



VISAKA INDUSTRIES LIMITED[®]

CIN: L52520TG1981PLC003072

CORP. OFF.: "VISAKA TOWERS" 1-8-303/69/3, S.P. ROAD, SECUNDERABAD - 500 003.
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Ref: VIL/SEC/ST-EX/Press Release/2017-18/32

Date: 11.08.2017

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 Scrip Code – VISAKAIND	Bombay Stock Exchange Limited, The Senior General Manager, Listing Compliances, Floor 25, P. J. Towers, Dalal Street, Mumbai – 400 001 Scrip Code – 509055
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Sub: Press Release – Quarterly Results

Dear Sir/s,

With reference to above and further to our submission of audited financial results for the quarter ended 30.06.2017, we enclose herewith a copy of press release made in that connection.

This is for your information and records please.

Thanking you,

Yours faithfully,

for **VISAKA INDUSTRIES LIMITED**

I SRINIVAS

Vice President (Corporate Affairs)
& Company Secretary



Encl. a/a

Regd. Office & Factory: (A.C. Division I), Survey No. 315, Yelumala Village, R.C. Puram Mandal, Medak District - 502 300 (T.S.)
Factory : (A.C. Division II) : Behind Supa Gas Manikantham Village, Paramathi-Velur Taluq, Namakkala District - 637 207 Tamil Nadu.
Factory : (A.C. Division III) : 70/3A, 70/3, Sahajpur Industrial Area, Nandur (Village), Daund (Taluka), Pune District-412 020. Maharashtra.
Factory : (A.C. Division IV) : Changsol Mouza, Bankibundh, G.P.No. 4, Saliboniblock, Midnapore West (W.B.) 721147
Factory : (A.C. Division V) : No. 27/1, G. Nagenahalli Village, Kora Hobli, Tumkur - 572138, (Karnataka State)
Factory : (A.C. Division VI) : Vill. Kannawan, PS Bachrawan, Tehsil Maharajgunj, Dist Raibareli - UP-229 301
Factory : (A.C. Division VII) : Survey No. 385, 386, Jujjur Village, Veerullapadu Mandal, Near Kanchika Cherla, Krishna District-521 181 (A.P)
Factory : (A.C. Division VIII) : Plot No.2006, 1994, Khata No.450, At-Paramanapur Manejwan, Navamunda Village Sambalpur Dist.-768200
Factory : (Textile Division) : Survey No. 179 & 180, Chiruva Village, Mouda Taluk, Nagpur District, Maharashtra.
Factory : (V-Boards Division I) : Gajalapuram Village, Peddadevalapally Post, Tripuramam Mandal, Near Miryalaguda, Nalgonda Dist.-508 207. (T.S)
Factory : (V-Boards Division II) : Gate No: 262 to 269, Delwadi Village, Daund Taluq, Pune-Dist, Maharashtra-412 214.

Press Release

Review of Quarterly results:

The revenue from operations for the quarter ended June 30, 2017 is Rs. 340.72 Cr compared to Rs.340.10 Cr for the corresponding quarter of the previous year. The revenue remained more or less static, because of sales are slowed down in June 2017 on account of the implementation of GST from July 1, 2017 which has been seen across all industries. The EBIDT (Earnings before interest, depreciation and tax) is Rs.48.30 Cr as against Rs. 39.07 Cr for the same period of previous year, which is more by 23%. The EBIDT margin for the Quarter is 14.17% as against 11.49% of the corresponding quarter of the previous year.

Interest costs declined to Rs. 397 lacs from Rs.516 lacs a reduction of Rs. 119 lacs. Depreciation increased to Rs. 905 lacs from Rs. 814 lacs, an increase of Rs.91 lacs due to the implementation of the expansion in spinning division which went into production from Nov 1, 2016.

The Profit before tax (PBT) and Profit after tax (PAT) are Rs. 35.28 Cr and Rs. 22.96 Cr respectively as against Rs. 25.77 Cr and Rs. 16.68 Cr respectively for the corresponding quarter of the previous year. The PAT increased by Rs.628 lacs representing an increase of 37.64% over the corresponding quarter of previous financial year.

We are optimistic that the performance of all our businesses will continue to be good. The positive macro-economic factors such as good monsoon, low inflation, lower GST rates etc are expected to augur well for the company's future.

Other developments:

The year 2017-18 is quite interesting and exciting. There are quite a few changes taking place in the business environment.

1. Ind As, a new system of Accounting standards, closely aligned to the International standards are being implemented from 1.4.2017
2. The statutory auditors have changed after a long-time due to the regulation on change of auditors and PWC (Price waterhouse Co.) have come on board as auditors.
3. GST came into force from July 1, 2017 which is a sweeping change in indirect tax system.

We, at Visaka are excited about all these changes and adapting to them quite quickly. Despite the new set of Accounting standards coming into force from April 1, 2017 and despite new auditors taking up audit from April 1, 2017, we have continued to declare audited results for the quarter ended June 30, 2017 which perhaps very few companies would have done.

We are actively working on GST implementation with E & Y as the consultants and are getting ready to file the return for the month of July well in advance of the last date set for filing the same. The total indirect taxation on our Cement sheets and V-Next products prior to GST was about 28% which reduced to 18% under the GST regime, giving a good opportunity to the company to become more competitive and grow. We are upbeat about the future in both these businesses.

We also announce the commencement of work on our new plant for manufacture of V-Next products at Jajjar, Haryana with a capacity of 50,000 MT to start with. The land is acquired and Bhoomi Pooja was done on Aug 6th, 2017. Civil contract is being finalised and orders for major machineries are placed. We are making efforts to commence production in the new plant before the end of March, 2018.

We also provide hereunder a brief write up on Vnext- Future of Construction

For 60-70 years, there has been no change in construction industry. As a company, we believe that there is always scope for innovation in the building segment and add value in the most effective



way to better the future of construction. We are thus committed to bring about a change for better with our products particularly Vnext. We are an Ecofriendly company, launching products that will change our society for better. Due to shortage of Red Sand for construction, Vnext is an ideal ecofriendly product for future generations to come. These are Green Pro Certified product. With use of these products, huge amount of electricity and water can be saved as the product is a dry construction. With the development of our new wall solutions, construction space can also benefit with an additional 7% in the total carpet area of construction. Vnext Products are Certified by CII-IGBC, the first and only company to be certified Green Products in the category of FCB. Fire, Water and termites are the key issues of durability, we address these difficulties with our Vnext products in addition to speed of construction and life of 50 years. Vnext products are very affordable and is targeted at smart way of living compared to alternatives and the products range will also give options to customers in choosing as per their tastes and preferences.

