

To  
The General Manager,  
Dept of Corp. Services,  
BSE Limited,  
P. J. Towers, Dalal Street,  
Mumbai – 400 001

Date: July 31, 2020

Dear Sir/Madam,

**Sub: Submission of Audited Financial Results for the year ended March 31, 2020- Reg**

**Ref: VELJAN DENISON LIMITED**

**Scrip Code: 505232**

Pursuant to Regulations 30 and 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, we are enclosing herewith the Audited Financial Results of the Company for the year ended March 31, 2020 as approved and taken on record by the Board of Directors of the Company in their meeting held today i.e July 31, 2020.

The Independent Audit Report issued by the Statutory Auditors of the Company and the declaration with regard to the Unmodified Audit Report as required under Regulation 33 (3)(d) of SEBI (LODR) Regulations. 2015 are also enclosed herewith.

The meeting of Board of Directors commenced at 5.30 P.M. and concluded at 8.15 P.M.

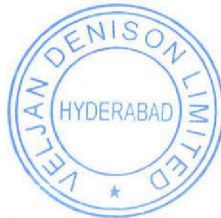
This is for your information and record,

Thanking You,

Yours Truly,  
**For VELJAN DENISON LIMITED,**



**V. C. JANARDAN RAO**  
**CHAIRMAN & MANAGING DIRECTOR**  
**DIN: 00181609**



**Veljan Denison Limited**

CIN No.:- L29119TG1973PLC001670

Regd. office : Plot No.44, 4th Floor, HCL Towers, Chikoti Gardens, Begumpet, Hyderabad- 500016.

Statement of Financial Results for the quarter and year ended March 31, 2020

(Rs in lakhs except EPS)

Particulars	Quarter Ended			Year Ended	
	March 31, 2020	December 31, 2019	March 31, 2019	March 31, 2020	March 31, 2019
	( Audited) (Refer note 7)	(Un Audited)	( Audited) (Refer note 7)	( Audited)	( Audited)
I Revenue from operations (Refer Note 4)	2,058.35	2,319.11	2,889.13	8,279.38	8,750.87
II Other income	53.87	15.36	46.01	125.13	114.19
III Total Revenue(I+II)	2,112.22	2,334.47	2,935.14	8,404.51	8,865.06
IV Expenses					
Cost of materials consumed	828.21	870.54	978.34	3,295.54	3,411.25
Change in inventories of finished goods, stock in trade and work in progress	-269.03	-110.98	26.15	-735.55	-717.18
Employee benefit Expenses	196.66	196.75	176.09	736.55	700.02
Finance costs	15.06	12.99	67.79	78.78	133.53
Depreciation and amortisation expenses	105.38	96.65	84.98	392.24	323.00
Job Expenses	361.09	391.14	468.08	1,502.14	1,538.52
Other expenses	354.09	363.60	400.29	1,323.44	1,209.59
Total Expenses(IV)	1,591.46	1,820.69	2,201.72	6,593.14	6,598.73
V Profit before exceptional items and tax(III-IV)	520.76	513.78	733.42	1,811.37	2,266.33
VI Exceptional Items					
VII Profit before tax	520.76	513.78	733.42	1,811.37	2,266.33
VIII Tax expense:					
Current tax	133.44	119.74	267.50	455.92	713.88
Deferred tax	-33.91	15.26	-94.35	11.88	-80.85
IX Profit for the period (VII-VIII)	421.23	378.78	560.27	1,343.57	1,633.30
X OTHER COMPREHENSIVE INCOME					
A-(i) Items that will be reclassified to the profit or loss	0.00	0.00	0.00	0.00	0.00
(ii) Income tax on items that will be reclassified to the profit or loss	0.00	0.00	0.00	0.00	0.00
B-(i) Items that will not be reclassified to the profit or loss					
a) Remeasurement of Defined employee benefit plans	0.00	0.00	0.00	0.00	0.00
(ii) Income tax on items that will not be reclassified to the profit or loss	0.00	0.00	0.00	0.00	0.00
Total Other Comprehensive Income (net of taxes)	0.00	0.00	0.00	0.00	0.00
Total Comprehensive Income for The Period	421.23	378.78	560.27	1,343.57	1,633.30
XI Earnings per Equity share-Basic and diluted (not annualised)	18.72	16.83	24.90	59.71	72.59
Weighted average number of equity shares (In No's)	2,250,000	2,250,000	2,250,000	2,250,000	2,250,000

**Notes:**

- The above financial results have been reviewed by the Audit committee and approved by the Board in their respective meetings held on July 31, 2020. The Statutory Auditors have audited the financial results and issued audit report with unmodified opinion.
- The Company's business activity falls within a single business segment - Hydraulic Products in terms of IND AS 108 on operating segments.
- Previous period figures have been regrouped or rearranged wherever necessary to confirm to current year classification.
- These financial results or the Company have been prepared in accordance with Indian Accounting Standards (IND-AS) as prescribed under section 133 of the Companies Act, 2013 read with the Companies ( Indian Accounting Standard) Rules 2015 (as amended).
- Indian Accounting Standard ( Ind As) 116 on "Leases", which is applicable from April 01, 2019 has not materially impacted the results for the quarter as well as for the year ended 31st March 2020. However wherever there are implications arising from Implementation of this standard the same have been appropriately accounted and disclosed.
- Impact assessment of the Pandemic COVID 19 and related estimation uncertainty:**  
The Company has suspended operations w.e.f. 23rd March, 2020 as per the directives of both Central and State Governments in the wake of COVID '19 Pandemic. The Company's operations were impacted in the month of March 2020. The Company has made an assessment on measurement of assets and liabilities including recoverability of carrying values of its assets, liquidity position and ability to repay its debts for the next year, and concluded that no material adjustments are necessary. From 3rd May 2020, operations have commenced in a phased manner taking into account directives from the Government. Financial results of the company.
- The figures of the quarter ended March 31, 2020 and March 31, 2019 are the balancing figures between audited figures for the full financial year and the published year to date figures upto third quarter of the respective financial years.
- As per Section 115BAA in the Income Tax Act, 1961, the company has an irrevocable option of shifting to a lower tax rate and simultaneously forgo certain tax incentives, deductions and accumulated MAT credit. The Company has not exercised this option for the year ended 31-03-2020 in view of the benefits available under the existing tax regime

Place : Hyderabad  
Date : July 31, 2020

For and on behalf of Board of Directors

*V. C. Janardan Rao*  
V. C. Janardan Rao  
Chairman & Managing Director  
DIN: 00181609





**VELJAN DENISON LIMITED**  
CIN NO: L29119TG1973PLC001670

Reg. Office: Plot No 44, 4th Floor, HCL Towers, Chikoti Gardens, Begumpet, Hyderabad -500016

**STATEMENT OF ASSETS AND LIABILITIES AS AT MARCH 31, 2020** (Rs. in Lakhs)

Particulars	AS AT 31-03-2020 (Audited)	AS AT 31-03-2019 (Audited)
<b>ASSETS</b>		
<b>1. NON-CURRENT ASSETS</b>		
(a) Property, Plant & Equipment	5,568.85	4,259.72
(b) Capital work-in-Progress	658.29	566.77
(c) Intangible Assets	6.21	12.79
(d) Financial Assets		
i. Other Financial Assets	66.17	69.80
<b>Sub-total Non-Current Assets</b>	<b>6,299.52</b>	<b>4,909.08</b>
<b>2. CURRENT ASSETS</b>		
(a) Inventories	3,757.46	2,615.74
(b) Financial Assets		
i. Trade receivables	3,661.29	5,174.64
ii. Cash and cash equivalents	841.33	785.00
iii. Bank Balances Other than (ii) above	1,425.55	2,542.60
iv. Loans	3.59	8.91
v. Other Financial Assets	255.12	246.28
(c) Current Tax Asset (Net)	295.25	212.94
(d) Other Current Assets	1,230.28	1,922.71
<b>Sub-total Current Assets</b>	<b>11,469.87</b>	<b>13,508.82</b>
<b>TOTAL ASSETS</b>	<b>17,769.39</b>	<b>18,417.90</b>
<b>EQUITY AND LIABILITIES</b>		
<b>1. EQUITY</b>		
(a) Equity Share Capital	225.00	225.00
(b) Other Equity	14,764.12	13,970.36
<b>Sub-total Equity</b>	<b>14,989.12</b>	<b>14,195.36</b>
<b>LIABILITIES</b>		
<b>2. NON - CURRENT LIABILITIES</b>		
(a) Borrowings	-	33.33
(b) Deferred tax Liability	285.49	274.55
(c) Provisions	5.25	-
<b>Sub-total Non-Current Liabilities</b>	<b>290.74</b>	<b>307.88</b>
<b>3. CURRENT LIABILITIES</b>		
(a) Financial Liabilities		
i. Borrowing	587.79	1,754.49
ii. Trade Payables		
- Total outstanding dues of micro and small enterprises	3.01	-
- Total outstanding dues of creditors other than micro and small enterprises	1,020.10	1,002.81
iii. Other Financial Liabilities	732.14	910.00
(b) Other Current Liabilities	146.49	247.36
<b>Sub-total Current Liabilities</b>	<b>2,489.53</b>	<b>3,914.66</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>17,769.39</b>	<b>18,417.90</b>

For and on Behalf of Board of Directors

Place: Hyderabad  
Date: July 31, 2020

*V.C. Janardan Rao*

**V.C. Janardan Rao**  
Chairman & Managing Director  
DIN: 00181609



**VELJAN DENISON LIMITED**  
CIN NO: L29119TG1973PLC001670

Reg. Office: Plot No 44, 4th Floor, HCL Towers, Chikoti Gardens, Begumpet, Hyderabad -500016

**CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2020**

(Rs. in Lakhs)

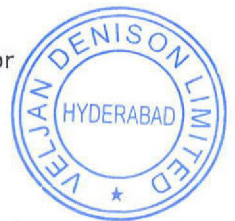
SI No	Particulars	Year Ended	Year Ended
		March 31, 2020	March 31, 2019
<b>A</b>	<b>CASH FLOW FROM OPERATING ACTIVITIES:</b>		
	Net profit before Tax & Extraordinary items	1,811.37	2266.33
	Adjustments for:		
	Depreciation	392.25	323.00
	Interest Expenses	78.79	133.53
	Interest Income	-111.63	-107.83
	Loss on sale of Asset	-	0.34
	Tools and Jigs, Fixtures and Patterns Written off	12.84	13.37
	<b>OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES</b>	<b>2,183.62</b>	<b>2628.73</b>
	Adjustments for:		
	Inventories	-1,154.56	-882.02
	Trade receivable	1,513.36	1317.93
	Other Receivable	90.67	-176.90
	Trade payable	-221.80	916.22
	Income Tax paid	-638.99	-895.55
	<b>Net cash flow from operating activities A</b>	<b>1,772.30</b>	<b>2908.40</b>
<b>B</b>	<b>CASH FLOW FROM INVESTING ACTIVITIES:</b>		
	Interest Received	124.55	89.71
	Proceeds from sale of Asset	-	0.32
	Purchase of fixed Assets	-1,111.97	-2565.06
	<b>Net Cash used in investing Activities B</b>	<b>-987.42</b>	<b>-2475.03</b>
<b>C</b>	<b>CASH FLOW FROM FINANCE ACTIVITIES:</b>		
	Proceeds from Long Term Borrowings	-134.04	-134.38
	Working capital loans	-1,166.70	-142.08
	Interest paid	-78.79	-133.53
	Dividend paid	-466.08	-242.66
	<b>Net Cash used in Financing Activities C</b>	<b>-1,845.61</b>	<b>-652.66</b>
<b>D</b>	<b>NET INCREASE/-DECREASE IN CASH IN CASH EQUIVALENTS (A+B+C)</b>	<b>-1,060.73</b>	<b>-219.25</b>
	<b>OPENING CASH &amp; BANK BALANCE</b>	<b>3,327.60</b>	<b>3546.85</b>
	<b>CLOSING CASH &amp; BANK BALANCE</b>	<b>2,266.87</b>	<b>3327.60</b>

For and on Behalf of Board of Directors

Place: Hyderabad  
Date: July 31, 2020

*V.C. Janardan Rao*

**V.C. Janardan Rao**  
Chairman & Managing Director  
DIN: 00181609







Independent Auditor's Report on Quarterly and Year to Date Financial Results of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015, as amended

To Board of Directors of **VELJAN DENISON LIMITED**.

Report on the Audit of the Financial Results for

### Opinion

We have audited the accompanying statement of quarterly and year to date financial results of **VEJAN DENISON LIMITED** (the "Company") for the quarter and the year ended March 31, 2020 ("Statement"), attached herewith, being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the "Listing Regulations").

In our opinion and to the best of our information and according to the explanations given to us these financial results:

- i. are presented in accordance with the requirements of Regulation 33 of the Listing Regulations in this regard; and
- ii. give a true and fair view in conformity with the recognition and measurement principles laid down in the applicable accounting standards and other accounting principles generally accepted in India of the net profit and other comprehensive income and other financial information for the quarter and year ended March 31, 2020.

### Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013 (the Act). Our responsibilities under those Standards are further described in the "Auditor's Responsibilities for the Audit of the Financial Results" 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 financial statements under the provisions of the Act and the Rules there under, 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.

### Management's Responsibilities for the Financial Results

The statement has been prepared on the basis of the annual financial statements. The Company's Board of Directors are responsible for the preparation and presentation of the statement that give a true and fair view of the net profit and other comprehensive income and other financial information in accordance with the applicable accounting standards prescribed under Section 133 of the Act read with relevant rules issued there under and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. 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 statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the statement, the Board of Directors are 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 the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are also responsible for overseeing the Company's financial reporting process.

#### **Auditor's Responsibilities for the Audit of the Financial Results**

Our objectives are to obtain reasonable assurance about whether the statement as a whole is 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 the statement.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the statement, 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 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 the Board of Directors.
- Conclude on the appropriateness of the Board of Directors' 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 financial results 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 statement, including the disclosures, and whether the statement represents the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

#### Other Matter

The Statement includes the results for the quarter ended March 31, 2020 being the balancing figure between the audited figures in respect of the full financial year ended March 31, 2020 and the published unaudited year-to-date figures up to the third quarter of the current financial year, which were subjected to a limited review by us, as required under the Listing Regulations.

for KS RAO & CO.

Chartered Accountants



Regn No. 0031095

*M. Naga Prasad*

(M. NAGA PRASADU)

Partner

Place: Hyderabad

Date: 31.07.2020

Membership No. 231388  
UDIN: 20231388AAAABH8979

To  
The General Manager,  
Dept of Corp. Services,  
BSE Limited,  
P. J. Towers, Dalal Street,  
Mumbai – 400 001

Date: July 31, 2020

Dear Sir/Madam,

**Sub: Declaration under Regulation 33 (3)(d) of SEBI (LODR) Regulations. 2015- Reg**

**Ref: VELJAN DENISON LIMITED**

**Scrip Code: 505232**

With reference to the above subject, we hereby declare and confirm that, the Statutory Auditors of the Company, M/s. K.S. Rao & Co., Chartered Accountants, Hyderabad (Firm Registration No. 003109S) have issued an Audit Report with unmodified opinion on the Annual Audited Financial Statements of the Company for the year ended March 31, 2020 pursuant to Regulation 33 (3)(d) of SEBI (LODR) Regulations. 2015.

This is for your information and record,

Thanking You,

Yours Truly,  
**For VELJAN DENISON LIMITED,**



**V. C. JANARDAN RAO**  
**CHAIRMAN & MANAGING DIRECTOR**  
**DIN: 00181609**

