with Schedule V of SEBI(LODR) Regulations, 2015, the details of compliances made for the financial year ended 31.03.2022 are as follows:

1. A brief statement on company's philosophy on code of governance:

Visaka Industries Limited (hereinafter "Company") believes that good corporate governance is process in directing and controlling the affairs of the Company in an efficient manner and helps in achieving the goal of maximizing value of Company's stakeholders in a sustainable manner. Company's Governance framework is built on transparency, integrity, ethics, honesty and accountability as core values, and the management believes that practice of each of these creates the right corporate culture fulfilling the purpose of Corporate Governance.

Key tools devised for achieving the enshrined objectives are a well-defined code of conduct, robust internal and financial controls, systems, transparency, risk management procedures/systems; communications, ESH standards, product quality standards, etc., which are properly implemented through continuous review process and mechanism setup for the said purpose.

The Company's Governance code is available on the Company's website <https://visaka.co> for general information. However, it is to be recognized that Corporate Governance is not just a destination but a consistent journey to consolidate and enhance sustainable value creation to the company by adhering to the core values.

2. Board of Directors:

- i) The Board of Visaka Industries Limited consists of eminent persons with optimum balance of Executive Directors, Non-Executive Directors and Independent Directors, having professional expertise from different fields such as technical, business strategy and management, marketing, medicine, finance, governance and thus meets the requirements of the Board diversity. The Chairman is a Non-Executive Director

and the Board consists of sufficient number of Independent Directors as stipulated under Companies Act, 2013 and SEBI(LODR) Regulations, 2015 (Listing Regulations). The Board further confirms that in its opinion, the independent directors fulfil the conditions specified in SEBI Listing Regulations and are independent from management. The Company has appointed Woman Director (independent) as per the provision of SEBI(LODR) Regulations, 2015 as amended.

- ii) While appointing new Independent Directors on the Board, the Nomination and Remuneration Committee of the Board considers the qualifications, positive attributes and independence as per the criteria laid down in that behalf and makes its recommendation to the Board for its consideration.
- iii) The Board, inter-alia, provides leadership, strategic guidance, objective and independent view / judgment to the Company's management. The Board meets at regular intervals for planning, assessing and evaluating all important business.
- iv) The Board members are updated from time to time, on the Company's procedures and policies as per the familiarization program devised in that behalf by the Company, copy of the same is available on company's website at <https://visaka.co>.
- v) None of the Board of Directors of the Company is a member on more than 10 committees or Chairperson of more than 5 committees as specified under SEBI Listing Regulations, across all the listed / public limited Companies in which he is a Director. The Board confirms that the Independent Directors fulfil the conditions specified in these regulations and that they are Independent of the management.
- vi) None of the Board of Directors of the Company is a director of more than seven listed entities and serving as an independent Director in more than seven listed entities.

vii) The details of the Board of Directors of the Company as on March 31, 2022 are as under:

Name of the Director Designation / Category	No. of Board Meetings attended during 2021-22	Whether attended AGM held on 25.05.2021	Number of other Directorships held in other companies@	Number of Board Committee memberships held in other companies	Number of Chairmanships of Board Committees held in other companies
Dr. G. Vivekanand Chairman Non – Executive Promoter Director	5	Yes	1	-	-
Shri Gusti J Noria Non – Executive Independent Director	5	No	-	-	-
[§] Shri P. Srikar Reddy Non-Executive Independent Director	5	Yes	3 [§]	2 [§]	-
Shri G. Appender Babu Non-Executive Independent Director	5	Yes	-	-	-
Smt. Vanitha Datla Non-Executive Independent Director	4	Yes	2	-	-
Smt. G. Saroja Vivekanand Managing Director	5	Yes	1	1	-
Shri G. Vamsi Krishna Joint Managing Director	5	Yes	-	-	-
Shri J.P.Rao Whole-time Director	5	Yes	-	-	-

§ Shri P. Srikar Reddy is the Managing Director of Sonata Software Limited and Director of Palred Technologies Limited both listed entities and Sonata Information Technology Limited. He is member of Audit Committee and Stakeholders Relationship Committee in Sonata Software Limited.

@ The other directorships of Listed and Unlisted Public Companies are only considered and Directorships of Private Company, Section 8 Company and OPC are not considered

viii) As per the information available with the Company, except Dr. G. Vivekanand, Smt. G. Saroja Vivekanand and Shri G. Vamsi Krishna, none of the Directors are related interse.

ix) None of the Independent Directors have any material pecuniary relationship or transaction with the Company.

x) Five (5) Board Meetings were held during the year ended March 31, 2022 i.e. on 22.04.2021, 26.07.2021, 30.10.2021, 22.01.2022 and 04.02.2022. The gap between any two meetings did not exceed one hundred and twenty days. In view of Covid-19 pandemic four board meetings were held through video conferencing / other audio visual mode as allowed under MCA Circular No.20/2020 dated May 5, 2020 and SEBI SEBI/HO/CFD/CMD1/CIR/P/2020/79 May 12, 2020 and one board meeting held physically.

xi) Information on various important business proposals including the information as stipulated in Schedule II of the Listing Regulations and recommendations of various committees has been placed before the Board for its

consideration. During the year under review, the Board has accepted all the recommendations from the Committees.

xii) A meeting of the Independent Directors was held on 22.04.2021 and inter-alia, discussed on matters pertaining to performance review of the Board, Chairman and Non-Independent Directors.

xiii) The Board comprises with highly qualified members possessing required skills, expertise and competence in making effective contributions towards the growth of the company. Leadership, operational experience, strategic planning, industry experience, research & development, innovation, consumer insights, marketing, supply chain management and branding are the key core skill / expertise / competence, in the context of the company's business apart from governance, finance, taxation and regulatory affairs functions. In the opinion of the Board, these skills are available with the board and the following chart / matrix depicts the aforesaid skills/expertise/competence possessed by the board.

Sl no	Director Name	Skills / expertise / competence
1	Dr. G. Vivekanand	Leadership, strategic planning, business operations, industry experience, risk management, consumer insights & supply chain management, governance and regulatory affairs.
2	Shri Gusti J Noria	Business operations, strategic planning, consumer insights, financial & supply chain management and branding.
3	Shri P.Srikar Reddy	Leadership, Business strategy, operations, marketing, engineering & project management, risk management, branding, financial & supply chain management and governance.
4	Shri G. Appender Babu	Business strategy & operations, engineering, project management, risk management, financial & supply chain management and governance.
5	Smt. Vanitha Datla	Business strategy & operations, risk management, financial management, governance and regulatory affairs.
6	Smt. G. Saroja Vivekanand	Operational experience, strategic planning, industry experience, risk management, governance & regulatory affairs.
7	Shri G. Vamsi Krishna	Business strategy, consumer insights, new products, innovation, research & development, operations, marketing, branding, project management and risk management
8	Shri J.P.Rao	Marketing, sales & consumer insights, operations, supply chain management and distribution.

3. Audit Committee:

- The terms of reference of the Audit Committee cover the matters specified for Audit Committees under Listing Regulations and Section 177 of the Companies Act, 2013.
- The composition of the Audit Committee as on March 31, 2022 and particulars of meetings attended by the members are as follows:

Name	No. of Meetings during the year 2021-22	
	Held	Attended
Smt. Vanitha Datla – Chairperson	4	3
Shri Gusti J. Noria – Member	4	4
Shri P. Srikar Reddy – Member	4	4
Smt. G. Saroja Vivekanand – Member	4	4

- The Chairperson is a Chartered Financial Analyst from ICFAI. All the members of the committee are financially literate. Accordingly, the Composition of the Audit Committee is in conformity with Section 177 of the Companies Act, 2013 and Listing Regulations.
- Four (4) Audit Committee Meetings were held during the year ended March 31, 2022, i.e. on 22.04.2021, 26.07.2021, 30.10.2021 and 04.02.2022. The gap between any two meetings did not exceed one hundred and twenty days and necessary quorum was present at all meetings. In view of Covid19 pandemic prevailed during the year, three Committee meetings were held through video conference mode as allowed under MCA Circular No.20/2020 dated May 5, 2020 and SEBI SEBI/HO/CFD/CMD1/CIR/P/2020/79 May 12, 2020 and one meeting held physically.
- Chief Financial Officer, Internal Auditor and Statutory Auditors are the invitees to the meetings and the Company Secretary acts as the Secretary of the Audit Committee.
- The Chairperson of the Audit Committee attended last Annual General Meeting of the Company held on May 25, 2021.

4. Nomination and Remuneration Committee:

- The terms of reference of the Committee cover the matters specified for the Nomination and Remuneration Committee under Section 178 of the Companies Act, 2013 and Listing Regulations.
- The Composition of the said Committee and details of meetings attended by the Directors are given below:

Name	Meetings during the year 2021-22	
	Held	Attended
Shri Gusti J Noria – Chairman	3	3
Shri P. Srikar Reddy – Member	3	3
Shri G. Appender Babu – Member	3	3

- The constitution and composition of the Committee thus satisfy the requirements of Section 178 of the Act, read with Listing Regulations.
- The Committee during the financial year 2021–22 met three times on 22.04.2021, 30.10.2021 and 22.01.2022.
- The document setting out criteria followed by the Nomination and Remuneration Committee for identification, appointment, remuneration and evaluation of performance of Directors which is enclosed as Annexure–4 to the Board's Report contains the information as to the various matters that are reviewed by the Committee from time to time.
- Details of shareholdings of the Directors who are holding shares in the Company as on March 31, 2022:

Name	No. of Shares of Rs.10/- each
Dr G Vivekanand	6863492
Smt. G. Saroja Vivekanand	875139

Name	No. of Shares of Rs.10/- each
Shri G. Vamsi Krishna	121730
Shri Gusti J Noria	3913

vii) Remuneration Policy:

The Company's remuneration policy is driven by the success and performance of the individual employees as well as his expertise in critical areas of operations of the Company. This policy is designed to create high performance culture and

also to attract, retain and motivate employees, Directors and other senior management.

The Company's Remuneration Policy as applicable to Directors, KMPs and other Senior management personnel of the Company forms part of document setting out criteria of identification, appointment, remuneration, evaluation of performance of directors which is annexed as Annexure-4 to the Boards' Report.

viii) The details of Remuneration paid to Directors during the year 2021-22 are given below:

(Amount in Rs.)

Director	Designation	Salary	Perquisites	Commission	Sitting Fees	Total
Dr. G. Vivekanand	Chairman	-	-	10,00,000	1,15,000	11,15,000
Smt. G. Saroja Vivekanand	Managing Director	1,63,63,541	40,64,538	6,79,00,000	-	8,83,28,079
Shri G. Vamsi Krishna	Jt. Managing Director	75,19,700	5,61,240	4,41,00,000	-	5,21,80,940
Shri Gusti J. Noria	Independent Director	-	-	10,00,000	2,65,000	12,65,000
Shri P. Srikar Reddy	Independent Director	-	-	10,00,000	2,20,000	12,20,000
Shri G. Appender Babu	Independent Director	-	-	10,00,000	1,75,000	11,75,000
Shri J. P. Rao	Whole-time Director	99,53,843	21,83,187	-	-	1,21,37,030
Smt. Vanitha Datla	Independent Director	-	-	-	-	-
Shri S. Shafiulla	CFO	48,23,864	7,68,833	-	-	55,92,697
*Shri I. Srinivas	Company Secretary	26,58,577	22,494	-	-	26,81,071
§Shri M. Muralidhar	Company Secretary	9,87,440	1,70,047	-	-	11,57,487
*Shri Ramakanth Kunapuli	Company Secretary	9,05,900	1,37,823	-	-	10,43,723

* Mr. I. Srinivas worked part of the year as a Company Secretary.

§ Mr. M. Muralidhar worked part of the year as Company Secretary.

Appointed as Company Secretary w.e.f 22-01-2022.

5. Stakeholders' Relationship Committee:

- The Committee, inter-alia, approves issuance of duplicate share certificates as well as oversees and reviews all matters connected with the securities transfer, transmission, nomination, dematerialization and rematerialisation including redressing grievances related thereto. The Committee also considers redressing of shareholder's complaints relating to non-receipt of notices/annual reports and dividends etc.
- The Committee consists of three directors and Shri G. Appender Babu is the Chairman of the Committee and thus the constitution of the Committee is in compliance with section 178 of the Act read with Listing Regulations.
- During the financial year under review the Committee met Five times i.e. on 20.10.2021, 30.10.2021, 03.02.2022, 21.02.2022 & 30.03.2022 and all members attended all meetings.
- Shri Ramakanth Kunapuli, AVP and Company Secretary is the Compliance Officer of the Company.
- The Chairman of the Committee has attended last Annual General Meeting of the Company held on May 25, 2021.
- Details of complaints received and redressed:

Opening Balance	Received	Resolved	Closing Balance
Nil	2	2	NIL

6. Risk Management Committee:

The Company pursuant to the SEBI(LODR) Regulations, 2015 has constituted Risk Management Committee and has adopted Risk Management Policy.

The terms of reference of the Risk Management Committee cover the matters specified under Listing Regulations and Section 177 of the Companies Act, 2013.

The Committee during the financial year 2021-22 met two times on 30.10.2021 and 31.03.2022

The composition of the Risk Management Committee as on March 31, 2022 and particulars of meetings attended by the members are as follows:

Name	Meetings during the year 2021-22	
	Held	Attended
Shri Gusti J Noria – Chairman	2	2
Smt. Vanitha Datla – Member	2	2
Shri G. Vamsi Krishna – Member	2	2
Shri J. P. Rao – Member	2	2

7. General Body Meetings

- i) The particulars of day, date, time, venue special resolutions passed, if any, in last three annual general meetings of the Company are given below:

Year	Particulars of the AGM	Day, Date & Time	Venue	Special Resolutions Passed, if any
2020-21	39th AGM	Tuesday 25.05.2021 11.30 A.M.	Through Video Conferencing (VC) / Other Audio-Visual Means (OAVM)	No
2019-20	38th AGM	Thursday 23.07.2020 11.30 A.M.	Through Video Conferencing (VC) / Other Audio-Visual Means (OAVM)	Yes
2018-19	37th AGM	Thursday 27.06.2019 11.30A.M	Regd Office: Survey.No.315, Yelumala Village, R.C.Puram Mandal, Sangareddy Dt. Telangana - 502300.	Yes

- ii) The Company during the financial year ended March 31, 2022 did not transact any business through postal ballot and hence passing of special resolution through postal ballot does not arise.

9. Disclosures:

- i) During the financial year ended March 31, 2022 there are no materially significant related party transactions, which have potential conflict with the interest of Company at large. Related party transactions entered during the financial year under review are disclosed in the notes to the audited financial statements of the company for the financial year ended March 31, 2022.

These transactions entered were at an arm's length basis and were in the ordinary course of business.

The details of related party transactions entered by the Company during the FY-2021-22 are given in note number 41 of the Financial Statements.

- ii) There were no occasions of non-compliance by the Company and no penalties or strictures were imposed on the Company by the Stock Exchanges or the SEBI or any statutory authority, on any matter related to Capital markets, during the last three years except an instance of slight delay in appointment of woman director (Independent) in the financial year 2020-21 for which The National Stock Exchange of India Ltd levied a fine of Rs.3,24,500 (including GST).
- iii) Vigil Mechanism (Whistle Blower Policy): The Company has a Vigil mechanism (Whistle blower policy) in place enabling the employees or other connected persons having interest in any transactions with the company to report of any unethical or improper practices noticed in the organization. The Policy also provides the procedure of making such representation and dealing with the said representation and also provides protection from victimization. During the year under review, no employee was denied access to the Audit committee in this behalf.
- iv) The Company is in compliance with all the applicable mandatory requirements and has fulfilled the following non-mandatory / discretionary requirements as prescribed in Listing Regulations:

- a) Audit qualifications: There were no qualifications by the statutory auditors on the financial statements for the year ended March 31, 2022.
- b) Separate post of Chairman and CEO: The Company has separate Chairman and Managing Director.
- c) Reporting of Internal Auditor: The Internal auditor reports to the Audit Committee.

- v) Code of conduct: The code of conduct as adopted by the Board of Directors is applicable to all directors, senior management and employees above officers' level. The prime purpose of the code is to create an environment wherein all the Board Members and Senior Management of the Company maintain ethical standards and to ensure compliance with the laid down ethical standards. The code is available on the Company's website at <https://visaka.co>.

- (vi) Details of utilization of funds raised through preferential allotment as specified under Regulation 32 (7A):

During the Financial Year 2021-22, the Company has received an amount of Rs. Rs.14,46,00,000 Crore towards balance 75% money payable on allotment of 8,00,000 Equity Shares on conversion of 8,00,000 convertible warrants issued on preferential basis to the Promoters / Promoter Group as permitted under Chapter V of the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018. The amount raised through the Preferential Issue have been utilized as per the objects specified in the Explanatory Statement to the EGM Notice dated. 25th July, 2020.

Declaration as to adherence to the Code of Conduct

All the directors and senior management of the Company have affirmed compliance with the Company's code of conduct for the financial year ended March 31, 2022.

Date: 09.05.2022
Secunderabad

Smt. G. Saroja Vivekanand
Managing Director

- vi) CEO & CFO certificate: The Managing Director and Chief Financial Officer of the Company have given a Certificate as contemplated in Listing Regulations.
- vii) The company's website contains all information, disclosures, policies etc., as applicable to the entity.
- viii) Share Capital Audit: Practicing Company Secretary carried out a secretarial audit to reconcile the total admitted capital with National Securities Depository Limited (NSDL) and Central Depository services (India) Limited (CDSL) and the

total issued and listed capital. The audit confirms that the total issued / paid-up capital of the Company is in agreement with the total number of shares in physical form and the total number of dematerialized shares held with NSDL and CDSL.

- ix) Total fee paid to the statutory auditors for all services: please refer Note 33(a) of this annual report.
- x) Credit Ratings: Credit rating agency "CARE Ratings" reviewed various credit facilities of the company during the financial year ended 31.03.2022 as per the following details:

Sl.No.	Facilities	Rating	Remarks
1	Long term Bank Facilities	CARE AA-; Stable [Double A Minus; Outlook: Stable]	Reaffirmed
2	Short term Bank Facilities	CARE A1+ (A One Plus)	Reaffirmed
3	Medium Term Fixed Deposit	CARE AA- (FD); Stable [Double A Minus (Fixed Deposit); Outlook: Stable]	Reaffirmed

Symbols	Rating Definition
CARE AA	Instruments with this rating are considered to have high degree of safety regarding timely servicing of financial obligations. Such instruments carry very low credit risk.
CARE A	Instruments with this rating are considered to have adequate degree of safety regarding timely servicing of financial obligations. Such instruments carry low credit risk.

Modifiers {"+" (plus) / "-" (minus)} can be used with the rating symbols for the categories CARE AA to CARE C. The modifiers reflect the comparative standing within the category.

Rating Outlook: The rating outlook can be 'Positive', 'Stable' or 'Negative'.

'A +ve' outlook indicates an expected upgrade in the credit ratings in the medium term on account of expected positive impact on the credit risk profile of the entity in the medium term.

'A -ve' outlook would indicate an expected downgrade in the credit ratings in the medium term on account of expected negative impact on the credit risk profile of the entity in the medium term.

'A' 'Stable' outlook would indicate expected stability (or retention) of the credit ratings in the medium term on account of stable credit risk profile of the entity in the medium term.

- xi) Prohibition of Insider Trading: The Company has a policy i.e. code of conduct prohibiting insider trading in conformity with SEBI (Prohibition of Insider Trading) Regulations, 2015. The said policy contains necessary procedures applicable to Directors, officers and designated persons for trading in the securities of the Company.

The trading window closure is intimated in advance to all the concerned during which period, the Board of Directors and designated persons are not permitted to trade in the securities of the company. The policy is available on the website www.visaka.on

10. Means of Communication:

Audited financial results of the Company are published in Business Standard / Economic Times (Bombay and Hyderabad Editions) / Financial Express (English edition) and Velugu (Regional edition) newspapers respectively on quarterly basis, in addition to being displayed on the Company's website – "<https://visaka.co>". Presentations made to institutional investors and details of Conference Calls etc., are intimated to stock exchanges apart from being uploaded on the website of the company.

Audited financial results of the Company (Quarterly, Half yearly and annual) are immediately, after the Board's approval uploaded / displayed on the company's website <https://visaka.co> under investors tab (a separate sections for investors information) in addition to submitting the same to BSE Limited and National Stock Exchange of India (NSE). They are also published in one English daily newspaper and one Telugu newspaper within stipulated time of 48 hours of approval.

The annual reports are sent to members of the company in addition to submitting the same to BSE and NSE as well as uploading the same on the Company's website.

Press releases highlighting the financial performance on quarterly basis, Investor presentations, Investor calls, etc., are intimated to stock exchanges on regular basis in addition to uploading the same on the Company's website.

11. General Shareholder's information:

1	Annual General Meeting	
	Date	June 17, 2022
	Time	11.30 A.M.
	Venue	The Company is conducting the AGM through Video Conference / Other Audio-Visual Mode (VC/OAVM) pursuant to the MCA Circular dated May 5, 2020, January 13, 2021, May 5, 2022 and as such there is no requirement to have a venue for the AGM. For details, please refer to the Notice of this AGM.
2	Financial Calendar	2021-22
	Year ending	March 31, 2022
	AGM	June 17, 2022
3	Date of Book Closure	May 30, 2022 to June 03, 2022 (both days inclusive)
4	Dividend Payment Date	On or before July 15, 2022
5	Listing on Stock Exchanges	National Stock Exchange of India Ltd and BSE Limited (The Company has paid the listing fee for 2022-23 to the BSE & NSE)
6	Stock Code / Symbol on NSE / BSE respectively	VISAKAIND / 509055
7	Address of exchanges	BSE Corporate Office: BSE Limited, Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai- 400001 NSE Corporate Office: National Stock Exchange of India Ltd., Exchange Plaza, Plot no. C/1, G Block, Bandra-Kurla Complex, Bandra (E), Mumbai - 400 051
8	International Securities Identification Number (ISIN) allotted to the Company's Shares	INE392A01013

13. Market Price Data:

Details of monthly high and low market price as per stock exchanges data for the Financial Year ended March 31, 2022 are as follows:

S. No.	Month	Price at BSE		Price at NSE	
		High	Low	High	Low
1	April – 2021	604	459	605	459
2	May – 2021	717	582	720	581
3	June – 2021	708	641	709	640
4	July – 2021	850	685	850	684
5	August – 2021	874	665	873	664
6	September – 2021	744	655	744	655
7	October – 2021	700	594	696	594
8	November – 2021	648	556	620	556
9	December – 2021	656	562	652	571
10	January – 2022	709	596	708	600
11	February – 2022	676	533	677	534
12	March – 2022	682	514	649	511

11. Performance of share price of the Company in comparison to BSE Sensex:

Sl.No.	Month	Visaka's Closing Price at BSE (Rs.)	BSE Sensex Closing
1	April – 2021	579	48782
2	May – 2021	667	51937
3	June – 2021	686	52483
4	July – 2021	819	52587
5	August – 2021	730	57552
6	September – 2021	664	59126
7	October – 2021	595	59307
8	November – 2021	580	57065
9	December – 2021	624	58254
10	January – 2022	625	58014
11	February – 2022	566	56247
12	March – 2022	586	58569

(Source: The information is compiled from the data available from the BSE website)

12. Registrar and Transfer Agents

Name & Address: KFin Technologies Private Limited
Unit: Visaka Industries Limited
Karvy Selenium Tower B, Plot No. 31 & 32,
Gachibowli, Financial District, Nanakramguda,
Serilingampally, Hyderabad – 500 032
Phone: 040-67162222, E-mail: einward.ris@kfintech.com
Website: www.kfintech.com
Toll Free No: 1800-3094-001

13. Share Transfer System

The Company's shares are traded in the stock exchanges compulsorily in Demat form. The Company's Registrar and Transfer agent is the common agency to look after physical and demat registry work. Shares lodged for transfer with the registrar are processed and returned to shareholders within the stipulated time. The Company has been obtaining certificates annually as to the compliances made by the Company with regard to transfer and transmissions of shares lodged with the company during the financial year ended March 31, 2022 from practicing company secretary.

14. Shareholding (as on March 31, 2022)

a) Distribution of shareholding as on March 31, 2022

S. No.	Category (No. of shares)	Shareholders		Amount (in Rs.)	% Amount
		Number	%		
1	100001 & Above	96	0.31	12,55,51,510.00	72.65
2	50001- 100000	80	0.26	58,65,110.00	3.39
3	40001- 50000	48	0.16	22,44,050.00	1.30
4	30001- 40000	46	0.15	16,51,510.00	0.96
5	20001- 30000	130	0.43	33,43,110.00	1.93
6	10001- 20000	377	1.24	55,94,100.00	3.24
7	5001- 10000	887	2.92	69,39,450.00	4.02
8	1-5000	28737	94.53	2,16,20,680.00	12.51
	Total:	30401	100.00	17,28,09,520.00	100.00

b) Categories of Shareholders as on March 31, 2022

Sl.No.	Category	No. of Shares	%
1	Promoters & Promoter Group	8357698	48.36
2	Foreign Portfolio Investors	825242	4.78
3	Banks, Financial Institutions, Insurance Companies (Central, State Gov. Institutions / Non-Government institutional)	4475	0.03
4	Mutual Funds	1072	0.01
5	Private Corporates Bodies	1925068	11.14
6	Indian Public	5606761	32.44
7	NRIs / OCBs	264125	1.53
8	Clearing Members	22557	0.13
9	IEPF	142287	0.82
10	Directors (other than Promoter Director)	3913	0.02
11	Alternative Investment Fund	127754	0.74
	Total	17280952	100.00

15. Dematerialization of shares and liquidity:

As on March 31, 2022, 98.63% of the paid-up share capital of the Company has been dematerialized.

16. Outstanding GDRs / ADRs / Warrants or any convertible instruments: NIL.

17. Secretarial Compliance Report

Pursuant to Regulation 24A of the Listing Regulations the Company has submitted to the Stock Exchanges the Secretarial Compliance Report for the Financial Year 2020-21 furnished by K.V. Soorianarayanan a Practicing Company Secretary. The Company shall be filing the Secretarial Compliance Report for the Financial Year 2021-22 within the prescribed time.

18. Dividend Distribution policy

In compliance with Regulation 43A of the Listing Regulations the Company has formulated its Dividend Distribution Policy, the details of which are available on the Company's website at: <https://www.visaka.co>

19. Manufacturing facilities:

PLANTS ADDRESSES

1.	A.C. Division – Plant 1 Survey No.315, Yelumala Village, R. C. Puram Mandal, Sangareddy District - 502 300, Telangana
2.	A.C. Division – Plant 2 Behind Supa Gas, Manickanatham Village, Paramathi, Velur Taluq, Namakkal District, Tamil Nadu - 637 207
3.	A.C. Division – Plant 3 Changsole Mouza, Bankibund, G.P.No.4, Salboni Block, Midnapore West, West Bengal – 721 147
4.	A.C. Division – Plant 4 Survey No. 27/1, G. Nagenahalli Village, Kora Hobli, Tumkur Taluk & District, Karnataka
5.	A.C. Division – Plant 5 Village Kannawan, P.S. Bacharawan, Tehsil: Maharaj Ganj, Raibareli District, Uttar Pradesh – 229 301
6.	A.C. Division – Plant 6 Survey No. 385 and 386, Near Kanchikacharla, Jujjuru (Village), Veerula Padu Mandal, Krishna District, Andhra Pradesh – 521 181
7.	A.C. Division – Plant 7 Plot No. 2006, 1994, Khata No. 450, At- Paramanapur, Manejwan, Navamunda Village, Sambalpur District, Odisha – 768 200
8.	A.C. Division – Plant 8 Gat.No.70/3A, 70/3, Sahajpur Industrial Area, Nandur (Village), Daund (Taluk), Pune (District) - 412 202, Maharashtra
9.	Textile Division Survey No.179 & 180, Chiruva Village, Maudha Taluq, Nagpur District, Maharashtra
10.	V-Boards and V-Panels Division – 1 Survey No. 95 & 96, Gajalapuram Village, Near Miryalguda P.O. Pedadevullapally Mandal, Tripuraram Adjacent to Kukkadam Railway Station Nalgonda District, Telangana – 508 207

11. V-Boards Division – 2	Gatt No. 262, Delwadi Village, Daund Taluq, District Pune, Maharashtra
12. V-Boards Division – 3	Mustil No.105, 106 & 115, Jhanswa Tehsil, Matanhail, Jhajjar, Haryana.
13. V-Boards Division-4)	S.F.No.169/A3/C1,B1, 174/A1, A3, B, Venasapatti Village, Udumalaipettai Taluk, Tiruppur Dist, Tamilnadu-642126.
14. ATUM Division	Survey No. 89, 93, 94, 95 and 96, Gajalapuram Village, Tripuraram, Nalgonda District, Telangana

20. Address for Correspondence/registering investor grievances:

Enquiries, if any relating to shareholder records, share transfers, transmission of shares, change of address / bank mandate details for physical shares, receipt of dividend warrants, loss of share certificates, updation of PAN, etc., and related grievances may be addressed to KFin Technologies Limited (Kfintech), Unit: Visaka Industries Limited.

OR

The Company Secretary
 Visaka Industries Limited
 Visaka Towers, 1-8-303/69/3
 S.P. Road, Secunderabad – Pin: 500 003.
 Email: investor.relations@visaka.in
 Tel Nos: 091 - 040 - 27813833, 27813835 / 27892190 To 92

To know more about the Company, you are welcome to visit us at: <https://visaka.co>

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

(pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the
SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

To
The Members of
VISAKA INDUSTRIES LTD.
Survey No 315, Yelumala Village,
R C Puram Mandal, Medak,
Telangana 502300, India

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of VISAKA INDUSTRIES LTD having CIN L52520TG1981PLC003072 and having registered office at Survey No 315, Yelumala Village, R C Puram Mandal, Medak, Telangana 502300, India (hereinafter referred to as 'the Company'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to us by the Company & its officers, we hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31st March, 2022 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority.

Sl.No.	Name of Director	DIN	Date of appointment in Company
1.	Dr. G. Vivekanand	00011684	18.06.1981
2.	Mrs. G. Saroja Vivekanand	00012994	28.01.2003
3.	Mr. G. Vamsi Krishna	03544943	01.06.2014
4.	Mr. J.P. Rao	03575950	07.05.2015
5.	Mr. Gusti J. Noria	00015561	22.02.2000
6.	Mr. P. Srikar Reddy	00001401	25.07.2015
7.	Mr. Gogineni Appnender Babu	00034681	12.08.2019
8.	Mrs. Vanitha Datla	00480422	26.05.2020

Ensuring 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 efficiency or effectiveness with which the management has conducted the affairs of the Company.

K.V. Soorianarayanan

Practising Company Secretary

M.No.3380

C.P. No: 12678

Peer Review Cert No. 1147/2021

UDIN: F003380D000244291

Place: Hyderabad

Date: 29.04.2022



AUDITORS' CERTIFICATE REGARDING COMPLIANCE OF CONDITIONS OF CORPORATE GOVERNANCE

To
The Members of
VISAKA INDUSTRIES LTD.

We have examined the compliance of conditions of Corporate Governance by Visaka Industries Limited, for the year ended March 31, 2022 as stipulated in Regulations 17, 17A, 18, 19, 20, 21, 22, 23, 24, 24A, 25, 26, 27 and clauses (b) to (i) of sub-regulation (2) of regulation 46 and para C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended) (collectively referred to as "SEBI Listing Regulations, 2015").

The compliance of conditions of Corporate Governance is the responsibility of the Company's management. Our examination was carried out in accordance with the Guidance Note on Certification of Corporate Governance, issued by the Institute of Chartered Accountants of India and was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. 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, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the SEBI Listing Regulations, 2015.

We 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.

For Price Waterhouse & Co Chartered Accountants LLP
Firm Registration Number: 304026E/E-300009

N.K. Varadarajan

Partner

Place: Secunderabad

Date: May 09, 2022

Membership Number: 090196

UDIN: 22090196AIQBPV8744

BUSINESS RESPONSIBILITY REPORT

[Pursuant to Regulation 34(2)(f) of SEBI
(Listing Obligations and Disclosure Requirements) Regulations, 2015]

SECTION A: GENERAL INFORMATION ABOUT THE COMPANY

I. Details of the listed entity

- Corporate Identity Number (CIN) of the company: L52520TG1981PLC003072
- Name of the company: Visaka Industries Limited
- Registered Office address: Survey No 315, Yelumala village, R C Puram Mandal, Sangareddy district- 502300, Telangana
- Website: www.visaka.co
- E-mail id: vil@visaka.co
- Financial year reported: April 2021 to March 2022.
- Sector(s) that the company is engaged in (Industrial activity code wise): Manufacture of Cement Fibre, Roofing products, Fibre Cement Flat Board & Panels (23959) and Manmade polyester yarn (13114)
- List three key products/services that the Company manufactures/provides (as in balance sheet): Fibre Cement Roofings Products, VNext-Boards, Manmade yarn.
- Total number of locations where business activity is undertaken by the Company
 - Number of international locations: Nil
 - Number of national locations: The Company is undertaking business activities across India and locations are given at page No. 107
- Markets served by the Company: National & International markets

SECTION B: FINANCIAL DETAILS OF THE COMPANY

- Paid up-Capital: ₹17.28 Crores
- Total Turnover: ₹1425.67 Crores
- Total Profit after Tax: ₹118.53 Crores
- Total spending on CSR as percentage of average net profits: 2%
- List of activities in which expenditure in 4 above has been incurred: Provision of drinking water, Construction of irrigation tanks, Building classrooms and toilets in schools and colleges, Providing Flora & fauna, Health Camps, Sports facility, Supply of classroom furniture and payment of teachers' salaries, etc.

SECTION C: OTHER DETAILS

- Does the Company have any subsidiary company/ companies: Yes – Vnext Solutions Private Limited and Atum Life Private Limited.

SECTION D: BR INFORMATION

- Details of Directors responsible for BR
 - Details of the Director responsible for implementation of the BR policy/policies

Sl No.	Particulars	Details
1	DIN of the Director	00012994
2	Name	Smt. G. Saroja Vivekanand
3	Designation	Managing Director

- Details of BR head:

Sl No.	Particulars	Details
1	DIN of the Director	DIN: 03544943
2	Name	Shri G. Vamsi Krishna
3	Designation	Joint -Managing Director
4	Phone Number	040-27813833
5	Email	vamsi@visaka.in

- The operating principles adopted by the Company supplement the requirements under the National Voluntary Guidelines

PRINCIPLE 1: Businesses should conduct and govern themselves with integrity, and in a manner that is Ethical, Transparent and Accountable

PRINCIPLE 2: Business should provide goods and services in a manner that is sustainable and safe

PRINCIPLE 3: Businesses should respect and promote the well-being of all employees, including those in their value chains

PRINCIPLE 4: Businesses should respect the interests of and be responsive to all its stakeholders.

PRINCIPLE 5: Businesses should respect and promote human rights.

PRINCIPLE 6: Businesses should respect and make efforts to protect and restore the environment.

PRINCIPLE 7: Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent.

PRINCIPLE 8: Businesses should promote inclusive growth and equitable development

PRINCIPLE 9: Businesses should engage with and provide value to their consumers in a responsible manner.

Disclosure Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
Policy and management processes									
a. Do you have a policy for:	Y	Y	Y	Y	Y	Y	Y	Y	Y
b. Has the policy been formulated in consultation with the stake holders ? (Yes/No)	Y	Y	Y	Y	Y	Y	Y	Y	Y
c. Does the policy conform to any national/international standards?	The policies are aligned to the legal requirements and in compliance with standards stipulated by respective agencies.								
D. Has the policy been approved by the board? If yes, has it been signed by MD/Owner/CEO/appropriate Board Director?	The policies were either approved or noted from time to time. Implementation of policy is carried out by the management								
E. Does the entity have a specified committee of the Board/ Director to oversee the implementation of the policy?	The Corporate Social Responsibility Policy is administered by the CSR Committee in line with requirements of the Companies Act, 2013. The implementation and adherence to the Code of Conduct and policies like the Employee Health and Safety (EHS) and quality practices are overseen by the management								
F. Indicate the link for the policy to be viewed online?	Policies which are internal to the Company are available on the intranet portal of the Company. Other policies are available on the website of the Company, www.visaka.co .								
G. Has the policy been formally communicated to all relevant internal and external stakeholders?	Yes								
H. Does the company have in-house structure to implement the policy/policies	Yes								
I. Does the company have a grievance redressal mechanism related to the policy/policies to address stakeholders' grievances related to the policy/policies?	Yes								
j. Has the entity carried out independent assessment/ evaluation of the working of its policies by an external agency?	No. The Company has not carried out independent assessment of the policies. The management team periodically looks at the implementation of the relevant policies. CSR activities undertaken in pursuance of CSR policy will be reviewed by the CSR committee of the board.								

3. Governance related to Business Responsibility:

Business Responsibility Report is part of the Annual Report. It is also available on the Company's website www.visaka.co.

It is proposed to be assessed annually.

SECTION E: PRINCIPLE-WISE PERFORMANCE

Principle 1: Businesses should conduct and govern themselves with Ethics, Transparency and Accountability

The Company is committed to adhere to the highest standards of ethical and legal conduct of its business operations. In order to maintain these standards, it has adopted the 'Code of Conduct', which lays down the principles and standards that govern the actions of the Senior employees and Board of Directors in the course of conduct of business of the Company.

Any actual or potential violation of the Code, would receive appropriate intervention by the Company. The Company has adopted a 'Whistle blower policy' to highlight any concerns and for a proper redressal of the same.

There were no complaints from shareholders pending at the beginning of the year. The Company received 2 complaints from shareholders during the year and all complaints have been resolved satisfactorily.

Principle 2: Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle

The Company believes in developing products which are efficient and environment friendly and several steps have been taken in this direction. The VNext Boards & Panels are certified Green Products by the Green Building Council of CII. The Solar Roofing Panels are Green Products and help to reduce carbon footprint.

The Environment Management practices of the Company focus on conservation of natural resources and waste management.

Further, at the factory locations, the Company endeavours to create jobs for the local communities.

Principle 3: Businesses should promote the well-being of all employees

1. Total number of employees: 1971
2. Total number of employees hired on temporary/contractual/ casual basis: 3197
3. Number of permanent women employees: 70
4. Number of permanent employees with disabilities: Nil
5. Whether the Company has an employee association that

is recognised by management: At the factories there are recognised Worker Unions. The staff and Managers have not formed Union.

6. Percentage of permanent employees who are members of the above association: 627(32%) of employees mentioned above at Point No.1.
7. Number of complaints relating to child labour, forced labour, involuntary labour, sexual harassment in the last financial year and pending, as on the end of the financial year : Nil

	Category	No. Of complaints filed during the financial year	No. Of complaints pending as on end of the financial year
	Child labour/forced labour/involuntary labour	-	-
	Sexual harassment	-	-
	Discriminatory employment	-	-

8. Details of safety & skill upgradation during financial year 2021-22:

No	Category	Safety	Skill Upgradation training
1	Permanent employees	70%	70%
2	Permanent women employees	100%	96%
3	Casual/Temporary/ Contractual Employees	80%	45%

Principle 4: Businesses should respect the interests of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalised

As a responsible corporate citizen, Visaka has been continuously engaged in various social activities uplifting the human index of the country. The Company's vision is to actively contribute to the social and economic development of the communities in which we operate and build a better, sustainable way of life for the weaker sections of society. CSR policy of the company is available at www.visaka.co.

Various initiatives undertaken by the company in pursuance of its CSR activities undertaken are disclosed as a part of Annexure to the Boards' Report.

Principle 5: Businesses should respect and promote human rights

The company recognizes the responsibility to respect human rights as enshrined under international bill of human rights, constitution of India, national laws and policies. Principles of fairness, respect and dignity and equal opportunities are the guiding principles in implementation of the same and no

discrimination whatsoever manner in the name of race, color, religion, sex or national origin is entertained.

The Code of Conduct is applicable to all the directors and senior management. There have been no complaints received in the past financial year. The Company promotes the Code of Conduct which apart from other things ensures that there are no instances of sexual harassment, child labour or discriminatory practices.

Principle 6: Businesses should respect, protect, and make efforts to restore the environment

All the Company's manufacturing units have policies on environment, health and safety measures in line with the Environment, Health and Safety Practices adopted by the Company. All the roofing plants produce as per ISI standard and comply with the guidelines of the Environmental ministry and State PCB's. The VNext Boards are Ecofriendly products which contribute to Environmental improvement. The Solar Roofing Product helps to reduce carbon footprint by producing clean energy. The company implemented various quality management systems like 5S and TPM successfully and got sustenance and excellence awards from various quality certification institutions. Also got sustenance certificates from CII-JIPM (Japan institute of productive maintenance) and QCFI (Quality Circle Forum of India). The Company also monitors hazardous wastes and emissions in its manufacturing units and the wastes and emissions are within permissible limits as laid down by the regulators.

The company also observes world environment week, world energy conservation week, world safety week and brings awareness among the employees and other stakeholders.

There are no pending EHS show cause notices as at the end of the financial year.

Principle 7: Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner

The Company is a member of the following trade/chamber/ association:

- a) Federation of the Telangana Chambers of Commerce and Industry
- b) Confederation of Indian Industry

The company participates in seminars, conferences organised by these associations, from time to time.

Principle 8: Businesses should support inclusive growth and equitable development

The company has set up its manufacturing units across the country spread over 9 states employing local people to the extent possible.

The company is committed to corporate responsibility and sustainability. The company has also undertaken plantation in the vicinities of various plant locations.



In terms of its CSR policy, the company is undertaking various activities. During the year under review, we have undertaken activities like Provision of drinking water, Construction of irrigation tanks, Building classrooms and toilets in schools and colleges, Providing Flora & fauna, Health Camps, Sports facility, Supply of classroom furniture and payment of teachers' salaries, etc.

These initiatives are implemented by the Company directly to support initiatives that benefit the society at large. The details are provided in the annexure to the Boards' report.

Principle 9: Businesses should engage with and provide value to their customers in a responsible manner

For receiving and resolving customer complaints there are adequate systems in place. Customers may register their grievances through appropriate medium. The Company adheres to all applicable laws and regulations on product labelling. The company did not carry out any formal consumer satisfaction survey as it did not feel the necessity for the same.

Corporate Information

for the year ended 31st March, 2022

CIN: L52520TG1981PLC003072

Board of Directors

Dr. G. Vivekanand, Chairman
Shri Gusti J Noria, Independent Director
Shri P. Srikar Reddy, Independent Director
Shri G Appnender Babu, Independent Director
Smt. Vanitha Datla, Independent Director
Smt. G. Saroja Vivekanand, Managing Director
Shri G. Vamsi Krishna, Joint Managing Director
Shri J. P. Rao, Whole-time Director

Chief Financial Officer:

Shri S. Shafiulla

Assistant Vice President and Company Secretary:

Shri Ramakanth Kunapuli

Committees of the Board

Audit Committee

Smt. Vanitha Datla, Chairperson
Shri Gusti J Noria, Member
Shri P. Srikar Reddy, Member
Smt. G. Saroja Vivekanand, Member

Nomination and Remuneration Committee

Shri Gusti J Noria, Chairman
Shri P. Srikar Reddy, Member
Shri G. Appnender Babu, Member

Stakeholders Relationship Committee

Shri G. Appnender Babu, Chairman
Dr. G. Vivekanand, Member
Smt. G. Saroja Vivekanand, Member

CSR Committee

Shri Gusti J Noria, Chairman
Shri G. Appnender Babu, Member
Dr. G. Vivekanand, Member
Smt. G. Saroja Vivekanand, Member
Shri J. P. Rao, Member

Risk Management Committee

Shri Gusti J Noria, Chairman
Smt. Vanitha Datla, Member
Shri G. Vamsi Krishna, Member
Shri J.P.Rao, Member

Corporate Office:

Visaka Industries Limited
Visaka Towers, 1-8-303/69/3
S.P. Road, Secunderabad – 500 003.

Registered Office:

Survey No. 315, Yelumala Village,
R.C. Puram Mandal, Sangareddy District – 502 300,
Telangana.

Statutory Auditors:

Price Waterhouse & Co Chartered Accountants LLP
Unit-2B, 8th Floor, Octave Block, Block E1, Parcel-4,
Salarpuria Sattva Knowledge City, Raidurg,
Hyderabad, Telangana - 500081.

Cost Auditors:

M/s. Sagar & Associates
205, Raghava Ratna Towers,
Chirag Ali Lane, Abids, Hyderabad – 500 001.

Secretarial Auditors:

Shri K.V.Soorianarayanan
Company Secretary in Practice
3-43, 2nd Cross Road, Hastinapuri Colony,
Sainikpuri Post, Secunderabad – 500 094

Bankers:

State Bank of India - Industrial Finance Branch, Hyderabad.
HDFC Bank - Begumpet Branch, Hyderabad.
IDBI Bank - Specialised Corporate Branch, Chennai
ICICI Bank - Hyderabad



Plants Addresses

1. A.C. Division – Plant 1

Survey No.315, Yelumala Village, R. C. Puram Mandal
Sangareddy District - 502 300, Telangana

2. A.C. Division – Plant 2

Behind Supa Gas, Manickanatham Village
Paramathi, Velur Taluq, Namakkal District,
Tamil Nadu - 637 207

3. A.C. Division – Plant 3

Changsole Mouza, Bankibund, G.P.No.4, Salboni
Block, Midnapore West, West Bengal – 721 147

4. A.C. Division – Plant 4

Survey No. 27/1, G. Nagenahalli Village, Kora
Hobli, Tumkur Taluk & District, Karnataka

5. A.C. Division – Plant 5

Village Kannawan, P.S. Bacharawan,
Tehsil: Maharaj Ganj, Raibareli District
Uttar Pradesh – 229 301

6. A.C. Division – Plant 6

Survey No. 385 and 386, Near Kanchikacharla
Jujjuru (Village), Veerula Padu Mandal, Krishna District,
Andhra Pradesh – 521 181

7. A.C. Division – Plant 7

Plot No. 2006, 1994, Khata No. 450
At- Paramanapur, Manejwan, Navamunda Village,
Sambalpur District, Odisha – 768 200

8. A.C. Division – Plant 8

Gat.No.70/3A, 70/3, Sahajpur Industrial Area
Nandur (Village), Daund (Taluk),
Pune (District) - 412 202, Maharashtra

9. Textile Division

Survey No.179 & 180, Chiruva Village
Maudha Taluq, Nagpur District, Maharashtra

10. V-Boards and V-Panels Division – 1

Survey No. 95 & 96, Gajalapuram Village,
Near Miryalguda P.O. Pedadevullapally Mandal,
Tripuraram Adjacent to Kukkadam Railway Station
Nalgonda District, Telangana – 508 207

11. V-Boards Division – 2

Gatt No. 262, Delwadi Village, Daund Taluq,
District Pune, Maharashtra

12. V-Boards Division – 3

Mustil No.105, 106 & 115,
Jhanswa Tehsil, Matanhail, Jhajjar, Haryana

13. V-Boards Division-4)

S. F. No.169/A3/C1,B1, 174/A1, A3, B, Venasapatti Village,
Udumalaipettai Taluk, Tiruppur Dist, Tamilnadu-642126

14. ATUM Division

Survey No. 89, 93, 94, 95 & 96, Gajalapuram
Village, Tripuraram Mandal, Nalgonda District,
Telangana

Independent auditor's Report

To the Members of

Visaka Industries Limited

Report on the audit of the Standalone financial statements

Opinion

1. We have audited the accompanying standalone financial statements of Visaka Industries Limited ("the Company"), which comprise the standalone balance sheet as at March 31, 2022, and the standalone statement of Profit and Loss (including Other Comprehensive Income), the standalone statement of changes in equity and the standalone statement of cash flows for the year then ended, and notes to the standalone financial statements, including a summary of significant accounting policies and other explanatory information.
2. 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 accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2022, and total comprehensive income (comprising of profit and other comprehensive income), changes in equity and its cash flows for the year then ended.

Basis for Opinion

3. We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those Standards are further described in the "Auditor's Responsibilities 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 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 thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

4. Key audit matters are those matters that, in our professional judgment, were 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.

Key audit matter	How our audit addressed the key audit matter
<p>Appropriateness of capitalisation of costs included in Property Plant and Equipment/ Capital work in progress as per Ind AS 16 Property, Plant and Equipment</p> <p>Refer to Note-2 (q) (Significant Accounting Policies), Note-4.1 (Property, plant and equipment) and Note 4.2 (Capital work-in-progress) of the enclosed financial statements.</p> <p>During the year, the company has incurred significant capital expenditure towards expansion of its asbestos plant at Lucknow, its boards plant at Udumalpet and Chennai and its panels plant at Udumalpet. Capital expenditure of Rs. 8,628.30 lakhs relating to boards plant at Udumalpet has been capitalized during the year and the capital expenditure on the other projects of Rs. 4,357.28 lakhs is included in Capital work in progress as at the year end.</p> <p>Given the significance of the capital expenditure during the year, there is a risk that elements of costs that are ineligible for capitalisation in accordance with the recognition criteria provided in Indian Accounting Standard 16, Property, Plant and Equipment are capitalized and that costs that should have capitalized have been expensed.</p>	<p>We have performed procedures, including the following, in relation to testing of capitalisation of costs included in Property Plant and Equipment/ Capital work in progress:</p> <ul style="list-style-type: none"> Understood, evaluated and tested the design and operating effectiveness of key controls relating to capitalisation of various costs incurred in relation to Property Plant and Equipment. Performed test of details with focus on those items that we considered significant due to their amount or nature and tested a sample of items capitalised during the year against underlying supporting documents to ascertain nature of costs and whether they meet the recognition criteria provided in the Ind AS 16, Property, Plant and Equipment in this regard. Verified the other related costs including those incurred towards repairs and maintenance and debited to Statement of Profit and Loss Account, to ascertain whether these meet the criteria for capitalization. <p>Our procedures as mentioned above did not identify any costs that had been inappropriately capitalized and that costs that should have capitalised have been expensed.</p>



Key audit matter	How our audit addressed the key audit matter
<p>Timing of Revenue recognition in the proper period as per Ind AS 115</p> <p>Refer to Note-2 (d) (Significant Accounting Policies) and Note-26 (Revenue from operations) of the standalone financial statements.</p> <p>The Company's revenue is principally derived from sale of building products and synthetic blended yarn.</p> <p>In accordance with Ind AS 115, Revenue from contracts with customers, revenue from sale of goods is recognised when control of the products being sold is transferred to the customer and when there are no unfulfilled obligations. The performance obligations in the contracts are fulfilled at the time of dispatch, delivery or upon formal customer acceptance depending on terms of contract with the customer. Revenue is measured at fair value of the consideration received or receivable after deduction of any trade/volume discounts and taxes or duties collected.</p> <p>We identified timing of revenue recognition in the proper period as a key audit matter since it involves higher assessed risk of material misstatement and is required to be recognised as per the requirements of applicable accounting framework.</p>	<p>Our audit procedures included the following:</p> <ul style="list-style-type: none"> ■ We evaluated the design and tested operating effectiveness of the relevant controls with respect to revenue recognition including those relating to cut off at year end; ■ We assessed the appropriateness of the revenue recognition accounting policies in line with Ind AS 115 "Revenue from Contracts with Customers". ■ We performed substantive testing of revenue transactions, recorded during the year by testing the underlying documents which included goods dispatch notes, shipping documents and customer acknowledgments, as applicable. ■ We tested a sample of manual journal entries posted to revenue and assessed their appropriateness. ■ We tested, on a sample basis, specific revenue transactions recorded before and after the financial year end date including examination of credit notes issued after the year end to determine whether the revenue has been recognised in the appropriate financial period. <p>Based on the above stated procedures, no significant exceptions were noted in revenue recognition.</p>

Other Information

5. The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the annual report, but does not include the 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 in the 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.

Responsibilities of management and those charged with governance for the standalone financial statements

6. 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, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting

Standards specified under Section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments 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 statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

7. 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 responsibilities for the audit of the standalone financial statements

8. 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.

9. As part of an audit in accordance with SAs, we exercise professional judgment 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 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 with reference to standalone financial statements 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 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.
10. 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.

11. 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.
12. 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

13. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we give in the Annexure B a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
14. As required by Section 143(3) of the Act, we report that:
 - (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 Changes in Equity and the Statement of Cash Flows 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 Accounting Standards 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 with reference to standalone financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A".



(g) 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 – Refer Note 39 to the 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 during the year.
- iv. (a) The management has represented that, to the best of its knowledge and belief, as disclosed in the notes to the accounts, 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 or entity, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, 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 (Refer Note 57 to the standalone financial statements);
- (b) The management has represented that, to the best of its knowledge and belief, as disclosed in the notes to the accounts, no funds have

been received by the Company from any person or entity, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, 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 (Refer Note 57 to the standalone financial statements); and

- (c) Based on such audit procedures that we 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 (a) and (b) contain any material misstatement.

The dividend declared and paid during the year by the Company is in compliance with Section 123 of the Act.

15. The Company has paid/ provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.

For Price Waterhouse & Co
Chartered Accountants LLP

Firm Registration
Number: 304026E/E-300009

UDIN: 22090196AIPZVG2482

Place: Secunderabad

Date: May 09, 2022

N.K. Varadarajan

Partner

Membership Number: 090196

Annexure A to Independent Auditor's Report

Referred to in paragraph 14(f) of the Independent Auditor's Report of even date to the members of Visaka Industries Limited on the standalone financial statements for the year ended March 31, 2022

Report on the Internal Financial Controls with reference to Financial Statements under clause (i) of sub-section 3 of Section 143 of the Act

1. We have audited the internal financial controls with reference to financial statements of Visaka 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

2. 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 ("the Guidance Note") 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 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 Act.

Auditor's Responsibility

3. Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing deemed to be prescribed under Section 143(10) of the Act to the extent applicable to an audit of internal financial controls, both applicable to an audit of internal financial controls and both issued by the ICAI. 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 with reference to financial statements was established and maintained and if such controls operated effectively in all material respects.

4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, 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.
5. 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 with reference to financial statements.

Meaning of Internal Financial Controls with reference to financial statements

6. A company's internal financial controls with reference to financial statements 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 controls with reference to financial statements 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 with reference to financial statements

7. Because of the inherent limitations of internal financial controls with reference to financial statements, 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 with reference to financial statements to future periods are subject to the risk that the internal financial controls with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

8. In our opinion, the Company has, in all material respects, an adequate internal financial controls system with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2022, 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 issued by ICAI.

For Price Waterhouse & Co
Chartered Accountants LLP

Firm Registration
Number: 304026E/E-300009

UDIN: 22090196AIPZVG2482
Place: Secunderabad
Date: May 09, 2022

N.K. Varadarajan
Partner
Membership Number: 090196

Annexure B to Independent Auditor's Report

Referred to in paragraph 13 of the Independent Auditors' Report of even date to the members of Visaka Industries Limited on the standalone financial statements as of and for the year ended March 31, 2022

- i. (a) (A) The Company is maintaining proper records showing full particulars, including quantitative details and situation, of Property, Plant and Equipment.
(B) The Company is maintaining proper records showing full particulars of Intangible Assets.
- (b) The Property, Plant and Equipment are physically verified by the Management according to a phased programme designed to cover all the items over a period of 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, a portion of the Property, Plant and Equipment has been physically verified by the Management during the year and no material discrepancies have been noticed on such verification.
- (c) The title deeds of all the immovable properties, as disclosed in Note 4.1 to the financial statements, are held in the name of the Company.
- (d) The Company has not revalued its Property, Plant and Equipment or intangible assets or both during the year. Consequently, the question of our commenting on whether the revaluation is based on the valuation by a Registered Valuer, or specifying the amount of change, if the change is 10% or more in the aggregate of the net carrying value of each class of Property, Plant and Equipment or intangible assets does not arise.
- (e) Based on the information and explanations furnished to us, no proceedings have been initiated on (or) are pending against the Company for holding benami property under the Prohibition of Benami Property Transactions Act, 1988 (as amended in 2016) (formerly the Benami Transactions (Prohibition) Act, 1988 (45 of 1988)) and Rules made thereunder.
- ii. (a) The physical verification of inventory has been conducted at reasonable intervals by the Management during the year and, in our opinion, the coverage and procedure of such verification by Management is appropriate. The discrepancies noticed on physical verification of inventory as compared to book records were not 10% or more in aggregate for each class of inventory.
- (b) During the year, the Company has been sanctioned working capital limits in excess of Rs. 5 crores, in aggregate, from banks on the basis of security of current assets. The Company has filed quarterly returns or statements with such banks, which are in agreement with the audited books of account (Also refer Note 51 to the financial statements).
- iii. (a) The Company has made investments in four companies, granted unsecured loans to two companies and advances in nature of loans (salary advances) to fourteen other parties. The aggregate amount during the year, and balance outstanding at the balance sheet date with respect to such loans or advances and guarantees or security to subsidiaries, joint ventures and associates and to parties other than subsidiaries, joint ventures and associates are as per the table given below:

All amounts in ₹ lakhs

	Guarantees	Security	Loans	Advances in nature of loans
Aggregate amount granted/ provided during the year				
- Subsidiaries	-	-	-	-
- Joint Ventures	-	-	-	-
- Associates	-	-	-	-
- Others	-	-	3,500.00	87.46
Balance outstanding as a balance sheet date in respect of the above case				
- Subsidiaries	-	-	-	-
- Joint Ventures	-	-	-	-
- Associates	-	-	-	-
- Others	-	-	3,022.03	67.74

(Also refer Note 6.2, 12 and 13 to the financial statements)



- (b) In respect of the aforesaid investments/loans/advances in nature of the loan, the terms and conditions under which such loans were granted/investments were made are not prejudicial to the Company's interest.
- (c) In respect of the aforesaid loans/advances in nature of loans, the schedule of repayment of principal and payment of interest has been stipulated, and the parties are repaying the principal amounts, as stipulated, and are also regular in payment of interest as applicable.
- (d) In respect of the aforesaid loans/advances in nature of loans, there is no amount which is overdue for more than ninety days.
- (e) There were no loans/advances in nature of loans which fell due during the year and were renewed/extended. Further, no fresh loans were granted to same parties to settle the existing overdue loans/advances in nature of loan.
- (f) The loans/advances in nature of loans (in the nature of salary advances) granted during the year, including to related parties had stipulated the scheduled repayment of principal and where applicable payment of interest except in relation to a loan of Rs. 25 cr which is repayable on demand or within one year from date of disbursement whichever is earlier.
- iv. In our opinion, and according to the information and explanations given to us, the Company has complied with the provisions of Sections 185 and 186 of the Companies Act, 2013 in respect of the loans and investments made. The Company has not provided any guarantees and security to the parties covered under Sections 185 and 186 of the Companies Act, 2013.
- v. In our opinion, and according to the information and explanations given to us, the Company has complied with the directives issued by the Reserve Bank of India and the provisions of Sections 73, 74, 75 and 76 or any other relevant provisions of the Act and the Rules framed thereunder to the extent notified, with regard to the deposits accepted by the Company or amounts which are deemed to be deposits. According to the information and explanations given to us, no order has been passed by the Company Law Board or National Company Law Tribunal or Reserve Bank of India or any Court or any other Tribunal on the Company in respect of the aforesaid deposits, and therefore, the question of our commenting on whether the same has been complied with or not does not arise.
- vi. Pursuant to the rules made by the Central Government of India, the Company is required to maintain cost records as specified under Section 148(1) of the Act in respect of its products. We have broadly reviewed the same and are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained. We have not, however, made a detailed examination of the records with a view to determine whether they are accurate or complete.
- vii. (a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company is regular in depositing the undisputed statutory dues, including goods and services tax, provident fund, employees' state insurance, income tax, sales tax, service tax, duty of customs, duty of excise, value added tax, cess, entry tax and other material statutory dues, as applicable, with the appropriate authorities.

- (b) According to the information and explanations given to us and the records of the Company examined by us, there are no statutory dues of goods and services tax, provident fund, employees' state insurance, income tax, cess, which have not been deposited on account of any dispute. The particulars of other statutory dues referred to in sub-clause (a) as at March 31, 2022 which have not been deposited on account of a dispute, are as follows:

Name of the statute	Nature of dues	Amount (Rs. In lakhs*)	Period to which the amount relates	Forum where the dispute is pending
Central Excise Act, 1944	Excise duty/ Interest/ Penalty	5,646.23	2003-05	Customs Excise & Service tax Appellate Tribunal, Chennai
Central Excise Act, 1944	Excise duty	14.86	August 2013 to January 2016	Assistant commissioner Central excise, Pune
Central Excise Act, 1944	Excise duty	55.94	March 2006 to November 2015	Customs Excise & Service tax Appellate Tribunal, Bangalore
Customs, Central Excise & Service tax Drawback Rules, 1995	Duty draw back	152.10	July 2009 to March 2011	Commissioner (Appeals), Customs & Central Excise, Nagpur
Bihar VAT Act, 2005	VAT/Interest	3.77	Financial year 2005-06	Joint Commissioner (Appeals), Patna
Orissa VAT Act, 2004	VAT/Penalty	10.97	October 2009 to March 2011	Orissa Sales Tax Tribunal, Cuttack
West Bengal VAT Act, 2005	Interest	123.16	Financial year 2010-11	Additional Commissioner of Sales tax, Kolkata

Name of the statute	Nature of dues	Amount (Rs. In lakhs*)	Period to which the amount relates	Forum where the dispute is pending
Orissa Entry tax Act 1999	Entry tax/ Penalty	10.38	October 2009 to March 2011	Orissa Sales Tax Tribunal, Cuttack
Uttar Pradesh VAT Act, 2008	VAT	60.48	April 2017 to June 2017	Additional Commissioner (Appeals), Commercial Tax, Lucknow
Central Sales Tax Act, 1956	Central Sales tax	0.65	April 2017 to June 2017	Additional Commissioner (Appeals), Commercial Tax, Lucknow
Central Sales Tax Act, 1956	Central Sales tax	8.03	April 01, 2016 to March 31, 2017	Joint Commissioner of State tax, Nagpur.
Central Sales Tax Act, 1956	Central Sales tax	26.35	April 01, 2017 to June 30, 2017	Deputy Commissioner of State tax, Nagpur.
Service tax Act, 1994	Service Tax/ Penalty	12.85	April 2006 to February 2007	Commissioner Appeals, Nagpur
Service tax Act, 1994	Service Tax/ Penalty	2.20	July 2005 to October 2006	Commissioner Appeals, Nagpur
Central Excise Act 1944	Excise duty/ Penalty	41.69	November 04, 2006 to January 31, 2007	Commissioner Appeals, Nagpur

* Net of amount paid under protest – Rs. 188.69 lakhs.

- viii. According to the information and explanations given to us and the records of the Company examined by us, there are no transactions in the books of account that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961, that has not been previously recorded in the books of account.
- ix. (a) According to the records of the Company examined by us and the information and explanation given to us, the Company has not defaulted in repayment of loans or other borrowings or in the payment of interest to any lender during the year.
- (b) According to the information and explanations given to us and on the basis of our audit procedures, we report that the Company has not been declared Wilful Defaulter by any bank or financial institution or government or any government authority.
- (c) In our opinion, and according to the information and explanations given to us, the term loans have been applied for the purposes for which they were obtained. (Also refer Note 60 to the financial statements)
- (d) According to the information and explanations given to us, and the procedures performed by us, and on an overall examination of the financial statements of the Company, we report that no funds raised on short-term basis have been used for long-term purposes by the Company.
- (e) According to the information and explanations given to us and on an overall examination of the financial statements of the Company, we report that the
- Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries.
- (f) According to the information and explanations given to us and procedures performed by us, we report that the Company has not raised loans during the year on the pledge of securities held in its subsidiaries.
- x. (a) The Company has not raised any money by way of initial public offer or further public offer (including debt instruments) during the year. Accordingly, the reporting under clause 3(x)(a) of the Order is not applicable to the Company.
- (b) The Company has made a preferential allotment of equity shares during the year, in compliance with the requirements of Section 42 and Section 62 of the Act. The funds raised have been used for the purpose for which funds were raised.
- xi. (a) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of material fraud by the Company or on the Company, noticed or reported during the year, nor have we been informed of any such case by the Management.
- (b) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given



to us, a report under Section 143(12) of the Act, in Form ADT-4, as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 was not required to be filed with the Central Government. Accordingly, the reporting under clause 3(xi)(b) of the Order is not applicable to the Company.

- (c) During the course of our examination of the books and records of the Company carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, and as represented to us by the management, no whistle-blower complaints have been received during the year by the Company. Accordingly, the reporting under clause 3(xi)(c) of the Order is not applicable to the Company.
- xii. As the Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it, the reporting under clause 3(xii) of the Order is not applicable to the Company.
- xiii. The Company has entered into transactions with related parties in compliance with the provisions of Sections 177 and 188 of the Act. The details of such related party transactions have been disclosed in the financial statements as required under Indian Accounting Standard 24 "Related Party Disclosures" specified under Section 133 of the Act.
- xiv. (a) In our opinion and according to the information and explanation given to us, the Company has an internal audit system commensurate with the size and nature of its business.
- (b) The reports of the Internal Auditor for the period under audit have been considered by us.
- xv. The Company has not entered into any non-cash transactions with its directors or persons connected with him. Accordingly, the reporting on compliance with the provisions of Section 192 of the Act under clause 3(xv) of the Order is 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. Accordingly, the reporting under clause 3(xvi)(a) of the Order is not applicable to the Company.
- (b) The Company has not conducted non-banking financial / housing finance activities during the year. Accordingly, the reporting under clause 3(xvi)(b) of the Order is not applicable to the Company.
- (c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, the reporting under clause 3(xvi)(c) of the Order is not applicable to the Company.

- (d) Based on the information and explanations provided by the management of the Company, the Group does not have any CICs, which are part of the Group. We have not, however, separately evaluated whether the information provided by the management is accurate and complete. Accordingly, the reporting under clause 3(xvi)(d) of the Order is not applicable to the Company.

- xvii. The Company has not incurred any cash losses in the financial year or in the immediately preceding financial year.
- xviii. There has been no resignation of the statutory auditors during the year and accordingly the reporting under clause (xviii) is not applicable.
- xix. According to the information and explanations given to us and on the basis of the financial ratios (Also refer Note 46 to the financial statements), ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements, 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 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. As at balance sheet date, the Company does not have any amount remaining unspent under Section 135(5) of the Act. Accordingly, reporting under clause 3(xx) of the Order is not applicable. Refer note 33(b) of the financial statements.
- xxi. The reporting under clause 3(xxi) of the Order is not applicable in respect of audit of Standalone Financial Statements. Accordingly, no comment in respect of the said clause has been included in this report.

For Price Waterhouse & Co
Chartered Accountants LLP

Firm Registration
Number: 304026E/E-300009

UDIN: 22090196AIPZVG2482
Place: Secunderabad
Date: May 09, 2022

N.K. Varadarajan
Partner
Membership Number: 090196

Standalone Balance Sheet as at 31 March 2022

All amounts in ₹ lakhs

Particulars	Note	31 March 2022	31 March 2021
I. ASSETS			
Non-current Assets			
(a) Property, plant and equipment	4.1	46,052.14	39,617.22
(b) Capital work-in-progress	4.2	4,866.49	509.33
(c) Intangible assets	4.3	0.00	0.00
(d) Investments in subsidiaries	5	242.00	2.00
(e) Financial assets			
(i) Investments	6.1	0.00	0.00
(ii) Other financial assets	6.2	72.70	107.90
(f) Other non-current assets	7	4,785.33	4,309.45
Current Assets			
(a) Inventories	8	29,300.98	24,926.70
(b) Financial assets			
(i) Trade receivables	9	13,410.33	10,516.34
(ii) Cash and cash equivalents	10	2,404.89	11,080.23
(iii) Other bank balances	11	312.23	573.57
(iv) Loans	12	3,022.03	-
(v) Other financial assets	13	338.26	202.57
(c) Other current assets	14	6,033.02	3,026.16
TOTAL ASSETS		1,10,840.40	94,871.47
II. EQUITY AND LIABILITIES			
Equity			
(a) Equity share capital	15	1,732.07	1,652.07
(b) Other equity	16	71,498.98	61,039.95
Liabilities			
Non-Current Liabilities			
(a) Financial liabilities			
(i) Borrowings	17	4,902.96	7,650.44
(ii) Other financial liabilities	18	12.28	13.66
(b) Deferred tax liabilities (net)	19	1,282.90	1,270.33
Current Liabilities			
(a) Financial liabilities			
(i) Borrowings	20	11,814.71	3,898.09
(ii) Trade payables	21		
(a) total outstanding dues of micro and small enterprises		204.57	36.35
(b) total outstanding dues other than (ii) (a) above		8,376.56	9,254.21
(iii) Other financial liabilities	22	4,549.54	4,058.42
(b) Other current liabilities	23	5,657.50	5,464.97
(c) Provisions	24	538.30	275.16
(d) Current Tax Liabilities(net)	25	270.03	257.82
TOTAL EQUITY AND LIABILITIES		1,10,840.40	94,871.47

Summary of significant accounting policies

2

The accompanying notes are an integral part of the standalone financial statements.

As per our report of even date.

For Price Waterhouse & Co
Chartered Accountants LLP

Firm Registration Number: 304026E/E-300009

N. K. Varadarajan

Partner

Membership Number: 090196

On behalf of Board of Directors

Dr. G. Vivekanand

Chairman

DIN : 00011684

S. Shafiulla

Chief Financial Officer

Smt. G. Saroja Vivekanand

Managing Director

DIN : 00012994

K. Ramakanth

Company Secretary &
Assistant Vice President

Place: Secunderabad

Date: May 09, 2022



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

All amounts in ₹ lakhs, except Earning Per Share

Particulars	Note	Year ended 31 March 2022	Year ended 31 March 2021
I. Revenue from operations	26	1,41,577.94	1,14,620.88
II. Other income	27	988.65	858.60
III. Total Income (I + II)		1,42,566.59	1,15,479.48
IV. Expenses			
Cost of materials consumed	28	69,744.37	50,544.52
Purchases of stock-in-trade		420.40	279.21
Changes in inventories of finished goods and work-in-progress	29	(3,071.66)	1,573.59
Employee benefits expense	30	13,222.89	12,012.12
Finance costs	31	1,155.51	1,281.39
Depreciation expense	32	3,761.80	3,999.00
Other expenses	33	41,256.28	30,863.94
Total expenses		1,26,489.59	1,00,553.77
V. Profit before tax (III - IV)		16,077.00	14,925.71
VI. Tax expense:			
(1) Current tax		4,211.64	4,032.89
(2) Deferred tax		12.57	(147.43)
(3) Tax relating to prior years		-	(24.22)
VII. Profit for the year (V-VI)		11,852.79	11,064.47
VIII. Other comprehensive income			
Items that will not be reclassified to statement of profit and loss			
a) Remeasurement of defined employee benefit plans		56.13	29.54
b) Income tax relating to item (a) above		(14.13)	(7.43)
Other comprehensive income (net of tax)		42.00	22.11
IX. Total comprehensive income for the year		11,894.79	11,086.58
X. Earning per equity share attributable to owners of Visaka Industries Limited:			
(1) Basic	42	71.26	68.47
(2) Diluted		69.54	67.64

Summary of significant accounting policies.

2

The accompanying notes are an integral part of the standalone financial statements.

As per our report of even date.

**For Price Waterhouse & Co
Chartered Accountants LLP**

Firm Registration Number: 304026E/E-300009

N. K. Varadarajan

Partner

Membership Number: 090196

On behalf of Board of Directors

Dr. G. Vivekanand

Chairman

DIN : 00011684

S. Shafiulla

Chief Financial Officer

Smt. G. Saroja Vivekanand

Managing Director

DIN : 00012994

K. Ramakanth

Company Secretary &
Assistant Vice President

Place: Secunderabad

Date: May 09, 2022

Standalone Statement of Cash Flows for the year ended 31 March 2022

All amounts in ₹ lakhs

Particulars	31 March 2022	31 March 2021
Cash flow from operating activities		
Profit before tax	16,077.00	14,925.71
Adjustments for:		
Depreciation expense	3,761.80	3,999.00
Property, plant and equipment written off	8.61	10.10
Interest income on financial assets carried at amortized cost	(307.11)	(317.70)
Gain on disposal of property, plant and equipment	(31.76)	(12.67)
Provision for doubtful debts	(7.13)	73.63
Bad Debts written off	37.66	41.74
Amortisation of government grants	(384.39)	(385.05)
Finance costs	1,155.51	1,281.39
Remeasurement of defined employee benefit plans	56.13	29.54
Change in operating assets and liabilities		
(Increase) / Decrease in trade receivables	(2,924.52)	3,369.10
(Increase) / Decrease in financial assets other than trade receivables	(48.37)	15.81
(Increase) / Decrease in other assets	(3,220.96)	1,041.85
(Increase) / Decrease in Inventories	(4,374.28)	5,465.95
Increase / (Decrease) in Trade payables	(709.43)	770.27
Increase / (Decrease) in other financial liabilities	214.91	(106.15)
Increase / (Decrease) in provisions	263.14	(249.06)
Increase / (Decrease) in other liabilities	192.53	2,558.43
Cash Generated from Operations	9,759.34	32,511.89
Income taxes paid	(4,213.56)	(3,111.03)
Net cash inflow from operating activities	5,545.78	29,400.86
Cash flows from investing activities		
Receipt of loan repayment	477.97	-
Payments for property plant and equipment	(14,547.78)	(5,430.08)
Interest received	254.99	308.55
Proceeds from sale of property, plant and equipment	40.48	25.87
Investment in subsidiaries	(240.00)	(2.00)
Movement in other bank balances	261.34	(275.09)
Loan given	(3,500.00)	-
Net cash outflow from investing activities	(17,253.00)	(5,372.75)



Standalone Statement of Cash Flows for the year ended 31 March 2022

All amounts in ₹ lakhs

Particulars	31 March 2022	31 March 2021
Cash flow from financing activities		
Repayment of non current borrowings	(1,004.74)	(1,099.44)
Proceeds/ (repayment) from current borrowings other than related party loans	6,289.00	(13,466.54)
Repayment of loan to related party	(2,190.00)	(1,852.70)
Receipt of loan from related party	2,076.00	1,716.70
Dividend paid to company's shareholders	(2,792.05)	(830.96)
Proceeds from Issue of shares and share warrants	1,446.00	1,928.00
Finance cost	(792.33)	(970.94)
Net cash inflow/(outflow) from financing activities	3,031.88	(14,575.88)
Net increase/(Decrease) in cash and cash equivalents	(8,675.34)	9,452.23
Cash and Cash equivalents at the beginning of the financial year	11,080.23	1,628.00
Cash and Cash equivalents at the end of the year	2,404.89	11,080.23

Statement of Cash flow has been prepared under the indirect method as set out in Ind AS - 7 specified under Section 133 of the Companies Act, 2013.

The accompanying notes are an integral part of the standalone financial statements.

As per our report of even date.

**For Price Waterhouse & Co
Chartered Accountants LLP**

Firm Registration Number: 304026E/E-300009

N. K. Varadarajan

Partner

Membership Number: 090196

Place: Secunderabad

Date: May 09, 2022

On behalf of Board of Directors

Dr. G. Vivekanand

Chairman

DIN : 00011684

S. Shafiulla

Chief Financial Officer

Smt. G. Saroja Vivekanand

Managing Director

DIN : 00012994

K. Ramakanth

Company Secretary &
Assistant Vice President

Standalone Statement of Changes in Equity for the year ended 31 March 2022

a. Equity share capital

All amounts in ₹ lakhs

Particulars	Note	Equity share capital
As at 01 April 2020		1,592.07
Changes in equity share capital		60.00
As at 31 March 2021	15	1,652.07
Changes in equity share capital		80.00
As at 31 March 2022		1,732.07

b. Other equity

All amounts in ₹ lakhs

Particulars	Note	Reserves and Surplus			Money received against share warrants	Total
		Securities Premium Reserve	General Reserve	Retained Earnings		
Balance as at 1 April 2020	16	4,903.45	27,000.00	17,005.97	-	48,909.42
Profit for the year		-	-	11,064.47	-	11,064.47
Other comprehensive income		-	-	22.11	-	22.11
Dividends		-	-	(824.05)	-	(824.05)
Share premium on issue of equity shares		1,386.00	-	-	-	1,386.00
Money received against share warrants		-	-	-	482.00	482.00
Balance as at 31 March 2021		6,289.45	27,000.00	27,268.50	482.00	61,039.95
Profit for the year		-	-	11,852.79	-	11,852.79
Other comprehensive income		-	-	42.00	-	42.00
Dividends		-	-	(2,801.76)	-	(2,801.76)
Share premium on issue of equity shares		1,848.00	-	-	-	1,848.00
Money adjusted on conversion of warrants		-	-	-	(482.00)	(482.00)
Balance as at 31 March 2022		8,137.45	27,000.00	36,361.53	-	71,498.98

The accompanying notes are an integral part of the standalone financial statements.

As per our report of even date.

For Price Waterhouse & Co
Chartered Accountants LLP

Firm Registration Number: 304026E/E-300009

N. K. Varadarajan

Partner

Membership Number: 090196

On behalf of Board of Directors

Dr. G. Vivekanand

Chairman

DIN : 00011684

S. Shafiulla

Chief Financial Officer

Smt. G. Saroja Vivekanand

Managing Director

DIN : 00012994

K. Ramakanth

Company Secretary &
Assistant Vice President

Place: Secunderabad

Date: May 09, 2022



Notes to the Standalone Financial Statements for the year ended 31 March 2022

1. Background

Visaka Industries Limited was incorporated in 1981 having its registered office in Survey No.315, Yelumala Village, R.C. Puram Mandal, Sangareddy District - 502 300, Telangana State. The Company is into the business of manufacture of cement fibre sheets, fibre cement boards & panels, solar panels and synthetic yarn. The Company has thirteen manufacturing locations spread across India.

2. Significant Accounting Policies

This note provides a list of the significant accounting policies adopted in the preparation of these financial statements. These policies have been consistently applied to all the years presented, unless otherwise stated.

a) Basis of preparation

(i) Compliance with Ind AS

The financial statements comply in all material aspects with Indian Accounting Standards (Ind AS) notified under section 133 of the Companies Act, 2013 (the Act) [Companies (Indian Accounting Standards) Rules, 2015] and other relevant provisions of the Act.

(ii) Historical cost convention

The financial statements have been prepared on a historical cost basis, except for the following:

- Certain financial assets and liabilities that are measured at fair value;
- Defined benefit plans – plan assets measured at fair value;

(iii) New and amended standards adopted by the Company

The Company has applied the following amendments to Ind AS for the first time for their annual reporting period commencing 1 April 2021:

- Extension of COVID-19 related concessions – amendments to Ind AS 116
- Interest rate benchmark reform – amendments to Ind AS 109, Financial Instruments, Ind AS 107, Financial Instruments: Disclosures, Ind AS 104, Insurance Contracts and Ind AS 116, Leases.

The amendments listed above did not have any impact on the amounts recognised in prior periods and are not expected to significantly affect the current or future periods.

(iv) Reclassifications consequent to amendments to Schedule III

The Ministry of Corporate Affairs amended the Schedule III to the Companies Act, 2013 on 24 March 2021 to increase the transparency and provide additional disclosures to users of financial statements. These amendments are effective from 1 April 2021.

Consequent to above, the Company has changed the classification/presentation of current maturities of long-term borrowings in the current year.

The current maturities of long-term borrowings has now been included in the “Current borrowings” line item. Previously, current maturities of long-term borrowings were included in ‘other financial liabilities’ line item.

The Company has reclassified comparative amounts to conform with current year presentation as per the requirements of Ind AS 1. The impact of such classifications is summarised below:

All amounts in ₹ lakhs

Balance sheet (extract)	31 March 2021 (as previously reported)	Increase/ (Decrease)	31 March 2021 (restated)
Other financial liabilities (current)	5,938.28	(1,879.86)	4,058.42
Borrowings (current)	2,018.23	1,879.86	3,898.09

b) Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The Company has identified the Managing Director and Joint Managing Director as chief operating decision makers. Refer note 38 for segment information presented.

Notes to the Standalone Financial Statements for the year ended 31 March 2022

c) Foreign currency translation

(i) Functional and presentation currency

Items included in the financial statements are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The financial statements are presented in Indian rupee (₹), which is the Company's functional and presentation currency.

(ii) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are generally recognised in the statement of profit and loss.

d) Revenue Recognition

Revenue is measured at the fair value of the consideration received or receivable. Amounts disclosed as revenue are net of returns, trade allowances, rebates, GST and amounts collected on behalf of third parties.

Sale of products

Timing of recognition- Revenue from sale of products is recognised when control of the products is transferred to customers based on the terms of sale.

Measurement of revenue- Revenue from sales is based on the price specified in the sales contracts, net of all expected discounts and returns in relation to sales made until the end of the reporting period.

No element of financing is deemed present as the sales are made with credit terms consistent with market practices. A receivable is recognised when the goods are dispatched, delivered or upon formal customer acceptance depending on terms of contract with the customer.

e) Government grants

Grants from the government are recognised at fair value where there is a reasonable assurance that the grant will be received and the Company will comply with all attached conditions.

Government grants relating to income are deferred and recognised in the profit or loss over the period necessary to match them with the costs they are intended to compensate and presented within other income.

Government grants relating to the purchase of property, plant and equipment are included in non-current liabilities as deferred income and are credited to profit and loss on a straight line basis over the expected lives of the related assets and presented within other income.

The benefit of a government loan at below current market rate of interest is treated as a government grant.

f) Income tax

Current income tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date in the countries where the Company operates and generates taxable income.

Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred tax

Deferred tax is provided using the liability 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 liabilities are recognised for all taxable temporary differences.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized.



Notes to the Standalone Financial Statements for the year ended 31 March 2022

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 utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates and tax laws that have been enacted or substantively enacted at the reporting date. Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

g) Leases

As a lessee:

The Company recognizes a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease. Certain lease arrangements includes the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised.

The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives.

They are subsequently measured at cost less accumulated depreciation and impairment losses. Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the useful life of the asset or the balance lease term of the underlying asset. Right of use assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable.

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of the leases. Lease liabilities are re-measured with a corresponding adjustment to the related right of use asset if the company changes its assessment if whether it will exercise an extension or a termination option.

Lease liability and ROU asset shall be separately presented in the Balance Sheet and lease payments shall be classified as financing cash flows.

h) Impairment of assets

Property, plant and equipment and intangible assets are tested for impairment annually whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units). Non-financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

i) Cash and cash equivalents

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

j) Trade receivables

Trade receivables are recognised initially at fair value and subsequently measured at amortised cost using effective interest method, less provision for impairment.

k) Inventories

Raw materials and stores, work-in-progress, traded and finished goods are stated at the lower of cost and net realizable value. Cost of raw materials and traded goods comprise of cost of purchase. Cost of work-in-progress and finished goods comprises direct materials, direct labour and an appropriate proportion of variable and fixed overhead expenditure, the later being allocated on the

Notes to the Standalone Financial Statements for the year ended 31 March 2022

basis of normal operating capacity. Cost of inventories also include all other cost incurred in bringing the inventories to their present location and condition. Costs are assigned to individual items of inventory on weighted average basis. Costs of purchased inventory are determined after deducting rebates and discounts. Net realizable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

l) Investment in subsidiaries

The investment in subsidiaries are carried in the financial statements at historical cost except when the investment is classified as held for sale in which case it is accounted for as non-current assets held for sale and discontinued operations.

Investments in subsidiaries carried at cost are tested for impairment in accordance with Ind AS 36. Any impairment loss reduces the carrying value of the investment.

m) Other Investments and financial assets

i) Classification

The Company classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss), and
- those measured at amortised cost.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will either be recorded in Statement of profit or loss or other comprehensive income. For investments in debt instruments, this will depend on the business model in which the investment is held. For investments in equity instruments, this will depend on whether the Company has made an irrevocable election at the time of initial recognition to account for equity investment at fair value through other comprehensive income.

The Company reclassifies debt investments when and only when its business model for managing those assets changes.

ii) Measurement

At initial recognition, the company measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

Debt instruments:

Subsequent measurement of debt instruments depends on the Company's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the Company classifies its debt instruments:

Amortised cost: Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. A gain or loss on a debt investment that is subsequently measured at amortised cost and is not part of a hedging relationship is recognised in profit or loss when the asset is derecognised or impaired. Interest income from these financial assets is included in finance income using the effective interest rate method.

Fair value through other comprehensive income (FVOCI): Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at fair value through other comprehensive income (FVOCI). Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognised in profit and loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and recognised in other gains/(losses). Interest income from these financial assets is included in other income using the effective interest rate method.

Fair value through profit or loss: Assets that do not meet the criteria for amortised cost or FVOCI are measured at fair value through profit or loss. A gain or loss on debt investment that is subsequently measured at fair value through profit or loss is recognised in profit or loss and presented net in the statement of profit and loss in the period in which it arises. Interest income from these financial assets is included in other income.



Notes to the Standalone Financial Statements for the year ended 31 March 2022

Equity instruments:

The Company subsequently measures all equity investments (other than investment in subsidiary) at fair value. Where the company's management has elected to present fair value gains and losses on equity investments in other comprehensive income, there is no subsequent reclassification of fair value gains and losses to profit or loss. Dividends from such investments are recognised in profit or loss as other income when the Company's right to receive payments is established.

Changes in the fair value of financial assets at fair value through profit or loss are recognised in the other income. Impairment losses (and reversal of impairment losses) on equity investments measured at FVOCI are not reported separately from other changes in fair value.

iii) Impairment of financial assets

The Company assesses on a forward looking basis the expected credit losses associated with its assets carried at amortised cost and FVOCI debt instruments. The impairment methodology applied depends on whether there has been a significant increase in credit risk. Note 36 details how the Company determines whether there has been a significant increase in credit risk.

For trade receivables only, the Company applies the simplified approach permitted by Ind AS 109 Financial Instruments, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

iv) Derecognition of financial assets

A financial asset is derecognized only when

- The Company has transferred the rights to receive cash flow from the financial asset or
- retains the contractual rights to receive the cash flows of the financial assets, but assumes a contractual obligation to pay cash flows to one or more recipients.

Where the entity has transferred an asset, the Company evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognized. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset is not derecognized.

Where the entity has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognised if the Company has not retained control of the financial asset. Where the Company retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

n) Income recognition

Interest income

Interest income from debt instruments is recognised using effective interest rate method. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of a financial asset. When calculating the effective interest rate, the company estimates the expected cash flows by considering all the contractual terms of the financial instruments.

o) Derivatives

The Company enters into certain derivative contracts to hedge risks which are not designated as hedges. Such contracts are accounted at fair value through profit or loss and are included in profit and loss account.

p) Offsetting financial instruments

Financial assets and liabilities are offset and the net amount is reported in the balance sheet where there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis or realize the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Company or the counterparty.

q) Property, plant and equipment

Freehold land is carried at historical cost. All other items of Property, plant and equipment are stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured

Notes to the Standalone Financial Statements for the year ended 31 March 2022

reliably. The carrying amount of any component accounted for as separate asset is derecognized when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

Transition to Ind AS

On transition to Ind AS, the Company has elected to continue with the carrying value of all its property, plant and equipment recognized as at April 1, 2016 measured as per the previous GAAP and use that carrying value as the deemed cost of the property, plant and equipment.

Depreciation/Amortisation methods, estimated useful lives and residual value

Depreciation is calculated using the straight-line basis at the rates arrived at based on the useful lives prescribed in Schedule II of the Companies Act, 2013 which are as follows:

Asset Description	Life of the asset (in years)
Buildings	
Borewells	5
Roads	10
Factory buildings	30
Non factory buildings	60
Plant and equipment	
Process Machinery	15
Others	10
Furniture and fixtures	10
Vehicles	8
Office Equipment	5
Data processing equipment	
Servers and networks	6
Others	3

The company follows the policy of charging depreciation on pro-rata basis on the assets acquired or disposed off during the year. Leasehold assets are amortised over the period of lease or useful life whichever is less.

The residual values are not more than 5% of the original cost of the asset. The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains or losses on disposal are determined by comparing proceeds with the carrying amount.

r) Intangible assets

(i) Recognition

Intangible assets are recognised only when future economic benefits arising out of the assets flow to the enterprise and are amortised over their useful life.

(ii) Amortization methods and periods

The Company amortizes intangible assets on a straight line method over their estimated useful life not exceeding 5 years. Software is amortised over a period of three years.

s) Trade and other payables

These amounts represent liabilities for goods and services provided to the company prior to the end of financial year which are unpaid. The amounts which are unsecured are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognized initially at their fair value and subsequently measured at amortized cost using the effective interest method.

t) Borrowings

Borrowings are initially recognized at fair value, net of transaction cost incurred. Borrowings are subsequently measured at amortized cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognized in profit or loss over the period of the borrowings using the effective interest method. Fees paid on the establishment of loan facilities are recognized as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is



Notes to the Standalone Financial Statements for the year ended 31 March 2022

deferred until the draw down occurs. To the extent there is no evidence that it is probable that some or all the facility will be drawn down, the fee is capitalized as a prepayment for liquidity services and amortized over the period of the facility to which it relates.

Borrowings are removed from the balance sheet when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognized in profit or loss.

u) Borrowing costs

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalized during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing cost eligible for capitalization.

Other borrowings costs are expensed in the period in which they are incurred.

v) Provisions

Provisions for legal claims and returns are recognised when the company has a present legal or constructive obligation as a result of past event, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. Provisions are not recognised for future operating losses.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provisions due to the passage of time is recognized as interest expense.

w) Employee benefits

(i) Short-term obligations

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognized in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

(ii) Other long-term employee benefit obligations

The liabilities for earned leave is not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. They are therefore measured at the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. The benefits are discounted using the market yields at the end of the reporting period that have terms approximating to the terms of the related obligations. Remeasurements as a result of the experience adjustments and changes in actuarial assumptions are recognized in profit or loss.

The obligations are presented as current liabilities in the balance sheet if the entity does not have an unconditional right to defer settlement for at least twelve months after the reporting period, regardless of when the actual settlement is expected to occur.

(iii) Post-employment obligations

The Company operates the following post-employment schemes:

- (a) Defined benefit plans such as gratuity; and
- (b) Defined contribution plans such as provident fund and superannuation fund.

Gratuity obligations

The liability or assets recognized in the balance sheet in respect of gratuity plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by actuaries using the projected unit credit method.

Notes to the Standalone Financial Statements for the year ended 31 March 2022

The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the statement of profit and loss.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognized in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the balance sheet.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognized immediately in profit or loss.

Defined contribution plans

The company pays provident fund contributions to publicly administered funds as per local regulations and superannuation fund to LIC. The Company has no further payment obligations once the contributions have been paid. The contributions are accounted for as defined contribution plans and the contributions are recognized as employee benefit expense when they are due.

(iv) Bonus plans

The Company recognizes a liability and an expense for bonuses. The Company recognizes a provision where contractually obliged or where there is a past practice that has created a constructive obligation.

x) Contributed equity

Equity shares are classified as equity.

Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

Money received against share warrants are reflected as a separate line item - 'Money received against share warrants' under 'Other equity'.

y) Dividends

Provision is made for the amount of any dividend declared, being appropriately authorized and no longer at the discretion of the entity, on or before the end of the reporting period but not distributed at the end of the reporting period.

z) Earning per share

(i) Basic earnings per share

Basic earnings per share is calculated by dividing:

- The profit attributable to owners of the company
- By the weighted average number of equity shares outstanding during the financial year, adjusted for bonus elements in equity shares issued during the year and excluding treasury shares.

(ii) Diluted earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account:

- The after income tax effect of interest and other financing costs associated with dilutive potential equity shares, and
- The weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

aa) Rounding of amounts

All amounts disclosed in the financial statements and notes have been rounded off to the nearest two decimal places of lakhs as per the requirement of Schedule III, unless otherwise stated.



Notes to the Standalone Financial Statements for the year ended 31 March 2022

ab) Standards issued but not yet effective

The Ministry of Corporate Affairs has vide notification dated 23 March 2022 notified Companies (Indian Accounting Standards) Amendment Rules, 2022 which amends certain accounting standards, and are effective 1 April 2022. These amendments are not expected to have a material impact on the Company in the current or future reporting periods and on foreseeable future transactions.

3. Critical estimates and Judgements

The preparation of financial statements requires the use of accounting estimates which, by definition, will seldom equal the actual results. Management also needs to exercise judgement in applying the Company's accounting policies.

This note provides an overview of the areas that involved a higher degree of judgement or complexity, and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed. Detailed information about each of these estimates and judgements is included in relevant notes together with information about the basis of calculation for each affected line item in the financial statements.

The areas involving critical estimates or judgements are:

1. Estimation of defined benefit obligation - Refer Note 24
2. Useful lives of fixed assets - Refer Note 2(q) and Note 32
3. Impairment of trade receivables - Refer Note 9

Estimates and judgements are continually evaluated. They are based on historical experience and other factors, including expectations of future events that may have a financial impact on the Company and that are believed to be reasonable under the circumstances.

Notes to the Standalone Financial Statements for the year ended 31 March 2022

4.1 (a) Property, plant and equipment

All amounts in ₹ lakhs

Particulars	Gross carrying amount				Accumulated depreciation				Net carrying amount
	As at 1 April 2021	Additions	Deletions/ Adjustments	As at 31 March 2022	As at 1 April 2021	For the Year	Deletions/ Adjustments	As at 31 March 2022	As at 31 March 2022
Owned Assets									
Land	9,410.01	147.28	-	9,557.29	-	-	-	-	9,557.29
Buildings	24,561.14	3,680.28	-	28,241.42	5,218.23	1,242.96	-	6,461.19	21,780.23
Plant and Equipment	21,762.11	6,004.96	25.28	27,741.79	11,665.96	2,258.81	22.07	13,902.70	13,839.09
Furniture and Fixtures	118.46	18.74	0.40	136.80	58.75	11.74	0.34	70.15	66.65
Vehicles	890.82	204.73	31.92	1,063.63	394.68	113.89	17.86	490.71	572.92
Office Equipment	247.57	23.94	0.56	270.95	153.52	35.97	0.56	188.93	82.02
Data Processing Equipment	752.37	134.12	0.26	886.23	634.12	98.43	0.26	732.29	153.94
TOTAL	57,742.48	10,214.05	58.42	67,898.11	18,125.26	3,761.80	41.09	21,845.97	46,052.14

The Company has setup a V Board manufacturing unit at Udumalpet in Tamilnadu State during the year and the unit commenced commercial production on 1st January 2022.

4.1 (b) Property, plant and equipment

All amounts in ₹ lakhs

Particulars	Gross carrying amount				Accumulated depreciation				Net carrying amount
	As at 1 April 2020	Additions	Deletions/ Adjustments	As at 31 March 2021	As at 1 April 2020	For the Year	Deletions/ Adjustments	As at 31 March 2021	As at 31 March 2021
Owned Assets									
Land	8,871.17	538.84	-	9,410.01	-	-	-	-	9,410.01
Buildings	24,017.33	545.25	1.44	24,561.14	3,998.53	1,219.91	0.21	5,218.23	19,342.91
Plant and Equipment	20,040.49	1,856.02	134.40	21,762.11	9,316.22	2,479.25	129.51	11,665.96	10,096.15
Furniture and Fixtures	113.67	4.92	0.13	118.46	46.67	12.21	0.13	58.75	59.71
Vehicles	898.59	26.25	34.02	890.82	303.86	108.00	17.18	394.68	496.14
Office Equipment	218.61	29.29	0.33	247.57	116.56	37.29	0.33	153.52	94.05
Data Processing Equipment	717.69	38.35	3.67	752.37	495.11	142.34	3.33	634.12	118.25
TOTAL	54,877.55	3,038.92	173.99	57,742.48	14,276.95	3,999.00	150.69	18,125.26	39,617.22



Notes to the Standalone Financial Statements for the year ended 31 March 2022

4.2 (a) Capital work-in-progress

Capital work-in-progress Ageing schedule

All amounts in ₹ lakhs

Capital work-in-progress	Amount in capital work-in-progress for a period of				Total as at 31 March 2022
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	4851.76	14.73	-	-	4,866.49
Projects temporarily suspended	-	-	-	-	-

4.2 (b) Capital work-in-progress

Capital work-in-progress Ageing schedule

All amounts in ₹ lakhs

Capital work-in-progress	Amount in capital work-in-progress for a period of				Total as at 31 March 2021
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	469.62	39.71	-	-	509.33
Projects temporarily suspended	-	-	-	-	-

4.3 (a) Intangible assets

All amounts in ₹ lakhs

Particulars	Gross carrying amount				Accumulated depreciation				Net carrying amount	
	As at 1 April 2021	Additions	Deletions/ Adjustments	As at 31 March 2022	As at 1 April 2021	For the Year	Deletions/ Adjustments	As at 31 March 2022	As at 31 March 2022	
Computer Software	124.94	-	-	124.94	124.94	-	-	124.94	-	
TOTAL	124.94	-	-	124.94	124.94	-	-	124.94	-	

4.3 (b) Intangible assets

All amounts in ₹ lakhs

Particulars	Gross carrying amount				Accumulated depreciation				Net carrying amount	
	As at 1 April 2020	Additions	Deletions/ Adjustments	As at 31 March 2021	As at 1 April 2020	For the Year	Deletions/ Adjustments	As at 31 March 2021	As at 31 March 2021	
Computer Software	124.94	-	-	124.94	124.94	-	-	124.94	-	
TOTAL	124.94	-	-	124.94	124.94	-	-	124.94	-	

Notes to the Standalone Financial Statements for the year ended 31 March 2022

5. Investment in subsidiaries

All amounts in ₹ lakhs

Particulars	31 March 2022	31 March 2021
Investments carried at cost		
Equity investment in subsidiary companies (unquoted - fully paid up)		
a) Vnext Solutions Private Limited 10,10,000 (2021-10,000) shares of ₹ 10 each	101.00	1.00
b) Atum Life Private Limited 14,10,000 (2021-10,000) shares of ₹ 10 each	141.00	1.00
TOTAL	242.00	2.00
Aggregate amount of unquoted investments in subsidiaries	242.00	2.00

6.1. Investments

All amounts in ₹ lakhs

Particulars	31 March 2022	31 March 2021
Investments in Equity Instruments (unquoted - fully paid up)		
Other entities - Fair value through Profit and Loss (FVTPL)		
a) Visaka Thermal Power Limited 20,78,600 (2021-20,78,600) shares of ₹ 10 each	0.00	0.00
b) Somerset Entertainment Ventures (Singapore) Pte Ltd 1,31,903 (2021 -1,31,903) shares of Singapore \$ 10 each	0.00	0.00
c) OPGS Power Gujarat Private Limited 7,02,000(2021 - 7,02,000) shares of ₹ 0.10 each	0.00	0.00
d) V- Solar Roofings Private Limited 1,900 (2021 - 1900) of ₹ 10 each	0.00	0.00
TOTAL	0.00	0.00
Aggregate amount of unquoted investments	0.00	0.00

The Company holds investments as at date, however the fair value of the same is determined as nil.

6.2. Other financial assets (non - current)

All amounts in ₹ lakhs

Particulars	31 March 2022	31 March 2021
Unsecured, Considered good		
Employee advances	11.57	46.77
Secured, Considered good		
Deposits with maturity of more than 12 months *	61.13	61.13
TOTAL	72.70	107.90

* Earmarked with bank for providing bank guarantee to sales tax department.

7. Other non-current assets

All amounts in ₹ lakhs

Particulars	31 March 2022	31 March 2021
Unsecured, considered good		
i) Capital advances	3,819.15	3,557.37
ii) Deposits with government and others	966.18	752.08
TOTAL	4,785.33	4,309.45



Notes to the Standalone Financial Statements for the year ended 31 March 2022

8. Inventories

All amounts in ₹ lakhs

Particulars	31 March 2022	31 March 2021
a) Raw material {including material in transit of ₹ 1,250.82 lakhs (2021- ₹ 3,671.71lakhs)}	13,103.14	12,210.33
b) Work-in-progress	3,092.49	2,847.80
c) Finished goods {including material in transit of ₹ 746.07lakhs (2021- ₹ 359.27lakhs)}	11,676.26	8,849.29
d) Stores and spares	1,429.09	1,019.28
TOTAL	29,300.98	24,926.70

9. Trade receivables

All amounts in ₹ lakhs

Particulars	31 March 2022	31 March 2021
Secured, considered good	2,306.81	2,374.23
Unsecured, considered good	11,103.52	8,142.11
Unsecured, considered doubtful	572.05	579.18
	13,982.38	11,095.52
Less: Allowance for doubtful debts	(572.05)	(579.18)
TOTAL	13,410.33	10,516.34

9. (a) Trade Receivables ageing schedule:

All amounts in ₹ lakhs

Sl. No.	Particulars	Outstanding for following periods from due date of payment					Total as at 31 March 2022
		Less than 6 months	6 months - 1 Year	1-2 years	2-3 years	More than 3 years	
(i)	Undisputed Trade receivables - considered good	12,948.76	245.70	153.94	19.46	42.47	13,410.33
(ii)	Undisputed Trade Receivables - considered doubtful	-	-	70.19	135.22	214.27	419.68
(iii)	Disputed Trade Receivables - considered good	-	-	-	-	-	-
(iv)	Disputed Trade Receivables - considered doubtful	-	-	34.02	2.22	116.13	152.37

9. (b) Trade Receivables ageing schedule:

All amounts in ₹ lakhs

Sl. No.	Particulars	Outstanding for following periods from due date of payment					Total as at 31 March 2021
		Less than 6 months	6 months - 1 Year	1-2 years	2-3 years	More than 3 years	
(i)	Undisputed Trade receivables - considered good	10,185.56	192.28	91.32	11.82	35.36	10,516.34
(ii)	Undisputed Trade Receivables - considered doubtful	19.85	1.77	164.00	60.60	209.75	455.97
(iii)	Disputed Trade Receivables - considered good	-	-	-	-	-	-
(iv)	Disputed Trade Receivables - considered doubtful	-	-	4.22	4.91	114.08	123.21

Debtors aged above 1 year in note 9(a) and 9(b) above are secured against sundry deposits (Refer note 22) received from the customers and hence considered good.

Notes to the Standalone Financial Statements for the year ended 31 March 2022

10. Cash and cash equivalents

All amounts in ₹ lakhs

Particulars	31 March 2022	31 March 2021
a) Balances with banks		
in current accounts	2,401.88	1,185.88
b) Cash on hand	3.01	2.87
c) Cheques in hand	-	130.11
d) Deposits with maturity of less than 3 months	-	9,761.37
TOTAL	2,404.89	11,080.23

11. Other bank balances

All amounts in ₹ lakhs

Particulars	31 March 2022	31 March 2021
Earmarked balances with banks		
Unpaid dividend account	122.46	112.75
Reserve towards Public deposit	175.00	202.00
Margin money deposit	9.77	8.82
Deposit with maturity of more than 3 months but less than 12 months	5.00	250.00
TOTAL	312.23	573.57

12. Loans

All amounts in ₹ lakhs

Particulars	31 March 2022	31 March 2021
Unsecured, considered good		
Inter corporate deposits	3,022.03	-
TOTAL	3,022.03	-

12.1. During the year, the Company has provided inter corporate deposit to Jamuna Hatcheries Private Limited of ₹ 1,000 lakhs for working capital requirements at an interest rate of 18% p.a which are repayable within six months from the date of disbursements. Further Jamuna Hatcheries Private Limited has repaid the inter corporate deposit of ₹ 477.97 lakhs.

12.2. During the year, the Company has provided inter corporate deposit to Sushee Infra & Mining Limited of ₹ 2,500 lakhs for short term business requirements at an interest rate of 18% p.a which are repayable within one year from the date of disbursement or repayable on demand whichever is earlier.

13. Other financial assets (current)

All amounts in ₹ lakhs

Particulars	31 March 2022	31 March 2021
Interest receivable	125.15	73.03
Employee advances	188.05	125.71
Advances to related parties (Refer note 41)	25.06	3.83
TOTAL	338.26	202.57

14. Other current assets

All amounts in ₹ lakhs

Particulars	31 March 2022	31 March 2021
Rent deposits	73.78	40.68
Prepaid expenses	312.78	201.13
Supplier advances	3,203.91	1,081.16
Cenvat, VAT & GST credit available	691.73	1,046.70
Others	1,750.82	656.49
TOTAL	6,033.02	3,026.16



Notes to the Standalone Financial Statements for the year ended 31 March 2022

15. Equity share capital

All amounts in ₹ lakhs

Particulars	31 March 2022	31 March 2021
AUTHORIZED:		
3,00,00,000 (2021- 3,00,00,000) Equity Shares of ₹ 10/- each	3,000.00	3,000.00
5,00,000 (2021- 5,00,000) 12% Cumulative Redeemable Preference Shares ₹ 100/- each	500.00	500.00
TOTAL	3,500.00	3,500.00
ISSUED, SUBSCRIBED & PAID-UP CAPITAL		
1,72,80,952 (2021- 1,64,80,952) equity shares of ₹ 10/- each fully paid up	1,728.10	1,648.10
Add: Shares forfeited - 79,408 (2021- 79,408) shares	3.97	3.97
TOTAL	1,732.07	1,652.07

(A) Movement in equity share capital:

All amounts in ₹ lakhs

Particulars	Number of shares	Amount
Balance at 1 April 2020	15,880,952	1,592.07
Movement during the year	600,000	60.00
Balance at 31 March 2021	16,480,952	1,652.07
Movement during the year	800,000	80.00
Balance at 31 March 2022	17,280,952	1,732.07

(B) Details of shareholders holding more than 5% shares in the Company

Name of the shareholder	As at 31 March 2022		As at 31 March 2021	
	No. of Shares	% holding	No. of Shares	% holding
a) Dr. G. Vivekanand	68,63,492	39.72	66,11,980	40.12
b) Vigilance Security Services Private Limited	879,764	5.09	1,614,460	9.80
c) Smt. G. Saroja Vivekanand	875,139	5.06	294,139	1.78

(C) Details of Shareholding of Promoters

Shares held by promoters at the end of the year			% Change during the year
Promoter name	As at 31 March 2022		
	No. of Shares	% of total shares	
Dr. G. Vivekanand	68,63,492	39.72%	3.80%
Smt. G. Saroja Vivekanand	8,75,139	5.06%	197.53%
Sri. G. Vamsi Krishna	1,21,730	0.70%	460.19%
Total	7,860,361	45.48%	

Shares held by promoters at the end of the year			% Change during the year
Promoter name	As at 31 March 2021		
	No. of Shares	% of total shares	
Dr. G. Vivekanand	6,611,980	40.12%	12.08%
Smt. G. Saroja Vivekanand	294,139	1.78%	51.51%
Sri. G. Vamsi Krishna	21,730	0.13%	0.00%
Total	6,927,849	42.03%	

(D) Terms/Rights attached to equity shares

The Company has only one class of equity shares having a face value of ₹ 10 /- each. Each holder of equity share is entitled to one vote per share. The company declares and pays dividends in Indian Rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. In the event of liquidation of the company, the equity shareholders will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

(E) The Company has not issued any share as fully paid up without payment being received in cash or as bonus shares nor any share has been bought back by the Company since its incorporation.

Notes to the Standalone Financial Statements for the year ended 31 March 2022

16. Other equity

All amounts in ₹ lakhs

Particulars	31 March 2022	31 March 2021
Reserves and surplus		
Securities premium reserve	8,137.45	6,289.45
General reserve	27,000.00	27,000.00
Retained earnings	36,361.53	27,268.50
Money received against share warrants	-	482.00
TOTAL	71,498.98	61,039.95

(i) Securities Premium Reserve

All amounts in ₹ lakhs

Particulars	31 March 2022	31 March 2021
Opening balance	6,289.45	4,903.45
Movement during the year	1,848.00	1,386.00
Closing balance	8,137.45	6,289.45

(ii) General Reserve

All amounts in ₹ lakhs

Particulars	31 March 2022	31 March 2021
Opening balance	27,000.00	27,000.00
Movement during the year	-	-
Closing balance	27,000.00	27,000.00

(iii) Retained earnings

All amounts in ₹ lakhs

Particulars	31 March 2022	31 March 2021
Opening balance	27,268.50	17,005.97
Profit for the year	11,852.79	11,064.47
Interim dividend	(1,153.67)	(824.05)
Final dividend	(1,648.09)	-
Items of other comprehensive income recognised directly in retained earnings		
- Remeasurements of post employment benefit obligation, net of tax	42.00	22.11
Closing balance	36,361.53	27,268.50

(iv) Money received against share warrants

All amounts in ₹ lakhs

Particulars	31 March 2022	31 March 2021
Opening balance	482.00	-
Money received during the year	-	482.00
Money adjusted on conversion of warrants	(482.00)	-
Closing balance	-	482.00

The Company on January 22, 2022 allotted 8,00,000 fully paid equity shares of face value ₹ 10/- each to the promoters group against 8,00,000 convertible warrants after receiving the balance consideration of ₹ 1,446 lakhs. Convertible warrants outstanding as at 31 March 2022 - Nil (31 March 2021 - 8,00,000).

Nature and purpose of other reserves

(i) Securities Premium Reserve

Securities Premium Reserve is used to record the premium on issue of shares. The reserve is utilised in accordance with the provision of the act.

(ii) General Reserve

General reserve is used for strengthening the financial position and meeting future contingencies and losses.



Notes to the Standalone Financial Statements for the year ended 31 March 2022

17. Borrowings (non-current)

All amounts in ₹ lakhs

Particulars	31 March 2022	31 March 2021
Non-current		
a) Secured loans		
Term loan from bank	251.45	1,257.29
Loans from others		
PICUP Loan	2,657.40	3,797.87
Deferred revenue grant - PICUP Loan	1,758.40	2,142.80
b) Unsecured loans		
Public deposits	235.71	452.48
TOTAL	4,902.96	7,650.44

- (i) Term loan is taken from IDBI Bank Limited for the Textile unit near Mouda Taluk, Nagpur in Maharashtra. The loan sanctioned is ₹ 6,035.00 lakhs during the year 2016-17, out of which ₹ 3,500.00 lakhs is drawn in 2016-17 and ₹ 2,535.00 lakhs is drawn in 2017-18 and is repayable in 24 quarterly installments at the rate of ₹ 251.46 lakhs each quarter from the financial year 2017-18 to 2023-24 (i.e., from September 2017 to June 2023). The current rate of interest is 7.8% p.a. This loan is secured by first mortgage and charge in favour of the Bank on all the Company's fixed assets both present and future on pari passu basis with other lenders, second charge on the current assets of the Company. The amount outstanding as at balance sheet date is ₹ 1,257.29 lakhs repayable in 5 quarterly installments (out of which ₹ 1,005.84 lakhs are included in Borrowings (current)).
- (ii) Loans from others include interest free loans of ₹ 6,246.33 lakhs availed (₹ 1,523.75 lakhs in 2012-13, ₹ 809.99 lakhs in 2014-15, ₹ 814.44 lakhs in 2016-17, ₹ 973.03 lakhs in 2017-18, ₹ 2,125.12 lakhs in 2019-20) from The Pradeshia Industrial & Investment Corporation of U.P. Ltd (PIC UP) for the cement asbestos unit at Raebareilly, U.P which is sanctioned under the Industrial Investment Promotion Scheme, 2003. The loan is secured by first charge on all assets of the company both present and future, by way of first pari-passu charge with all the secured lenders of the Company and personal guarantee of Mrs. G Saroja Vivekanand, Managing director of the company. The loans are repayable (each installment drawn) after 10 years from the date of disbursement. As per Ind AS requirements, these loans should be recognised at fair value and the difference between fair value and transaction value is recognised as Deferred Revenue Grant.
- (iii) Public deposits represent deposits accepted from public carrying interest varying from 9.5% to 11.5% p.a. The maturity of these deposits fall on different dates depending on the date of each deposit. There are no deposits matured and remaining unpaid as on the balance sheet date.

18. Other financial liabilities (non-current)

All amounts in ₹ lakhs

Particulars	31 March 2022	31 March 2021
Interest accrued but not due	12.28	13.66
TOTAL	12.28	13.66

19. Deferred tax liabilities (net)

All amounts in ₹ lakhs

Particulars	31 March 2022	31 March 2021
a) Deferred tax assets		
Expenses allowable on payment basis	164.18	165.97
b) Deferred tax liabilities		
Depreciation and amortisation	1,447.08	1,436.30
Deferred tax liabilities (net)	1,282.90	1,270.33

Notes to the Standalone Financial Statements for the year ended 31 March 2022

Movement in deferred tax liabilities (net)

All amounts in ₹ lakhs

Particulars	WDV of depreciable PPE	Expenses allowable on payment basis	Total
As at 01 April 2020	1,565.20	(147.44)	1,417.76
Charged/(Credited) to statement of profit and loss	(128.90)	(18.53)	(147.43)
As at 31 March 2021	1,436.30	(165.97)	1,270.33
Charged/(Credited) to statement of profit and loss	10.78	1.79	12.57
As at 31 March 2022	1,447.08	(164.18)	1,282.90

20. Borrowings (current)

All amounts in ₹ lakhs

Particulars	31 March 2022	31 March 2021
Current		
a) Secured loans		
Working capital loans from banks	3,496.62	477.26
Current maturities of long term debts (Refer note 17)	2,529.59	1,005.84
b) Unsecured loans		
Current maturities of public deposits	1,091.89	874.02
Short term loans from banks	4,696.61	1,076.72
Inter corporate deposits from related parties (Refer note 41)	-	114.00
Inter corporate deposits from others	-	350.25
TOTAL	11,814.71	3,898.09

20.1 Working capital loans from banks are loans from State Bank of India. The loans are repayable on demand which are secured on pari-passu basis by hypothecation of the Company's entire current assets including raw materials, work-in-progress, stores & spares, finished goods and book debts, present and future, and second charge by way of hypothecation on all fixed assets present and future. The loan carries floating rate of interest and present interest rate is 7.30% p.a.

20.2 Short term loans are availed from various banks with a maximum maturity period of six months. The rates of interest vary from 1% to 2% p.a.

20.3 Inter Corporate Deposit are short term loans repayable on demand carrying on interest rate of 9% p.a.

20.4 Net Debt Reconciliation

All amounts in ₹ lakhs

Particulars	31 March 2022	31 March 2021
Opening balance of borrowings	11,548.53	26,286.04
Less:- Repayment of non-current borrowings	(1,004.74)	(1,099.44)
Proceeds/ (repayment) from current borrowings	6,175.00	(13,602.54)
Fair Value Adjustment	(1.12)	(35.53)
Closing balance of borrowings	16,717.67	11,548.53

21. Trade payables

All amounts in ₹ lakhs

Particulars	31 March 2022	31 March 2021
(a) Total outstanding dues of micro and small enterprises (Refer note 44)	204.57	36.35
(b) Total outstanding dues other than (a) above	8,376.56	9,254.21
TOTAL	8,581.13	9,290.56



Notes to the Standalone Financial Statements for the year ended 31 March 2022

21 (a) Trade Payables ageing schedule:

All amounts in ₹ lakhs

Sl. No.	Particulars	Outstanding for following periods from due date of payment					Total as at 31 March 2022
		Unbilled dues	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i)	MSME	-	204.57	-	-	-	204.57
(ii)	Others	1,360.78	6,519.18	70.00	39.26	48.03	8,037.25
(iii)	Disputed dues- MSME	-	-	-	-	-	-
(iv)	Disputed dues- Others	339.31	-	-	-	-	339.31
	Total	1,700.09	6,723.75	70.00	39.26	48.03	8,581.13

21 (b) Trade Payables ageing schedule:

All amounts in ₹ lakhs

Sl. No.	Particulars	Outstanding for following periods from due date of payment					Total as at 31 March 2021
		Unbilled dues	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i)	MSME	-	36.35	-	-	-	36.35
(ii)	Others	3,150.93	5,655.90	54.63	45.73	7.71	8,914.90
(iii)	Disputed dues- MSME	-	-	-	-	-	-
(iv)	Disputed dues- Others	339.31	-	-	-	-	339.31
	Total	3,490.24	5,692.25	54.63	45.73	7.71	9,290.56

22. Other financial liabilities (current)

All amounts in ₹ lakhs

Particulars	31 March 2022	31 March 2021
Interest accrued but not due	59.42	78.13
Unpaid dividend	122.46	112.75
Sundry deposits *	4,049.87	3,834.96
Capital creditors	317.79	32.58
TOTAL	4,549.54	4,058.42

*Sundry deposits include security deposits from stockists, agents and transporters etc.

23. Other current liabilities

All amounts in ₹ lakhs

Particulars	31 March 2022	31 March 2021
Advances from customers	1,351.66	1,142.98
Statutory liabilities	1,507.70	1,606.77
Employee benefits payable	2,798.14	2,715.22
TOTAL	5,657.50	5,464.97

24. Provisions

All amounts in ₹ lakhs

Particulars	31 March 2022	31 March 2021
Current		
Provision for contingencies	223.59	123.16
Provision for employee benefits		
- Leave encashment	106.09	152.00
- Gratuity	208.62	-
TOTAL	538.30	275.16

Notes to the Standalone Financial Statements for the year ended 31 March 2022

24. Provisions (Contd.)

Movement in provision for contingencies

All amounts in ₹ lakhs

Particulars	31 March 2022	31 March 2021
Balance as at beginning of the year	123.16	123.16
Provision made during the year	100.43	-
Balance as at end of the year	223.59	123.16

(i) Leave obligations

The leave obligation covers the Company's liability for earned leave. The Company has created a fund with LIC for earned leave encashment of employees for future payment.

(ii) Defined contribution plans

The Company has defined contribution plans namely Provident fund and super annuation fund. Contributions are made to provident fund at the rate of 12% of basic salary as per regulations. The contributions are made to registered provident fund administered by the Government. The Company has created an approved superannuation fund and accounts for the contribution made to LIC against an insurance policy taken with them. The obligation of the Company is limited to the amount contributed and it has no further contractual nor any constructive obligation. The expense recognised during the year towards defined contributions plans is as follows:

All amounts in ₹ lakhs

Particulars	31 March 2022	31 March 2021
Company's Contribution to Provident Fund	651.08	580.23
Company's Contribution to Superannuation Fund	105.50	102.54

(iii) Post-employment obligations

a) Gratuity

The Company provides for gratuity for employees in India as per the Payment of Gratuity Act, 1972. The amount of gratuity payable on retirement/termination is the employees last drawn basic salary per month computed proportionately for 15 days salary multiplied for the number of years of service. The Company operates post retirement gratuity plan with LIC of India. The present value of obligation is determined based on actuarial valuation using the Projected Unit Credit Method, which recognises each period of service giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation.

All amounts in ₹ lakhs

Particulars	Present value of obligation	Fair Value of Plan Assets	Net Liability
1 April 2020	2,939.79	2,762.83	176.96
Current service cost	259.03	-	259.03
Interest expense/(income)	183.52	192.28	(8.76)
Total amount recognized in profit and loss	442.55	192.28	250.27
Remeasurements			
Return on plan assets, excluding amounts included in interest expense/(income)	-	2.50	(2.50)
(Gain)/loss from change in financial assumptions	4.54	-	4.54
Experience (gains)/loss	(31.58)	-	(31.58)
Total amount recognized in other comprehensive income	(27.04)	2.50	(29.54)
Employer contributions	-	415.41	(415.41)
Benefit payments	(513.62)	(513.62)	-
31 March 2021	2,841.68	2,859.40	(17.72)



Notes to the Standalone Financial Statements for the year ended 31 March 2022

24. Provisions (Contd.)

All amounts in ₹ lakhs

Particulars	Present value of obligation	Fair Value of Plan Assets	Net Liability
1 April 2021	2,841.68	2,859.40	(17.72)
Current service cost	293.55	-	293.55
Interest expense/(income)	188.50	196.63	(8.13)
Total amount recognized in profit and loss	482.05	196.63	285.42
Remeasurements			
Return on plan assets, excluding amounts included in interest expense/(income)	-	3.52	(3.52)
(Gain)/loss from change in financial assumptions	(106.34)	-	(106.34)
Experience (gains)/loss	53.73	-	53.73
Total amount recognized in other comprehensive income	(52.61)	3.52	(56.13)
Employer contributions	-	2.95	(2.95)
Benefit payments	(155.51)	(155.51)	-
31 March 2022	3,115.61	2,906.99	208.62

The Company has no legal obligation to settle deficit in the funded plan with an immediate contribution or additional one off contribution. The Company intends to contribute as any request for contribution is made by LIC.

The net (surplus)/ deficit disclosed above relating to funded and unfunded plans are as follows:

All amounts in ₹ lakhs

Particulars	31 March 2022	31 March 2021
Present value of funded obligations	3,115.61	2,841.68
Fair value of plan assets	2,906.99	2,859.40
(Surplus)/Deficit of funded plans	208.62	(17.72)

Expected contributions to post-employment benefit plans of gratuity for the year ending 31 March 2023 are ₹ 286.78 Lakhs.

iv) Significant estimates and sensitivity Analysis

The sensitivity of the defined benefit obligation to changes in key assumptions is:

All amounts in ₹ lakhs

Particulars	Key assumptions		(Increase)/Decrease in Defined benefit obligation by					
			Increase in assumption by			Decrease in assumption by		
	31 March 2022	31 March 2021	Rate	31 March 2022	31 March 2021	Rate	31 March 2022	31 March 2021
Discount rate	7.25%	6.82%	1%	230.10	217.84	1%	(266.48)	(252.77)
Salary growth rate	5.00%	5.00%	1%	(253.86)	(240.24)	1%	222.97	210.75
Attrition rate	3.00%	3.00%	1%	(34.57)	(23.90)	1%	38.28	26.24

The above sensitivity analysis is based on a change in each assumption while holding all other assumptions constant. In practice, this is unlikely to occur and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions, the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied as when calculating the defined benefit liability recognised in the balance sheet.

Notes to the Standalone Financial Statements for the year ended 31 March 2022

24. Provisions (Contd.)

Expected cash flow and duration of the plan		All amounts in ₹ lakhs
Particulars	31 March 2022	31 March 2021
Weighted average duration of DBO	14	14
Expected total benefit payments		
Year 1	430.34	447.82
Year 2	434.71	238.49
Year 3	173.99	233.17
Year 4	173.08	152.42
Year 5	233.21	160.90
Next 5 years	968.01	904.03

v) Risk exposure

Through its defined benefit plans, the Company is exposed to a number of risks, the most significant of which are detailed below:

Interest rate risk:

The defined benefit obligation calculated uses a discount rate based on government bonds. If bond yields fall, the defined benefit obligation will tend to increase.

Salary inflation risk:

Higher than expected increases in salary will increase the defined benefit obligation.

Demographic risk:

This is the risk of variability of results due to unsystematic nature of decrements that include mortality, withdrawal, disability and retirement. The effect of these decrements on the defined benefit obligation is not straight forward and depends upon the combination of salary increase, discount rate and vesting criteria. It is important not to overstate withdrawals because in the financial analysis the retirement benefit of a short career employee typically costs less per year as compared to a long service employee.

25. Current Tax Liabilities(net)

		All amounts in ₹ lakhs
Particulars	31 March 2022	31 March 2021
Opening balance	257.82	(647.25)
Less: Taxes paid (net of refunds)	(4,213.56)	(3,111.03)
Add: Current tax expense for the year	4,225.77	4,040.32
Less: Tax relating to prior years	-	(24.22)
TOTAL	270.03	257.82

26. Revenue from operations

		All amounts in ₹ lakhs
Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Sale of products	1,40,043.37	1,14,338.36
Other operating revenue		
Export incentives	96.52	96.71
Industrial incentives	1,240.29	68.73
Sale of scrap	197.76	117.08
TOTAL	1,41,577.94	1,14,620.88



Notes to the Standalone Financial Statements for the year ended 31 March 2022

27. Other income

All amounts in ₹ lakhs

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Interest income on financial assets carried at amortised cost	307.11	317.70
Insurance claim received	38.46	70.03
Government grants	384.39	385.05
Net gain on disposal of property, plant and equipment	31.76	12.67
Miscellaneous income	226.93	73.15
TOTAL	988.65	858.60

28. Cost of materials consumed

All amounts in ₹ lakhs

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Cost of materials consumed	69,744.37	50,544.52
TOTAL	69,744.37	50,544.52

29. Changes in inventories of finished goods and work in progress

All amounts in ₹ lakhs

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Opening inventory		
Finished goods	8,849.29	12,341.80
Work-in-progress	2,847.80	928.88
(A)	11,697.09	13,270.68
Closing inventory		
Finished goods	11,676.26	8,849.29
Work-in-progress	3,092.49	2,847.80
(B)	14,768.75	11,697.09
TOTAL (A-B)	(3,071.66)	1,573.59

30. Employee benefits expense

All amounts in ₹ lakhs

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Salaries, wages and bonus	11,210.62	10,271.17
Contribution to provident and other funds	844.63	782.57
Gratuity	285.42	250.27
Leave compensation	98.15	129.49
Staff welfare expenses	784.07	578.62
TOTAL	13,222.89	12,012.12

31. Finance costs

All amounts in ₹ lakhs

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Interest on borrowings	1,028.71	1,177.27
Other borrowing cost	92.78	44.11
Interest on shortfall in payment of advance tax	34.02	60.01
TOTAL	1,155.51	1,281.39

Notes to the Standalone Financial Statements for the year ended 31 March 2022

32. Depreciation expense

All amounts in ₹ lakhs

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Depreciation of property, plant and equipment	3,761.80	3,999.00
TOTAL	3,761.80	3,999.00

33. Other expenses

All amounts in ₹ lakhs

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Consumption of stores and spares	3,537.83	2,533.02
Cost of packing materials consumed	1,596.80	949.39
Power and fuel	5,447.33	4,370.86
Repairs and maintenance		
Buildings	838.61	446.77
Plant and machinery	497.86	362.58
Insurance	404.31	353.05
Rates & taxes	199.93	217.52
Rent	465.82	381.43
Wages - contract labour	4,770.81	3,500.23
Travelling & conveyance	882.82	559.46
Commission	522.42	219.22
Freight	14,858.29	10,519.61
Advertisement & sales promotion expenses	2,471.11	2,708.60
Payments to auditors {Refer note 33 (a)}	52.05	53.42
Directors' sitting fee	7.75	11.90
Bad debts written off	37.66	41.74
Foreign exchange (gain)/loss (net)	(73.52)	(52.02)
Non whole time directors' commission	40.00	69.17
Property, plant and equipment written off	8.61	10.10
Allowance for doubtful debts	(7.13)	73.63
Corporate social responsibility (CSR) expenditure {Refer note 33 (b)}	230.07	177.16
Contribution to political party *	300.00	300.00
Miscellaneous expenses	4,166.85	3,057.10
TOTAL	41,256.28	30,863.94

*Donation to Bharatiya Janata Party

33 (a) Payment to auditor

All amounts in ₹ lakhs

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
(a) To statutory auditors		
- Statutory audit fee	31.50	31.50
- Quarterly audit fee	4.00	4.00
- Certification fee	7.25	8.50
- Reimbursement of expenses	1.70	1.76



Notes to the Standalone Financial Statements for the year ended 31 March 2022

33 (a) Payment to auditor

All amounts in ₹ lakhs

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
(b) To others		
- Cost audit fee	1.50	1.50
- Tax audit fee	6.00	6.00
- Certification and taxation matters	0.10	0.16
TOTAL	52.05	53.42

33 (b) Corporate Social Responsibility expenditure

All amounts in ₹ lakhs

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Contribution to Visaka Charitable trust	-	136.10
Amount spent directly by the Company towards CSR activities	230.07	41.06
	230.07	177.16
a) Amount required to be spent by the Company during the year as per Section 135 of the Act	205.97	172.88
b) Amount approved by the board to be spent during the year	230.07	172.88
c) Amount of expenditure incurred /Amount spent during the year on :		
1. Construction/ acquisition of any assets	-	-
2. On purposes other than (1) above	230.07	177.16
d) Details of related party transactions		
Contribution to Visaka Charitable trust	-	136.10

Nature of activities:

Provision of drinking water, Conducting health camps, Eradication of Poverty, Food distribution, Building of classrooms and Toilets in schools and colleges etc.

Details of excess CSR expenditure under Section 135(5) of the Act

All amounts in ₹ lakhs

Particulars	Amount
Balance excess spent as at 1 April 2021	-
Amount required to be spent during the year	205.97
Amount spent during the year	230.07
Balance excess spent as at 31 March 2022	(24.10)

34. Reconciliation of tax expenses and the accounting profit multiplied by tax rate

All amounts in ₹ lakhs

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Profit before tax expense	16,077.00	14,925.71
Tax at the Indian tax rate of 25.168%	4,046.26	3,756.50
Effect of non-deductible expense	180.72	144.21
Effect of allowances for tax purpose	(2.77)	(15.25)
Tax relating to prior years	-	(24.22)
Income tax expense	4,224.21	3,861.24

Notes to the Standalone Financial Statements for the year ended 31 March 2022

35. Financial instruments and risk management

Fair values

- The carrying amounts of trade payables, other financial liabilities(current), other financial assets(current), borrowings (current), trade receivables, cash and cash equivalents, other bank balances and loans are considered to be the same as fair value due to their short term nature.
- Borrowings(non-current) consists of loans from banks and government authorities, other financial liabilities(non-current) consists of interest accrued but not due on deposits and other financial assets consists of employee advances where the fair value is considered based on the discounted cash flow.

The fair value of financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

(i) Categories of financial instruments

All amounts in ₹ lakhs

Particulars	Level	31 March 2022		31 March 2021	
		Carrying amount	Fair value*	Carrying amount	Fair value*
Financial assets					
Measured at amortised cost:					
Non-current					
Other financial assets	3	72.70	72.70	107.90	107.90
Current					
Trade receivables	3	13,410.33	13,410.33	10,516.34	10,516.34
Cash and Cash Equivalents	3	2,404.89	2,404.89	11,080.23	11,080.23
Other bank balances	3	312.23	312.23	573.57	573.57
Loans	3	3,022.03	3,022.03	-	-
Other financial assets	3	338.26	338.26	202.57	202.57
Measured at fair value through profit and loss					
Non-current					
Investments	3	0.00	0.00	0.00	0.00
Total		19,560.44	19,560.44	22,480.61	22,480.61
Financial liabilities					
Measured at amortised cost					
Non-current					
Borrowings	3	4,902.96	4,902.96	7,650.44	7,650.44
Other financial liabilities	3	12.28	12.28	13.66	13.66
Current					
Borrowings	3	11,814.71	11,814.71	3,898.09	3,898.09
Trade Payables	3	8,581.13	8,581.13	9,290.56	9,290.56
Other Financial Liabilities	3	4,549.54	4,549.54	4,058.42	4,058.42
Total		29,860.62	29,860.62	24,911.17	24,911.17

*Fair value of instruments is classified in various fair value hierarchies based on the following three levels:

Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices.

Level 2: The fair value of financial instruments that are not traded in an active market is determined using valuation techniques, which maximise the use of observable market data and rely as little as possible on entity specific estimates. If significant inputs required to fair value an instruments are observable, the instrument is included in Level 2.

Level 3: If one or more of the significant inputs are not based on observable market data, the instruments is included in level 3.

Management uses its best judgement in estimating the fair value of its financial instruments. However, there are inherent limitations in any estimation technique. Therefore, for substantially all financial instruments, the fair value estimates presented above are not necessarily indicative of the amounts that the Company could have realized or paid in sale transactions as of respective dates. As such, the fair value of financial instruments subsequent to the reporting dates may be different from the amounts reported at each reporting date.



Notes to the Standalone Financial Statements for the year ended 31 March 2022

36. Financial risk management

The Company is exposed to market risk (fluctuation in foreign currency exchange rates, price and interest rate), liquidity risk and credit risk, which may adversely impact the fair value of its financial instruments. The Company assesses the unpredictability of the financial environment and seeks to mitigate potential adverse effects on the financial performance of the Company.

(A) Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises of currency risk, interest rate risk and price risk. Financial instruments affected by market risk include loans and borrowings, trade receivables and trade payables involving foreign currency exposure. The sensitivity analysis in the following sections relate to the position as at 31 March 2022 and 31 March 2021.

The sensitivity of the relevant profit or loss item is the effect of the assumed changes in respective market risks. This is based on the financial assets and financial liabilities held at 31 March 2022 and 31 March 2021.

(i) Foreign currency exchange rate risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the trade/ other payables, trade/other receivables. The risks primarily relate to fluctuations in US Dollar, GBP against the functional currencies of the Company. The Company's exposure to foreign currency changes for all other currencies is not material. The Company evaluates the impact of foreign exchange rate fluctuations by assessing its exposure to exchange rate risks.

The following tables demonstrate the sensitivity to a reasonably possible change in US dollars and GBP exchange rates, with all other variables held constant. The impact on the Company's profit before tax is due to changes in the fair value of monetary assets and liabilities.

(ii) Sensitivity

The sensitivity of profit or loss to changes in the exchange rates arises mainly from foreign currency denominated financial instruments and from foreign forward exchange contracts:

All amounts in ₹ lakhs

Particulars	Increase/(decrease) in profit before tax		Increase/(decrease) in other components of equity	
	31 March 2022	31 March 2021	31 March 2022	31 March 2021
Change in USD				
1% increase	(38.01)	(18.86)	(28.44)	(14.11)
1% decrease	38.01	18.86	28.44	14.11
Change in GBP				
1% increase	0.72	0.77	0.54	0.58
1% decrease	(0.72)	(0.77)	(0.54)	(0.58)

The movement in the pre-tax effect is a result of a change in the fair value of monetary assets and liabilities denominated in US dollars and GBP, where the functional currency of the entity is a currency other than US dollars and GBP.

(iii) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of change in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's debt obligations with floating interest rates. As the Company has certain debt obligations with floating interest rates, exposure to the risk of changes in market interest rates are dependent of changes in market interest rates. Management monitors the movement in interest rate and, wherever possible, reacts to material movements in such rates by restructuring its financing arrangement. As the Company has no significant interest bearing assets, the income and operating cash flows are substantially independent of changes in market interest rates.

Notes to the Standalone Financial Statements for the year ended 31 March 2022

36. Financial risk management (Contd.)

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of loans and borrowings affected. With all other variables held constant, the Company's profit before tax is affected through the impact on floating rate borrowings, as follows:

All amounts in ₹ lakhs

Particulars	Increase/(decrease) in profit before tax		Increase/(decrease) in other components of equity	
	31 March 2022	31 March 2021	31 March 2022	31 March 2021
Change in interest rate				
increase by 100 basis points	(94.51)	(38.17)	(70.72)	(28.56)
decrease by 100 basis points	94.51	38.17	70.72	28.56

The assumed increase/decrease in interest rate for sensitivity analysis is based on the currently observable market environment.

(B) Credit Risk

Credit risk is the risk arising from credit exposure to customers, cash and cash equivalents held with banks and current and non-current held-to maturity financial assets.

With respect to credit exposure from customers, the Company has a procedure in place aiming to minimise collection losses. Credit Control team assesses the credit quality of the customers, their financial position, past experience in payments and other relevant factors. Cash and other collaterals are obtained from customers when considered necessary under the circumstances.

The carrying amount of trade receivables, loans, advances, deposits, cash and bank balances, bank deposits and interest receivable on deposits represents company's maximum exposure to the credit risk. No other financial asset carry a significant exposure with respect to the credit risk. Bank deposits and cash balances are placed with reputable banks and deposits are with reputable government, public bodies and others.

The credit quality of financial assets is satisfactory, taking into account the allowance for credit losses.

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. However, management also considers the factors that may influence the credit risk of its customer base, including default risk associate with the industry and country in which customers operate. Credit quality of a customer is assessed based on an extensive credit rating scorecard and individual credit limits are defined in accordance with this assessment.

An impairment analysis is performed at each reporting date on an individual basis for major receivables. In addition, a large number of minor receivables are grouped into homogenous groups and assessed for impairment collectively. 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 cash and cash equivalents, deposits with banks and other bank balances is limited as the Company generally invest in deposits with banks with high credit ratings assigned by external agencies.
- Expected credit loss provision created for trade receivable primarily comprise of specific provisions created towards certain receivables as the Company considers the life time credit risk of these financial assets to be very low.

(i) Expected credit loss for trade receivable under simplified approach:

All amounts in ₹ lakhs

Particulars	31 March 2022	31 March 2021
Gross carrying amount	13,982.38	11,095.52
Expected credit losses (Loss allowance provision)	(572.05)	(579.18)
Carrying amount of trade receivables	13,410.33	10,516.34



Notes to the Standalone Financial Statements for the year ended 31 March 2022

36. Financial risk management (Contd.)

Expected credit loss for financial assets where general model is applied

The financial assets which are exposed to credit risk are loans and employee advances.

All amounts in ₹ lakhs

Particulars	31 March 2022	31 March 2021
Asset group	Estimated gross carrying amount at default	Estimated gross carrying amount at default
Gross carrying amount		
Loans	3,022.03	-
Employee advances	224.68	176.31
	3,246.71	176.31
Net carrying amount		
Loans	3,022.03	-
Employee advances	224.68	176.31
Total	3,246.71	176.31

(ii) Reconciliation of loss allowance provision

All amounts in ₹ lakhs

Particulars	Trade receivables
Loss allowance as at 1 April 2020	505.55
Changes in loss allowance during the period of 2020-21	73.63
Loss allowance as at 31 March 2021	579.18
Changes in loss allowance during the period of 2021-22	(7.13)
Loss allowance as at 31 March 2022	572.05

(iii) Significant estimates and judgements

Impairment of financial assets:

The impairment provisions for financial assets disclosed above are based on assumptions about risk of default and expected loss rates. The company uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on the company's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

(C) Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and the availability of funding to meet obligations when due and to close out market positions. Company's treasury maintains flexibility in funding by maintaining availability under deposits in banks.

Management monitors cash and cash equivalents on the basis of expected cash flows.

(i) Financing arrangements:

The company had access to the following undrawn borrowing facilities at the end of the reporting period

All amounts in ₹ lakhs

Particulars	As at 31 March 2022	As at 31 March 2021
Expiring within one year (bank overdraft and other facilities)	23,494.00	28,490.00

Notes to the Standalone Financial Statements for the year ended 31 March 2022

36. Financial risk management (Contd.)

(ii) Maturities of Financial liabilities

Contractual maturities of financial liabilities as at :

All amounts in ₹ lakhs

Particulars	31 March 2022		31 March 2021	
	Less than 12 months	More than 12 months	Less than 12 months	More than 12 months
Borrowings	11,814.71	4,902.96	3,898.09	7,650.44
Trade Payables	8,581.13	-	9,290.56	-
Other Financial Liabilities	4,549.54	12.28	4,058.42	13.66
Total	24,945.38	4,915.24	17,247.07	7,664.10

(iii) Management expects finance cost to be incurred for the year ending 31 March 2023 of ₹ 1,450 Lakhs.

37. Capital management

A. Capital management and Gearing Ratio

For the purpose of the Company's capital management, capital includes issued equity capital, share premium and all other equity reserves attributable to the equity holders. The primary objective of the company's capital management is to maximise the shareholder value.

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. The Company monitors capital using a gearing ratio, which is debt divided by total capital. The Company includes within debt, interest bearing loans and borrowings.

All amounts in ₹ lakhs

Particulars	31 March 2022	31 March 2021
Borrowings		
Current	11,814.71	3,898.09
Non current	4,902.96	7,650.44
Debt	16,717.67	11,548.53
Equity		
Equity share capital	1,732.07	1,652.07
Other equity	71,498.98	61,039.95
Total capital	73,231.05	62,692.02
Gearing ratio in % (Debt/ capital)	23%	18%

In order to achieve this 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. Breaches in meeting the financial covenants would permit the bank to immediately call loans and borrowings.

No changes were made in the objectives, policies or processes for managing capital during the years ended 31 March 2022 and 31 March 2021.

B. Dividends

All amounts in ₹ lakhs

Particulars	31 March 2022	31 March 2021
Dividends recognised		
During the year, the directors have recommended the payment of an interim dividend of ₹ 7/- per fully paid equity share (31 March 2021 - ₹ 5/-).	1,153.67	824.05
For the year ended the directors have recommended the payment of a final dividend of ₹ 8/- per fully paid equity share (31 March 2021 - ₹ 10/-). This proposed dividend is subject to the approval of shareholders in the ensuing annual general meeting, hence the same is not recognised.	1,382.48	1,648.10



Notes to the Standalone Financial Statements for the year ended 31 March 2022

38. Segment information

The Company's Managing Director and Joint Managing Director examines the Company's performance from a product perspective and has identified two reportable segments:

1. Building products - The building products division produces asbestos sheets, solar panels, accessories used mostly as roofing material and non asbestos flat sheets and sandwich panels used as interiors.
2. Synthetic Yarn - Synthetic yarn division manufactures Yarn out of blends of polyester, viscose, other materials which go into the weaving of fabric. They primarily use a measure of profit before tax to assess the performance of the operating segments.

Segment revenue and expenses:

The Company has an established basis of allocating Joint/Corporate expenses to the segments, which is reasonable, and followed consistently. All other segment revenue and expenses are attributable to the segments. Certain Expenses/Income are not specifically allocable to specific segments and accordingly these expenses are disclosed as unallocated corporate expenses or income and adjusted only against the total income of the company. Segment result includes the respective other income.

Segment assets and liabilities:

Segment assets include all operating assets used by a segment and consist principally of operating cash, debtors, inventories and fixed assets, net of allowances and provisions that are reported as direct offsets in the balance sheet. While most assets can be directly attributed to individual segments, the carrying amount of certain assets used jointly by two or more segments is allocated to the segments on a reasonable basis. In such cases, the entire revenue and expenses of these assets including depreciation are also allocated to the same segments. Assets which are not allocable to the segments have been disclosed as 'unallocated corporate assets'. Segment liabilities include all operating liabilities and consist principally of creditors and accrued liabilities. Segment assets and liabilities do not include deferred income taxes. The loans and other borrowings that are not specifically allocable to the various segments are disclosed as 'unallocated corporate liabilities'.

Inter segment transfers:

The Company adopts a policy of pricing inter-segment transfers at cost to the transferor segment.

Summary of segment information

All amounts in ₹ lakhs

Particulars	31 March 2022	31 March 2021
A. Revenue		
Segment revenue		
Building product	1,16,750.16	1,00,957.13
Synthetic yarn	24,827.78	13,663.75
Total revenue	1,41,577.94	1,14,620.88
B. Segment profit		
Building product	16,116.50	18,422.10
Synthetic yarn	4,410.86	312.07
Segment operating profit	20,527.36	18,734.17
Reconciliation of segment operating profit to operating profit		
Unallocated:		
Unallocated corporate expenses	(3,936.58)	(3,139.83)
Unallocated corporate Income	641.73	612.76
Operating profit	17,232.51	16,207.10
Finance costs	(1,155.51)	(1,281.39)
Profit before tax	16,077.00	14,925.71
Income tax expense	(4,224.21)	(3,861.24)
Profit after tax	11,852.79	11,064.47

Notes to the Standalone Financial Statements for the year ended 31 March 2022

38. Segment information (Contd.)

All amounts in ₹ lakhs		
Particulars	31 March 2022	31 March 2021
Segment Assets		
Building product	83,347.60	65,602.53
Synthetic yarn	14,622.35	13,784.48
Unallocated corporate assets	12,870.45	15,484.46
Total assets	1,10,840.40	94,871.47
Segment liabilities		
Building product	12,937.20	13,488.19
Synthetic yarn	1,842.81	1,423.09
Unallocated corporate liabilities	22,829.34	17,268.17
Total liabilities	37,609.35	32,179.45

All amounts in ₹ lakhs		
Particulars	31 March 2022	31 March 2021
Geographical segment revenue by location of customers		
India	1,31,019.28	1,08,147.65
Outside India	10,558.66	6,473.23
	1,41,577.94	1,14,620.88

All amounts in ₹ lakhs		
Particulars	31 March 2022	31 March 2021
Geographical segment assets		
India	1,09,135.37	93,804.29
Outside India	1,705.03	1,067.18
	1,10,840.40	94,871.47

39. Contingent liabilities

The Company has following contingent liabilities as at:

All amounts in ₹ lakhs		
Particulars	31 March 2022	31 March 2021
(i) VAT/CST/Entry tax*	85.28	146.43
(ii) Excise duty/Customs duty/Service tax*	6,049.47	5,974.63
(iii) Thirty party claims not acknowledged as debts	-	200.01
Total	6,134.75	6,321.07

*Includes ₹ 143.99 lakhs (2021 ₹ 58.47 lakhs) paid under protest.

The Company has established a liability with respect to contingencies for which loss is probable or estimable (Refer Note 24). While the ultimate resolution of and liability and cost relatable to these matters cannot be determined with certainty, the management does not believe any of these pending actions, individually or in the aggregate, will materially impact operations or materially affect financial condition or liquidity.

40. Commitments

(a) Capital commitments

Capital expenditure contracted for at the end of the reporting period but not recognised as liabilities is as follows:

All amounts in ₹ lakhs		
Particulars	31 March 2022	31 March 2021
Property, plant and equipment	4,023.19	4,706.12
Total	4,023.19	4,706.12



Notes to the Standalone Financial Statements for the year ended 31 March 2022

41. Related party transactions

Names of related parties and nature of relationships:

Names of the related parties	Nature of relationship
i) Key Managerial Personnel (KMP):	
Mrs. G.Saroja Vivekanand	Managing Director
Mr.G.Vamsi Krishna	Joint Managing Director
Mr.V.Vallinath (till September 08, 2020)	Whole Time Director & CFO
Mr.J.Pruthvidhar Rao	Whole Time Director & COO
Mr.S.Shafiulla (with effect from September 9, 2020)	Chief Financial Officer
Late Mr.I. Srinivas (till May 05, 2021)	Company Secretary & Vice-President (Corporate Affairs)
Mr. M. Muralidhar (with effect from November 01, 2021 till January 21, 2022)	Company Secretary & Chief Management Accountant
Mr. K. Ramakanth ((with effect from January 22, 2022)	Company Secretary & Assistant Vice President
ii) Non-whole-time Directors	
Mr. Bhagirat B. Merchant (Retired on March 31, 2021)	Director
Dr. G.Vivekanand	Director
Mr. Gusti Noria	Director
Late Mr. V. Pattabhi (Retired on March 31, 2021)	Director
Mr. P. Srikar Reddy	Director
Mr. Gogineni Appender Babu	Director
Mrs. Vanitha Datla (with effect from May 26, 2020)	Director
iii) Relatives of key managerial personnel/Directors:	
Mrs. G.Vritika	Daughter of Mrs. Saroja Vivekanand
Mrs. G.Vaishnavi	Daughter of Mrs. Saroja Vivekanand
Mr. G.Venkat Krishna	Son of Mrs. Saroja Vivekanand
Mrs. B.L. Sujata	Spouse of Mr. V.Vallinath
Mrs. K.Vimala	Mother of Mrs. Saroja Vivekanand
Mrs. Dinaz Gusti Noria	Spouse of Mr. Gusti Noria
Mr. Youhan Gusti Noria	Son of Mr. Gusti Noria
iv) Enterprises in which key managerial personnel and/or their relatives have control:	
a) Visaka Thermal Power Limited	
b) Visaka Charitable Trust	
c) VIL Media Private Limited	
d) A-Bond Strands Private Limited (ceased with effect from December 2,2020)	
e) V-Solar roofing Private Limited	
f) G Vivekanand family trust	
g) SV family trust	
h) Arudra Roofings Private Limited	
v) Subsidiary companies	
a) Vnext Solutions Private Limited	
b) Atum Life Private Limited	

Notes to the Standalone Financial Statements for the year ended 31 March 2022

41. Related party transactions (Contd.)

Details of transactions during the year where related party relationship existed:

All amounts in ₹ lakhs

Names of the related parties	Nature of Transactions	Year ended 31 March 2022	Year ended 31 March 2021
Mrs. G.Saroja Vivekanand	Remuneration*	883.28	834.83
Mr.G.Vamsi Krishna	Remuneration*	521.81	496.79
Mr.V.Vallinath	Remuneration*	-	164.29
Mr.J.Pruthvidhar Rao	Remuneration*	121.37	102.77
Mr.S.Shafulla	Remuneration*	55.93	24.84
Mr.I. Srinivas	Remuneration*	26.81	36.71
Mr. M. Muralidhar	Remuneration*	11.57	-
Mr. K. Ramakanth	Remuneration*	10.44	-
Mrs. G.Saroja Vivekanand	Dividend paid	50.00	14.71
Dr.G.Vivekanand	Dividend paid	1,124.14	330.60
Mr.G.Vamsi Krishna	Dividend paid	3.69	1.09
Mrs. G.Vritika	Dividend paid	0.68	0.20
Mrs. G.Vaishnavi	Dividend paid	0.68	0.20
G Vivekanand family trust	Dividend paid	6.24	1.83
SV family trust	Dividend paid	2.64	0.77
Arudra Roofings Private limited	Dividend paid	96.58	28.41
VIL Media Private limited	Dividend paid	0.08	0.02
Mr. Gusti Noria	Dividend paid	0.48	-
Mrs. Dinaz Gusti Noria	Dividend paid	0.17	-
Mr. Youhan Gusti Noria	Dividend paid	0.02	-
Mr. Bhagirat B. Merchant	Commission and Sitting fees	-	12.55
Dr. G.Vivekanand	Commission and Sitting fees	11.15	11.80
Mr. Gusti Noria	Commission and Sitting fees	12.65	12.15
Mr. V. Pattabhi	Commission and Sitting fees	-	12.55
Mr. P. Srikar Reddy	Commission and Sitting fees	12.20	11.35
Mr. Gogineni Appender Babu	Commission and Sitting fees	11.75	11.50
Mrs. G.Vritika	Interest on Public Deposits	4.08	2.67
Mrs. G.Vaishnavi	Interest on Public Deposits	3.75	3.65
Mr. G.Venkat Krishna	Interest on Public Deposits	0.57	0.60
Mrs. B.L. Sujata	Interest on Public Deposits	-	3.45
Mrs. K.Vimala	Interest on Public Deposits	2.50	2.80
Dr.G.Vivekanand	Loan received	636.00	1,130.00
	Loan Repaid	636.00	1,380.00
	Interest on Unsecured loan	7.05	7.49
Mrs. G.Saroja Vivekanand	Loan received	230.00	472.70
	Loan Repaid	230.00	472.70
	Interest on Unsecured loan	1.53	1.00
Mr.G.Vamsi Krishna	Royalty paid	-	9.57
Arudra Roofings Private limited	ICD received	0.00	114.00
	ICD repaid	114.00	-
	Interest on ICD	1.15	1.38
VIL Media Private limited	Advertising Expenses	748.58	591.72
	ICD received	1,210.00	-
	ICD repaid	1,210.00	-
	Interest on ICD	15.32	-



Notes to the Standalone Financial Statements for the year ended 31 March 2022

41. Related party transactions (Contd.)

Details of transactions during the year where related party relationship existed: (Contd.)

All amounts in ₹ lakhs

Names of the related parties	Nature of Transactions	Year ended 31 March 2022	Year ended 31 March 2021
Visaka Charitable Trust	Contribution towards CSR	-	136.10
Vnext Solutions Private limited	Investment	100.00	1.00
	Sale	385.63	13.39
	Rental income	0.27	-
Atum Life Private limited	Investment	140.00	1.00
	Sale	9.63	-
	Rental income	2.55	-
A- Bond Strands Private limited	Handling Charges	-	2.08
	Interest on security deposits	-	1.24
Mrs. G.Vritika	Public Deposits received	15.00	8.00
Mrs. G.Vaishnavi	Public Deposits received	3.25	3.42
Mrs. B.L. Sujata	Public Deposits repaid	-	36.00
Mr.J.Pruthvidhar Rao	Advances given	26.54	-
	Advances repaid	2.75	17.93
Mr.S.Shafiulla	Advances repaid	2.56	-

* Post employment benefits are actuarially determined on overall basis and hence not separately provided.

Details of outstanding balances as at the year end where related party relationship existed:

All amounts in ₹ lakhs

Names of the related parties	Nature of Balance	31 March 2022	31 March 2021
Arudra Roofings Private limited	ICD outstanding	-	114.00
Vnext Solutions Private limited	Debtors Outstanding	183.06	2.49
	Advances given	-	6.90
Atum Life Private limited	Debtors Outstanding	12.38	-
Mrs. G.Vritika	Public Deposits Outstanding	47.34	32.34
Ms. G.Vaishnavi	Public Deposits Outstanding	39.35	36.10
Mr. G.Venkat Krishna	Public Deposits Outstanding	6.00	6.00
Mrs. K.Vimala	Public Deposits Outstanding	25.00	25.00
Mr.J.Pruthvidhar Rao	Advances Outstanding	25.06	1.27
Mr.S.Shafiulla	Advances Outstanding	-	2.56

42. Earnings per share (EPS)

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Profit after tax ((₹ in lakhs))	11,852.79	11,064.47
Weighted average number of equity shares outstanding in calculating Basic EPS (Nos in lakhs)	166.32	161.59
Weighted average number of equity shares outstanding in calculating Diluted EPS (Nos in lakhs)	170.44	163.59
Face value per share ₹	10.00	10.00
Basic Earnings per Share (EPS) ₹	71.26	68.47
Diluted Earnings per Share (EPS) ₹	69.54	67.64

Notes to the Standalone Financial Statements for the year ended 31 March 2022

43. Assets pledged as security

The carrying amounts of assets pledged as security for current and non-current borrowings are:

All amounts in ₹ lakhs

Particulars	31 March 2022	31 March 2021
Non-current Assets		
(a) Property, plant and equipment	46,052.14	39,617.22
(b) Capital work-in-progress	4,866.49	509.33
(c) Intangible assets	0.00	0.00
(d) Investments in subsidiaries	242.00	2.00
(e) Financial assets		
Investments	0.00	0.00
Other financial assets	72.70	107.90
(f) Other non-current assets	4,785.33	4,309.45
Current Assets		
(a) Inventories	29,300.98	24,926.70
(b) Financial assets		
(i) Trade receivables	13,410.33	10,516.34
(ii) Cash and cash equivalents	2,404.89	11,080.23
(iii) Other bank balances	312.23	573.57
(iv) Loans	3,022.03	-
(v) Other financial assets	338.26	202.57
(c) Other current assets	6,033.02	3,026.16
TOTAL	1,10,840.40	94,871.47

44. The details of dues to micro enterprises and small enterprises (MSME) as defined under Micro, Small and Medium Enterprises Development Act, 2006 ('MSMED Act') and disclosures pursuant to the MSMED Act are as follows (Refer note 21):

All amounts in ₹ lakhs

Particulars	31 March 2022	31 March 2021
Principal amount due to suppliers registered under the MSMED Act and remaining unpaid as at year end	204.57	36.35
Interest due to suppliers registered under the MSMED Act and remaining unpaid as at year end	-	-
Principal amounts paid to suppliers registered under the MSMED Act, beyond the appointed day during the year	-	-
Interest paid, under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year	-	-
Interest paid, other than under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year	-	-
Amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act	-	-
Interest accrued and remaining unpaid at the end of each accounting year	-	-
Amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the MSMED Act	-	-



Notes to the Standalone Financial Statements for the year ended 31 March 2022

45. Impact assessment of the global health pandemic- COVID-19 and related estimation uncertainty

The impact of Covid -19 pandemic has been felt across the economy and business segments. Consequent to significant opening up of the economic activity in the country, the demand for the company's products has improved compared to that during the initial phases of Covid-19 including the lock down period. All the business segments of the Company have substantially recovered as at year end. In preparation of these financial statements, the Company has taken into account both the current situation and likely future developments.

46. Financial Ratios

Particulars	Numerator	Denominator	31 March 2022	31 March 2021	Variance %	Reasons for variance of above 25%
Current Ratio (no. of times)	Current Assets	Current Liabilities	1.75	2.17	-19%	-
Debt Equity ratio (no. of times)	Total Debt	Shareholder's Equity	0.28	0.25	12%	-
Debt service coverage ratio (no. of times)	Earnings available for debt service	Debt Service	3.81	5.86	-35%	Variance is primarily on account of increase in current maturities of long term borrowings payable in FY 22-23.
Return on Equity Ratio (%)	Net Profits after taxes	Average Shareholder's Equity	17.44	19.55	-11%	-
Inventory turnover ratio (no. of times)	Cost of goods sold (or) sales	Average Inventory	5.17	4.13	25%	Variance is primarily on account of increase in sales along with decrease in average inventory.
Trade Receivables turnover ratio (no. of times)	Net Credit Sales	Average trade receivables	11.71	9.33	26%	Variance is primarily on account of increase in net credit sales along with decrease in average trade receivables.
Trade payables turnover ratio (no. of times)	Net Credit Purchases	Average trade payables	7.95	5.27	51%	Variance is primarily on account of increase in net credit purchases.
Net capital turnover ratio (no. of times)	Net Sales	Working Capital	5.98	4.22	42%	Variance is primarily on account of increase in net sales and decrease in working capital.
Net profit ratio (%)	Net Profits after taxes	Net Sales	8.46	9.68	-13%	-
Return on Capital employed (%)	Earning before interest and taxes	Capital Employed	17.95	20.29	-12%	-
Return on investment (ROI) (%)	Difference in market value adjusted with net cash flows to equity	Opening market value and Sum of (Net cash flow from Equity X Weight of the net cash flow)	33.00	245.00	-87%	Variance is primarily on account of high volatility of market price in the previous year due to COVID pandemic.

47. Title deeds of immovable properties

The title deeds of all the immovable properties, as disclosed in note 4.1 to the financial statements, are held in the name of the company.

48. Valuation of Property Plant & Equipment, intangible asset

The Company has not revalued its property, plant and equipment or intangible assets or both during the current or previous year.

49. Loans or advances to specified persons

No loans or advances in the nature of loans are granted to promoters, directors, KMPS and the related parties (as defined under Companies Act, 2013,) either severally or jointly with any other person, that are repayable on demand or without specifying any terms or period of repayment.

50. Details of benami property held

No proceedings have been initiated on or are pending against the Company for holding benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.

Notes to the Standalone Financial Statements for the year ended 31 March 2022

51. Borrowing secured against current assets

The Company has borrowings from banks on the basis of security of current assets. The quarterly returns or statements of current assets filed by the Company with banks are in agreement with the books of accounts.

52. Wilful defaulter

The Company has not been declared wilful defaulter by any bank or financial institution or other lender.

53. Relationship with struck off companies

The Company has no transactions with the companies struck off under Section 248 of the Companies Act, 2013 or Section 560 of the Companies Act, 1956.

54. Registration of charges or satisfaction with Registrar of Companies (ROC)

There are no charges or satisfaction yet to be registered with Registrar of Companies (ROC) beyond the statutory period.

55. Compliance with number of layers of companies

The Company has complied with the number of layers prescribed under the Section 2(87) of the Companies Act, 2013 read with Companies (Restriction on number of layers) Rules, 2017.

56. Compliance with approved scheme(s) of arrangements

The Company has not entered into any scheme of arrangement which has an accounting impact on current or previous financial year.

57. Utilisation of borrowed funds and share premium

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 or entity, including foreign entities ("Intermediaries") with the understanding, whether recorded in writing or otherwise, that the Intermediary shall lend or invest in party identified by or on behalf of the Company (Ultimate Beneficiaries). The Company has not received any fund from any party (Funding Party) with the understanding that the Company shall whether, directly or indirectly lend or invest in other persons or entities identified by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries

58. Undisclosed income

There is no income surrendered or disclosed as income during the current or previous year in the tax assessments under the Income Tax Act, 1961, that has not been recorded previously in the books of account.

59. Details of crypto currency or virtual currency

The Company has not traded or invested in crypto currency or virtual currency during the current or previous year.

60. Utilisation of borrowings availed from banks and financial institutions

The borrowings obtained by the company from banks and financial institutions have been applied for the purposes for which such loans were taken.

The accompanying notes are an integral part of the standalone financial statements.

As per our report of even date.

**For Price Waterhouse & Co
Chartered Accountants LLP**

Firm Registration Number: 304026E/E-300009

N. K. Varadarajan

Partner

Membership Number: 090196

On behalf of Board of Directors

Dr. G. Vivekanand

Chairman

DIN : 00011684

S. Shafiulla

Chief Financial Officer

Smt. G. Saroja Vivekanand

Managing Director

DIN : 00012994

K. Ramakanth

Company Secretary &
Assistant Vice President

Place: Secunderabad

Date: May 09, 2022



Independent auditor's Report

To the Members of

Visaka Industries Limited

Report on the Audit of the Consolidated Financial Statements

Opinion

1. We have audited the accompanying consolidated financial statements of Visaka Industries Limited (hereinafter referred to as the "Holding Company") and its subsidiaries (Holding Company and its subsidiaries together referred to as "the Group"), (refer Note 1 to the attached consolidated financial statements), which comprise the consolidated balance sheet as at March 31, 2022, and the consolidated statement of profit and loss (including other comprehensive income), the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").
2. 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 accounting principles generally accepted in India, of the consolidated state of affairs of the Group, as at March 31, 2022, of consolidated total comprehensive income (comprising of profit and other comprehensive income), consolidated changes in equity and its consolidated cash flows for the year then ended.

Basis for Opinion

3. We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those Standards are further described in the "Auditor's Responsibilities for the Audit of the Consolidated Financial Statements" section of our report. We are independent of the Group in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in India in terms of the Code of Ethics issued by the Institute of Chartered Accountants of India and the relevant provisions of the Act, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred to in sub-paragraph [16] of the Other Matters section below is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

4. Key audit matters are those matters that, in our professional judgment, were 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.

Key audit matter	How our audit addressed the key audit matter
<p>Appropriateness of capitalisation of costs included in Property Plant and Equipment/ Capital work in progress as per Ind AS 16 Property, Plant and Equipment</p> <p>Refer to Note-2 (p) (Significant Accounting Policies), Note-4.1 (Property, plant and equipment) and Note 4.2 (Capital work-in-progress) of the enclosed financial statements.</p> <p>During the year, the Holding Company has incurred significant capital expenditure towards expansion of its asbestos plant at Lucknow, its boards plant at Udumalpet and Chennai and its panels plant at Udumalpet. Capital expenditure of Rs. 8,628.30 lakhs relating to boards plant at Udumalpet has been capitalized during the year and the capital expenditure on the other projects of Rs. 4,357.28 lakhs is included in Capital work in progress as at the year end.</p> <p>Given the significance of the capital expenditure during the year, there is a risk that elements of costs that are ineligible for capitalisation in accordance with the recognition criteria provided in Indian Accounting Standard 16, Property, Plant and Equipment are capitalized and that costs that should have capitalized have been expensed.</p>	<p>We have performed procedures, including the following, in relation to testing of capitalisation of costs included in Property Plant and Equipment/ Capital work in progress:</p> <ul style="list-style-type: none"> Understood, evaluated and tested the design and operating effectiveness of key controls relating to capitalisation of various costs incurred in relation to Property Plant and Equipment. Performed test of details with focus on those items that we considered significant due to their amount or nature and tested a sample of items capitalised during the year against underlying supporting documents to ascertain nature of costs and whether they meet the recognition criteria provided in the Ind AS 16, Property, Plant and Equipment in this regard. Verified the other related costs including those incurred towards repairs and maintenance and debited to Statement of Profit and Loss Account, to ascertain whether these meet the criteria for capitalization. <p>Our procedures as mentioned above did not identify any costs that had been inappropriately capitalized and that costs that should have capitalised have been expensed.</p>
<p>Timing of Revenue recognition in the proper period as per Ind AS 115</p> <p>Refer to Note-2 (d) (Significant Accounting Policies) and Note-25 (Revenue from operations) of the consolidated financial statements.</p> <p>The Holding Company's revenue is principally derived from sale of building products and synthetic blended yarn.</p> <p>In accordance with Ind AS 115, Revenue from contracts with customers, revenue from sale of goods is recognised when control of the products being sold is transferred to the customer and when there are no unfulfilled obligations. The performance obligations in the contracts are fulfilled at the time of dispatch, delivery or upon formal customer acceptance depending on terms of contract with the customer. Revenue is measured at fair value of the consideration received or receivable after deduction of any trade/ volume discounts and taxes or duties collected.</p> <p>We identified timing of revenue recognition in the proper period as a key audit matter since it involves higher assessed risk of material misstatement and is required to be recognised as per the requirements of applicable accounting framework.</p>	<p>Our audit procedures included the following:</p> <ul style="list-style-type: none"> We evaluated the design and tested operating effectiveness of the relevant controls with respect to revenue recognition including those relating to cut off at year end. We assessed the appropriateness of the revenue recognition accounting policies in line with Ind AS 115 "Revenue from Contracts with Customers". We performed substantive testing of revenue transactions, recorded during the year by testing the underlying documents which included goods dispatch notes, shipping documents and customer acknowledgments, as applicable. We tested a sample of manual journal entries posted to revenue and assessed their appropriateness. We tested, on a sample basis, specific revenue transactions recorded before and after the financial year end date including examination of credit notes issued after the year end to determine whether the revenue has been recognised in the appropriate financial period. <p>Based on the above stated procedures, no significant exceptions were noted in revenue recognition.</p>



Other Information

5. The Holding Company's Board of Directors is responsible for the other information. The other information comprises the information included in the annual report but does not include the consolidated financial statements and our auditor's report thereon.
6. Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.
7. 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 in the audit or otherwise appears to be materially misstated. If, based on the work we have performed and the reports of the other auditor as furnished to us (Refer paragraph 16 below), 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.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

8. The Holding Company's Board of Directors is responsible for the preparation and presentation of these consolidated financial statements in term of the requirements of the Act that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows, and changes in equity of the Group in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act. 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 judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated 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 Holding Company, as aforesaid.
9. 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 Group 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 Group or to cease operations, or has no realistic alternative but to do so.
10. The respective Board of Directors of the companies included in the Group are responsible for overseeing the financial reporting process of the Group.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

11. 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.
12. As part of an audit in accordance with SAs, we exercise professional judgment 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 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 Holding company has adequate internal financial controls with reference to consolidated financial statements 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 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 the Holding Company included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditor, such other auditor remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.
13. We communicate with those charged with governance of the Holding Company 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.
 14. 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.
 15. 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.

Other Matters

16. We did not audit the financial statements of two subsidiaries whose financial statements reflect total assets of Rs. 493.77

lakhs and net assets of Rs. 221.43 lakhs as at March 31, 2022, total revenue of Rs. 399.19 lakhs, total comprehensive loss (comprising of loss and other comprehensive loss) of Rs. 20.37 lakhs and net cash flows amounting to Rs. (7.47) lakhs for the year ended on that date, as considered in the consolidated financial statements. These financial statements have been audited by other auditor whose reports have been furnished to us by the Management, and our opinion on the consolidated financial statements insofar as it relates to the amounts and disclosures included in respect of these subsidiaries and our report in terms of sub-section (3) of Section 143 of the Act including report on Other Information insofar as it relates to the aforesaid subsidiaries is based solely on the reports of the other auditor.

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditor.

Report on Other Legal and Regulatory Requirements

17. As required by paragraph 3(xxi) of the Companies (Auditor's Report) Order, 2020 ("CARO 2020"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we report that there are no qualifications or adverse remarks included by the respective auditors in their CARO 2020 reports issued in respect of the standalone financial statements of the companies which are included in these Consolidated Financial Statements.
18. As required by Section 143(3) of the Act, we report, to the extent applicable, that:
 - (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 and the reports of the other auditor.
 - (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including other comprehensive income), the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows dealt with by this Report are in agreement with the relevant books of account and records maintained for the purpose of preparation of the consolidated financial statements.
 - (d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act.



- (e) On the basis of the written representations received from the directors of the Holding Company as on March 31, 2022 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditor 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 internal financial controls with reference to consolidated financial statements of the Group and the operating effectiveness of such controls, refer to our separate report in Annexure A.
- (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, 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, if any, of pending litigations on the consolidated financial position of the Group. Refer Note 38 to the consolidated financial statements.
 - ii. The Group did not have any long-term contracts including derivative contracts as at March 31, 2022 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 Holding Company and its subsidiary companies, incorporated in India during the year.
 - iv. (a) The respective Managements of the Holding Company and its subsidiaries which are companies incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditors of such subsidiaries respectively that, to the best of their knowledge and belief, no funds which are material either individually or in the aggregate have been advanced or loaned or invested either from borrowed funds or share premium or any other sources or kind of funds by the Holding Company or any of such subsidiaries to or in any other person or entity, 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 or any of such subsidiaries ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
 - (b) The respective Managements of the Company and its subsidiaries which are companies incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditors of such subsidiaries respectively 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 Company or any of such subsidiaries from any person or entity, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company 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, that has been considered reasonable and appropriate in the circumstances, performed by us and those performed by the auditor of the subsidiaries which are companies incorporated in India whose financial statements have been audited under the Act, nothing has come to our or other auditor's notice that has caused us or the other auditor to believe that the representations under sub-clause (i) and (ii) of Rule 11(e) contain any material misstatement.
 - v. The dividend declared and paid during the year by the Holding Company is in compliance with Section 123 of the Act. No dividend has been declared/paid by the subsidiaries during the year.
19. The Group has paid/ provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.

For Price Waterhouse & Co
Chartered Accountants LLP

Firm Registration
Number: 304026E/E-300009

UDIN: 22090196AIQAKR9265
Place: Secunderabad
Date: May 09, 2022

N.K. Varadarajan
Partner
Membership Number: 090196

Annexure A to Independent Auditor's Report

Referred to in paragraph 18(f) of the Independent Auditor's Report of even date to the members of Visaka Industries Limited on the consolidated financial statements for the year ended March 31, 2022

Report on the Internal Financial Controls with reference to Consolidated Financial Statements under clause (i) of sub-section 3 of Section 143 of the Act

1. 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 with reference to financial statements of Visaka Industries Limited (hereinafter referred to as "the Holding Company") and its subsidiary companies which are companies incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

2. The respective Board of Directors of the Holding Company and its subsidiary companies which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on 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 ("the Guidance Note") 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 Act.

Auditor's Responsibility

3. Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note issued by the ICAI and the Standards on Auditing deemed to be prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of internal financial controls and both

issued by the ICAI. 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 with reference to financial statements was established and maintained and if such controls operated effectively in all material respects.

4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, 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.
5. We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matters paragraph below is sufficient and appropriate to provide a basis for our audit opinion on the Holding Company's internal financial controls system with reference to consolidated financial statements.

Meaning of Internal Financial Controls with reference to financial statements

6. A company's internal financial control with reference to financial statements 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 with reference to financial statements 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 with reference to financial statements

7. Because of the inherent limitations of internal financial controls with reference to financial statements, 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 with reference to financial statements to future periods are subject to the risk that the internal financial control with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

8. In our opinion, the Holding Company and its subsidiary companies, which are companies incorporated in India, have, in all material respects, an adequate internal financial

controls system with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2022, 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 issued by the ICAI.

Other Matters

9. Our aforesaid reports under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to financial statements insofar as it relates to two subsidiary companies which are companies incorporated in India, is based on the corresponding reports of the auditors of such companies incorporated in India. Our opinion is not modified in respect of this matter.

For Price Waterhouse & Co
Chartered Accountants LLP

Firm Registration
Number: 304026E/E-300009

UDIN: 22090196AIQAKR9265
Place: Secunderabad
Date: May 09, 2022

N.K. Varadarajan
Partner
Membership Number: 090196

Consolidated Balance Sheet as at 31 March 2022

All amounts in ₹ lakhs

Particulars	Note	31 March 2022	31 March 2021
I. ASSETS			
Non-current Assets			
(a) Property, plant and equipment	4.1	46,052.14	39,617.22
(b) Capital work-in-progress	4.2	4,954.96	509.33
(c) Intangible assets	4.3	0.00	0.00
(d) Financial assets			
(i) Investments	5.1	0.00	0.00
(ii) Other financial assets	5.2	108.02	107.90
(e) Other non-current assets	6	4,785.77	4,309.45
Current Assets			
(a) Inventories	7	29,378.46	24,926.70
(b) Financial assets			
(i) Trade receivables	8	13,347.94	10,516.34
(ii) Cash and cash equivalents	9	2,424.39	11,107.20
(iii) Other bank balances	10	312.23	573.57
(iv) Loans	11	3,022.03	-
(v) Other financial assets	12	338.26	202.57
(c) Other current assets	13	6,172.53	3,019.76
TOTAL ASSETS		1,10,896.73	94,890.04
II. EQUITY AND LIABILITIES			
Equity			
(a) Equity share capital	14	1,732.07	1,652.07
(b) Other equity	15	71,478.41	61,039.75
Liabilities			
Non-Current Liabilities			
(a) Financial liabilities			
(i) Borrowings	16	4,902.96	7,650.44
(ii) Other financial liabilities	17	12.28	13.66
(b) Deferred tax liabilities (net)	18	1,282.90	1,270.33
Current Liabilities			
(a) Financial liabilities			
(i) Borrowings	19	11,816.17	3,898.09
(ii) Trade payables	20		
(a) total outstanding dues of micro and small enterprises		204.57	36.35
(b) total outstanding dues other than (ii) (a) above		8,406.18	9,255.10
(iii) Other financial liabilities	21	4,549.54	4,058.42
(b) Other current liabilities	22	5,701.20	5,482.82
(c) Provisions	23	538.30	275.16
(d) Current Tax Liabilities(net)	24	272.15	257.85
TOTAL EQUITY AND LIABILITIES		1,10,896.73	94,890.04

Summary of significant accounting policies

2

The accompanying notes are an integral part of the consolidated financial statements.

As per our report of even date.

For Price Waterhouse & Co
Chartered Accountants LLP
 Firm Registration Number: 304026E/E-300009

N. K. Varadarajan
 Partner
 Membership Number: 090196

On behalf of Board of Directors

Dr. G. Vivekanand
 Chairman
 DIN : 00011684

S. Shafiulla
 Chief Financial Officer

Smt. G. Saroja Vivekanand
 Managing Director
 DIN : 00012994

K. Ramakanth
 Company Secretary &
 Assistant Vice President

Place: Secunderabad

Date: May 09, 2022



Consolidated Statement of Profit and Loss for the year ended 31 March 2022

All amounts in ₹ lakhs, except Earning Per Share

Particulars	Note	Year ended 31 March 2022	Year ended 31 March 2021
I. Revenue from operations	25	1,41,581.42	1,14,653.91
II. Other income	26	986.28	858.60
III. Total Income (I + II)		1,42,567.70	1,15,512.51
IV. Expenses			
Cost of materials consumed	27	69,744.37	50,544.52
Purchases of stock-in-trade		478.65	303.77
Changes in inventories of finished goods and work-in-progress	28	(3,149.14)	1,573.59
Employee benefits expense	29	13,222.89	12,012.12
Finance costs	30	1,155.51	1,281.39
Depreciation expense	31	3,761.80	3,999.00
Other expenses	32	41,294.59	30,872.55
Total expenses		1,26,508.67	1,00,586.94
V. Profit before tax (III - IV)		16,059.03	14,925.57
VI. Tax expense:			
(1) Current tax		4,214.04	4,032.95
(2) Deferred tax		12.57	(147.43)
(3) Tax relating to prior years		-	(24.22)
VII. Profit for the year (V-VI)		11,832.42	11,064.27
VIII. Other comprehensive income			
Items that will not be reclassified to statement of profit and loss			
a) Remeasurement of defined employee benefit plans		56.13	29.54
b) Income tax relating to item (a) above		(14.13)	(7.43)
Other comprehensive income (net of tax)		42.00	22.11
IX. Total comprehensive income for the year		11,874.42	11,086.38
X. Earning per equity share attributable to owners of Visaka Industries Limited:			
(1) Basic	41	71.14	68.47
(2) Diluted		69.42	67.63

Summary of significant accounting policies.

2

The accompanying notes are an integral part of the consolidated financial statements.

As per our report of even date.

**For Price Waterhouse & Co
Chartered Accountants LLP**

Firm Registration Number: 304026E/E-300009

N. K. Varadarajan

Partner

Membership Number: 090196

On behalf of Board of Directors

Dr. G. Vivekanand

Chairman

DIN : 00011684

S. Shafiulla

Chief Financial Officer

Smt. G. Saroja Vivekanand

Managing Director

DIN : 00012994

K. Ramakanth

Company Secretary &
Assistant Vice President

Place: Secunderabad

Date: May 09, 2022

Consolidated Statement of Cash Flows for the year ended 31 March 2022

All amounts in ₹ lakhs

Particulars	31 March 2022	31 March 2021
Cash flow from operating activities		
Profit before tax	16,059.03	14,925.57
Adjustments for:		
Depreciation expense	3,761.80	3,999.00
Property, plant and equipment written off	8.61	10.10
Interest income on financial assets carried at amortized cost	(307.11)	(317.70)
Gain on disposal of property, plant and equipment	(31.76)	(12.67)
Provision for doubtful debts	(7.13)	73.63
Bad Debts written off	48.70	41.74
Amortisation of government grants	(384.39)	(385.05)
Finance costs	1,155.51	1,281.39
Remeasurement of defined employee benefit plans	56.13	29.54
Change in operating assets and liabilities		
(Increase) / Decrease in Trade Receivables	(2,873.17)	3,369.10
(Increase) / Decrease in financial assets other than trade receivables	(49.69)	15.81
(Increase) / Decrease in other assets	(3,367.31)	1,048.25
(Increase) / Decrease in Inventories	(4,451.76)	5,465.95
Increase / (Decrease) in Trade payables	(680.70)	771.16
Increase / (Decrease) in other financial liabilities	214.91	(106.15)
Increase / (Decrease) in provisions	263.14	(249.06)
Increase / (Decrease) in other liabilities	218.38	2,576.28
Cash Generated from Operations	9,633.19	32,536.89
Income taxes paid	(4,213.87)	(3,111.06)
Net cash inflow from operating activities	5,419.32	29,425.83
Cash flows from investing activities		
Payments for property plant and equipment	(14,636.25)	(5,430.08)
Interest received	254.99	308.55
Loans given	(3,500.00)	-
Receipt of loan repayment	477.97	-
Proceeds from sale of property, plant and equipment	40.48	25.87
Movement in other bank balances	261.34	(275.09)
Net cash outflow from investing activities	(17,101.47)	(5,370.75)



Consolidated Statement of Cash Flows for the year ended 31 March 2022

All amounts in ₹ lakhs

Particulars	31 March 2022	31 March 2021
Cash flow from financing activities		
Repayment of non current borrowings	(1,004.74)	(1,099.44)
Proceeds/ (repayment) from current borrowings other than related party loans	6,290.46	(13,466.54)
Repayment of loan to related party	(2,190.00)	(1,852.70)
Receipt of loan from related party	2,076.00	1,716.70
Dividend paid to company's shareholders	(2,792.05)	(830.96)
Proceeds from Issue of shares and share warrants	1,446.00	1,928.00
Deposit with Chit fund Company	(34.00)	-
Finance cost	(792.33)	(970.94)
Net cash inflow/(outflow) from financing activities	2,999.34	(14,575.88)
Net increase/(Decrease) in cash and cash equivalents	(8,682.81)	9,479.20
Cash and Cash equivalents at the beginning of the financial year (Refer note 9)	11,107.20	1,628.00
Cash and Cash equivalents at the end of the year	2,424.39	11,107.20

Statement of Cash flow has been prepared under the indirect method as set out in Ind AS - 7 specified under Section 133 of the Companies Act, 2013.

The accompanying notes are an integral part of the consolidated financial statements.

As per our report of even date.

**For Price Waterhouse & Co
Chartered Accountants LLP**

Firm Registration Number: 304026E/E-300009

N. K. Varadarajan

Partner

Membership Number: 090196

Place: Secunderabad

Date: May 09, 2022

On behalf of Board of Directors

Dr. G. Vivekanand

Chairman

DIN : 00011684

S. Shafiulla

Chief Financial Officer

Smt. G. Saroja Vivekanand

Managing Director

DIN : 00012994

K. Ramakanth

Company Secretary &
Assistant Vice President

Consolidated Statement of Changes in Equity for the year ended 31 March 2022

a. Equity share capital

All amounts in ₹ lakhs

Particulars	Note	Equity share capital
As at 01 April 2020		1,592.07
Changes in equity share capital		60.00
As at 31 March 2021	14	1,652.07
Changes in equity share capital		80.00
As at 31 March 2022		1,732.07

b. Other equity

All amounts in ₹ lakhs

Particulars	Note	Reserves and Surplus			Money received against share warrants	Total
		Securities Premium Reserve	General Reserve	Retained Earnings		
Balance as at 1 April 2020	15	4,903.45	27,000.00	17,005.97	-	48,909.42
Profit for the year		-	-	11,064.27	-	11,064.27
Other comprehensive income		-	-	22.11	-	22.11
Dividends		-	-	(824.05)	-	(824.05)
Share premium on issue of equity shares		1,386.00	-	-	-	1,386.00
Money received against share warrants		-	-	-	482.00	482.00
Balance as at 31 March 2021		6,289.45	27,000.00	27,268.30	482.00	61,039.75
Profit for the year		-	-	11,832.42	-	11,832.42
Other comprehensive income		-	-	42.00	-	42.00
Dividends		-	-	(2,801.76)	-	(2,801.76)
Share premium on issue of equity shares		1,848.00	-	-	-	1,848.00
Money received against share warrants		-	-	-	(482.00)	(482.00)
Balance as at 31 March 2022		8,137.45	27,000.00	36,340.96	-	71,478.41

The accompanying notes are an integral part of the consolidated financial statements.

As per our report of even date.

For Price Waterhouse & Co Chartered Accountants LLP

Firm Registration Number: 304026E/E-300009

N. K. Varadarajan

Partner

Membership Number: 090196

On behalf of Board of Directors

Dr. G. Vivekanand

Chairman

DIN : 00011684

S. Shafiulla

Chief Financial Officer

Smt. G. Saroja Vivekanand

Managing Director

DIN : 00012994

K. Ramakanth

Company Secretary &
Assistant Vice President

Place: Secunderabad

Date: May 09, 2022



Notes to the Consolidated Financial Statements for the year ended 31 March 2022

1. Background

Visaka Industries Limited was incorporated in 1981 having its registered office in Survey No.315, Yelumala Village, R.C. Puram Mandal, Sangareddy District - 502 300, Telangana State. The Company has two subsidiaries namely Vnext Solutions Private Limited and Atum Life Private Limited. The group is engaged into the business of manufacture, trading and construction activity of cement fibre sheets, fibre cement boards & panels, solar panels, synthetic yarn and trading of green products, eco-friendly products, sustainable products, organic products.

2. Significant Accounting Policies

This note provides a list of the significant accounting policies adopted in the preparation of these consolidated financial statements. These policies have been consistently applied to all the years presented, unless otherwise stated. The consolidated financial statements are for the group consisting of Visaka Industries Limited (the "company") and its subsidiaries.

a) Basis of preparation

(i) Compliance with Ind AS

The consolidated financial statements comply in all material aspects with Indian Accounting Standards (Ind AS) notified under section 133 of the Companies Act, 2013 (the Act) [Companies (Indian Accounting Standards) Rules, 2015] and other relevant provisions of the Act.

(ii) Historical cost convention

The consolidated financial statements have been prepared on a historical cost basis, except for the following:

- Certain financial assets and liabilities that are measured at fair value;
- Defined benefit plans – plan assets measured at fair value;

(iii) New and amended standards adopted by the group

The group has applied the following amendments to Ind AS for the first time for their annual reporting period commencing 1 April 2021:

- Extension of COVID-19 related concessions – amendments to Ind AS 116
- Interest rate benchmark reform – amendments to Ind AS 109, Financial Instruments, Ind AS 107, Financial Instruments: Disclosures, Ind AS 104, Insurance Contracts and Ind AS 116, Leases.

The amendments listed above did not have any impact on the amounts recognised in prior periods and are not expected to significantly affect the current or future periods.

(iv) Reclassifications consequent to amendments to Schedule III

The Ministry of Corporate Affairs amended the Schedule III to the Companies Act, 2013 on 24 March 2021 to increase the transparency and provide additional disclosures to users of financial statements. These amendments are effective from 1 April 2021.

Consequent to above, the group has changed the classification/presentation of current maturities of long-term borrowings in the current year.

The current maturities of long-term borrowings has now been included in the "Current borrowings" line item. Previously, current maturities of long-term borrowings were included in 'other financial liabilities' line item.

The group has reclassified comparative amounts to conform with current year presentation as per the requirements of Ind AS 1. The impact of such classifications is summarised below:

All amounts in ₹ lakhs

Balance sheet (extract)	31 March 2021 (as previously reported)	Increase/ (Decrease)	31 March 2021 (restated)
Other financial liabilities (current)	5,938.28	(1,879.86)	4,058.42
Borrowings (current)	2,018.23	1,879.86	3,898.09

Notes to the Consolidated Financial Statements for the year ended 31 March 2022

Principles of consolidation

Subsidiaries

Subsidiaries are all entities over which the group has control. The group controls an entity when the group 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 to direct the relevant activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the group. They are deconsolidated from the date the control ceases. The group combines the financial statements of the parent and its subsidiaries line by line adding together like items of assets, liabilities, equity, income and expenses. Intercompany transactions, balances and unrealised gains on transactions between group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the group.

Changes in ownership interests

The group treats transactions with non-controlling interests that do not result in a loss of control as transactions with equity owners of the group. A change in ownership interest results in an adjustment between the carrying amounts of the controlling and non-controlling interests reflect their relative interests in the subsidiary. Any difference between the amount of adjustment to non-controlling interests and any consideration paid or received is recognized within equity.

When the group ceases to consolidate or equity account an investment because of a loss of control, any retained interest in the equity is remeasured to its fair value with change in carrying amount recognized in profit or loss. This fair value becomes the initial carrying amount for the purpose of subsequently accounting for the retained interest as an associate or financial asset. In addition, any amounts previously recognized in other comprehensive income in respect that entity are accounted for as if the group had directly disposed of the related assets or liabilities. This may mean that amounts previously recognized in other comprehensive income are reclassified to profit or loss.

b) Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The group has identified the Managing Director and Joint Managing Director as chief operating decision makers. Refer note 37 for segment information presented.

c) Foreign currency translation

(i) Functional and presentation currency

Items included in the financial statements of each of the groups entities are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The consolidated financial statements are presented in Indian rupee (₹), which is the Company's functional and presentation currency.

(ii) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are generally recognised in the statement of profit and loss.

d) Revenue Recognition

Revenue is measured at the fair value of the consideration received or receivable. Amounts disclosed as revenue are net of returns, trade allowances, rebates, GST and amounts collected on behalf of third parties.

Sale of products

Timing of recognition- Revenue from sale of products is recognised when control of the products is transferred to customers based on the terms of sale.

Measurement of revenue- Revenue from sales is based on the price specified in the sales contracts, net of all expected discounts and returns in relation to sales made until the end of the reporting period.

No element of financing is deemed present as the sales are made with credit terms consistent with market practices. A receivable is recognised when the goods are dispatched, delivered or upon formal customer acceptance depending on terms of contract with the customer.



Notes to the Consolidated Financial Statements for the year ended 31 March 2022

e) Government grants

Grants from the government are recognised at fair value where there is a reasonable assurance that the grant will be received and the group will comply with all attached conditions.

Government grants relating to income are deferred and recognised in the profit or loss over the period necessary to match them with the costs they are intended to compensate and presented within other income.

Government grants relating to the purchase of property, plant and equipment are included in non-current liabilities as deferred income and are credited to profit and loss on a straight line basis over the expected lives of the related assets and presented within other income.

The benefit of a government loan at below current market rate of interest is treated as a government grant.

f) Income tax

Current income tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date in the countries where the group operates and generates taxable income.

Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred tax

Deferred tax is provided using the liability 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 liabilities are recognised for all taxable temporary differences.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized.

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 utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates and tax laws that have been enacted or substantively enacted at the reporting date. Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

g) Leases

As a lessee:

The group recognizes a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the group recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease. Certain lease arrangements includes the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised.

The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses. Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the useful life of the asset or the balance lease term of the underlying asset. Right of use assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable.

Notes to the Consolidated Financial Statements for the year ended 31 March 2022

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of the leases. Lease liabilities are re-measured with a corresponding adjustment to the related right of use asset if the group changes its assessment of whether it will exercise an extension or a termination option.

Lease liability and ROU asset shall be separately presented in the Balance Sheet and lease payments shall be classified as financing cash flows.

h) Impairment of assets

Property, plant and equipment and intangible assets are tested for impairment annually whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units). Non-financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

i) Cash and cash equivalents

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

j) Trade receivables

Trade receivables are recognised initially at fair value and subsequently measured at amortised cost using effective interest method, less provision for impairment.

k) Inventories

Raw materials and stores, work-in-progress, traded and finished goods are stated at the lower of cost and net realizable value. Cost of raw materials and traded goods comprise of cost of purchase. Cost of work-in-progress and finished goods comprises direct materials, direct labour and an appropriate proportion of variable and fixed overhead expenditure, the later being allocated on the basis of normal operating capacity. Cost of inventories also include all other cost incurred in bringing the inventories to their present location and condition. Costs are assigned to individual items of inventory on weighted average basis. Costs of purchased inventory are determined after deducting rebates and discounts. Net realizable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

l) Investments and other financial assets

i) Classification

The group classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss), and
- those measured at amortised cost.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will either be recorded in Statement of profit or loss or other comprehensive income. For investments in debt instruments, this will depend on the business model in which the investment is held. For investments in equity instruments, this will depend on whether the group has made an irrevocable election at the time of initial recognition to account for equity investment at fair value through other comprehensive income.

The group reclassifies debt investments when and only when its business model for managing those assets changes.

ii) Measurement

At initial recognition, the group measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.



Notes to the Consolidated Financial Statements for the year ended 31 March 2022

Debt instruments:

Subsequent measurement of debt instruments depends on the group's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the group classifies its debt instruments:

Amortised cost: Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. A gain or loss on a debt investment that is subsequently measured at amortised cost and is not part of a hedging relationship is recognised in profit or loss when the asset is derecognised or impaired. Interest income from these financial assets is included in finance income using the effective interest rate method.

Fair value through other comprehensive income (FVOCI): Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at fair value through other comprehensive income (FVOCI). Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognised in profit and loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and recognised in other gains/(losses). Interest income from these financial assets is included in other income using the effective interest rate method.

Fair value through profit or loss: Assets that do not meet the criteria for amortised cost or FVOCI are measured at fair value through profit or loss. A gain or loss on debt investment that is subsequently measured at fair value through profit or loss is recognised in profit or loss and presented net in the statement of profit and loss in the period in which it arises. Interest income from these financial assets is included in other income.

Equity instruments:

The group subsequently measures all equity investments at fair value. Where the group's management has elected to present fair value gains and losses on equity investments in other comprehensive income, there is no subsequent reclassification of fair value gains and losses to profit or loss. Dividends from such investments are recognised in profit or loss as other income when the group's right to receive payments is established.

Changes in the fair value of financial assets at fair value through profit or loss are recognised in the other income. Impairment losses (and reversal of impairment losses) on equity investments measured at FVOCI are not reported separately from other changes in fair value.

iii) Impairment of financial assets

The group assesses on a forward looking basis the expected credit losses associated with its assets carried at amortised cost and FVOCI debt instruments. The impairment methodology applied depends on whether there has been a significant increase in credit risk. Note 35 details how the group determines whether there has been a significant increase in credit risk.

For trade receivables only, the group applies the simplified approach permitted by Ind AS 109 Financial Instruments, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

iv) Derecognition of financial assets

A financial asset is derecognized only when

- The group has transferred the rights to receive cash flow from the financial asset or
- retains the contractual rights to receive the cash flows of the financial assets, but assumes a contractual obligation to pay cash flows to one or more recipients.

Where the entity has transferred an asset, the group evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognized. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset is not derecognized.

Where the entity has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognised if the group has not retained control of the financial asset. Where the group retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

Notes to the Consolidated Financial Statements for the year ended 31 March 2022

m) Income recognition

Interest income

Interest income from debt instruments is recognised using effective interest rate method. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of a financial asset. When calculating the effective interest rate, the group estimates the expected cash flows by considering all the contractual terms of the financial instruments.

n) Derivatives

The group enters into certain derivative contracts to hedge risks which are not designated as hedges. Such contracts are accounted at fair value through profit or loss and are included in profit and loss account.

o) Offsetting financial instruments

Financial assets and liabilities are offset and the net amount is reported in the balance sheet where there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis or realize the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the group or the counterparty.

p) Property, plant and equipment

Freehold land is carried at historical cost. All other items of Property, plant and equipment are stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the group and the cost of the item can be measured reliably. The carrying amount of any component accounted for as separate asset is derecognized when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

Transition to Ind AS

On transition to Ind AS, the Company has elected to continue with the carrying value of all its property, plant and equipment recognized as at April 1, 2016 measured as per the previous GAAP and use that carrying value as the deemed cost of the property, plant and equipment.

Depreciation/Amortisation methods, estimated useful lives and residual value

Depreciation is calculated using the straight-line basis at the rates arrived at based on the useful lives prescribed in Schedule II of the Companies Act, 2013 which are as follows:

Asset Description	Life of the asset (in years)
Buildings	
Borewells	5
Roads	10
Factory buildings	30
Non factory buildings	60
Plant and equipment	
Process Machinery	15
Others	10
Furniture and fixtures	10
Vehicles	8
Office Equipment	5
Data processing equipment	
Servers and networks	6
Others	3

The group follows the policy of charging depreciation on pro-rata basis on the assets acquired or disposed off during the year. Leasehold assets are amortised over the period of lease or useful life whichever is less.



Notes to the Consolidated Financial Statements for the year ended 31 March 2022

The residual values are not more than 5% of the original cost of the asset. The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains or losses on disposal are determined by comparing proceeds with the carrying amount.

q) Intangible assets

(i) Recognition

Intangible assets are recognised only when future economic benefits arising out of the assets flow to the enterprise and are amortised over their useful life.

(ii) Amortization methods and periods

The group amortizes intangible assets on a straight line method over their estimated useful life not exceeding 5 years. Software is amortised over a period of three years."

r) Trade and other payables

These amounts represent liabilities for goods and services provided to the group prior to the end of financial year which are unpaid. The amounts which are unsecured are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognized initially at their fair value and subsequently measured at amortized cost using the effective interest method.

s) Borrowings

Borrowings are initially recognized at fair value, net of transaction cost incurred. Borrowings are subsequently measured at amortized cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognized in profit or loss over the period of the borrowings using the effective interest method. Fees paid on the establishment of loan facilities are recognized as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw down occurs. To the extent there is no evidence that it is probable that some or all the facility will be drawn down, the fee is capitalized as a prepayment for liquidity services and amortized over the period of the facility to which it relates. Borrowings are removed from the balance sheet when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognized in profit or loss.

t) Borrowing costs

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalized during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing cost eligible for capitalization.

Other borrowings costs are expensed in the period in which they are incurred.

u) Provisions

Provisions for legal claims and returns are recognised when the group has a present legal or constructive obligation as a result of past event, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. Provisions are not recognised for future operating losses.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provisions due to the passage of time is recognized as interest expense.

v) Employee benefits

(i) Short-term obligations

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognized in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

Notes to the Consolidated Financial Statements for the year ended 31 March 2022

(ii) Other long-term employee benefit obligations

The liabilities for earned leave is not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. They are therefore measured at the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. The benefits are discounted using the market yields at the end of the reporting period that have terms approximating to the terms of the related obligations. Remeasurements as a result of the experience adjustments and changes in actuarial assumptions are recognized in profit or loss.

The obligations are presented as current liabilities in the balance sheet if the entity does not have an unconditional right to defer settlement for at least twelve months after the reporting period, regardless of when the actual settlement is expected to occur.

(iii) Post-employment obligations

The group operates the following post-employment schemes:

- (a) Defined benefit plans such as gratuity; and
- (b) Defined contribution plans such as provident fund and superannuation fund.

Gratuity obligations

The liability or assets recognized in the balance sheet in respect of gratuity plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by actuaries using the projected unit credit method.

The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the statement of profit and loss.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognized in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the balance sheet.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognized immediately in profit or loss.

Defined contribution plans

The group pays provident fund contributions to publicly administered funds as per local regulations and superannuation fund to LIC. The group has no further payment obligations once the contributions have been paid. The contributions are accounted for as defined contribution plans and the contributions are recognized as employee benefit expense when they are due.

(iv) Bonus plans

The group recognizes a liability and an expense for bonuses. The group recognizes a provision where contractually obliged or where there is a past practice that has created a constructive obligation.

w) Contributed equity

Equity shares are classified as equity.

Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

Money received against share warrants are reflected as a separate line item - 'Money received against share warrants' under 'Other equity'.

x) Dividends

Provision is made for the amount of any dividend declared, being appropriately authorized and no longer at the discretion of the entity, on or before the end of the reporting period but not distributed at the end of the reporting period.



Notes to the Consolidated Financial Statements for the year ended 31 March 2022

y) Earning per share

(i) Basic earnings per share

Basic earnings per share is calculated by dividing:

- The profit attributable to owners of the company
- By the weighted average number of equity shares outstanding during the financial year, adjusted for bonus elements in equity shares issued during the year and excluding treasury shares.

(ii) Diluted earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account:

- The after income tax effect of interest and other financing costs associated with dilutive potential equity shares, and
- The weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

z) Rounding of amounts

All amounts disclosed in the financial statements and notes have been rounded off to the nearest two decimal places of lakhs as per the requirement of Schedule III, unless otherwise stated.

aa) Standards issued but not yet effective

The Ministry of Corporate Affairs has vide notification dated 23 March 2022 notified Companies (Indian Accounting Standards) Amendment Rules, 2022 which amends certain accounting standards, and are effective 1 April 2022. These amendments are not expected to have a material impact on the group in the current or future reporting periods and on foreseeable future transactions.

3. Critical estimates and Judgements

The preparation of financial statements requires the use of accounting estimates which, by definition, will seldom equal the actual results. Management also needs to exercise judgement in applying the group's accounting policies.

This note provides an overview of the areas that involved a higher degree of judgement or complexity, and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed. Detailed information about each of these estimates and judgements is included in relevant notes together with information about the basis of calculation for each affected line item in the financial statements.

The areas involving critical estimates or judgements are:

1. Estimation of defined benefit obligation - Refer Note 23
2. Useful lives of fixed assets - Refer Note 2(p) and Note 31
3. Impairment of trade receivables - Refer Note 8

Estimates and judgements are continually evaluated. They are based on historical experience and other factors, including expectations of future events that may have a financial impact on the group and that are believed to be reasonable under the circumstances.

Notes to the Consolidated Financial Statements for the year ended 31 March 2022

4.1 (a) Property, plant and equipment

All amounts in ₹ lakhs

Particulars	Gross carrying amount				Accumulated depreciation				Net carrying amount
	As at 1 April 2021	Additions	Deletions/ Adjustments	As at 31 March 2022	As at 1 April 2021	For the Year	Deletions/ Adjustments	As at 31 March 2022	As at 31 March 2022
Owned Assets									
Land	9,410.01	147.28	-	9,557.29	-	-	-	-	9,557.29
Buildings	24,561.14	3,680.28	-	28,241.42	5,218.23	1,242.96	-	6,461.19	21,780.23
Plant and Equipment	21,762.11	6,004.96	25.28	27,741.79	11,665.96	2,258.81	22.07	13,902.70	13,839.09
Furniture and Fixtures	118.46	18.74	0.40	136.80	58.75	11.74	0.34	70.15	66.65
Vehicles	890.82	204.73	31.92	1,063.63	394.68	113.89	17.86	490.71	572.92
Office Equipment	247.57	23.94	0.56	270.95	153.52	35.97	0.56	188.93	82.02
Data Processing Equipment	752.37	134.12	0.26	886.23	634.12	98.43	0.26	732.29	153.94
TOTAL	57,742.48	10,214.05	58.42	67,898.11	18,125.26	3,761.80	41.09	21,845.97	46,052.14

The Holding Company has setup a V Board manufacturing unit at Udumalpet in Tamilnadu State during the year and the unit commenced commercial production on 1st January 2022.

4.1 (b) Property, plant and equipment

All amounts in ₹ lakhs

Particulars	Gross carrying amount				Accumulated depreciation				Net carrying amount
	As at 1 April 2020	Additions	Deletions/ Adjustments	As at 31 March 2021	As at 1 April 2020	For the Year	Deletions/ Adjustments	As at 31 March 2021	As at 31 March 2021
Owned Assets									
Land	8,871.17	538.84	-	9,410.01	-	-	-	-	9,410.01
Buildings	24,017.33	545.25	1.44	24,561.14	3,998.53	1,219.91	0.21	5,218.23	19,342.91
Plant and Equipment	20,040.49	1,856.02	134.40	21,762.11	9,316.22	2,479.25	129.51	11,665.96	10,096.15
Furniture and Fixtures	113.67	4.92	0.13	118.46	46.67	12.21	0.13	58.75	59.71
Vehicles	898.59	26.25	34.02	890.82	303.86	108.00	17.18	394.68	496.14
Office Equipment	218.61	29.29	0.33	247.57	116.56	37.29	0.33	153.52	94.05
Data Processing Equipment	717.69	38.35	3.67	752.37	495.11	142.34	3.33	634.12	118.25
TOTAL	54,877.55	3,038.92	173.99	57,742.48	14,276.95	3,999.00	150.69	18,125.26	39,617.22



Notes to the Consolidated Financial Statements for the year ended 31 March 2022

4.2 (a) Capital work-in-progress

Capital work-in-progress Ageing schedule

All amounts in ₹ lakhs

Capital work-in-progress	Amount in capital work-in-progress for a period of				Total as at 31 March 2022
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	4,940.23	14.73	-	-	4,954.96
Projects temporarily suspended	-	-	-	-	-

4.2 (b) Capital work-in-progress

Capital work-in-progress Ageing schedule

All amounts in ₹ lakhs

Capital work-in-progress	Amount in capital work-in-progress for a period of				Total as at 31 March 2021
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	469.62	39.71	-	-	509.33
Projects temporarily suspended	-	-	-	-	-

4.3 (a) Intangible assets

All amounts in ₹ lakhs

Particulars	Gross carrying amount				Accumulated depreciation				Net carrying amount	
	As at 1 April 2021	Additions	Deletions/ Adjustments	As at 31 March 2022	As at 1 April 2021	For the Year	Deletions/ Adjustments	As at 31 March 2022	As at 31 March 2022	
Computer Software	124.94	-	-	124.94	124.94	-	-	124.94	-	
TOTAL	124.94	-	-	124.94	124.94	-	-	124.94	-	

4.3 (b) Intangible assets

All amounts in ₹ lakhs

Particulars	Gross carrying amount				Accumulated depreciation				Net carrying amount	
	As at 1 April 2020	Additions	Deletions/ Adjustments	As at 31 March 2021	As at 1 April 2020	For the Year	Deletions/ Adjustments	As at 31 March 2021	As at 31 March 2021	
Computer Software	124.94	-	-	124.94	124.94	-	-	124.94	-	
TOTAL	124.94	-	-	124.94	124.94	-	-	124.94	-	

Notes to the Consolidated Financial Statements for the year ended 31 March 2022

5.1. Investments

All amounts in ₹ lakhs

Particulars	31 March 2022	31 March 2021
Investments in Equity Instruments (unquoted - fully paid up)		
Other entities - Fair value through Profit and Loss (FVTPL)		
a) Visaka Thermal Power Limited 20,78,600 (2021-2,078,600) shares of ₹ 10 each	0.00	0.00
b) Somerset Entertainment Ventures (Singapore) Pte Ltd 1,31,903 (2021 -131,903) shares of Singapore \$ 10 each	0.00	0.00
c) OPGS Power Gujarat Private Limited 7,02,000(2021 - 702,000) shares of ₹ 0.10 each	0.00	0.00
d) V- Solar Roofings Private Limited 1,900 (2021- 1900) of ₹ 10 each	0.00	0.00
TOTAL	0.00	0.00
Aggregate amount of unquoted investments	-	-

5.2. Other financial assets (non - current)

All amounts in ₹ lakhs

Particulars	31 March 2022	31 March 2021
Unsecured, Considered good		
Employee advances	11.57	46.77
Deposit with Chit fund Company	34.00	-
Contract asset	1.32	-
Secured, Considered good		
Deposits with maturity of more than 12 months	61.13	61.13
TOTAL	108.02	107.90

* Earmarked with bank providing bank guarantee to sales tax department.

6. Other non-current assets

All amounts in ₹ lakhs

Particulars	31 March 2022	31 March 2021
Unsecured, considered good		
i) Capital advances	3,819.15	3,557.37
ii) Deposits with government and others	966.62	752.08
TOTAL	4,785.77	4,309.45

7. Inventories

All amounts in ₹ lakhs

Particulars	31 March 2022	31 March 2021
a) Raw material {including material in transit of ₹ 1,250.82 lakhs (2021- ₹ 3,671.71 lakhs)}	13,103.14	12,210.33
b) Work-in-progress	3,092.49	2,847.80
c) Finished goods {including material in transit of ₹ 746.07 lakhs (2021- ₹ 359.27 lakhs)}	11,753.74	8,849.29
d) Stores and spares	1,429.09	1,019.28
TOTAL	29,378.46	24,926.70



Notes to the Consolidated Financial Statements for the year ended 31 March 2022

8. Trade receivables

All amounts in ₹ lakhs

Particulars	31 March 2022	31 March 2021
Secured, considered good	2,306.81	2,374.23
Unsecured, considered good	11,041.13	8,142.11
Unsecured, considered doubtful	572.05	579.18
	13,919.99	11,095.52
Less: Allowance for doubtful debts	(572.05)	(579.18)
TOTAL	13,347.94	10,516.34

8. (a) Trade Receivables ageing schedule:

All amounts in ₹ lakhs

Sl. No.	Particulars	Outstanding for following periods from due date of payment					Total as at 31 March 2022
		Less than 6 months	6 months - 1 Year	1-2 years	2-3 years	More than 3 years	
(i)	Undisputed Trade receivables - considered good	12,886.37	245.70	153.94	19.46	42.47	13,347.94
(ii)	Undisputed Trade Receivables - considered doubtful	-	-	70.19	135.22	214.27	419.68
(iii)	Disputed Trade Receivables - considered good	-	-	-	-	-	-
(iv)	Disputed Trade Receivables - considered doubtful	-	-	34.02	2.22	116.13	152.37

8. (b) Trade Receivables ageing schedule:

All amounts in ₹ lakhs

Sl. No.	Particulars	Outstanding for following periods from due date of payment					Total as at 31 March 2021
		Less than 6 months	6 months - 1 Year	1-2 years	2-3 years	More than 3 years	
(i)	Undisputed Trade receivables - considered good	10,185.56	192.28	91.32	11.82	35.36	10,516.34
(ii)	Undisputed Trade Receivables - considered doubtful	19.85	1.77	164.00	60.60	209.75	455.97
(iii)	Disputed Trade Receivables - considered good	-	-	-	-	-	-
(iv)	Disputed Trade Receivables - considered doubtful	-	-	4.22	4.91	114.08	123.21

Debtors aged above 1 year in note 8(a) and 8(b) above are secured against sundry deposits (Refer note 21) received from the customers and hence considered good.

9. Cash and cash equivalents

All amounts in ₹ lakhs

Particulars	31 March 2022	31 March 2021
a) Balances with banks in current accounts	2,421.38	1,212.81
b) Cash on hand	3.01	2.91
c) Cheques in hand	-	130.11
d) Deposits with maturity of less than 3 months	-	9,761.37
TOTAL	2,424.39	11,107.20

Notes to the Consolidated Financial Statements for the year ended 31 March 2022

10. Other bank balances

All amounts in ₹ lakhs

Particulars	31 March 2022	31 March 2021
Earmarked balances with banks		
Unpaid dividend account	122.46	112.75
Reserve towards Public deposit	175.00	202.00
Margin money deposit	9.77	8.82
Deposit with maturity of more than 3 months but less than 12 months	5.00	250.00
TOTAL	312.23	573.57

11. Loans

All amounts in ₹ lakhs

Particulars	31 March 2022	31 March 2021
Unsecured, considered good		
Inter corporate deposits	3,022.03	-
TOTAL	3,022.03	-

11.1. During the year, the Company has provided inter corporate deposit to Jamuna Hatcheries Private Limited of ₹ 1,000 lakhs for working capital requirements at an interest rate of 18% p.a which are repayable within six months from the date of disbursements. Further Jamuna Hatcheries Private Limited has repaid the inter corporate deposit of ₹ 477.97 lakhs

11.2. During the year, the Company has provided inter corporate deposit to Sushee Infra & Mining Limited of ₹ 2,500 lakhs for short term business requirements at an interest rate of 18% p.a which are repayable within one year from the date of disbursement or payable on demand.

12. Other financial assets (current)

All amounts in ₹ lakhs

Particulars	31 March 2022	31 March 2021
Interest receivable	125.15	73.03
Employee advances	188.05	125.71
Advances to related parties (Refer note 40)	25.06	3.83
TOTAL	338.26	202.57

13. Other current assets

All amounts in ₹ lakhs

Particulars	31 March 2022	31 March 2021
Rent deposits	77.38	40.68
Prepaid expenses	312.78	201.13
Supplier advances	3,317.90	1,081.66
Cenvat , VAT & GST credit available	713.65	1,046.70
Others	1,750.82	649.59
TOTAL	6,172.53	3,019.76

14. Equity share capital

All amounts in ₹ lakhs

Particulars	31 March 2022	31 March 2021
AUTHORIZED:		
3,00,00,000 (2021- 3,00,00,000) Equity Shares of ₹ 10/- each	3,000.00	3,000.00
5,00,000 (2021- 5,00,000) 12% Cumulative Redeemable Preference Shares ₹ 100/- each	500.00	500.00
TOTAL	3,500.00	3,500.00
ISSUED, SUBSCRIBED & PAID-UP CAPITAL		
1,72,80,952 (2021- 1,64,80,952) equity shares of ₹ 10/- each fully paid up	1,728.10	1,648.10
Add: Shares forfeited - 79,408 (2021- 79,408) shares	3.97	3.97
TOTAL	1,732.07	1,652.07



Notes to the Consolidated Financial Statements for the year ended 31 March 2022

14. Equity share capital (Contd.)

(A) Movement in equity share capital:

All amounts in ₹ lakhs

Particulars	Number of shares	Amount
Balance at 1 April 2020	1,58,80,952	1,592.07
Movement during the year	6,00,000	60.00
Balance at 31 March 2021	1,64,80,952	1,652.07
Movement during the year	8,00,000	80.00
Balance at 31 March 2022	1,72,80,952	1,732.07

(B) Details of shareholders holding more than 5% shares in the Company

Name of the shareholder	As at 31 March 2022		As at 31 March 2021	
	No. of Shares	% holding	No. of Shares	% holding
a) Dr. G Vivekanand	68,63,492	39.72	66,11,980	40.12
b) Vigilance Security Services Private Limited	8,79,764	5.09	16,14,460	9.80
c) Smt. G. Saroja Vivekanand	8,75,139	5.06	2,94,139	1.78

(C) Details of Shareholding of Promoters

Shares held by promoters at the end of the year			% Change during the year
Promoter name	As at 31 March 2022		
	No. of Shares	% of total shares	
Dr. G. Vivekanand	68,63,492	39.72%	3.80%
Smt. G. Saroja Vivekanand	8,75,139	5.06%	197.53%
Sri. G. Vamsi Krishna	1,21,730	0.70%	460.19%
Total	78,60,361	45.48%	

Shares held by promoters at the end of the year			% Change during the year
Promoter name	As at 31 March 2021		
	No. of Shares	% of total shares	
Dr. G. Vivekanand	66,11,980	40.12%	12.08%
Smt. G. Saroja Vivekanand	2,94,139	1.78%	51.51%
Sri. G. Vamsi Krishna	21,730	0.13%	0.00%
Total	69,27,849	42.03%	

(D) Terms/Rights attached to equity shares

The Company has only one class of equity shares having a face value of ₹ 10/- each. Each holder of equity share is entitled to one vote per share. The company declares and pays dividends in Indian Rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. In the event of liquidation of the company, the equity shareholders will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

(E) The Company has not issued any share as fully paid up without payment being received in cash or as bonus shares nor any share has been bought back by the Company since its incorporation.

Notes to the Consolidated Financial Statements for the year ended 31 March 2022

15. Other equity

All amounts in ₹ lakhs

Particulars	31 March 2022	31 March 2021
Reserves and surplus		
Securities premium reserve	8,137.45	6,289.45
General reserve	27,000.00	27,000.00
Retained earnings	36,340.96	27,268.30
Money received against share warrants	-	482.00
TOTAL	71,478.41	61,039.75

(i) Securities Premium Reserve

All amounts in ₹ lakhs

Particulars	31 March 2022	31 March 2021
Opening balance	6,289.45	4,903.45
Movement during the year	1,848.00	1,386.00
Closing balance	8,137.45	6,289.45

(ii) General Reserve

All amounts in ₹ lakhs

Particulars	31 March 2022	31 March 2021
Opening balance	27,000.00	27,000.00
Movement during the year	-	-
Closing balance	27,000.00	27,000.00

(iii) Retained earnings

All amounts in ₹ lakhs

Particulars	31 March 2022	31 March 2021
Opening balance	27,268.30	17,005.97
Profit for the year	11,832.42	11,064.27
Interim dividend	(1,153.67)	(824.05)
Final dividend	(1,648.09)	-
Items of other comprehensive income recognised directly in retained earnings		
- Remeasurements of post employment benefit obligation, net of tax	42.00	22.11
Closing balance	36,340.96	27,268.30

(iv) Money received against share warrants

All amounts in ₹ lakhs

Particulars	31 March 2022	31 March 2021
Opening balance	482.00	-
Money received during the year	-	482.00
Money adjusted on conversion of warrants	(482.00)	-
Closing balance	-	482.00

The Holding Company on January 22, 2022 allotted 8,00,000 fully paid equity shares of face value ₹ 10/- each to the promoters group against 8,00,000 convertible warrants after receiving balance consideration of ₹ 1,446 lakhs. Convertible warrants outstanding as at 31 March 2022 - Nil (31 March 2021 - 8,00,000).

Nature and purpose of other reserves

(i) Securities Premium Reserve

Securities Premium Reserve is used to record the premium on issue of shares. The reserve is utilised in accordance with the provision of the act.

(ii) General Reserve

General reserve is used for strengthening the financial position and meeting future contingencies and losses.



Notes to the Consolidated Financial Statements for the year ended 31 March 2022

16. Borrowings (non-current)

All amounts in ₹ lakhs

Particulars	31 March 2022	31 March 2021
Non-current		
a) Secured loans		
Term loan from bank	251.45	1,257.29
Loans from others		
PICUP Loan	2,657.40	3,797.87
Deferred revenue grant - PICUP Loan	1,758.40	2,142.80
b) Unsecured loans		
Public deposits	235.71	452.48
TOTAL	4,902.96	7,650.44

(i) Term loan is taken from IDBI Bank Limited for the Textile unit near Mouda Taluk, Nagpur in Maharashtra. The loan sanctioned is ₹ 6,035.00 lakhs during the year 2016-17, out of which ₹ 3,500.00 lakhs is drawn in 2016-17 and ₹ 2,535.00 lakhs is drawn in 2017-18 and is repayable in 24 quarterly installments at the rate of ₹ 251.46 lakhs each quarter from the financial year 2017-18 to 2023-24 (i.e., from September 2017 to June 2023). The current rate of interest is 7.8% p.a. This loan is secured by first mortgage and charge in favour of the Bank on all the Company's fixed assets both present and future on pari passu basis with other lenders, second charge on the current assets of the Company. The amount outstanding as at balance sheet date is ₹ 1,257.29 lakhs repayable in 5 quarterly installments (out of which ₹ 1,005.84 lakhs are included in Borrowings (current)).

(ii) Loans from others include interest free loans of ₹ 6,246.33 lakhs availed (₹ 1,523.75 lakhs in 2012-13, ₹ 809.99 lakhs in 2014-15, ₹ 814.44 lakhs in 2016-17, ₹ 973.03 lakhs in 2017-18, ₹ 2,125.12 lakhs in 2019-20) from The Pradeshia Industrial & Investment Corporation of U.P. Ltd (PIC UP) for the cement asbestos unit at Raebareli, U.P which is sanctioned under the Industrial Investment Promotion Scheme, 2003. The loan is secured by first charge on all assets of the company both present and future, by way of first pari-passu charge with all the secured lenders of the Company and personal guarantee of Mrs. G Saroja Vivekanand, Managing director of the company. The loans are repayable (each installment drawn) after 10 years from the date of disbursement.

As per Ind AS requirements, these loans should be recognised at fair value and the difference between fair value and transaction value is recognised as Deferred Revenue Grant.

(iii) Public deposits represent deposits accepted from public carrying interest varying from 9.5% to 11.5% p.a. The maturity of these deposits fall on different dates depending on the date of each deposit. There are no deposits matured and remaining unpaid as on the balance sheet date.

17. Other financial liabilities (non-current)

All amounts in ₹ lakhs

Particulars	31 March 2022	31 March 2021
Interest accrued but not due	12.28	13.66
TOTAL	12.28	13.66

18. Deferred tax liabilities (net)

All amounts in ₹ lakhs

Particulars	31 March 2022	31 March 2021
a) Deferred tax assets		
Expenses allowable on payment basis	164.18	165.97
b) Deferred tax liabilities		
Depreciation and amortisation	1,447.08	1,436.30
Deferred tax liabilities (net)	1,282.90	1,270.33

Notes to the Consolidated Financial Statements for the year ended 31 March 2022

18. Deferred tax liabilities (net) (Contd.)

Movement in deferred tax liabilities (net)

All amounts in ₹ lakhs

Particulars	WDV of depreciable PPE	Expenses allowable on payment basis	Total
As at 01 April 2020	1,565.20	(147.44)	1,417.76
Charged/(Credited) to statement of profit and loss	(128.90)	(18.53)	(147.43)
As at 31 March 2021	1,436.30	(165.97)	1,270.33
Charged/(Credited) to statement of profit and loss	10.78	1.79	12.57
As at 31 March 2022	1,447.08	(164.18)	1,282.90

19. Borrowings (current)

All amounts in ₹ lakhs

Particulars	31 March 2022	31 March 2021
Current		
a) Secured loans		
Working capital loans from banks	3,498.08	477.26
Current maturities of long term debts (Refer note 16)	2,529.59	1,005.84
b) Unsecured loans		
Current maturities of public deposits	1,091.89	874.02
Short term loans from banks	4,696.61	1,076.72
Inter corporate deposits from related parties (Refer note 40)	-	114.00
Inter corporate deposits from others	-	350.25
TOTAL	11,816.17	3,898.09

19.1 Working capital loans from banks are loans from State Bank of India. The loans are repayable on demand which are secured on pari-passu basis by hypothecation of the Company's entire current assets including raw materials, work-in-progress, stores & spares, finished goods and book debts, present and future, and second charge by way of hypothecation on all fixed assets present and future. The loan carries floating rate of interest and present interest rate is 7.30% p.a.

19.2 Short term loans are availed from various banks with a maximum maturity period of six months. The rates of interest vary from 1% to 2% p.a.

19.3 Inter Corporate Deposits are short term loans repayable on demand carrying on interest rate of 9% p.a.

19.4 Net Debt Reconciliation

All amounts in ₹ lakhs

Particulars	31 March 2022	31 March 2021
Opening balance of borrowings	11,548.53	26,286.04
Less:- Repayment of non-current borrowings	(1,004.74)	(1,099.44)
Proceeds/ (repayment) from current borrowings	6,176.46	(13,602.54)
Fair Value Adjustment	(1.12)	(35.53)
Closing balance of borrowings	16,719.13	11,548.53

20. Trade payables

All amounts in ₹ lakhs

Particulars	31 March 2022	31 March 2021
(a) Total outstanding dues of micro and small enterprises (Refer note 43)	204.57	36.35
(b) Total outstanding dues other than (a) above	8,406.18	9,255.10
TOTAL	8,610.75	9,291.45



Notes to the Consolidated Financial Statements for the year ended 31 March 2022

20 (a) Trade Payables ageing schedule:

All amounts in ₹ lakhs

Sl. No.	Particulars	Outstanding for following periods from due date of payment					Total as at 31 March 2022
		Unbilled dues	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i)	MSME	-	204.57	-	-	-	204.57
(ii)	Others	1,360.78	6,548.80	70.00	39.26	48.03	8,066.87
(iii)	Disputed dues- MSME	-	-	-	-	-	-
(iv)	Disputed dues- Others	339.31	-	-	-	-	339.31
	Total	1,700.09	6,753.37	70.00	39.26	48.03	8,610.75

20 (b) Trade Payables ageing schedule:

All amounts in ₹ lakhs

Sl. No.	Particulars	Outstanding for following periods from due date of payment					Total as at 31 March 2021
		Unbilled dues	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i)	MSME	-	36.35	-	-	-	36.35
(ii)	Others	3,150.93	5,656.79	54.63	45.73	7.71	8,915.79
(iii)	Disputed dues- MSME	-	-	-	-	-	-
(iv)	Disputed dues- Others	339.31	-	-	-	-	339.31
	Total	3,490.24	5,693.14	54.63	45.73	7.71	9,291.45

21. Other financial liabilities (current)

All amounts in ₹ lakhs

Particulars	31 March 2022	31 March 2021
Interest accrued but not due	59.42	78.13
Unpaid dividend	122.46	112.75
Sundry deposits*	4,049.87	3,834.96
Capital creditors	317.79	32.58
TOTAL	4,549.54	4,058.42

* Sundry deposits include security deposits from stockists, agents and transporters etc.

22. Other current liabilities

All amounts in ₹ lakhs

Particulars	31 March 2022	31 March 2021
Advances from customers	1,393.60	1,160.49
Statutory liabilities	1,509.46	1,607.11
Employee benefits payable	2,798.14	2,715.22
TOTAL	5,701.20	5,482.82

23. Provisions

All amounts in ₹ lakhs

Particulars	31 March 2022	31 March 2021
Current		
Provision for contingencies	223.59	123.16
Provision for employee benefits		
- Leave encashment	106.09	152.00
- Gratuity	208.62	-
TOTAL	538.30	275.16

Notes to the Consolidated Financial Statements for the year ended 31 March 2022

23. Provisions (Contd.)

Movement in provision for contingencies

All amounts in ₹ lakhs

Particulars	31 March 2022	31 March 2021
Balance as at beginning of the year	123.16	123.16
Provision made during the year	100.43	-
Balance as at end of the year	223.59	123.16

(i) Leave obligations

The leave obligation covers the group's liability for earned leave. The group has created a fund with LIC for earned leave encashment of employees for future payment.

(ii) Defined contribution plans

The group has defined contribution plans namely Provident fund and super annuation fund. Contributions are made to provident fund at the rate of 12% of basic salary as per regulations. The contributions are made to registered provident fund administered by the Government. The group has created an approved superannuation fund and accounts for the contribution made to LIC against an insurance policy taken with them. The obligation of the group is limited to the amount contributed and it has no further contractual nor any constructive obligation. The expense recognised during the year towards defined contributions plans is as follows:

All amounts in ₹ lakhs

Particulars	31 March 2022	31 March 2021
Group's Contribution to Provident Fund	651.08	580.23
Group's Contribution to Superannuation Fund	105.50	102.54

(iii) Post-employment obligations

a) Gratuity

The group provides for gratuity for employees in India as per the Payment of Gratuity Act, 1972. The amount of gratuity payable on retirement/termination is the employees last drawn basic salary per month computed proportionately for 15 days salary multiplied for the number of years of service. The group operates post retirement gratuity plan with LIC of India. The present value of obligation is determined based on actuarial valuation using the Projected Unit Credit Method, which recognises each period of service giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation.

All amounts in ₹ lakhs

Particulars	Present value of obligation	Fair Value of Plan Assets	Net Liability
1 April 2020	2,939.79	2,762.83	176.96
Current service cost	259.03	-	259.03
Interest expense/(income)	183.52	192.28	(8.76)
Total amount recognized in profit and loss	442.55	192.28	250.27
Remeasurements			
Return on plan assets, excluding amounts included in interest expense/(income)	-	2.50	(2.50)
(Gain)/loss from change in financial assumptions	4.54	-	4.54
Experience (gains)/loss	(31.58)	-	(31.58)
Total amount recognized in other comprehensive income	(27.04)	2.50	(29.54)
Employer contributions	-	415.41	(415.41)
Benefit payments	(513.62)	(513.62)	-
31 March 2021	2,841.68	2,859.40	(17.72)



Notes to the Consolidated Financial Statements for the year ended 31 March 2022

23. Provisions (Contd.)

All amounts in ₹ lakhs

Particulars	Present value of obligation	Fair Value of Plan Assets	Net Liability
1 April 2021	2,841.68	2,859.40	(17.72)
Current service cost	293.55	-	293.55
Interest expense/(income)	188.50	196.63	(8.13)
Total amount recognized in profit and loss	482.05	196.63	285.42
Remeasurements			
Return on plan assets, excluding amounts included in interest expense/(income)	-	3.52	(3.52)
(Gain)/loss from change in financial assumptions	(106.34)	-	(106.34)
Experience (gains)/loss	53.73	-	53.73
Total amount recognized in other comprehensive income	(52.61)	3.52	(56.13)
Employer contributions	-	2.95	(2.95)
Benefit payments	(155.51)	(155.51)	-
31 March 2022	3,115.61	2,906.99	208.62

The group has no legal obligation to settle deficit in the funded plan with an immediate contribution or additional one off contribution. The group intends to contribute as any request for contribution is made by LIC.

The net (surplus) / deficit disclosed above relating to funded and unfunded plans are as follows:

All amounts in ₹ lakhs

Particulars	31 March 2022	31 March 2021
Present value of funded obligations	3,115.61	2,841.68
Fair value of plan assets	2,906.99	2,859.40
(Surplus) / Deficit of funded plans	208.62	(17.72)

Expected contributions to post-employment benefit plans of gratuity for the year ending 31 March 2023 are ₹ 286.78 Lakhs.

iv) Significant estimates and sensitivity Analysis

The sensitivity of the defined benefit obligation to changes in key assumptions is:

All amounts in ₹ lakhs

Particulars	Key assumptions		(Increase)/Decrease in Defined benefit obligation by					
			Increase in assumption by			Decrease in assumption by		
	31 March 2022	31 March 2021	Rate	31 March 2022	31 March 2021	Rate	31 March 2022	31 March 2021
Discount rate	7.25%	6.82%	1%	230.10	217.84	1%	(266.48)	(252.77)
Salary growth rate	5.00%	5.00%	1%	(253.86)	(240.24)	1%	222.97	210.75
Attrition rate	3.00%	3.00%	1%	(34.57)	(23.90)	1%	38.28	26.24

The above sensitivity analysis is based on a change in each assumption while holding all other assumptions constant. In practice, this is unlikely to occur and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions, the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied as when calculating the defined benefit liability recognised in the balance sheet.

Notes to the Consolidated Financial Statements for the year ended 31 March 2022

23. Provisions (Contd.)

Expected cash flow and duration of the plan		All amounts in ₹ lakhs
Particulars	31 March 2022	31 March 2021
Weighted average duration of DBO	14	14
Expected total benefit payments		
Year 1	430.34	447.82
Year 2	434.71	238.49
Year 3	173.99	233.17
Year 4	173.08	152.42
Year 5	233.21	160.90
Next 5 years	968.01	904.03

v) Risk exposure

Through its defined benefit plans, the group is exposed to a number of risks, the most significant of which are detailed below:

Interest rate risk:

The defined benefit obligation calculated uses a discount rate based on government bonds. If bond yields fall, the defined benefit obligation will tend to increase.

Salary inflation risk:

Higher than expected increases in salary will increase the defined benefit obligation.

Demographic risk:

This is the risk of variability of results due to unsystematic nature of decrements that include mortality, withdrawal, disability and retirement. The effect of these decrements on the defined benefit obligation is not straight forward and depends upon the combination of salary increase, discount rate and vesting criteria. It is important not to overstate withdrawals because in the financial analysis the retirement benefit of a short career employee typically costs less per year as compared to a long service employee.

24. Current Tax Liabilities(net)

		All amounts in ₹ lakhs
Particulars	31 March 2022	31 March 2021
Opening balance	257.85	(647.25)
Less: Taxes paid (net of refunds)	(4,213.87)	(3,111.06)
Add: Current tax expense for the year	4,228.17	4,040.38
Less: Tax relating to prior years	-	(24.22)
TOTAL	272.15	257.85

25. Revenue from operations

		All amounts in ₹ lakhs
Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Sale of products	1,40,046.85	1,14,371.39
Other operating revenue		
Export incentives	96.52	96.71
Industrial incentives	1,240.29	68.73
Sale of scrap	197.76	117.08
TOTAL	1,41,581.42	1,14,653.91



Notes to the Consolidated Financial Statements for the year ended 31 March 2022

26. Other income

All amounts in ₹ lakhs

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Interest income on financial assets carried at amortised cost	307.11	317.70
Insurance claim received	38.46	70.03
Government grants	384.39	385.05
Net gain on disposal of property, plant and equipment	31.76	12.67
Miscellaneous income	224.56	73.15
TOTAL	986.28	858.60

27. Cost of materials consumed

All amounts in ₹ lakhs

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Cost of materials consumed	69,744.37	50,544.52
TOTAL	69,744.37	50,544.52

28. Changes in inventories of finished goods and work in progress

All amounts in ₹ lakhs

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Opening inventory		
Finished goods	8,849.29	12,341.80
Work-in-progress	2,847.80	928.88
(A)	11,697.09	13,270.68
Closing inventory		
Finished goods	11,753.74	8,849.29
Work-in-progress	3,092.49	2,847.80
(B)	14,846.23	11,697.09
TOTAL (A-B)	(3,149.14)	1,573.59

29. Employee benefits expense

All amounts in ₹ lakhs

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Salaries, wages and bonus	11,210.62	10,271.17
Contribution to provident and other funds	844.63	782.57
Gratuity	285.42	250.27
Leave compensation	98.15	129.49
Staff welfare expenses	784.07	578.62
TOTAL	13,222.89	12,012.12

30. Finance costs

All amounts in ₹ lakhs

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Interest on borrowings	1,028.71	1,177.27
Other borrowing cost	92.78	44.11
Interest on shortfall in payment of advance tax	34.02	60.01
TOTAL	1,155.51	1,281.39

Notes to the Consolidated Financial Statements for the year ended 31 March 2022

31. Depreciation expense

All amounts in ₹ lakhs

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Depreciation of property, plant and equipment	3,761.80	3,999.00
TOTAL	3,761.80	3,999.00

32. Other expenses

All amounts in ₹ lakhs

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Consumption of stores and spares	3,537.83	2,533.02
Cost of packing materials consumed	1,596.80	949.39
Power and fuel	5,447.57	4,370.86
Repairs and maintenance		
Buildings	838.61	446.77
Plant and machinery	497.86	362.58
Insurance	404.31	353.05
Rates & taxes	202.44	217.52
Rent	470.32	381.43
Wages - contract labour	4,770.81	3,500.23
Travelling & conveyance	883.18	559.46
Commission & discount	522.42	219.22
Freight	14,858.29	10,519.61
Advertisement & sales promotion expenses	2,476.56	2,708.60
Payments to auditors {Refer note 32 (a)}	53.09	54.12
Directors' sitting fee	7.75	11.90
Bad debts written off	48.70	41.74
Foreign exchange (gain)/loss (net)	(73.52)	(52.02)
Non whole time directors' commission	40.00	69.17
Property, plant and equipment written off	8.61	10.10
Provision for doubtful debts	(7.13)	73.63
Corporate social responsibility (CSR) expenditure {Refer note 32 (b)}	230.07	177.16
Contribution to political party*	300.00	300.00
Miscellaneous expenses	4,180.02	3,065.01
TOTAL	41,294.59	30,872.55

* Donations to Bharatiya Janata Party

32(a). Payment to auditor

All amounts in ₹ lakhs

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
(a) To statutory auditors		
- Statutory audit fee	32.54	32.20
- Quarterly audit fee	4.00	4.00
- Certification fee	7.25	8.50
- Reimbursement of expenses	1.70	1.76



Notes to the Consolidated Financial Statements for the year ended 31 March 2022

32(a). Payment to auditor (Contd.)

(b) To others		
- Cost audit fee	1.50	1.50
- Tax audit fee	6.00	6.00
- Certification and taxation matters	0.10	0.16
TOTAL	53.09	54.12

32 (b). Corporate Social Responsibility expenditure

All amounts in ₹ lakhs

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Contribution to Visaka Charitable trust	-	136.10
Amount spent directly by the group towards CSR activities	230.07	41.06
	230.07	177.16
a) Amount required to be spent by the group during the year as per Section 135 of the Act	205.97	172.88
b) Amount approved by the board to be spent during the year	230.07	172.88
c) Amount of expenditure incurred / Amount spent during the year on :		
1. Construction/ acquisition of any assets	-	-
2. On purposes other than (1) above	230.07	177.16
d) Details of related party transactions		
Contribution to Visaka Charitable trust	-	136.10

Nature of activities:

Provision of drinking water, Conducting health camps, Eradiction of Poverty, Food distribution, Building of classrooms and toilets in schools and colleges etc.

Details of excess CSR expenditure under Section 135(5) of the Act

All amounts in ₹ lakhs

Particulars	Amount
Balance excess spent as at 1 April 2021	-
Amount required to be spent during the year	205.97
Amount spent during the year	230.07
Balance excess spent as at 31 March 2022	(24.10)

33. Reconciliation of tax expenses and the accounting profit multiplied by tax rate

All amounts in ₹ lakhs

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Profit before income tax expense	16,059.03	14,925.57
Tax at the Indian tax rate of 25.168%	4,041.74	3,756.56
Effect of non-deductible expense	187.64	144.21
Effect of allowances for tax purpose	(2.77)	(15.25)
Tax relating to prior years	-	(24.22)
Income tax expense	4,226.61	3,861.30

Notes to the Consolidated Financial Statements for the year ended 31 March 2022

34. Financial instruments and risk management

Fair values

- The carrying amounts of trade payables, other financial liabilities(current), other financial assets(current), borrowings (current), trade receivables, cash and cash equivalents, loans and other bank balances are considered to be the same as fair value due to their short term nature.
- Borrowings(non-current) consists of loans from banks and government authorities, other financial liabilities(non-current) consists of interest accrued but not due on deposits other financial assets consists of employee advances where the fair value is considered based on the discounted cash flow.

The fair value of financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

Set out below, is a comparison by class of the carrying amounts and fair value of the Company's financial instruments, other than those with carrying amounts that are reasonable approximation of fair values:

(i) Categories of financial instruments

All amounts in ₹ lakhs

Particulars	Level	31 March 2022		31 March 2021	
		Carrying amount	Fair value*	Carrying amount	Fair value*
Financial assets					
Measured at amortised cost:					
Non-current					
Other financial assets	3	108.02	108.02	107.90	107.90
Current					
Trade receivables	3	13,347.94	13,347.94	10,516.34	10,516.34
Cash and Cash Equivalents	3	2,424.39	2,424.39	11,107.20	11,107.20
Other bank balances	3	312.23	312.23	573.57	573.57
Loans	3	3,022.03	3,022.03	-	-
Other financial assets	3	338.26	338.26	202.57	202.57
Measured at fair value through profit and loss					
Non-current					
Investments	3	0.00	0.00	0.00	0.00
Total		19,552.87	19,552.87	22,507.58	22,507.58
Financial liabilities					
Measured at amortised cost					
Non-current					
Borrowings	3	4,902.96	4,902.96	7,650.44	7,650.44
Other financial liabilities	3	12.28	12.28	13.66	13.66
Current					
Borrowings	3	11,816.17	11,816.17	3,898.09	3,898.09
Trade Payables	3	8,610.75	8,610.75	9,291.45	9,291.45
Other Financial Liabilities	3	4,549.54	4,549.54	4,058.42	4,058.42
Total		29,891.70	29,891.70	24,912.06	24,912.06

*Fair value of instruments is classified in various fair value hierarchies based on the following three levels:

Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices.

Level 2: The fair value of financial instruments that are not traded in an active market is determined using valuation techniques, which maximise the use of observable market data and rely as little as possible on entity specific estimates. If significant inputs required to fair value an instruments are observable, the instrument is included in Level 2.

Level 3: If one or more of the significant inputs are not based on observable market data, the instruments is included in level 3.

Management uses its best judgement in estimating the fair value of its financial instruments. However, there are inherent limitations in any estimation technique. Therefore, for substantially all financial instruments, the fair value estimates presented above are not necessarily indicative of the amounts that the group could have realized or paid in sale transactions as of respective dates. As such, the fair value of financial instruments subsequent to the reporting dates may be different from the amounts reported at each reporting date.



Notes to the Consolidated Financial Statements for the year ended 31 March 2022

35. Financial risk management

The group is exposed to market risk (fluctuation in foreign currency exchange rates, price and interest rate), liquidity risk and credit risk, which may adversely impact the fair value of its financial instruments. The group assesses the unpredictability of the financial environment and seeks to mitigate potential adverse effects on the financial performance of the group.

(A) Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises of currency risk, interest rate risk and price risk. Financial instruments affected by market risk include loans and borrowings, trade receivables and trade payables involving foreign currency exposure. The sensitivity analyses in the following sections relate to the position as at 31 March 2022 and 31 March 2021.

The sensitivity of the relevant profit or loss item is the effect of the assumed changes in respective market risks. This is based on the financial assets and financial liabilities held as at 31 March 2022 and 31 March 2021.

(i) Foreign currency exchange rate risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The group's exposure to the risk of changes in foreign exchange rates relates primarily to the trade/ other payables, trade/other receivables. The risks primarily relate to fluctuations in US Dollar, GBP against the functional currency of the group. The group's exposure to foreign currency changes for all other currencies is not material. The group evaluates the impact of foreign exchange rate fluctuations by assessing its exposure to exchange rate risks.

The following tables demonstrate the sensitivity to a reasonably possible change in US dollars and GBP exchange rates, with all other variables held constant. The impact on the group's profit before tax is due to changes in the fair value of monetary assets and liabilities.

(ii) Sensitivity

The sensitivity of profit or loss to changes in the exchange rates arises mainly from foreign currency denominated financial instruments and from foreign forward exchange contracts:

All amounts in ₹ lakhs

Particulars	Increase/(decrease) in profit before tax		Increase/(decrease) in other components of equity	
	31 March 2022	31 March 2021	31 March 2022	31 March 2021
Change in USD				
1% increase	(38.01)	(18.86)	(28.44)	(14.11)
1% decrease	38.01	18.86	28.44	14.11
Change in GBP				
1% increase	0.72	0.77	0.54	0.58
1% decrease	(0.72)	(0.77)	(0.54)	(0.58)

The movement in the pre-tax effect is a result of a change in the fair value of monetary assets and liabilities denominated in US dollars and GBP, where the functional currency of the entity is a currency other than US dollars and GBP.

(iii) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of change in market interest rates. The group's exposure to the risk of changes in market interest rates relates primarily to the group's debt obligations with floating interest rates. As the group has certain debt obligations with floating interest rates, exposure to the risk of changes in market interest rates are dependent of changes in market interest rates. Management monitors the movement in interest rate and, wherever possible, reacts to material movements in such rates by restructuring its financing arrangement.

Notes to the Consolidated Financial Statements for the year ended 31 March 2022

35. Financial risk management (Contd.)

As the group has no significant interest bearing assets, the income and operating cash flows are substantially independent of changes in market interest rates.

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of loans and borrowings affected. With all other variables held constant, the group's profit before tax is affected through the impact on floating rate borrowings, as follows:

All amounts in ₹ lakhs

Particulars	Increase/(decrease) in profit before tax		Increase/(decrease) in other components of equity	
	31 March 2022	31 March 2021	31 March 2022	31 March 2021
Change in interest rate				
increase by 100 basis points	(94.51)	(38.17)	(70.72)	(28.56)
decrease by 100 basis points	94.51	38.17	70.72	28.56

The assumed increase/decrease in interest rate for sensitivity analysis is based on the currently observable market environment.

(B) Credit Risk

Credit risk is the risk arising from credit exposure to customers, cash and cash equivalents held with banks and current and non-current held-to maturity financial assets.

With respect to credit exposure from customers, the group has a procedure in place aiming to minimise collection losses. Credit Control team assesses the credit quality of the customers, their financial position, past experience in payments and other relevant factors. Cash and other collaterals are obtained from customers when considered necessary under the circumstances.

The carrying amount of trade receivables, loans, advances, deposits, cash and bank balances, bank deposits and interest receivable on deposits represents company's maximum exposure to the credit risk. No other financial asset carry a significant exposure with respect to the credit risk. Bank deposits and cash balances are placed with reputable banks and deposits are with reputable government, public bodies and others.

The credit quality of financial assets is satisfactory, taking into account the allowance for credit losses.

The group's exposure to credit risk is influenced mainly by the individual characteristics of each customer. However, management also considers the factors that may influence the credit risk of its customer base, including default risk associate with the industry and country in which customers operate. Credit quality of a customer is assessed based on an extensive credit rating scorecard and individual credit limits are defined in accordance with this assessment.

An impairment analysis is performed at each reporting date on an individual basis for major receivables. In addition, a large number of minor receivables are grouped into homogenous groups and assessed for impairment collectively. The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets. The group also holds deposits as security from certain customers to mitigate credit risk.

- Credit risk on cash and cash equivalents and other bank balances is limited as the group generally invest in deposits with banks with high credit ratings assigned by external agencies.
- Expected credit loss provision created for trade receivable primarily comprise of specific provisions created towards certain receivables as the group considers the life time credit risk of these financial assets to be very low.

(i) Expected credit loss for trade receivable under simplified approach:

All amounts in ₹ lakhs

Particulars	31 March 2022	31 March 2021
Gross carrying amount	13,919.99	11,095.52
Expected credit losses (Loss allowance provision)	(572.05)	(579.18)
Carrying amount of trade receivables	13,347.94	10,516.34



Notes to the Consolidated Financial Statements for the year ended 31 March 2022

35. Financial risk management (Contd.)

Expected credit loss for financial assets where general model is applied

The financial assets which are exposed to credit risk are loans and employee advances.

All amounts in ₹ lakhs

Particulars	31 March 2022	31 March 2021
Asset group	Estimated gross carrying amount at default	Estimated gross carrying amount at default
Gross carrying amount		
Loans	3,022.03	-
Employee advances	224.68	176.31
	3,246.71	176.31
Net carrying amount		
Loans	3,022.03	-
Employee advances	224.68	176.31
Total	3,246.71	176.31

(ii) Reconciliation of loss allowance provision

All amounts in ₹ lakhs

Particulars	Trade receivables
Loss allowance as at 1 April 2020	505.55
Changes in loss allowance during the period of 2020-21	73.63
Loss allowance as at 31 March 2021	579.18
Changes in loss allowance during the period of 2021-22	(7.13)
Loss allowance as at 31 March 2022	572.05

(iii) Significant estimates and judgements

Impairment of financial assets:

The impairment provisions for financial assets disclosed above are based on assumptions about risk of default and expected loss rates. The group uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on the group's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

(C) Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and the availability of funding to meet obligations when due and to close out market positions. Group's treasury maintains flexibility in funding by maintaining availability under deposits in banks.

Management monitors cash and cash equivalents on the basis of expected cash flows.

(i) Financing arrangements:

The group had access to the following undrawn borrowing facilities at the end of the reporting period

All amounts in ₹ lakhs

Particulars	As at 31 March 2022	As at 31 March 2021
Expiring within one year (bank overdraft and other facilities)	23,494.00	28,490.00

Notes to the Consolidated Financial Statements for the year ended 31 March 2022

35. Financial risk management (Contd.)

(ii) Maturities of Financial liabilities

Contractual maturities of financial liabilities as at :

All amounts in ₹ lakhs

Particulars	31 March 2022		31 March 2021	
	Less than 12 months	More than 12 months	Less than 12 months	More than 12 months
Borrowings	11,816.17	4,902.96	3,898.09	7,650.44
Trade Payables	8,610.75	-	9,291.45	-
Other Financial Liabilities	4,549.54	12.28	4,058.42	13.66
Total	24,976.46	4,915.24	17,247.96	7,664.10

(iii) Management expects finance cost to be incurred for the year ending 31 March 2023 of ₹ 1,450 Lakhs.

36. Capital management

A. Capital management and Gearing Ratio

For the purpose of the group's capital management, capital includes issued equity capital, share premium and all other equity reserves attributable to the equity holders. The primary objective of the company's capital management is to maximise the shareholder value.

The group manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. The group monitors capital using a gearing ratio, which is debt divided by total capital. The group includes within debt, interest bearing loans and borrowings.

All amounts in ₹ lakhs

Particulars	31 March 2022	31 March 2021
Borrowings		
Current	11,816.17	3,898.09
Non current	4,902.96	7,650.44
Debt	16,719.13	11,548.53
Equity		
Equity share capital	1,732.07	1,652.07
Other equity	71,478.41	61,039.75
Total capital	73,210.48	62,691.82
Gearing ratio in % (Debt/ capital)	23%	18%

In order to achieve this overall objective, the group'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. Breaches in meeting the financial covenants would permit the bank to immediately call loans and borrowings.

No changes were made in the objectives, policies or processes for managing capital during the years ended 31 March 2022 and 31 March 2021.

B. Dividends

All amounts in ₹ lakhs

Particulars	31 March 2022	31 March 2021
Dividends recognised		
During the year, the directors have recommended the payment of an interim dividend of ₹ 7/- per fully paid equity share (31 March 2021 - ₹ 5/-).	1,153.67	824.05
For the year ended the directors have recommended the payment of a final dividend of ₹ 8/- per fully paid equity share (31 March 2021 - ₹ 10/-). This proposed dividend is subject to the approval of shareholders in the ensuing annual general meeting, hence the same is not recognised.	1,382.48	1,648.10



Notes to the Consolidated Financial Statements for the year ended 31 March 2022

37. Segment information

The group's Managing Director and Joint Managing Director examines the group's performance from a product perspective and has identified two reportable segments:

1. Building products - The building products division produces asbestos sheets, solar panels ,accessories used mostly as roofing material and non asbestos flat sheets and sandwich panels used as interiors.
2. Synthetic Yarn - Synthetic yarn division manufactures Yarn out of blends of polyester, viscose, other materials which go into the weaving of fabric. They primarily uses a measure of profit before tax to assess the performance of the operating segments.

Segment revenue and expenses:

The group has an established basis of allocating Joint/Corporate expenses to the segments, which is reasonable, and followed consistently. All other segment revenue and expenses are attributable to the segments. Certain Expenses/Income are not specifically allocable to specific segments and accordingly these expenses are disclosed as unallocated corporate expenses or income and adjusted only against the total income of the group. Segment result includes the respective other income.

Segment assets and liabilities:

Segment assets include all operating assets used by a segment and consist principally of operating cash, debtors, inventories and fixed assets, net of allowances and provisions that are reported as direct offsets in the balance sheet. While most assets can be directly attributed to individual segments, the carrying amount of certain assets used jointly by two or more segments is allocated to the segments on a reasonable basis. In such cases, the entire revenue and expenses of these assets including depreciation are also allocated to the same segments. Assets which are not allocable to the segments have been disclosed as 'unallocated corporate assets'. Segment liabilities include all operating liabilities and consist principally of creditors and accrued liabilities. Segment assets and liabilities do not include deferred income taxes. The loans and other borrowings that are not specifically allocable to the various segments are disclosed as 'unallocated corporate liabilities'.

Inter segment transfers:

The group adopts a policy of pricing inter-segment transfers at cost to the transferor segment..

Summary of segment information

All amounts in ₹ lakhs

Particulars	31 March 2022	31 March 2021
A. Revenue		
Segment revenue		
Building product	1,16,753.64	1,00,990.16
Synthetic yarn	24,827.78	13,663.75
Total revenue	1,41,581.42	1,14,653.91
B. Segment profit		
Building product	16,098.53	18,421.96
Synthetic yarn	4,410.86	312.07
Segment operating profit	20,509.39	18,734.03
Reconciliation of segment operating profit to operating profit		
Unallocated:		
Unallocated corporate expenses	(3,936.58)	(3,139.83)
Unallocated corporate Income	641.73	612.76
Operating profit	17,214.54	16,206.96
Finance costs	(1,155.51)	(1,281.39)
Profit before tax	16,059.03	14,925.57
Income tax expense	(4,226.61)	(3,861.30)
Profit after tax	11,832.42	11,064.27

Notes to the Consolidated Financial Statements for the year ended 31 March 2022

37. Segment information (Contd.)

All amounts in ₹ lakhs		
Particulars	31 March 2022	31 March 2021
Segment Assets		
Building product	83,645.93	65,623.10
Synthetic yarn	14,622.35	13,784.48
Unallocated corporate assets	12,628.45	15,482.46
Total assets	1,10,896.73	94,890.04
Segment liabilities		
Building product	13,010.52	13,506.93
Synthetic yarn	1,842.81	1,423.09
Unallocated corporate liabilities	22,832.92	17,268.20
Total liabilities	37,686.25	32,198.22

All amounts in ₹ lakhs		
Particulars	31 March 2022	31 March 2021
Geographical segment revenue by location of customers		
India	1,31,022.76	1,08,180.68
Outside India	10,558.66	6,473.23
	1,41,581.42	1,14,653.91

All amounts in ₹ lakhs		
Particulars	31 March 2022	31 March 2021
Geographical segment assets		
India	109,191.70	93,822.86
Outside India	1,705.03	1,067.18
	1,10,896.73	94,890.04

38. Contingent liabilities

The group has following contingent liabilities as at:

All amounts in ₹ lakhs		
Particulars	31 March 2022	31 March 2021
(i) VAT/CST/Entry tax *	85.28	146.43
(ii) Excise duty/Customs duty/Service tax*	6,049.47	5,974.63
(iii) Thirty party claims not acknowledged as debts	-	200.01
Total	6,134.75	6,321.07

Includes ₹ 143.99 lakhs (2021 ₹ 58.47 lakhs) paid under protest.

The group has established a liability with respect to contingencies for which loss is probable or estimable (Refer Note 23). While the ultimate resolution of and liability and cost relatable to these matters cannot be determined with certainty, the management does not believe any of these pending actions, individually or in the aggregate, will materially impact operations or materially affect financial condition or liquidity.

39. Commitments

(a) Capital commitments

Capital expenditure contracted for at the end of the reporting period but not recognised as liabilities is as follows:

All amounts in ₹ lakhs		
Particulars	31 March 2022	31 March 2021
Property, plant and equipment	4,023.19	4,706.12
Total	4,023.19	4,706.12



Notes to the Consolidated Financial Statements for the year ended 31 March 2022

40. Related party transactions

Names of related parties and nature of relationships:

Names of the related parties	Nature of relationship
i) Key Managerial Personnel (KMP):	
Mrs.G.Saroja Vivekanand	Managing Director
Mr.G.Vamsi Krishna	Joint Managing Director
Mr.V.Vallinath (till September 08, 2020)	Whole Time Director & CFO
Mr.J.Pruthvidhar Rao	Whole Time Director & COO
Mr.S.Shafiulla (with effect from September 09, 2020)	Chief Financial Officer
Late Mr.I. Srinivas (till May 05, 2021)	Company Secretary & Vice-President (Corporate Affairs)
Mr. M.Muralidhar (with effect from November 01, 2021 till January 21, 2022)	Company Secretary & Chief Management Accountant
Mr. K.Ramakanth ((with effect from January 22, 2022)	Company Secretary & Assistant Vice President
ii) Non-whole-time Directors	
Mr. Bhagirat B. Merchant (Retired on March 31, 2021)	Director
Dr. G.Vivekanand	Director
Mr. Gusti Noria	Director
Late Mr. V. Pattabhi (Retired on March 31, 2021)	Director
Mr. P. Srikar Reddy	Director
Mr. Gogineni Appender Babu	Director
Mrs. Vanitha Datla (with effect from May 26, 2020)	Director
iii) Relatives of key managerial personnel/Directors:	
Mrs. G.Vritika	Daughter of Mrs. Saroja Vivekanand
Mrs. G.Vaishnavi	Daughter of Mrs. Saroja Vivekanand
Mr. G.Venkat Krishna	Son of Mrs. Saroja Vivekanand
Mrs. B.L. Sujata	Spouse of Mr. V.Vallinath
Mrs. K.Vimala	Mother of Mrs. Saroja Vivekanand
Mrs. Dinaz Gusti Noria	Spouse of Mr. Gusti Noria
Mr. Youhan Gusti Noria	Son of Mr. Gusti Noria
iv) Enterprises in which key managerial personnel and/or their relatives have control:	
a) Visaka Thermal Power Limited	
b) Visaka Charitable Trust	
c) VIL Media Private Limited	
d) A-Bond Strands Private Limited (ceased with effect from December 2, 2020)	
e) V-Solar roofing Private Limited	
f) G Vivekanand family trust	
g) SV family trust	
h) Arudra Roofings Private Limited	

Notes to the Consolidated Financial Statements for the year ended 31 March 2022

40. Related party transactions (Contd.)

Details of transactions during the year where related party relationship existed:

All amounts in ₹ lakhs

Names of the related parties	Nature of Transactions	Year ended 31 March 2022	Year ended 31 March 2021
Mrs. G.Saroja Vivekanand	Remuneration*	883.28	834.83
Mr.G.Vamsi Krishna	Remuneration*	521.81	496.79
Mr.V.Vallinath	Remuneration*	-	164.29
Mr.J.Pruthvidhar Rao	Remuneration*	121.37	102.77
Mr.S.Shafulla	Remuneration*	55.93	24.84
Mr.I. Srinivas	Remuneration*	26.81	36.71
Mr. M. Muralidhar	Remuneration*	11.57	-
Mr. K. Ramakanth	Remuneration*	10.44	-
Mrs. G.Saroja Vivekanand	Dividend paid	50.00	14.71
Dr.G.Vivekanand	Dividend paid	1,124.14	330.60
Mr.G.Vamsi Krishna	Dividend paid	3.69	1.09
Mrs. G.Vritika	Dividend paid	0.68	0.20
Mrs. G.Vaishnavi	Dividend paid	0.68	0.20
G Vivekanand family trust	Dividend paid	6.24	1.83
SV family trust	Dividend paid	2.64	0.77
Arudra Roofings Private Limited	Dividend paid	96.58	28.41
VIL Media Private Limited	Dividend paid	0.08	0.02
Mr. Gusti Noria	Dividend paid	0.48	-
Mrs. Dinaz Gusti Noria	Dividend paid	0.17	-
Mr. Youhan Gusti Noria	Dividend paid	0.02	-
Mr. Bhagirat B. Merchant	Commission and Sitting fees	-	12.55
Dr. G.Vivekanand	Commission and Sitting fees	11.15	11.80
Mr. Gusti Noria	Commission and Sitting fees	12.65	12.15
Mr. V. Pattabhi	Commission and Sitting fees	-	12.55
Mr. P. Srikar Reddy	Commission and Sitting fees	12.20	11.35
Mr. Gogineni Appnender Babu	Commission and Sitting fees	11.75	11.50
Mrs. G.Vritika	Interest on Public Deposits	4.08	2.67
Mrs. G.Vaishnavi	Interest on Public Deposits	3.75	3.65
Mr. G.Venkat Krishna	Interest on Public Deposits	0.57	0.60
Mrs. B.L. Sujata	Interest on Public Deposits	-	3.45
Mrs. K.Vimala	Interest on Public Deposits	2.50	2.80
Dr.G.Vivekanand	Loan received	636.00	1,130.00
	Loan Repaid	636.00	1,380.00
	Interest on Unsecured loan	7.05	7.49
Mrs. G.Saroja Vivekanand	Loan received	230.00	472.70
	Loan Repaid	230.00	472.70
	Interest on Unsecured loan	1.53	1.00
Mr.G.Vamsi Krishna	Royalty paid	-	9.57



Notes to the Consolidated Financial Statements for the year ended 31 March 2022

40. Related party transactions (Contd.)

Details of transactions during the year where related party relationship existed: (Contd.)

All amounts in ₹ lakhs

Names of the related parties	Nature of Transactions	Year ended 31 March 2022	Year ended 31 March 2021
Arudra Roofings Private Limited	ICD received	-	114.00
	ICD repaid	114.00	-
	Interest on ICD	1.15	1.38
VIL Media Private Limited	Advertising Expenses	748.58	591.72
	ICD received	1,210.00	-
	ICD repaid	1,210.00	-
	Interest on ICD	15.32	-
Visaka Charitable Trust	Contribution towards CSR	-	136.10
A- Bond Strands Private limited	Handling Charges	-	2.08
	Interest on security deposits	-	1.24
Mrs. G.Vritika	Public Deposits received	15.00	8.00
Mrs. G.Vaishnavi	Public Deposits received	3.25	3.42
Mrs. B.L. Sujata	Public Deposits repaid	-	36.00
Mr.J.Pruthvidhar Rao	Advances given	26.54	-
	Advances repaid	2.75	17.93
Mr.S.Shafiulla	Advances repaid	2.56	-

* Post employment benefits are actuarially determined on overall basis and hence not separately provided.

Details of outstanding balances as at the year end where related party relationship existed:

All amounts in ₹ lakhs

Names of the related parties	Nature of Balance	31 March 2022	31 March 2021
Arudra Roofings Private Limited	ICD outstanding	-	114.00
Mrs. G.Vritika	Public Deposits Outstanding	47.34	32.34
Ms. G.Vaishnavi	Public Deposits Outstanding	39.35	36.10
Mr. G.Venkat Krishna	Public Deposits Outstanding	6.00	6.00
Mrs. K.Vimala	Public Deposits Outstanding	25.00	25.00
Mr.J.Pruthvidhar Rao	Advances Outstanding	25.06	1.27
Mr.S.Shafiulla	Advances Outstanding	-	2.56

41. Earnings per share (EPS)

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Profit after tax attributable to the owners (₹ in lakhs)	11,832.42	11,064.27
Weighted average number of equity shares outstanding in calculating Basic EPS (Nos in lakhs)	166.32	161.59
Weighted average number of equity shares outstanding in calculating Diluted EPS (Nos in lakhs)	170.44	163.59
Face value per share ₹	10.00	10.00
Basic Earnings per Share (EPS) ₹	71.14	68.47
Diluted Earnings per Share (EPS) ₹	69.42	67.63

Notes to the Consolidated Financial Statements for the year ended 31 March 2022

42. Assets pledged as security

The carrying amounts of assets pledged as security for current and non-current borrowings are:

All amounts in ₹ lakhs

Particulars	31 March 2022	31 March 2021
Non-current Assets		
(a) Property, plant and equipment	46,052.14	39,617.22
(b) Capital work-in-progress	4,954.96	509.33
(c) Intangible assets	0.00	0.00
(d) Financial assets		
Investments	0.00	0.00
Other financial assets	108.02	107.90
(e) Other non-current assets	4,785.77	4,309.45
Current Assets		
(a) Inventories	29,378.46	24,926.70
(b) Financial assets		
(i) Trade receivables	13,347.94	10,516.34
(ii) Cash and cash equivalents	2,424.39	11,107.20
(iii) Other bank balances	312.23	573.57
(iv) Loans	3,022.03	-
(v) Other financial assets	338.26	202.57
(c) Other current assets	6,172.53	3,019.76
TOTAL	110,896.73	94,890.04

43. The details of dues to micro enterprises and small enterprises (MSME) as defined under Micro, Small and Medium Enterprises Development Act, 2006 ('MSMED Act') and disclosures pursuant to the MSMED Act are as follows (note 20):

All amounts in ₹ lakhs

Particulars	31 March 2022	31 March 2021
Principal amount due to suppliers registered under the MSMED Act and remaining unpaid as at year end	204.57	36.35
Interest due to suppliers registered under the MSMED Act and remaining unpaid as at year end	-	-
Principal amounts paid to suppliers registered under the MSMED Act, beyond the appointed day during the year	-	-
Interest paid, under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year	-	-
Interest paid, other than under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year	-	-
Amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act	-	-
Interest accrued and remaining unpaid at the end of each accounting year	-	-
Amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the MSMED Act	-	-

44. Impact assessment of the global health pandemic- COVID-19 and related estimation uncertainty

The impact of Covid-19 pandemic felt across the economy and business segments. Consequent to significant opening up of the economic activity in the country, the demand for the group's products has improved compared to that during the initial phases of Covid-19 including the lock down period. All the business segments of the Company have substantially recovered as at year end. In preparation of these financial statements, the group has taken into account both the current situation and likely future developments.



Notes to the Consolidated Financial Statements for the year ended 31 March 2022

45. Interest in Other Entities

The Company's subsidiaries as at 31 March 2022 are set out below.

Name of the entity	Place of Business/ Country of incorporation	Ownership interest held by the Company	Ownership interest held by Non-Controlling interests	
		31 March 2022	31 March 2022	Principal activity
Vnext Solutions Private Limited	India	100%	0%	To undertake various construction activity with V Infill materials, fibre cement boards, solar panels and other building materials.
Atum Life Private Limited	India	100%	0%	Trading of green products, eco-friendly products, sustainable products and organic products.

46. Other disclosures

Additional Information required by Schedule III

All amounts in ₹ lakhs

31 March 2022	Net Assets(Total Assets minus Total Liabilities)		Share in Profit or (Loss)		Share in Other Comprehen- sive Income		Share in Total Comprehen- sive Income	
Name of the entity in the group	As % of Consoli- dated net assets	Amount	As % of Consolidat- ed Profit or (Loss)	Amount	As % of Con- solidated Other Comprehensive Income	Amount	As % of Con- solidated Total Comprehensive Income	Amount
Parent Company:								
Visaka Industries Limited	100.03%	73,231.05	100.17%	11,852.79	100.00%	42.00	100.17%	11,894.79
Sub-total (A)	100.03%	73,231.05	100.17%	11,852.79	100.00%	42.00	100.17%	11,894.79
Subsidiaries								
Vnext Solutions Private Limited	0.15%	108.31	0.06%	7.12	0.00%	-	0.06%	7.12
Atum Life Private Limited	0.15%	113.12	-0.23%	(27.49)	0.00%	-	-0.23%	(27.49)
Sub-total of subsidiaries (B)	0.30%	221.43	-0.17%	(20.37)	0.00%	-	-0.17%	(20.37)
Sub-total (A+B)	100.33%	73,452.48	100.00%	11,832.42	100.00%	42.00	100.00%	11,874.42
Adjustments arising out of Consolidation (C)	-0.33%	(242.00)	0.00%	-	0.00%	-	0.00%	-
Total (A+B+C)	100.00%	73,210.48	100.00%	11,832.42	100.00%	42.00	100.00%	11,874.42

All amounts in ₹ lakhs

31 March 2021	Net Assets(Total Assets minus Total Liabilities)		Share in Profit or (Loss)		Share in Other Comprehen- sive Income		Share in Total Comprehen- sive Income	
Name of the entity in the group	As % of Consoli- dated net assets	Amount	As % of Consolidat- ed Profit or (Loss)	Amount	As % of Con- solidated Other Comprehensive Income	Amount	As % of Con- solidated Total Comprehensive Income	Amount
Parent Company:								
Visaka Industries Limited	100.00%	62,692.02	100.00%	11,064.47	100.00%	22.11	100.00%	11,086.58
Sub-total (A)	100.00%	62,692.02	100.00%	11,064.47	100.00%	22.11	100.00%	11,086.58
Subsidiaries								
Vnext Solutions Private Limited	0.00%	1.19	0.00%	0.19	0.00%	-	0.00%	0.19
Atum Life Private Limited	0.00%	0.61	0.00%	(0.39)	0.00%	-	0.00%	(0.39)
Sub-total of subsidiaries (B)	0.00%	1.80	0.00%	(0.20)	0.00%	-	0.00%	(0.20)
Sub-total (A+B)	100.00%	62,693.82	100.00%	11,064.27	100.00%	22.11	100.00%	11,086.38
Adjustments arising out of Consolidation (C)	0.00%	(2.00)	0.00%	-	0.00%	-	0.00%	-
Total (A+B+C)	100.00%	62,691.82	100.00%	11,064.27	100.00%	22.11	100.00%	11,086.38

Notes to the Consolidated Financial Statements for the year ended 31 March 2022

47. Valuation of Property Plant & Equipment, intangible asset

The group has not revalued its property, plant and equipment or intangible assets or both during the current or previous year.

48. Loans or advances to specified persons

No loans or advances in the nature of loans are granted to promoters, directors, KMPS and the related parties (as defined under Companies Act, 2013,) either severally or jointly with any other person, that are repayable on demand or without specifying any terms or period of repayment.

49. Details of benami property held

No proceedings have been initiated on or are pending against the group for holding benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.

50. Borrowing secured against current assets

The group has borrowings from banks on the basis of security of current assets. The quarterly returns or statements of current assets filed by the group with banks are in agreement with the books of accounts.

51. Wilful defaulter

None of the entities of the group have been declared wilful defaulter by any bank or financial institution or other lender.

52. Relationship with struck off companies

The group has no transactions with the companies struck off under Section 248 of the Companies Act, 2013 or Section 560 of the Companies Act, 1956.

53. Compliance with number of layers of companies

The group has complied with the number of layers prescribed under the Section 2(87) of the Companies Act, 2013 read with Companies (Restriction on number of layers) Rules, 2017.

54. Utilisation of borrowed funds and share premium

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 group to or in any other person or entity, including foreign entities ("Intermediaries") with the understanding, whether recorded in writing or otherwise, that the Intermediary shall lend or invest in party identified by or on behalf of the group (Ultimate Beneficiaries). The group has not received any fund from any party (Funding Party) with the understanding that the group shall whether, directly or indirectly lend or invest in other persons or entities identified by or on behalf of the group ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

55. Undisclosed income

There is no income surrendered or disclosed as income during the current or previous year in the tax assessments under the Income Tax Act, 1961, that has not been recorded previously in the books of account.

56. Details of crypto currency or virtual currency

The group has not traded or invested in crypto currency or virtual currency during the current or previous year.

57. Utilisation of borrowings availed from banks and financial institutions

The borrowings obtained by the group from banks and financial institutions have been applied for the purposes for which such loans were taken.

For Price Waterhouse & Co Chartered Accountants LLP

Firm Registration Number: 304026E/E-300009

N. K. Varadarajan

Partner

Membership Number: 090196

On behalf of Board of Directors

Dr. G. Vivekanand

Chairman

DIN : 00011684

Smt. G. Saroja Vivekanand

Managing Director

DIN : 00012994

S. Shafiulla

Chief Financial Officer

K. Ramakanth

Company Secretary &
Assistant Vice President

Place: Secunderabad

Date: May 09, 2022



Notice

Notice is hereby given that the 40th Annual General Meeting of VISAKA INDUSTRIES LIMITED ("The Company") will be held on Friday, the 17th day of June 2022 at 11.30 A.M. IST through Video Conferencing ("VC") / Other Audio Visual Means ("OAVM") to transact the following business:

ORDINARY BUSINESS

1. To consider and adopt the audited financial statements (standalone and consolidated) of the Company for the financial year ended March 31, 2022 and reports of Board of Directors of the company and Auditors' thereon as on that date.
2. To confirm payment of Interim Dividend and declaration of Final Dividend

To confirm the payment of Interim Dividend of ₹ 7.00 per Equity share and to declare a Final Dividend of ₹ 8.00 per Equity Share for the Financial Year 2021-22
3. To appoint a Director in place of Shri J P Rao (DIN:03575950) who retires by rotation and being eligible, offers himself for reappointment.
4. To appoint statutory auditors of the Company from the conclusion of this 40th Annual General Meeting of the Company till the conclusion of the 45th Annual General Meeting of the Company to be held in the year 2027 and to fix their remuneration.

"RESOLVED THAT pursuant to Section 139, 142 and all other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, (including any statutory modification(s) or re-enactment thereof) and pursuant to the recommendations of the Audit Committee and the Board of Directors of the Company, M/s. Price Waterhouse & Co, Chartered Accountants LLP, having registration No. 304026E/E-300009 be and are hereby re-appointed as the Statutory Auditors of the Company for a term of five consecutive years, who shall hold office from the conclusion of this 40th Annual General Meeting of the Company till the conclusion of the 45th Annual General Meeting of the Company to be held in the year 2027 on such remuneration as may be decided by the Board of Directors in consultation with the Statutory Auditors of the Company."

SPECIAL BUSINESS

5. To consider and if thought fit, to pass, with or without modification(s), the following Resolution(s) as a Special Resolution:

"RESOLVED THAT pursuant to the provisions of Sections 196, 197, 198, 203 and any other applicable provisions of the Companies Act, 2013 ("the Act") read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013

("the Act") and Rules made thereunder (including any statutory modification(s) or re-enactment thereof, for the time being in force), applicable provisions of SEBI (LODR) Regulations, 2015, the relevant provisions of the Articles of Association of the Company and subject to such other approvals, as may be necessary, consent of the Members be and is hereby accorded to the re-appointment of Shri G. Vamsi Krishna (DIN:03544943) as Joint Managing Director a Whole-time Key Managerial Personnel (KMP) of the Company for a period of 5 years effective from May 6, 2022, liable to retire by rotation on the following terms and conditions;

- A) Basic Salary per month: ₹ 6,00,000/- (Rupees Six Lakhs only) in the pay scale of ₹ 6,00,000/- to ₹ 10,00,000/-
- B) Perquisites & Allowances: In addition to the aforesaid salary, Shri. G. Vamsi Krishna shall also be entitled to the following perquisites and allowances:
 - (1) Housing: Furnished / unfurnished residential accommodation or House Rent Allowance upto 50% of the salary thereof. The expenditure incurred on Gas, Electricity, Water and Furnishings, if any will be paid on actual basis by the Company and shall be evaluated as per Income Tax Rules, 1962 or any modification thereof.
 - (2) Medical Reimbursement/Allowance: Expenses incurred for self and family subject to a ceiling of one-month salary in a year or 3 month's salary over a period of three years.
 - (3) Leave Travel Concession: For self and family once in a year in accordance with the rules of the Company.
 - (4) Club Fees: Fees payable subject to a maximum of two clubs.
 - (5) Use of Car with Driver: The Company shall provide a car with driver for business use.
 - (6) Communication facilities: The Company will provide all communication facilities like Telephone/Internet/Mobiles/Fax at residence of the Joint Managing Director and will pay the bills on actual basis.
 - (7) Special Allowance: 15% of the Basic pay.
- C) Other benefits:
 - (1) Contribution to Provident Fund or Annuity Fund as per the rules of the Company.
 - (2) Gratuity payable as per the rules of the Company.
 - (3) Encashment of Leave at the end of tenure shall be allowed as per the rules of the Company.
- D) Commission: In addition to the above, commission not exceeding 2.5% of the net profits of the company

shall be paid to Shri G. Vamsi Krishna as Joint Managing Director of the Company.

- E) Increments: Increments may be given subject to the overall limits specified under Section 197 read with Schedule V of the Companies Act, 2013.

Minimum Remuneration: Notwithstanding anything to the contrary herein contained, where in any financial year during the currency of the tenure of the Joint Managing Director, the Company has no profits or its profits are inadequate, the Company will pay to the Joint Managing Director remuneration by way of Salary, Benefits, Perquisites and Allowances and Incentive Remuneration as specified above.

“RESOLVED FURTHER THAT, the Board of Directors or its duly constituted committee be and is hereby authorized to alter and vary the terms and conditions of appointment and/or remuneration including annual increments based on the performance appraisal, provided the same are not exceeding the limits specified under Section 197 and other applicable provisions of the Companies Act, 2013 read with Schedule V thereto.

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

RESOLVED THAT pursuant to the provisions of Section 148 and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), M/s. Sagar & Associates, Cost Accountants, Hyderabad, the Cost Auditors appointed

by the Board of Directors of the Company, to conduct the audit of the cost records of the Company for the financial year ending March 31, 2023, be paid a remuneration of ₹ 1,65,000/- exclusive of out of pocket expenses and applicable taxes.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution.

By order of the Board
For **VISAKA INDUSTRIES LIMITED**

Ramakanth Kunapuli
Assistant Vice President &
Company Secretary
Membership No. F5539

Date: May 9, 2022
Place: Hyderabad

Registered Office:

Survey No.315, Yelumala Village,
R.C.Puram Mandal, Sangareddy District,
Telangana – 502 300
CIN: L52520TG1981PLC003072
Website: www.visaka.co
Email: Investor.relations@visaka.in
Phone: 040-27813833, 040-27813835

NOTES:

1. In view of the Covid-19 pandemic, the Ministry of Corporate Affairs (“MCA”) has, vide its circular dated May 5, 2022 read with other previous circulars issued in that connection (collectively referred to as “MCA Circulars”), permitted for holding the Annual General Meeting (“AGM”) through VC / OAVM and thus physical attendance of Members has been dispensed with. In compliance with the said Circulars, the AGM of the Company is being held through Video Conference (VC) / Other Audio-Visual Mode (OAVM) and as such the route map is not annexed to this Notice.
2. In compliance with the aforesaid circulars, this 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. Copies of the Notice and annual report 2021-22 will also be uploaded on the company’s website at www.visaka.co, websites of stock exchanges i.e., BSE Ltd and National Stock Exchange of India Ltd., at www.bseindia.com and www.nseindia.com respectively.
3. Members attending AGM through VC / OAVM shall be counted for the purpose of reckoning the quorum under the provisions of the Act.
4. Since this AGM is being held through VC / OAVM pursuant to the MCA Circulars, physical attendance of Members has been dispensed with. Accordingly, the facility to appoint proxies by the Members will not be available for the AGM and hence the Proxy Form and Attendance Slip are not annexed to this Notice.
5. The Statement pursuant to Section 102(1) of the Companies Act, 2013 relating to the Special Business to be transacted at the Meeting is annexed hereto and forming part of this Notice.
6. The Register of members and share transfer Books of the Company will be closed from May 30, 2022 to June 03, 2022 (both days inclusive). The members are requested to –
 - a) Intimate changes if any, relating to name, their registered addresses, email addresses, telephone/mobile numbers, Permanent Account Numbers (PAN), mandates, nominations, power of attorney at an early date:
 - i) to the Company or



- ii) Company's Registrar and Transfer Agents, Kfin Technologies Limited (Kfintech), in case they hold shares in physical form and
 - iii) to their Depository Participants in case they hold shares in electronic form.
 - b) Quote Ledger Folio/Client ID in all the correspondence and
 - c) Intimate to their respective Depository Participant about changes in bank particulars such as name of the bank, branch details, bank account number, MICR Code, IFSC Code etc., in case members are holding shares in electronic form. In all such cases, the Company or its Registrar and Transfer Agents, Kfintech cannot act on any request received directly from such members.
7. SEBI has mandated that with effect from April 1, 2019 securities of listed companies can / should be transferred only in dematerialized form. Accordingly, members holding shares in physical form are advised to avail the facility of dematerialisation and the company / RTA has stopped accepting any fresh lodgment of transfer of shares in physical form.
 8. Institutional / Corporate Shareholders (i.e. other than individuals / HUF, NRI, etc.) are required to send a scanned copy (PDF/JPG Format) of its Board or governing body Resolution/Authorization etc., authorizing its representative to attend the AGM through VC / OAVM on its behalf or to participate in e-voting. The said Resolution/Authorization shall be sent to the Scrutinizer through their registered mail-id addressing to vil-evoting2022agm@visaka.in. with a copy marked to Kfintech, email-id einward.ris@kfintech.com. The file scanned image of the board resolution should be in the naming format "Corporate name event no."
 9. Members desiring any information pertaining to accounts are requested to write to the Company at least fifteen days before the date of the meeting to enable the management to keep the information ready during the meeting.
 10. Adhering to the various requirements set out in terms of provisions of Section 125 of the Companies Act, 2013 read with Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Amendment Rules, 2017:
 - i. The company has transferred 8345 equity shares to the IEPF authority in respect of which no claim for dividend from the shareholders has been made for the seven consecutive preceding years.
 - ii. The said details have also been uploaded on the website of the IEPF Authority and on the website of the Company as well. The same can be accessed at <http://www.visaka.co> and www.iepf.gov.in.
 - iii. Respective members may claim back the aforesaid shares as well as unclaimed dividend from IEPF authority and
 - iv. Amounts lying in the Unclaimed Dividend account together with shares, if any, in respect of the Dividend for the Year 2014-15 will be transferred to Investor Education and Protection Fund on or before August 31, 2022. Accordingly, shareholders who have not claimed Dividend in respect of the said Dividend for the year 2014-15 are requested to claim the same on or before August 31, 2022;
 11. In connection with 1st Interim Dividend, ₹ 7/- per share (i.e., 70%) declared on equity share of ₹ 10/- each fully paid-up for the financial year 2021-22, an amount aggregating to ₹ 11,53,66,664/- was paid to the shareholders through electronic means i.e., NEFT, RTGS, ECS and NECS etc.
 12. All documents referred to in the notice and explanatory statement are open for inspection at the Corporate Office of the Company during office hours on all working days (from Monday to Friday) except public holidays, between 11.00 A.M. and 1.00 P.M. up to the date of the annual general meeting.
 13. The business as set out in the notice will be transacted only through voting by electronic means i.e. e-voting system and as required, the Company is providing the said e-voting facility to all its members. Under the said system, members are allowed to exercise their voting rights through remote e-voting process, wherein they can cast their vote from a place other than venue of the meeting. Apart from aforesaid remote e-voting facility, voting through e-voting system will also be provided during the AGM and those members who did not exercise their vote under remote e-voting, are allowed to cast their vote under this platform.
 14. M/s. KFin Technologies Limited (Kfintech) will be providing facility for voting through remote e-voting, for participation in the Fortieth AGM through VC/OAVM and e-voting during the AGM. The e-voting facility will be available at the link <https://evoting.kfintech.com>. during the voting period as mentioned at point no. 20 below.
 15. This Notice together with annual report 2021-22 containing instructions as to creation of login ID and password for e-voting along with process and manner is being sent only through electronic mode to those members who have registered their e-mail IDs. Since, physical attendance of Members has been dispensed with, the requirement relating to put every resolution to vote through a ballot process at the meeting will not be applicable. The detailed instructions as to accessing the Kfintech portal, creation of login ID and password etc., relating to remote e-voting and participation in AGM are provided at point no.20 in detailed manner.
 16. To support Green initiative, members who have not registered their e-mail addresses so far, are requested to register their e-mail address for receiving all communication including Annual Report, Notices, Circulars, etc., from the Company electronically.

17. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote
18. Information on Directors recommended for appointment/re-appointment as required under Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Name of the Director	Shri G. Vamsi Krishna	Shri J. P. Rao.
Qualification	B.S. from Purdue University, USA.	B.A, M.B.A
Age	33 Years	62 Years.
Date of First Appointment	01.06.2014	07.05.2015
Terms & Conditions of Re-appointment along with Remuneration sought to be paid.	Basic Salary per month: ₹ 6,00,000/- (Rupees Six Lakhs only) in the pay scale of ₹ 6,00,000/- to ₹ 10,00,000/- with Perquisites & Allowances. For further details, please refer the item no. 5 of the explanatory Statement to this Notice.	Being Reappointment as a director liable to retire by rotation.
Remuneration last drawn.	Please refer report on the Corporate Governance of the Annual Report 2021-22	Please refer report on the Corporate Governance of the Annual Report 2021-22
Relationship with other Directors, manager and other key managerial personnel of the Company.	Dr. G. Vivekanand, Chairman - Father Smt. G. Saroja Vivekanand, MD - Mother	He does not have any relation with any other director or Key managerial person of the Company
Brief Profile and expertise in specific functional area.	Played a key role in phenomenal growth in Turnover and profitability achieved by the Company for the last 8 years by continuously developing and executing the company's business strategies and implementing comprehensive and successful business plans. He has also implemented various cost reducing techniques without affecting quality and introduced various new steps for cost effective operations and market development activities. He is the brain behind development of modern technology with the Vnext Fiber Cement range (2008) that was GreenPro certified in 2014 which is an eco-friendly substitute to conventional materials like plywood, gypsum boards and traditional brick wall construction. Introduced solid load bearing wall solution, Vnext Infill in 2017 as an addition to the Vnext range. Also launched the innovative ATUM Solar Roof in 2017 an integrated solar roof as an alternative to the conventional retrofit solar systems, which was patented in August 2020. Developed ATUM powered pushcarts to help low-income entrepreneurs with their daily expenses that offer both roofing and power for their business needs.	He has long stint and rich experience in versatile roles in sales, distribution and marketing functions, both at domestic as well as global level. He has been associated with the Company for the last 38 years during said period, he dealt with various key operations of the Company and made valuable contributions.
No. of Board meetings attended during the year.	5 out of 5 meetings held	5 out of 5 meetings held
Names of other companies in which directorship(s) is held	V-Solar Roofings Pvt Ltd, Atum Life Private Limited, Karido Private Limited, Vnext Solutions Private Ltd, Atumobile Private Ltd	Vnext Solutions Private Ltd Atum Life Private Limited



Name of the Director	Shri G. Vamsi Krishna	Shri J. P. Rao.
Names of other companies in which holds the membership of Committees of the Board.	Nil	Nil
No. of Equity Shares of ₹ 10/- each held in the Company as on 31st March, 2022.	1,21,730	Nil

19. Members may join the Fortieth (40th) AGM through VC/OAVM by following the procedure which shall be kept open for the Members from 11.00 a.m. i.e. 30 minutes before the time scheduled to start the AGM and the Company may close the window for joining the VC/OAVM 15 minutes after the scheduled time to start the Fortieth AGM. The detailed instructions for participating in the Fortieth AGM through VC/OAVM are given in point No 20. Members may note that the VC/OAVM provided by Kfintech allows participation of at least 1000 Members on a first-come-first-served basis. The large shareholders (i.e. shareholders holding 2% or more shareholding), promoters/promoter group, institutional investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination & Remuneration Committee and Stakeholders Relationship Committee, Auditors, etc. can attend the AGM without any restriction on account of first-come-first-served principle.
20. Information and other instructions relating to remote e-voting:
 - i. Use the following URL for e-voting from Kfintech website: <https://evoting.kfintech.com>
 - ii. Members of the Company holding shares either in physical form or in dematerialised form, as on 10th June, 2022 the cut-off date (Record Date), may cast their vote electronically.
 - iii. Enter the login credentials [i.e., user id and password mentioned in the Attendance Slip enclosed with this Member]. Your Folio No/DP ID Client ID will be your user ID.
 - iv. After entering the details appropriately, click on LOGIN.
 - v. You will reach the Password change menu wherein you are required to mandatorily change your password. The new password shall comprise of minimum 8 characters with at least one upper case (A-Z), one lower case (a-z), one numeric value (0-9) and a special character. The system will prompt you to change your password and update any contact details like mobile, email etc. on first login. You may also enter the secret question and answer of your choice to retrieve your password in case you forget it. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
 - vi. You need to login again with the new credentials.
 - vii. On successful login, the system will prompt you to select the EVENT i.e., Visaka Industries Limited.
 - viii. On the voting page, enter the number of shares as on the cut-off date under FOR/AGAINST or alternately you may enter partially any number in FOR and partially in AGAINST but the total number in FOR/AGAINST taken together should not exceed the total shareholding. You may also choose the option ABSTAIN.
 - ix. Members holding multiple folios / demat account shall choose the voting process separately for each folio / demat account.
 - x. Cast your vote by selecting an appropriate option and click on SUBMIT. A confirmation box will be displayed. Click OK to confirm else CANCEL to modify. Once you confirm, you will not be allowed to modify your vote. During the voting period, Members can login any number of times till they have voted on the resolution.
 - xi. Once the vote on the resolution is cast by the Member, he/she shall not be allowed to change it subsequently.
 - xii. The Portal will be open for voting from 9.00 a.m. on 13th June, 2022 and closes at 5.00 p.m. on 16th June, 2022.
 - xiii. Members of the Company who have purchased their shares after the dispatch of the Notice but before the cut-off date (10th June, 2022) may contact Kfintech at Tel No. 1800-3094-001 (toll free) to obtain login id and password or send a request to einward.ris@kfintech.com.
 - xiv. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for shareholders and e-voting User Manual for shareholders available at the download section of <https://evoting.kfintech.com> or contact Kfintech at Tel No. 1800-3094-001 (toll free).
 - xv. Pursuant to SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 9th December 2020 on "e-voting facility provided by Listed Companies", e-voting process has been enabled to all the individual demat account holders, by way of single login credential, through their demat accounts / websites of Depositories / DPs in order to increase the efficiency of the voting process. Individual demat account holders would be able to cast their vote without having to register again with the e-Voting service provider (ESP) thereby not only facilitating seamless authentication but also ease and convenience of participating in e-voting process. Shareholders are advised to update their mobile number and e-mail ID with their DPs in order to access e-voting facility.

Procedure to login through websites of Depositories

NSDL	CDSL
Users already registered for IDeAS facility of NSDL	Users already registered for Easi / Easiest facility of CDSL
i. Click on URL: https://eservices.nsdl.com .	i. Click on URL: https://web.cdslindia.com/myeasi/home/login or www.cdslindia.com and click on New System Myeasi
ii. Click on the "Beneficial Owner" icon under 'IDeAS' section.	ii. Enter your User ID and Password for accessing Easi / Easiest.
iii. Enter your User ID and Password for accessing IDeAS,	iii. Click on Company name or e-voting service provider for casting the vote during the remote e-voting period.
iv. On successful authentication, you will enter your IDeAS service login.	
v. Click on "Access to e-Voting".	
vi. Click on Company name or e-voting service provider and you will be re-directed to Kfintech website for casting the vote during the remote e-voting period.	
2. Users not registered for IDeAS facility of NSDL	2. Users not registered for Easi / Easiest facility of CDSL
i. To register, click on URL: https://eservices.nsdl.com .	i. To register, click on URL https://web.cdslindia.com/myeasi/Registration/EasiRegistration
ii. Select "Register Online for IDeAS".	ii. Proceed to complete registration using your DP ID, Client ID, Mobile Number, etc.
iii. Proceed to complete registration using your DP ID, Client ID, Mobile Number, etc.	iii. After successful registration, please follow steps given under Sr. No. 1 above to cast your vote.
iv. After successful registration, please follow steps given under Sr. No. 1 above to cast your vote.	
3. Users may directly access the e-voting module of NSDL as per the following procedure:	3. Users may directly access the e-voting module of CDSL as per the following procedure:
i. Click on URL: https://www.evoting.nsdl.com/	i. Click on URL: www.cdslindia.com .
ii. Click on the button "Login" available under "Shareholder / Member" section.	ii. Provide demat account number and PAN.
iii. Enter your User ID (i.e. 16-digit demat account number held with NSDL), login type, Password / OTP and Verification code as shown on the screen	iii. System will authenticate user by sending OTP on registered mobile & email as recorded in the demat account.
iv. On successful authentication, you will enter the e-voting module of NSDL	iv. On successful authentication, you will enter the e-voting module of CDSL.
v. Click on Company name or e-voting service provider and you will be re-directed to Kfintech website for casting the vote during the remote e-voting period.	v. Click on Company name or e-voting service provider and you will be re-directed to Kfintech website for casting the vote during the remote e-voting period.
NSDL	CDSL
Individual shareholders holding shares of the Company in Demat mode can access e-Voting facility provided by the Company using login credentials of their demat accounts (online accounts) through their demat accounts / websites of Depository Participants registered with NSDL/CDSL. An option for "e-Voting" will be available once they have successfully logged-in through their respective logins. Click on the option "e-Voting" and they will be redirected to e-Voting modules of NSDL/CDSL (as may be applicable). Click on the e-Voting link available against the name of Company or select e-Voting service provider "Kfintech" and you will be redirected to the e-Voting page of Kfintech to cast your vote without any further authentication.	
Members who are unable to retrieve User ID / Password are advised to use "Forgot User ID" / "Forgot Password" options available on the websites of Depositories / Depository Participants.	
Contact details in case of technical issue on NSDL website	Contact details in case of technical issue on CDSL website
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	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at 022- 23058738 or 22-23058542-43.



INSTRUCTIONS FOR PARTICIPATING THROUGH VC/OAVM

- i. Members will be able to attend the Fortieth AGM through VC/OAVM through Kfintech e-voting system at <https://evoting.kfintech.com> under shareholders login by using the remote e-voting credentials and selecting the EVENT for the Company's Fortieth AGM. Please note that the Members who do not have the User ID and Password for e-voting or have forgotten the User ID and Password may retrieve the same by following the remote e-voting instructions mentioned in the Notice of AGM to avoid last minute rush. Further, Members can also use the OTP based login for logging in to the e-voting system.
- ii. Members will be required to use internet with a good speed to avoid any disturbance during the Meeting. It is recommended to join the Meeting through Google Chrome for better experience.
- iii. Please note that Members connecting from mobile devices or tablets or through laptops etc. 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.
- iv. Members can submit questions in advance with regard to the financial statements or any other matter to be placed at the AGM, from their registered email address, mentioning their name, DP ID and Client ID No./Folio No. and Mobile No. to reach the Company's email address investor.relations@visaka.in at least 48 hours in advance before the start of the meeting i.e., 15th June, 2022 by 1.30 p.m. IST. Such questions by the Members shall be taken up during the meeting and replied by the Company suitably.
- v. Members, who would like to ask questions during the AGM with regard to the financial statements or any other matter to be placed at the Fortieth AGM, need to register themselves as a speaker by sending their request from their registered email address mentioning their name, DP ID and Client ID No./Folio No. and Mobile No. to reach the Company's email address investor.relations@visaka.in at least 48 hours in advance before the start of the meeting i.e. 15th June, 2022 by 1.30 p.m. IST. Those Members who have registered themselves as a speaker shall be allowed to ask questions during the AGM, depending upon the availability of time.
- vi. During the AGM, the Chairman shall, after response to the questions raised by the Members in advance or as a speaker at the AGM, formally propose to the Members participating through VC/ OAVM to vote on the resolutions as set out in the Notice of the Fortieth AGM and announce the start of the casting of vote through e-voting system. After the Members participating through VC/OAVM, eligible and interested to cast votes, have cast the votes, the e-voting will be closed with the formal announcement of closure of the Meeting.
- vii. Only those Members who will be present in the AGM through the VC facility and have not casted their vote through remote e-voting are eligible to vote through e-voting in the AGM.
- viii. Members who need assistance or help during the AGM, can contact Kfintech, Selenium Tower B, Plot NO. 31 & 32, Financial District, Nanakramguda, Gachibowli, Hyderabad – 500032, Telangana. Phone: +91-40-6716-2222.
21. Members intending to express their views or raise queries during the AGM may register themselves as a speaker by sending their request from their registered email address mentioning their name, DPID & client ID / Folio Number, PAN, mobile number at vil-evoting2022agm@visaka.in from 11th June, 2022 (09.00 AM IST) to 13th June, 2022 (05.00 P.M. IST). Please note that those members who have registered themselves as a speaker will only be allowed to express their views / raise queries during the AGM. The company reserves the right to restrict the number of speakers depending on the availability of time at the AGM.
22. Pursuant to Finance Act 2020, dividend income is taxable in the hands of the Members w.e.f. 1st April, 2020 and the Company is required to deduct tax at source from dividend paid to Members 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. The shareholders are requested to update their PAN with the Company / Kfintech (in case of shares held in physical mode) and depositories (in case of shares held in demat mode).
23. A Resident individual shareholder with PAN and who is not liable to pay income tax can submit a yearly declaration in Form No.15G/15H, to avail the benefit of non-deduction of tax at source by email to einward.ris@kfintech.com by 11.59 p.m. IST on 11th June, 2022. Members are requested to note that in case their PAN is not registered, the tax will be deducted at a higher rate of 20%.
24. Non-resident shareholders can avail beneficial rates under tax treaty between India and their country of residence, subject to providing necessary documents i.e. No Permanent Establishment and Beneficial Ownership Declaration, Tax Residency Certificate Form 10F, any other document which may be required to avail the tax treaty benefits by sending an email to einward.ris@kfintech.com. The aforesaid

declarations and documents need to be submitted by the shareholders by 11.59 p.m. IST on 11th June, 2022. The formats of the same can be downloaded from the website of the Company, www.visaka.co.

25. The Securities and Exchange Board of India (SEBI) has mandated submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are therefore, requested to submit their PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN to the Company / Kfintech. KYC documents to be submitted by physical holders which were dispatched by RTA.

ANNEXURE TO THE NOTICE

STATEMENT AS REQUIRED UNDER SECTION 102 (1) OF THE COMPANIES ACT, 2013

Item No. 4

This explanatory statement is in terms of Regulation 36(5) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), however, the same is strictly not required as per Section 102 of the Act.

The Members at the Thirty Fifth Annual General Meeting ("AGM") of the Company held on June 20, 2017, had approved the appointment of M/s. Price Waterhouse & Co., Chartered Accountants LLP Hyderabad (Firm Registration No: 304026E/E300009), as Statutory Auditors of the Company, to hold office till the conclusion of the fortieth AGM. After evaluating and considering various factors such as industry experience, competency of the audit team, efficiency in conduct of audit, independence, etc., the Board of Directors of the Company has, based on the recommendation of the Audit Committee, at its meeting held on May 09, 2022, proposed the re-appointment of M/s. Price Waterhouse & Co., Chartered Accountants LLP Chartered Accountants (Firm Registration No: 304026E/E300009), as the Statutory Auditors of the Company, for a term of five consecutive years from the conclusion of Fortieth AGM till the conclusion of Forty Fifth AGM of the Company to be held in the year 2027, at a remuneration as may be mutually agreed between the Board of Directors and Statutory Auditors. M/s. Price Waterhouse & Co., Chartered Accountants LLP Hyderabad have consented to their appointment as Statutory Auditors and have confirmed that if appointed, their appointment will be in accordance with Section 139 read with Section 141 of the Act.

Price Waterhouse & Associates are Network of Firms registered with the Institute of Chartered Accountants of India. M/s. Price Waterhouse & Co., Chartered Accountants LLP is conducting audits for various companies listed on stock exchanges in India.

The Board recommends the Ordinary Resolution set out at Item No. 4 of the Notice for approval by the Members.

None of the Directors and Key Managerial Personnel of the Company or their relatives is, in any way, concerned or interested in the Resolution set out at Item No. 4 of the Notice.

Item No. 5

Shri. G. Vamsi Krishna is an International Baccalaureate and graduated from the United World College of South East Asia, Singapore in 2006 and also Graduated in Bachelor of Science and management from Purdue University, USA in 2010.

Shri. G. Vamsi Krishna played a key role in phenomenal growth in Turnover and profitability achieved by the Company for the last 8 years by continuously developing and executing the company's business strategies and implementing comprehensive successful business plans. He has also implemented various cost reducing technics without affecting quality and introduced various new steps for cost effective operations and market development activities. He is the brain behind development of modern technology with the Vnext Fiber Cement range (2008) that was GreenPro certified in 2014 which is an eco-friendly substitute to conventional materials like plywood, gypsum boards and traditional brick wall construction. Introduced solid load bearing wall solution, Vnext Infill in 2017 as an addition to the Vnext range. Also launched the innovative ATUM Solar Roof in 2017 an integrated solar roof as an alternative to the conventional retrofit solar systems, which was patented in August 2020. Developed ATUM powered pushcarts to help low-income entrepreneurs with their daily expenses that offer both roofing and power for their business needs.

The Board of Directors at its meeting held on April 30, 2022 based on the recommendations of Nomination & Remuneration Committee of the Board, re-appointed him as Joint Managing Director of the Company for a further period of Five years with effect from May 6, 2022 The terms of appointment are stated in the resolution as set out at item no.5 of the Notice (hereinafter 'resolution').

None of the Directors, Key Managerial Personnel and their relatives except Shri G. Vamsi Krishna, Joint Managing Director, Smt. G. Saroja Vivekanand, Managing Director and Dr. G. Vivekanand, Chairman of the Company are interested or concerned financially or otherwise, in the Resolution set out at Item No. 5 of the Notice.



The Board of Directors in the interest of the Company recommends the resolution for the approval of the members as a special resolution.

Item No. 6

As per the provisions of Section 148 of the Act read with the Companies (Audit and Auditors) Rules, 2014, M/s. Sagar and Associates, Cost Accountants, Hyderabad have been conducting Cost Audit of Synthetic Yarn Division as well as Building Products Division of the Company from the financial year 2014-15 onwards.

The Board of Directors of your Company, based on the recommendations of its Audit Committee, approved to appoint them as cost auditors for the financial year 2022-23 at a remuneration of ₹ 1,65,000/- exclusive of out-of-pocket expenses and applicable taxes subject to your ratification in the ensuing Annual General Meeting of the Company.

In terms of aforesaid rules, the remuneration payable to them is subject to ratification by the members. Accordingly, consent of the members is sought for passing an Ordinary Resolution as set out at Item No.6 of the Notice (hereinafter 'resolution') for ratification of the remuneration payable to the Cost Auditors for the financial year ending March 31, 2023.

None of the Directors, Key Managerial Personnel of the Company or their relatives are, in any way, concerned or interested, financially or otherwise, in the Resolution set out at Item No. 6 of the Notice.

The Board of Directors in the interest of the Company, recommends the resolution for approval of the members.

By order of the Board
For **VISAKA INDUSTRIES LIMITED**

Ramakanth Kunapuli
Assistant Vice President &
Company Secretary
Membership. No. F5539

Date : May 9, 2022
Place : Hyderabad

Registered Office:

Survey No.315, Yelumala Village,
R.C.Puram Mandal, Sangareddy District,
Telangana – 502 300
CIN: L52520TG1981PLC003072
Website:www.visaka.co
Email:Investor.relations@visaka.in
Phone:040-27813833, 040-27813835



www.visaka.co

Visaka Industries Limited

Visaka Towers, 1-8-303/69/3

S.P. Road, Secunderabad - 500 003