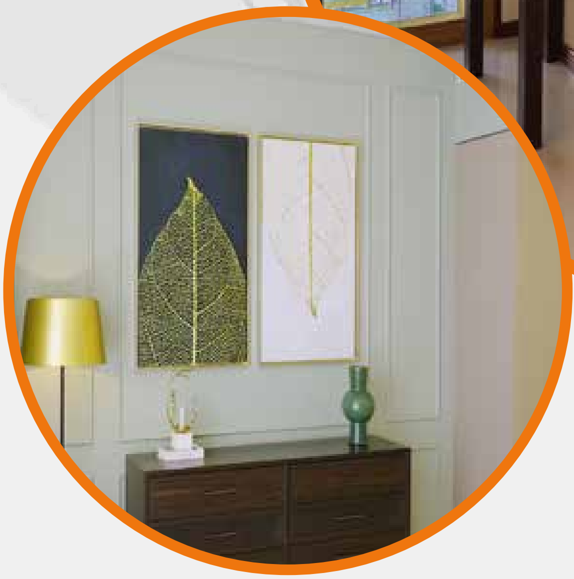
Building the next generation with

Vnext!



Visaka Industries Limited

Annual Report 2022-23

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.

Revenues

1640.00 crore

EBITDA

146.97 crore

Net Profit

54.79 crore

Contents

Building the next generation with

Vnext!

At Visaka Industries, we are positioned at the cusp of a new growth journey.

Even as we address the market needs of the day, we are engaged in building our company for the future.

The future of Visaka Industries is expected to be derived from V Next products. The Company is expected to enhance the manufacturing capacity of V Next products, commissioning plants in new locations and broadbasing the product portfolio.

This shift is expected to lead the Company into rapidly growing segments expected to accelerate revenues, strengthen margins, and reinforce surpluses. This initiative is expected to deepen business sustainability and enhance value for the Company's stakeholders in a sustainable way.

PART 1

What we stand for and **what we do**

Corporate **snapshot**

Visaka Industries Limited.

Broad-based across businesses riding the growth of India.

The business of fibre cement boards and panels rides the growth of India's construction sector.

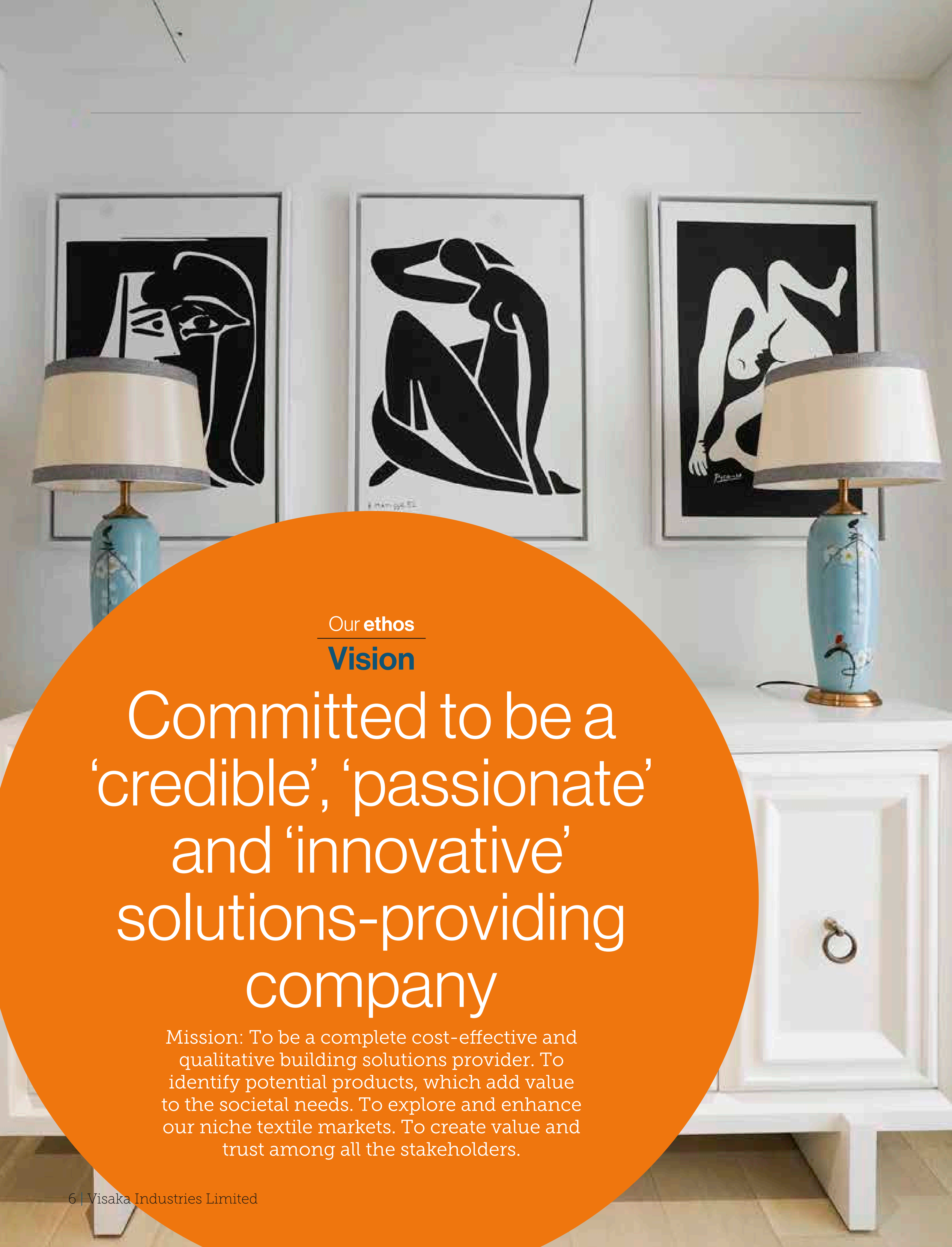
The traditional business of fibre cement sheets provides cost-effective rural roofing solutions.

ATUM solar panels provide sustainable green power with roofing shelter.

The business of synthetic yarns rides the need for wearing better.

The complement of these businesses has empowered the Company to remain profitable across market cycles.

This has helped the Company enhance value for stakeholders in a sustainable way.



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

- Initiative, responsibility and accountability
- Care, compassion and courtesy
- Ethical functioning, fairness and transparency
- Trust, good faith and integrity

Background

The Company was established in 1981 by Dr. G. Vivekanand. At present, the Company's operations are led by Mr. G. Vamsi Krishna, son of Dr. G. Vivekanand and Mrs. Saroja Vivekanand. The Company has earned respect due to its operational history across four decades and is considered among premier building construction material players and a reliable synthetic yarns manufacturer in India.

Presence

The Company's headquarters are located in Hyderabad with 12 manufacturing facilities across India. The Company's manufacturing units are backed by 13 marketing offices across India. The annual production capacity of the building products unit comprised 8,30,000 tonnes of cement roofing sheets and 2,49,750 tonnes of fibre cement flat board products. The annual production capacity of the yarn spinning plant includes 3,040 twin air-jet spinning positions equivalent to 91,200 ring spindles

Products portfolio

The Company started producing corrugated cement fibre sheets in 1985 and diversified into the manufacture of synthetic yarns in 1992. The Company broad-based its product range by manufacturing V Next fibre cement boards in 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 contributed 44% of its revenues in 2022-23

Brands

- Visaka's cement roofing sheets are marketed under the Visaka / Shakti brands.
- Visaka's Boards / Panels / Planks are marketed under the V Next brand
- Visaka's integrated solar panel roofing is offered under the ATUM brand
- Visaka's synthetic blended yarn is marketed under the Wonder Yarn brand.

Distribution network

The Company's products are directly marketed to the retailers. The Company has been able to create longstanding relationships with retailers across urban, rural and suburban India. The Company's retailer network comprises more than 7000 dealers

Employees

The Company employed skilled and talented professionals with diverse experience across the quality management, IT, manufacturing and ESG functions. The Company's talent pool of employees stood at 1960 as on 31st March 2023. Around 73% of the employees had been associated with the Company for five years or more ending 2022-23.

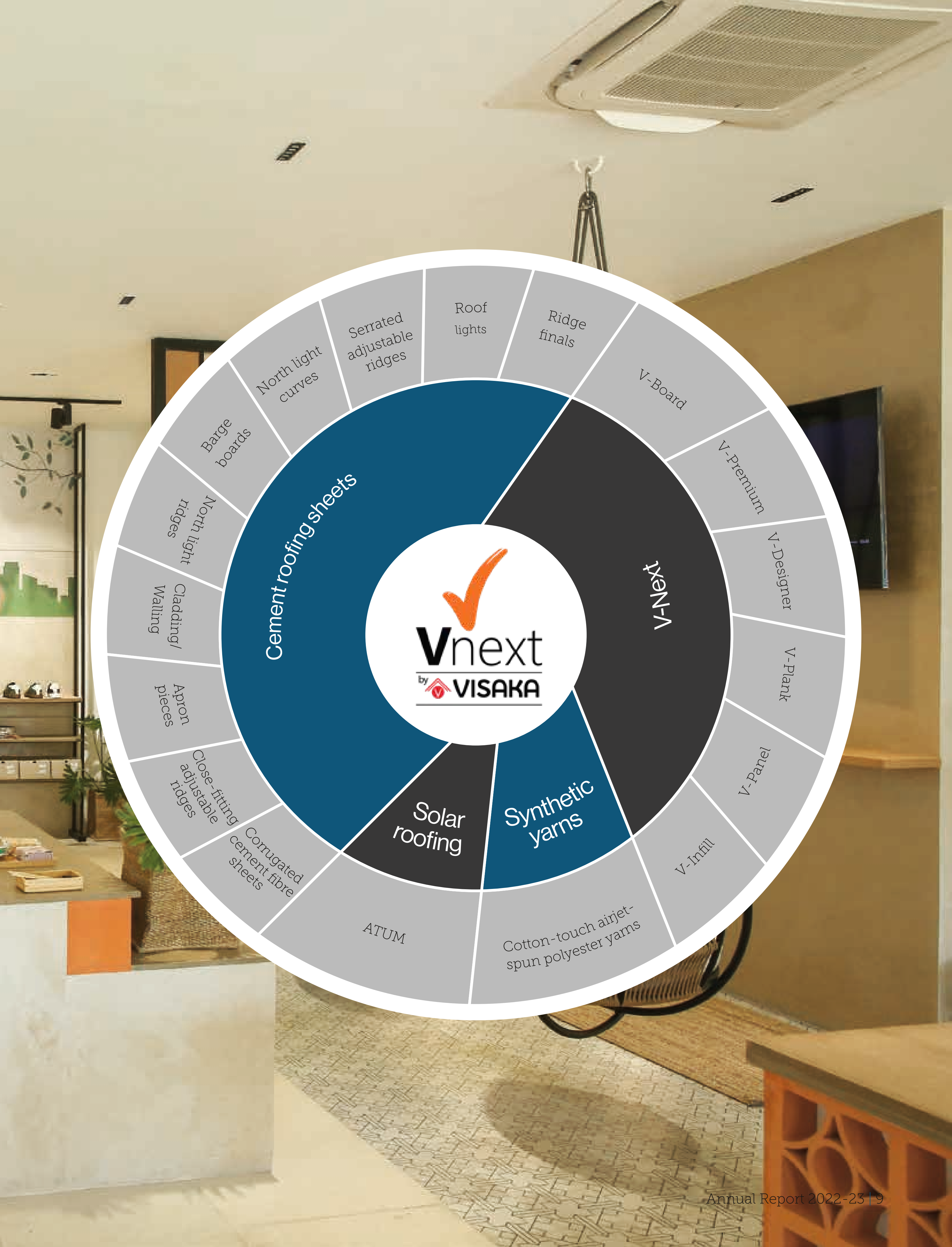
Listing

Visaka's equity shares are listed and actively traded on the National Stock Exchange and Bombay Stock Exchange. The Company's market capitalisation stood at ₹591 crore as on March 31, 2023. The promoter group owned a 48.42% stake in the Company's equity capital.

Awards

- The Company achieved 24th position in Business world India's Most Sustainable Companies, 2021-22
- Best Management Award for 2023 by the Telangana State government
- Most Trusted Brands Award 2021 by CNBC TV18 in 2020-21
- Construction World Top Challenger Award 2021

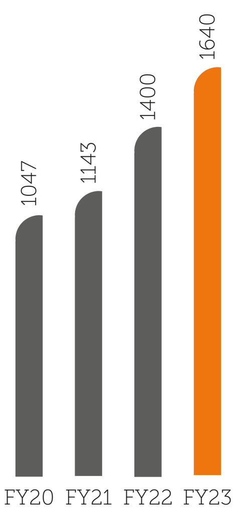
Visaka's product **basket**


Vnext
by VISAKA
Cement roofing sheets
V-Next
Solar roofing
Synthetic yarns
Roof lights
Ridge finals
Serrated adjustable ridges
North light curves
Barge boards
North light ridges
Cladding/ Walling
Apron pieces
Close-fitting adjustable ridges
Corrugated cement fibre sheets
ATUM
Cotton-touch airjet-spun polyester yarns
V-Board
V-Premium
V-Designer
V-Plank
V-Panel
V-Infill

Visaka's sustainable financial snapshot

How Visaka has grown over the years

Sales revenues
(₹ in crore)



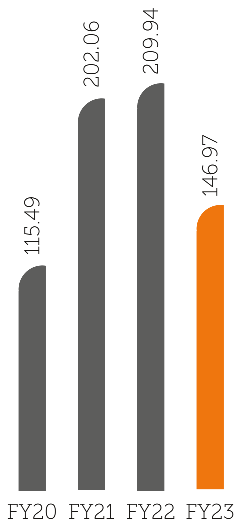
Definition
Growth in sales, net of taxes and duties.

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 17% to ₹1640 crore in 2022-23 as a result of enhanced sales in the building products and yarn segments.

Value impact
The Company reported record revenues in its existence and remained among the leading companies in the sector.

EBITDA
(₹ in crore)



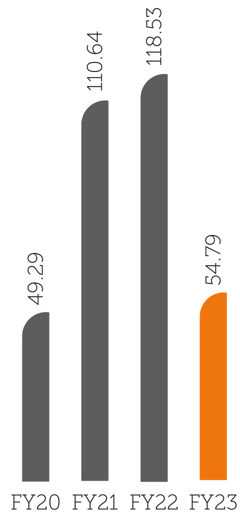
Definition
Earnings before the deduction of interest, depreciation, extraordinary items and tax.

Why is this measured?
It is an index that showcases the Company's ability to enhance business operating surplus.

What does it mean?
Established a strong growth engine that allows the Company to build profits in a sustainable manner.

Value impact
The Company's EBITDA was ₹147 crore in 2022-23 compared to ₹210 crore in 2021-22, a decline on account of an unprecedented increase in raw material costs due to the Russia-Ukraine conflict.

Net profit
(₹ in crore)



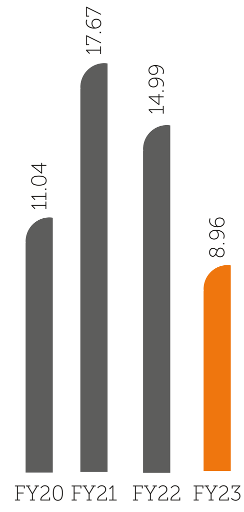
Definition
Profit earned during the year after deducting all expenses and provisions.

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's net profit declined 54% compared to its record performance of 2021-22. The company is optimistic of returning to profitable growth once raw material pricing in the cement roofing business normalises.

EBITDA margin
(%)



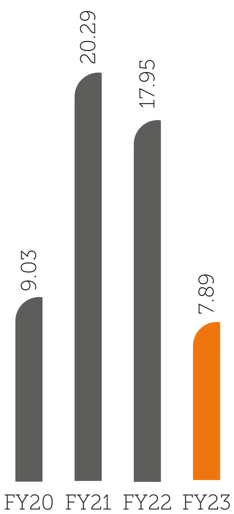
Definition
EBITDA margin is a profitability ratio used to measure a company's pricing strategy and operating efficiency.

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 603 bps de-growth in the EBITDA margin during 2022-23 due to an increase in raw material costs.

RoCE
(%)



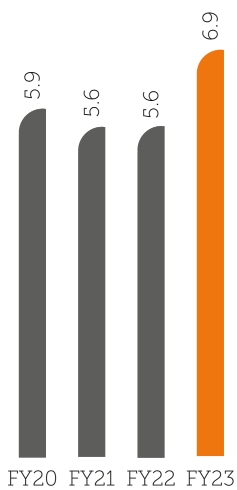
Definition
It is a financial measure of a company's profitability and efficiency with which its capital is employed.

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 1006 bps de-growth in RoCE during 2022-23 mainly on account of lower profits and increase in capital employed.

Debt cost
(%)



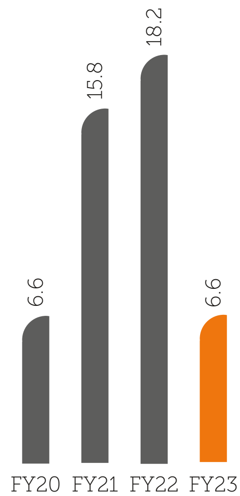
Definition
This is derived through the calculation of the average cost of the consolidated debt on the Company's books.

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 (leading to potentially higher margins).

What does it mean?
Enhanced cash flows; strengthened credit rating for successive declines in debt cost.

Value impact
Debt cost is higher due to multiple increases in interest rates by banks in India and across the world.

Interest cover
(x)



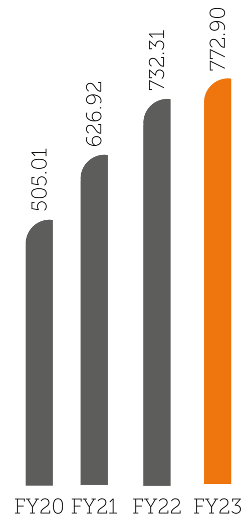
Definition
This is derived through the division of EBITDA by interest outflow.

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 stood at 6.6x during the year under review, which is safe, indicating that despite the profit decline the Company remains liquid.

Net worth
(₹ in crore)



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, influences the cost at which the Company can mobilise debt).

Value impact
The Company's net worth strengthened by 5.5% during the year under review.

PART 2

A performance review of how Visaka is capitalising on developments **within India and the world over**

The **big picture**

Our company rides the powerful **India growth story**

The country is projected to emerge as a US$26 trillion economy by 2047

Long-term outperformer

India is the fifth largest economy and likely to overtake Germany and Japan to emerge as the third largest economy by 2030. This makes the coming seven years among the most significant from an economic perspective. Assuming modest 6% growth rate per annum, India could emerge as a US$26 trillion economy (in market exchange rate terms) by 2047-48 (in nominal terms), with a per capita income exceeding US$15,000 (nearly six times the current value).

Jumping ranks

India is possibly the most exciting major economic growth story: when one compares the pecking order of countries measured by their global GDP rank, India is the only country to have increased its rank across each five-year period starting 2012 – tenth in 2012, sixth in 2017, fifth in 2022 and an estimated third by 2029. Only one country improved its rank (Britain) during one five-year stretch but lost its position thereafter; the rest either maintained or yielded their rank during the decade (2012 to 2022).

Law of compression

India is not just growing; it is growing fast on an expanding base, indicating a critical mass of economic expansion. The result is that every trillion-dollar GDP growth has taken less time and this trend is likely to continue. For instance, India's first trillion-dollar GDP milestone took 58 years; the second trillion took only seven years and the third trillion dollars seven years (which included the pandemic years). Following the pandemic, India is expected to return to its accelerated growth rate: the fourth and fifth US$ trillion are expected to take three years each and the last sixth trillion just two years. This compression – growing by a like amount in less successive time – indicates that India is likely to become larger faster.

The demand inflection point

An economic theory indicates that when a country's Gross Domestic Product (GDP) per capita reaches a threshold of around US$ 2500, it experiences a sharp increase in consumption-driven spending that in turn accelerates national

India is the fifth largest economy and likely to overtake Germany and Japan to emerge as the third largest economy by 2030.

26

India could emerge as a US$26 trillion economy (in market exchange rate terms) by 2047-48

Compared to a nominal GDP growth rate of 10.6%, private final consumption expenditure has increased at a CAGR of 11.3% during the past ten years. This has led to an increase from 55% to 60% in the proportion of private final consumption expenditure to GDP

Global GDP ranking

	2012	2017	2022	2029E
01	US	US	US	
02	China	China	China	
03	Japan	Japan	Japan	India
04	Germany	Germany	Germany	
05	France	UK	India	
06	UK	India	UK	
07	Brazil	France	France	
08	Russia	Brazil	Canada	
09	Italy	Italy	Italy	
10	India	Canada	Russia	

economic growth. The explanation behind this rationale is that once a country reaches a point in its economic journey, it possesses the necessary resources to invest in education, infrastructure and technology, which catalyses productivity and economic growth - a virtuous cycle, where higher incomes lead to higher consumption to further economic growth. India is reaching that point of growth in the next few years, the inflection point of its sustained outperformance.

Since 2008, Indian wealthy families (earning between ₹5 lakh and ₹20 lakh annually) has more than doubled from 10 million to 24 million. Households with aspires have increased from 31 million to 57 million; elite households— earning more than ₹20 lakh—has increased from 3 million to 9 million. This indicates that sizable personal income growth is already underway and likely to accelerate. (Source: BCG research). The Indian retail industry is estimated at US$2 trillion by 2032, making it the potentially third largest. Household income is expected to rise 40% by 2030, the average Indian household income reaching INR 732,000 per annum (double the 2010 level)

Discretionary spending

The two most potent drivers of the Indian economy comprise increased average spending per household and an increased number of households. As households earn more, they spend more on goods and services. It has been estimated that every doubling of per capita income leads to a 1000% in discretionary expenditure (beyond basic necessities) with only a 25% increase in basic spending and a 400% increase in savings. Compared to a nominal GDP growth rate of 10.6%, private final consumption expenditure has increased at a CAGR of 11.3% during the past ten years. This has led to an increase from 55% to 60% in the proportion of private final consumption expenditure to GDP.

The sheer force of rural India

11% of the world's population lives in Indian villages. India is the second-largest country on the internet today, with a vast population that is rapidly joining the digital landscape. Every second, three new people in India are connecting to the internet, with two of them coming from villages.

The Indian retail industry is estimated at US$2 trillion by 2032, making it potentially the third largest. Household income is expected to rise 40% by 2030, the average Indian household income reaching INR 732,000 per annum (double the 2010 level)

Joint Managing Director's overview

Visaka is attractively placed to ride the **India growth story**

In the last two years, your company invested ₹229 crore in new or additional manufacturing capacities; this accounted for 26% of the Company's gross block as on 31 March 2023.

26%

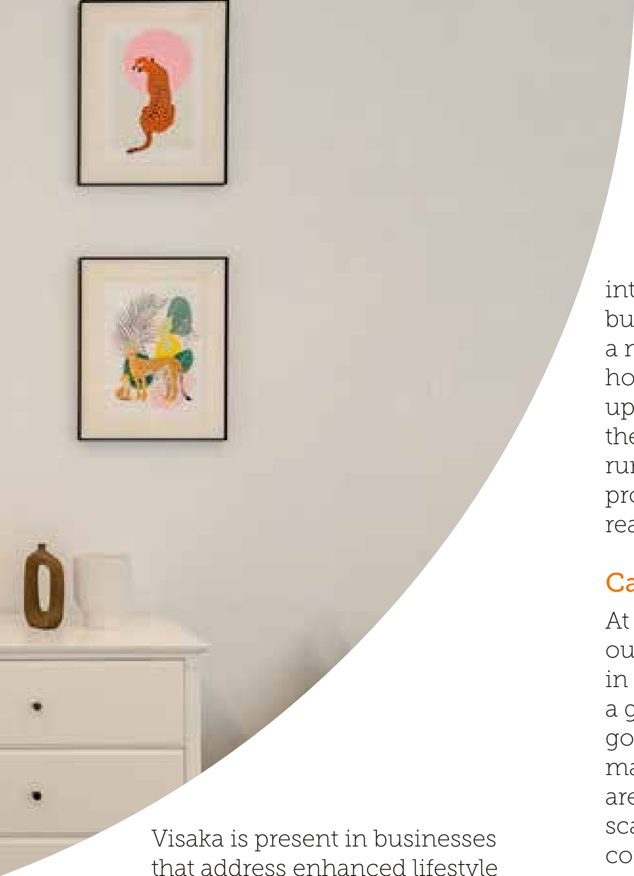
Overview

I have often been asked: 'Why are you optimistic of the sustainable prospects of Visaka Industries?'

My consistent answer is that I am optimistic because of the direction of today's India.

The prospects of our company cannot be appraised in isolation; they are linked to what is transpiring in the nation.

India is poised to become a $ 5 trillion economy by the later part of this decade, catalysed by the Indian government's decision to invest more than ₹10 lakh crore on infrastructure. This decisive spending will strengthen the national infrastructure backbone; each time this has happened, the country's private sector has come in with follow-on spending. The combination of these initiatives has been a growth in the national gross domestic product with a cascading impact on personal incomes. Our company's products have inevitably capitalised on this reality.



Visaka is present in businesses that address enhanced lifestyle aspirations. Going ahead, we see more people seeking to live in better homes and wearing better. This trend is likely to benefit each business of our presence. For instance, the need to live better underlines the fact that people will need better roofing, alternative home partitions and clothes, taking our business ahead.

The third factor that makes me optimistic is a convergence in government policies. The one policy that is likely to have the biggest impact on our business is Pradhan Mantri Awas Yojana. This policy, comprising a concessional interest rate for those seeking to build low cost houses, is inspiring a new tailwind in the country's housing sector from the grassroots upwards. This policy is widening the housing market, especially in rural and semi-urban India. Our products are expected to ride this reality.

India is poised to become a $ 5 trillion economy by the later part of this decade, catalysed by the Indian government's decision to invest more than ₹10 lakh crore on infrastructure.

Capacity investments

At Visaka, we have been growing our manufacturing capacities in line with the optimism of a growing India. What the government is doing on the macro infrastructure side, we are replicating at our corporate scale. In the last two years, your company invested ₹229 cr in new or additional manufacturing capacities; this accounted for 26% of the Company's gross block as on 31 March 2023.

The company commissioned its Udumalpet (Coimbatore) cement fibre sheets plant in January 2022. Even as it was stabilising this unit, it embarked on yet another expansion: A ₹130 cr expansion in West Bengal is expected to be commissioned by August 2023. The message that we wish to send out to our shareholders is that the speed of your company's capital investments is aligned with the national policy direction. Your company is engaged in setting up plants proximate to consumption points and, in doing so, is transforming what used to be a regional business into a pan-India presence. This investment was inspired by our conviction that more Indians will seek to move from traditional building materials to new age products that offer them a superior price-value proposition. This rapid expansion is helping transform the personality of our company. A little more than a decade ago, your company diversified its non-textile business towards fibre cement boards that would be used in interior partitions and walls. Over the years, this diversification momentum has accelerated: in the first five years of our presence in this business, we invested ₹38 crore in commissioning cement fibre sheets manufacturing capacity; in the last five years, we have invested ₹290 crore in the business. This investment bias has reflected in our revenue mix: revenues from fibre cement boards increased from 15% of our revenues in 2017-18 to 25% during the year under review; the proportion of non-asbestos sheet revenues increased from 32 % in the year 2017-18 to 44 % during this year.

Fibre cement boards and panels business – also referred to as 'V-next' – grew 43% by revenues in the last financial year. Exports for this product grew 45%; domestic revenues grew 42% and we believe we are playing a catalytic role in growing this market on the one hand while carving away a disproportionate share on the other. This gives me the optimism that non-asbestos sheets should generate more than half our overall revenues across the next couple of years.

After years of seeking to create a recall for the product – as a suitable alternative to brick walls, plywood and gypsum board – we have reached a position where consumers are well aware of our product attributes and have been empowered to make an informed purchase. A large number of projects – including the new Parliament in New Delhi – are using our product for termite resistance, fire-resistance and lower water consumption; in residential wall applications especially in bathrooms, our product is preferred on account of its water resistance. The number of fabricators and carpenters who now possess a familiarity with our product has increased; our distribution network has achieved national critical mass. This business rides a wave of consumer acceptance. The product delivers aesthetic but cost-effective interiors. The product takes less cost and time to erect than a cement or brick wall. The product is environment friendly as it consumes less water. The product enjoys an attractive export momentum. There is a traction for value-added fibre cement boards like coloured, facades, planks, and other interior products.

Going ahead, we not only intend to enhance our board manufacturing capacities to service growing demand, but also intend to increasingly integrate forwards into the manufacture of panels. Besides, we intend to extend into turnkey construction (V-next solutions) for corporate customers, where the delivered solutions comprise a large proportion of the use of our product. The cumulative impact of these initiatives should grow this business to ₹1000 crore in revenues by 2030.

Performance review

Revenue in our building product segment of fibre cement roofing and V Next products increased by 16% in 2022-23 compared to 2021-22 contributing 82% of the Company's total revenue share.

The building products segment generated 82% of the Company's revenues and has contributed 71% of the Company's EBIDTA during 2022-23

25%

The company generated a 43% higher turnover from V Next business, generating 25% of the Company's revenues during 2022-23.

Our fibre cement boards and panels business: The company leveraged its national leadership to maintain 32% estimated market share in this business during the last financial year. The company generated a 43% higher turnover from this business generating 25% of the Company's revenues during 2022-23; exports accounted for 21 per cent of this business in 2022-23.

During the year under review, manufacturing facilities under the boards business operated at optimum capacity utilisation. The Udumalpet (near Coimbatore) plant that had been commissioned in January 2022 enhanced our fibre cement board capacity from 170000 TPA to 2,20,000 TPA, an increase of 29%.

The company embarked on yet another expansion during the last financial year. This expansion in Midnapore by 72,000 TPA is likely to be commissioned during the second quarter of the current financial year. The ₹130 crore of investment is being funded through a mix of debt and net worth. Following the commissioning of this capacity in Eastern India during the current financial year, Visaka will emerge as the first fibre boards company with a pan-India presence.

Our cement roofing sheets business: The company sustained its sectorial leadership (number two by market share) during the last financial year. The company generated a 9% higher turnover from the business. This business accounted for 56% of the Company's revenues during 2022-23. The capacity utilisation of this business strengthened from 96% to 98% during the last financial year. The topline and asset utilisation growth represented a validation of the safety and longevity of the product, reinforcing its brand around 'trust'. Besides, sales growth was accelerated by its preferred use in rural housing applications over the metal roofing alternative in terms of heat transfer and sound (especially when raining).

The company commissioned a brownfield manufacturing line (capacity 1,00,000 TPA) in its existing Rae Bareilly plant, the first capacity expansion in 10 years. The company sold 88% of the material produced in this plant during the last year, a validation of its decision to expand capacity. This ₹75 crore expansion is expected to generate an attractive payback. The success of this expansion is likely to translate into relatively small expansions across all the Company's manufacturing facilities, strengthening revenues from this business.

Our solar roofing solutions business: ATUM solar roof business is increasingly relevant on account of its sustainability.

The company focuses on enhancing value from this business through enhanced automation; a jointing system is under trials. There is a growing interest in solar energy applications on account of its affordability when compared with thermal energy. Besides, the prospect of monetising idle roof space is likely to widen the market. Competition for this innovative product was largely non-existent. The patent on the product in South Africa, USA and India provides it with a long-term sales platform with the objective to showcase products. The business is still in the building phase and could scale to attractive critical mass across the foreseeable future.

Our synthetic yarns business: The company's synthetic yarns business reported a 19% higher turnover, notwithstanding the slowdown in the global market. This business generated 18% of the Company's revenues during 2022-23, contributing 29% of the Company's EBITDA during the last financial year; exports accounted for 15% of the business.

The yarn business performed creditably over the sectorial average by the virtue of being niche and playing an integral role in the business of its downstream customers engaged in manufacturing branded apparel. The company manufactured yarns for premium fabrics and upholstery, a segment that was not as extensively impacted by the sectorial slowdown. The company developed a green yarn, addressing a growing market for sustainable fabrics. This yarn will help us enter new segments. The company invested in four Murata (MTS) machines during the year, reinforcing its position as the largest Murata equipment pool in India. The addition is likely to add 10% to the Company's yarn throughput from the current year. The outlook of this business is optimistic on account of its niche character, committed clientele, terrain diversification and the potential of free trade agreements likely to be signed by India.

The yarn business generated 18% of the Company's revenues during 2022-23; contributing 29% of the Company's EBITDA during the last financial year; exports accounted for 15% of the business.

Optimism

As I write, the world is marked by increased interest rates addressing high inflation. There will be an element of caution in new construction and textiles offtake, the principal drivers of the Company's business.

Visaka will seek to the play to its strengths: a dispersed national presence across its cement roofing sheet and fibre boards businesses, proximity to consumers and a capacity to address core requirements.

The principal message for shareholders is that your company's revenues are judiciously blended; a growing revenue portion is being derived from the profitable fibre board segment. Even as the Company has been engaged in accelerated capacity expansions, its debt-equity ratio remains under control and returns from the expansions are likely to facilitate debt repayment in the next few years.

In view of these realities, Visaka is optimistic of growing attractively and profitably, enhancing value for all its stakeholders.

G. Vamsi Krishna,
Managing Director

Chief Financial Officer's performance overview

A financial perspective into our business

How we countered a challenging 2022-23 and continued to invest in our business

Big picture: The overarching message is that the Company continued to deepen its presence even as it was affected by a sharp rise in raw material costs that could not be completely passed on to consumers. By demonstrating the capacity to absorb costs so that the Company's products continued to deliver a superior price-value proposition, the Company showcased its resilience. Besides, the growth of the niche textiles business validated the diversified portfolio. The company continued to invest across its businesses, strengthening its foundation for sustainable growth. The fact that the Company could report operating revenue growth of 16% validates the robustness of its business model.

The challenge of the expansions warranted a prudent gearing structure (balance of debt and net worth), blended capital cost, prudent repayment tenure and protected overall liquidity. Besides, the Company was required to address the challenges of the year: inflation, increased interest rates, multi-country currency challenges, protecting product price-value proposition and safeguarding corporate liquidity.

Rating: Your company protected its credit rating of AA- for long term borrowings as appraised by Care rating limited . This rating validates the Company's performance, promoter and prospects and is likely to generate positive spin-offs: empowering the Company to mobilise low-cost debt across longer tenures while attracting credible stakeholders.

Revenues: Your company reported 16% operating revenue growth during the year under review, emphasizing the success of its brand, distribution, product quality and marketing. The company enhanced volumes across each business: the fibre cement roofing sheets business sales volume grew by 6%, Fibre cement boards and panels, revenues grew by 31%, textiles business revenue grew 12%. As a conscious strategy, the Company enhanced the non-asbestos sheet business – from 35% in FY 19 to 44% of the revenue in 2022-23. This increase was reinforced by the fact that the Company's Udumalpet manufacturing facility for fibre cement (boards) delivered a full year's working during the year under review (commissioned January 2022).

The broad basing of the business across three product lines represents adequate de-risking. Even as these products lines may appear different, the common thread running through them is that they address a consumer's need for enhanced life quality.

Capital expansion: During the last financial year, the Company embarked on growing its three businesses, validating confidence in each. After 10 years, the Company made a decisive capital investment of ₹75 crore in its asbestos sheets business. The company discontinued operations at its Patancheru unit and invested 1,00,000 TPA capacity at its existing Rai Bareilly unit. The Patancheru unit was closed due to strategic reasons. The new investment was made on account of a growth in proximate consumption markets near Rai Bareilly that could not be completely addressed with the erstwhile capacity. The company embarked on an investment of ₹130 crore in a 72,000 TPA Midnapore plant for the manufacture of fibre boards plant to be commissioned in the second quarter of 2023-24. The company invested Murata spinning machines in its textiles plant for ₹10 crore, increasing yarn capacity by 10%. The company also invested ₹75 crore in a land parcel in Hyderabad. The company generated ₹105 crore from internal accruals to fund these investments.

Credit rating

The company protected its credit rating across three challenging years

Revenue mix

% of revenues derived from non-asbestos sheets businesses

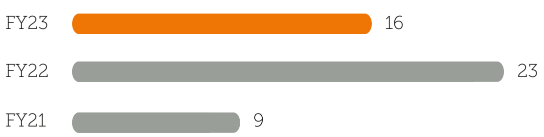
Profitable growth: During the last decade, the Company scaled its business profitably, validating its resilience. The company reported 16% operational revenue growth compared with the Indian GDP growth of 7.2 %. During the year under review, the sequence of profitable growth was interrupted due to an abnormal increase in the principal raw material costs due to the Russia-Ukraine war. The company is optimistic of returning to profitable growth once raw material pricing for the cement roofing sheets business moderates.

Margins: During the last financial year, our EBITDA margin declined following a sharp increase in raw material costs related to the fibre cement roofing sheets business (56% of the Company's revenues). In this business, the principal raw material chrysotile fibre, accounting for a major portion of overall raw materials are imported, indicating that even a reasonable shift in their costs can impact profitability. The impact would have been more severe but for the Company's volume-cum value-driven approach, and activity-based costing.

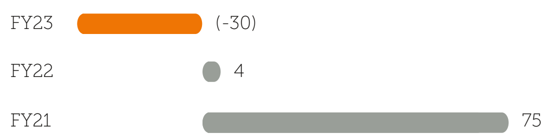
Capital expenditure (₹ crore)

EBITDA margin (%)

Revenue growth (%)



EBITDA growth (%)



Liquidity: The company maximised the use of accruals in business growth and moderated the use of borrowed funds in commissioning new projects. In the Company's experience, this has worked best: the prudent use of moderately priced debt in capital projects with a long-term orientation has inspired the Company to perform better and left it with adequate net worth to fund working capital.

Short-term working capital as a proportion of the total employed capital was 40% and 42% in the last year .The proportion of inventory in the total current assets was 60%. The working capital cycle for 2022-23 stood at 71 days. The company's receivables were 30 days of turnover equivalent during the year under review (31 days, 2021-22).

Due to the need to nurse a larger raw material inventory, the Company drew short-term loans from banks. The company protected its working capital hygiene: the receivables cycle was maintained at 30 days through equitable terms of trade with primary customers (trade partners), the marketing of products with quick offtake that supplemented cash flows and graduating to a value-added product mix.

The company worked with prudently-borrowed Balance Sheet, marked by adequate cash in hand, healthy interest cover, attractively low gearing and modest Net debt/EBITDA. The Company focussed on strengthening terms of trade, leveraging cash in hand to generate raw material discounts, and addressing fresh capital expenditure needs (lower incremental debt).

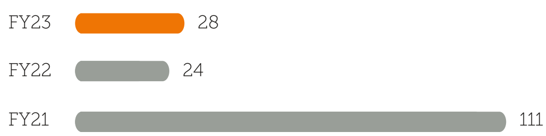
The result of this financial discipline was that the Company repaid ₹37 crore during the last financial year even as it invested ₹221 crore in greenfield or brownfield projects. The company will continue to prioritise the efficient use of working capital following the execution of the Midnapore boards plant.

Working capital intensity

Working capital intensity

Working capital as % of total capital employed

Cash and cash equivalents (₹ crore)



Capital efficiency: There was a decline in capital efficiency during the year under review on account of disturbed raw material pricing. EBITDA margin declined 603 bps to 8.96% and this decline could have been sharper but for an appreciable increase in unit volumes, operating economies, disciplined working capital management and a larger proportion of value-added products. Return on Capital Employed declined 1006 bps to 7.89%; RoE declined from 17.44% to 7.28% due to debt inflows related to the expansion that will translate into earnings only across the foreseeable future.

The company protected the overall integrity of its Balance Sheet while reporting weaker of financials. The average cost of gross debt was 6.99% while the Company generated an average 7.28% Return on Equity. The company expects to generate a return superior to what risk partners (shareholders) would be able to generate if they invested in alternative asset classes. Following the Midnapore plant expansion, we are optimistic of improving capital efficiency by the virtue of a balance of debt cum equity-funded growth and timely project commissioning.

During the year under review, the Company also invested 4000 sq. yards in urban Hyderabad for a capital outlay of ₹75 crore. We believe that by the virtue of this sizable parcel in a rapidly growing city, the investment will fetch attractive returns.

Exports: The company has been a consistent exporter of niche yarn and a growing exporter of fibre panels. The company services the growing demand of customers across 25 countries. Nearly 7.7% of the Company's revenue was derived from international dispatches in 2022-23. Textiles accounted for 2.6% of the Company exports.

Exports (Total exports as a % of overall revenues)

Exports (Textile exports as a % of overall revenues)

Realisations: The company has consistently enriched its portfolio through the manufacture of value-added yarn and fibre panels. The increased realisation was also catalysed by the weakness of the rupee against the US dollar (~8% depreciation in 2022-23).

Debt management: The Company's total debt increased from ₹208 crore to ₹431 crore; net worth strengthened from ₹732 crore to ₹773 crore; gearing was stronger at 0.56 in 2022-23 as the Company grew net worth and mobilised long-term debt to address capacity expansion. The cost of debt on the Company's books was 6.99% during the year under review (5.6% in the previous year), which we consider reasonable. By the virtue of investing in products with traction that generate an attractive return, the Company is confident of complete debt repayment for its new projects with speed.

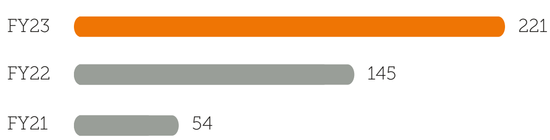
Debt status

Year	FY21	FY22	FY23
Long-term debt repaid (₹ crore)	11	10	37
Total debt (₹ crore)	155	208	431
Average debt cost %	5.6	5.6	6.9
Debt-equity ratio	0.25	0.28	0.56

Accruals management: Capital discipline is fundamental to the Company's success. The company generated ₹105 cr in cash profit during the year under review. 16.5% of this availability was returned to shareholders as dividend. Of what was left, the Company re-invested in its business (expansion and ongoing).

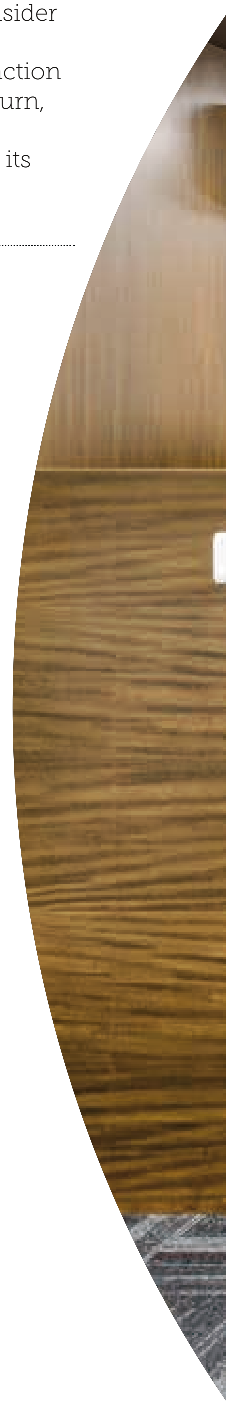
During the past four years, the Company invested 72% of cash accruals.

Business reinvestment (₹ cr)



Way forward: The corporation enjoyed a strong financial position at the end of the fiscal year under review. The company's net worth stood at ₹773 crore as on March 31, 2023, with gross debt of ₹431 crore. 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*




CREATI

Our value creation **strategy**

Strategic focus	Key enablers			
Innovate and excel	Invested in product improvement, certifications, and training	Invested in digitalisation	Developed the innovative ATUM	Enhanced synthetic yarn quality to address premium needs
Cost leadership	Invested in scale to enhance manufacturing and brand economies	Moderated debt; enhanced the role of accruals in funding successive expansion programmes	Negotiated superior trade terms from vendors against long-term procurement commitments	Manufactured products near consuming market, reducing logistic costs
Supplier of choice	Marketed its dependability to deliver within agreed quality, cost and time requirements	Delivered superior product quality, customisation (yarns) and longevity (cement roofing sheets)	Located manufacturing capacities close to consumer locations	Engaged in product development with customers (synthetic yarns)
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 2022-23 in CSR activities

		Materiality		Capitals impacted
Extended from V-Next products to projects implementation	Enhanced capacity utilisation and explore superior economies	Need to differentiate products and counter commoditisation;	Challenges in managing innovation	Manufactured, Financial, Intellectual
Controlled receivables, controlling the quantum of working capital deployed in the business	Expanded capacity in existing facilities, strengthening the amortisation advantage	Rising inflation could affected the Company's capacity to reduce costs	An inability in managing costs could affect competitiveness and margins	Financial and Social
Product quality and certifications moderated cost of ownership for customers	Provided a superior consumer value proposition	Could affect sustainability of the brand proposition	Could affect revenue visibility	Intellectual, Manufactured and Social
Remunerated employees ₹137 crore in 2022-23	–	Talent attrition could enhance knowledge drain, affecting viability	–	Intellectual and Human
Made community investments around focused areas with desired positive outcomes	Deepened peaceful and engaged relationships with communities across the manufacturing locations	Could affect growth; could enhance commoditisation; could erode brand premium	Need for sensitised engagement with a focus on community needs	Manufactured, Financial, Intellectual

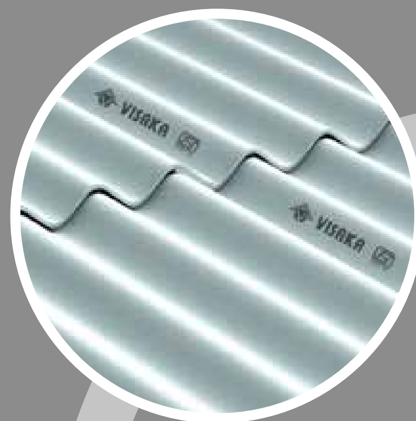
Material acquired from India / overseas to factory

Value addition

Final product - Cement roofing sheets

Value creation chain

Business



Fibre cement boards and panel

Value addition

Material acquired from India /overseas to factory model

Material acquired from India /overseas to factory

Value addition

ATUM

Dealers/ distributors/ architects/ engineers/ designers > End consumers

Yarn

Value addition

Material acquired from India /overseas to factory

Engaging our stakeholders

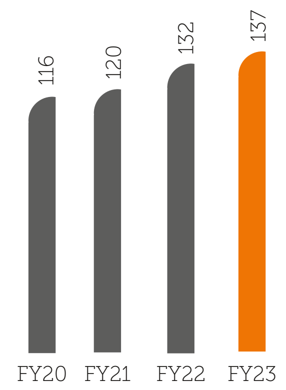
Stakeholder group	Customers	Government, competent authorities
Visaka's considerations	Our products are used by stakeholders and it is imperative that they are fully aware of the indications, benefits and impacts of our products while we need to possess a thorough understanding of their perceptions and expectations	Our ability to produce, market and distribute products is dependent on the marketing authorisations and regulatory approvals issued by the authorities
Stakeholder interests	● Quality and affordability ● Consistent, reliable and on-time supply of product ● Impact of product recalls or any quality, efficacy concerns which may arise	● Legal and regulatory compliance ● Affordable outcomes ● Social and environmental impact of operations ● Tax revenues and investments
How we engage	● Engage with dealers, architects, designers and retailers ● Open communication with customers through commercial discussions and meetings	● 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	● Intellectual ● Manufactured	● Manufactured ● Social & Relationship ● Natural

We recognise the importance of fostering and maintaining strong relationships with key stakeholders through transparent and effective engagements.

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
• 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	• Fair engagement terms and timely settlement • Ongoing communication on our expectations and service levels provided • Fair selection processes	• 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
• Direct engagement by supervisors and business management • Conferences and townhall meetings • Induction and internal training • Employee wellness campaigns	• One-on-one meetings to discuss service levels or other commercial aspects • Interactions regarding safety, health, environmental and ethical compliance	• Dedicated investor and analyst presentations, roadshows and one • One-on-one meetings • Stock exchange announcements, media releases and published result • Annual General Meetings • Investor relations section of the Visaka's website • Engagements with the financial media
• Human	• Social & Relationship • Financial	• Financial

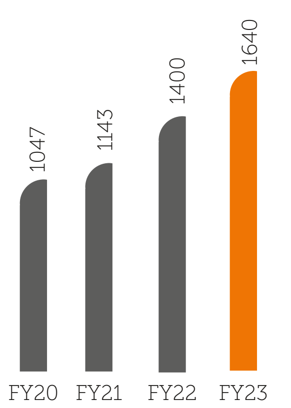
Enhancing
stakeholder value

Employee value
Salary and wages
(₹ crore)



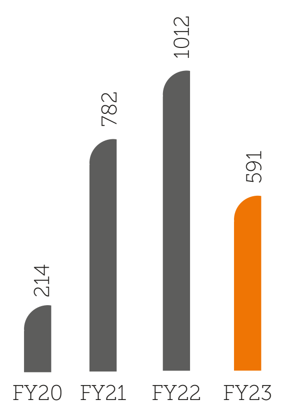
The Company has invested a progressively larger amount in employee remuneration, underlining its role as a responsible employer

Customer value
(sales revenues)
(₹ crore)



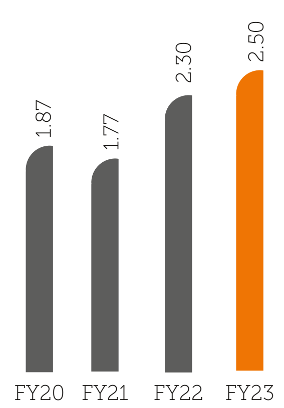
Coupled with an increase in volumes, the Company increased revenues, an index of the value created for customers.

Shareholder value
Market capitalisation
(₹ crore)



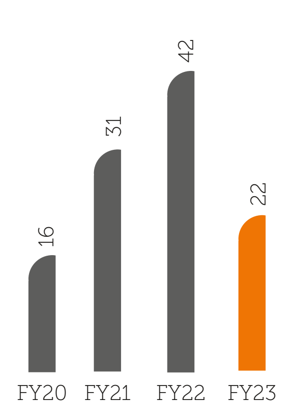
The Company strengthened shareholder value through a complement of prudent business strategy, accruals reinvestment and cost management.

Community value
CSR investment
(₹ crore)



The Company enriched communities in the geographies of its presence through a complement of CSR programmes

Exchequer value
Income tax paid
(₹ crore)



The Company paid its taxes in full and on time, attesting its responsible citizenship.

Visaka's
shareholder value

Our value-accretive business model

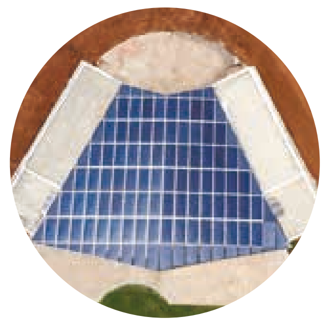
At Visaka Industries, we have enhanced value across the decade on account of our leadership (number two) presence in the cement roofing sheets segment, multi-year engagement with large marquee synthetic yarn customers and a growing presence in the fibre sheets business.

Market capitalisation

782
(₹ crore) market capitalisation, 31 March 2021

1,012
(₹ crore) market capitalisation, 31 March 2022

591
(₹ crore) market capitalisation, 31 March 2023



Relative outperformance

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

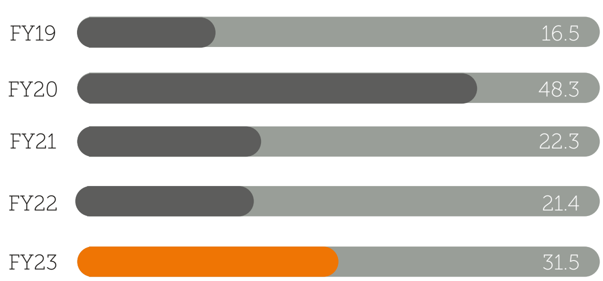
	1-year	3-year	5-year	10-year
Stock price	(42)	36	(12)	13
BSE Sensex	1	26	12	12

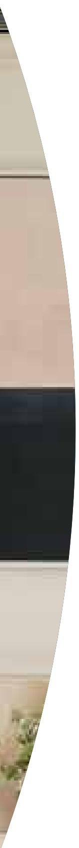
Dividend payout

The Company paid out an aggregated ₹212 crore in dividend across 27 successive years ending 2022-23.

Dividend payout (₹ crore)

Dividend payout ratio (%)





Visaka's commitment towards **Environment-Social and Governance**

Overview

The abbreviation being increasingly used the world over to appraise and filter companies is 'ESG'. This has emerged as a litmus test being used by analysts, opinion makers, governance agencies, media, communities and bankers to appraise the quality of corporate managements. This has helped extend the appraisal discipline beyond the Balance Sheet; in a number of instances, this appraisal has been extended backwards to ESG with the perspective that soon the effects of high/low compliance will inevitably translate to the Balance Sheet.

Visaka and ESG

At Visaka, environment-social governance (ESG) is particularly critical as the product needs to be built with inputs derived from nature directly or indirectly and any deviation from the mean or perceived irresponsibility can affect respect or market position.

The environment component at our Company ensures that our business consumes environmentally responsible resources, consumes only as much as is moderately needed, recycles waste, consumes moderate fossil fuels and builds resistance to climate change.

The social component addresses the need to invest in employees, vendors, customers and community engagement, a framework of relationships that protects the Company from unexpected supply or demand or production shocks.

The governance component comprises the articulation of business strategy, values, codes of conduct, Board responsibilities and composition as well as the organisational commitment to UNGC principles

Our environment commitment

Visaka remained familiar with business impacts on the environment and communities. The Company remained proactive in improving environmental performance during operations. The Company employed stringent systems, processes and controls across its units for monitoring environment footprint. It implemented the latest technologies to facilitate waste management, prudent resource allocation, energy-saving and other measures.

Water management

At Visaka, water management is crucial to continue sustainable operations. The management has provided a mandate to comply with the best water discharge benchmarks. The Company's vision is to minimise ground water extraction through energy-efficient measures. The Company utilised autoclave steam water and reserve osmosis reject water as a part of its water conservation.

Energy management

The Company outlined lower energy consumption targets across its manufacturing facilities. It progressively replaced diesel with bio-diesel in diesel generator sets. It enhanced the proportion of renewable energy in its manufacturing facilities. It invested in air blowers, variable frequency drives and radiators to enhance energy efficiency.

Did you know?

Only 36 kgs of CO_2 emissions are generated per one metric tonnes of V Next board production. This is 30 times lower compared to conventional building materials.

Green cover

The Company adopted the best tree plantation practices across its manufacturing units. Sharing and institutionalising these practices improved the effectiveness and sustainability of tree planting. The Company allocated sufficient site area for tree plantation. It achieved the highest green building certification for its tree plantation initiatives.

Our social commitment

At Visaka, our business is driven by the power of relationships. The strength and stability of these relationships makes our business stable. Passionate employees (youth and experience) drive outperformance. Dedicated vendors enhance throughput and efficiency. Primary customers relate our end products with quality and attractive pricing.

The Company is not only driven by the need to make the world a better and cleaner place through manufacture of quality products but also through a widening prosperity effect across the less privileged. Visaka's CSR intervention is an extension of the prosperity-enhancing ethos of the Company into the domain of social responsibility and environmental sustenance. The Company takes a holistic approach to sustainable value creation for all its stakeholders (employees, communities and others) by nurturing long-standing relationships and building new ones.

Employee healthcare

There are various factors which that might compromise healthcare such as poor hygiene and sanitation, absence of a proper work-life balance and a stressful work environment. The Company's dedicated effort towards improving employee health care has helped to achieve zero health mishap since inception. The Company ensured proper housekeeping and cleaning in a systematic manner to ensure proper hygiene and sanitation is maintained across its manufacturing units and offices. The Company encouraged its employees to spend time with their families considering the amount of efficiency required to complete their respective work within the scheduled time. The measures were taken as part of a system oriented approach to provide clarity to the workforce regarding the expected results of their output. The Company automated the handling of raw materials and provided personal protection equipment to employees, mitigating the possible risks to human health. The Company maintained health records of factory workers and conducted regular health checks, periodic tests and analysis coupled with recommendations. The Company also covered the health expenditure of its blue collar and white-collar workers through an insurance policy.

Employee safety

Over the years, the Company maximised safety through proactive measures and safeguards. The company responded to the subject through strategic interventions: creation of an enunciated policy on the subject, priority by the Board on the subject, awareness building, team composition, structure and engagements with the rest of the Company, periodic reporting in safety performance to all stakeholders (internal and external), prudent recruitment of professionals with the requisite competencies and experience, ongoing training on the subject, mock drills to enhance a state of preparedness, investment in corresponding safety-enhancing infrastructure and equipment as well as the observation of an annual Safety Week. The Company possesses OHSAS certification on safety management, validating its responsibility to build a safe workplace. The Company celebrated National Safety Week from 4th March to 10th March 2023. Various activities such as training and awareness programmes and competitions were conducted as a part of the celebrations programme.

Our Governance commitment

At Visaka, our governance platform provides a clarity on how to do business, attracting like-minded stakeholders.

Stakeholders: We exist for the benefit of all our stakeholders: the vendor must be able to grow with us; the customer must experience enhanced competitiveness arising out of our business solution; the employee must derive pride, remuneration, career advancement and engagement stability; the investor must generate a superior return on employed capital over competing investment opportunities; the community must benefit from our presence; the government must benefit through taxes and livelihood creation.

Board of Directors: Our strategic direction is influenced by our Board of Directors, comprising prominent professionals and industrialists.

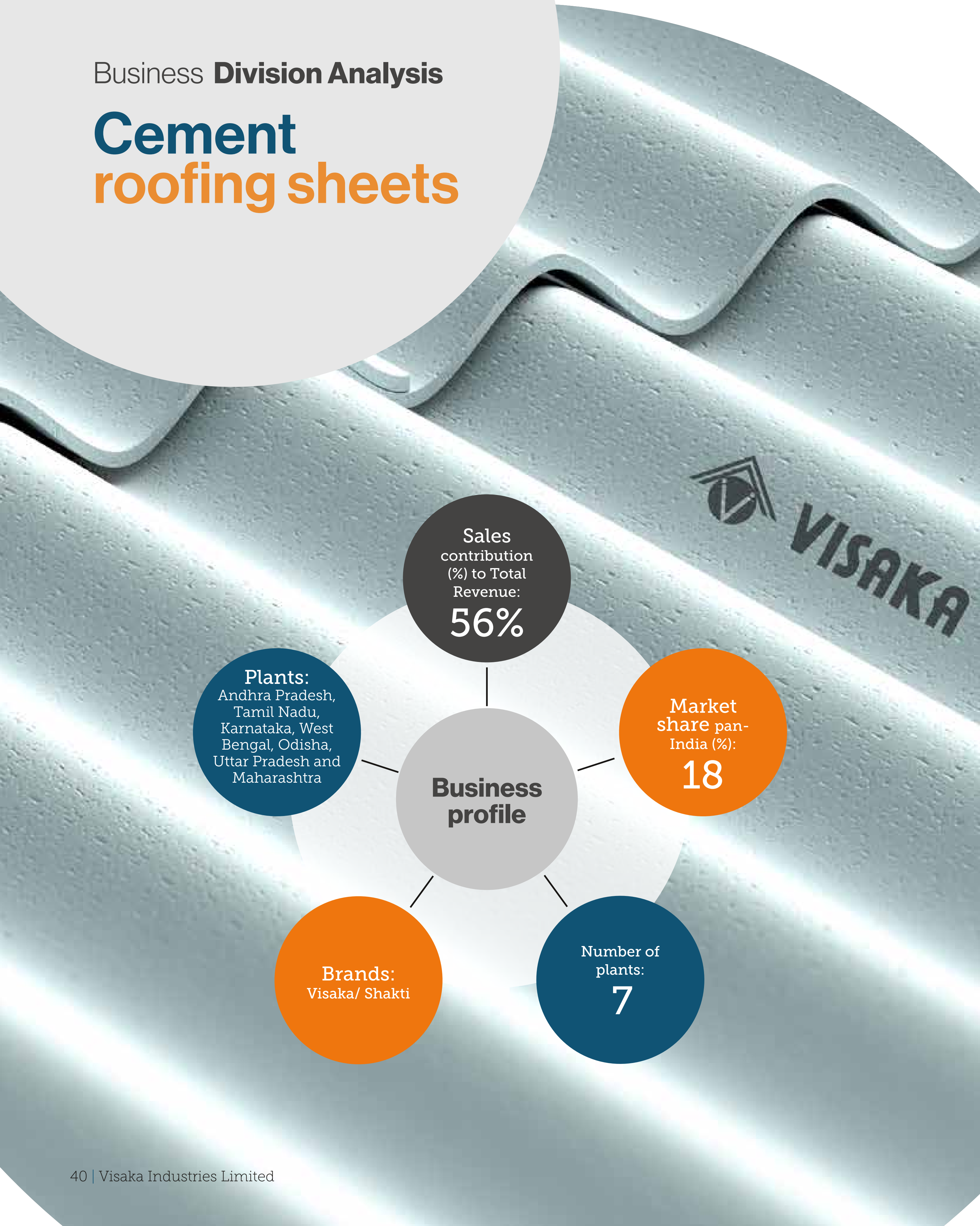
Integrity: Fairness in dealing is why customers seek products from us, employees work at our company, vendors sell to us, investors provide risk capital, bankers lend and communities support.

Long-term perspective: Our long-term investments in locations, assets, technologies, people, products and the selection of trade partners have been based on character and competence.

Process-driven: Our direction and professionalised day-to-day management have made our growth scalable, coupled with checks and balances. Our audit-driven and compliance-driven approach has enhanced the trust in our financials, validating our conservative accounting interpretations.

Business **Division Analysis**

Cement roofing sheets



Business profile

Sales contribution (%) to Total Revenue: 56%

Market share pan-India (%): 18

Number of plants: 7

Brands: Visaka/ Shakti

Plants: Andhra Pradesh, Tamil Nadu, Karnataka, West Bengal, Odisha, Uttar Pradesh and Maharashtra

Overview

The Company started the production of cement roofing sheets in 1985 with an annual capacity of 36,000 metric tonnes. Today, the Company manufactures cement roofing sheets across seven plants with a capacity to manufacture 830,000 metric tonnes (as on 31st March 2023). The Company's sales volumes enhanced 6 % in 2022-23. The Company completed the capacity enhancement of a new additional line at Rae Bareli.

Our competitive features

• **Experience:** Visaka's multi-decadal experience generates a clear understanding on consumer preferences, resource logistics and market cycles.

• **Certifications:** The Company's roofing sheets were accredited by BIS, validating consistent quality

• **Presence:** The Company possesses a large retail network of 7000 pan-India dealers; 90% dealers were associated with the Company for five years or more.

• **Scale:** Visaka is the among the top two manufacturers of cement roofing sheets with a market share of 18% across India.

Highlights, 2022-23

• The Company's cement roofing sheet business encountered raw material cost inflation and other factors that affected margins. The Company used its scale and spread to absorb the price increase to some extent.

• Revenues increased 9% from ₹ 841 crore in 2021-22 to ₹ 915 crore

• The capacity utilisation in roofing sheet plants stood at 98% 2022-23 compare to 96% in 2021-22).

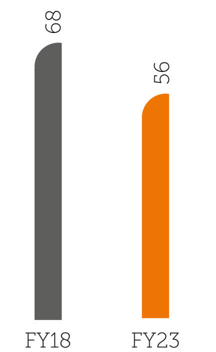
• The Company's roofing sheet business contributed 56% of the Company revenues

• The Company's additional roofing sheet line at Rae Bareli was commissioned during the year under review and operated at full capacity as on 31st March 2023; the additional production was sold, indicating timely capacity utilisation.

Outlook

The roofing business performed creditably despite challenges in terms of costs, currency depreciation against the US$, Russia-Ukraine war and other factors. The Company expects rural demand growth for the product during the current financial year.

Segment contribution to total sales (%)



Capacity and utilisation

Year	FY20	FY21	FY22	FY23
Installed capacity (metric tonnes)	8,02,000	8,02,000	8,02,000	830,000
Capacity utilisation (%)	80	89	96	98

Sales growth

Year	FY20	FY21	FY22	FY23
Sales (₹ crore)	626	791	841	915
Capacity utilisation (%)	-14	26	6	9

Business **Division Analysis**

V Next products, fibre cement boards and panels

Business profile

- Market share (%): **32%**
- Presence: Pan-India
- Plant locations: Telangana, Maharashtra, Haryana and Tamil Nadu
- Number of plants: **4**
- Brands: **V-next**
- Sales contribution (%) to total revenue: **25**

Superior attributes of V Next products

- Fire resistance
- Termite resistance
- Water resistance
- Denseness
- Moisture free
- Swelling-free
- Tensile

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
- Mezzanine flooring
- External cladding
- Soffits (flowerbed ceilings)
- Dry walls
- Roof underlay
- Sidings and partitions
- Kitchen cabinets
- Façades
- False ceilings
- Shelves
- Gates cladding

Overview

Visaka started the business of fibre cement boards and panels in 2009. The Company produces V Next board, non asbestos autoclaved fibre cement board using the Hatchek process with high pressure steam curing technology. Fibre cement boards are an eco-friendly substitute to plywood, concrete and gypsum boards. The carbon emissions of our product are the lowest with only 36 kg per tonnes of production.

The Company's products are exported to the member countries of Gulf Corporation Council (GCC), United Kingdom, South Africa and SAARC countries. The Company's V-Next products are used by various real estate players in a variety of commercial, residential and industrial applications.

The Company's V Next panels act as a user-friendly alternative for the conventional and dry walls solutions and are accepted by builders in India and across the globe. The panels are energy-efficient with greater thermal and acoustic properties.

The product is offered in three thickness variants – 50 mm, 75 mm and 100 mm – with a standard width of 600 mm and lengths of 2,400mm, 2,700mm, 3,000mm and 3,300mm.

Challenges and mitigation

The Company's fibre board segment was impacted by the increase in input costs due to the supply chain constraints arising due to the geopolitical issues. The Company passed on the impact of higher price to its customers

Our competitive features

Environment: Visaka is the only fibre cement producer to offer Green Pro Certified products (certified by CII-IGBC), validating its environment-friendliness.

Certification: The Company's fibre cement board products received certifications from TUV Singapore and EXOVA Warrington related to fire-proof, waterproof, termite-resistant, and UV-resistant features. The Company's automated fibre cement board plant was certified by ISI as it consumed less power than the sectoral average.

Customised: The Company commenced operations with more than 30 applications.

Value-added: The Company manufactured value-added products like designer boards and exterior board like planks.

Technology: Visaka initiated the cutting edge V-Infill (load bearing dry wall) technology that increased construction pace.

Proximity: The Company's raw materials (fly ash and cement) were procured from locations close to its manufacturing facilities. Besides, manufacturing units being proximate to large cities, reinforced logistics management.

Highlights, 2022-23

- The Company's revenues from the V Next business enhanced by 43% from ₹284 crore in 2021-22 to ₹405 crore in 2022-23
- The Company's capacity utilisation stood at 96% in all its plants compared to 76% in the 2021-22.
- The Company sales of V Next products accounted for 25% of the Company's total revenues.
- The Company's V Next product exports accounted 21% of revenues compared to 20% in the previous year.
- The Company reinforced the institutional proportion of its revenues through direct engagement with prestigious customers.
- The Company's V Next products undertook the new era construction of housing with LGSF technology
- The Company reduced Input costs through focused research and development.
- The deployment of V Next product is about 18 million Square feet per month.

Outlook

The business expects to sustain growth (domestic and exports) and generate superior margins once input costs stabilise. The new plant in West Bengal is expected to be operational by August 2023. The Company aims to commission a new plant every two years to address growing demand and double retail outlets each year. By 2030, the business expects to generate ₹1000 cr in revenues from V Next.

Capacity utilisation

	FY20	FY21	FY22	FY23
Installed capacity (metric tonnes)	179750	189750	239750	249750
Capacity utilisation (%)	76	71	76	96

Sales growth

Sales (in ₹ cr)	177	196	203	284	405
Sales growth (%)	17	11	3	40	43

Contribution to total sales (%)

15	25
FY18	FY23

V-Next has helped enhance the attractiveness of

India's historic new Parliament

Overview

At Visaka, we are proud to have played a part in the historic new Parliament building in New Delhi that was inaugurated on 28th May, 2023. The Company supplied 3,00,000 square feet of V Next eco-friendly boards to this institution.

Other prestigious projects

- JIO world
- ICICI
- TATA NESTIN

Airports

- Chennai
- Mumbai
- Banglore
- Hyderabad and
- Goa

Our prominent clientele

- Sobisco
- Serum Institute
- Mahindra Resorts
- Balaji Amines
- Manthena Aarogyalaya
- Phoenix Group

Sub-business **segment review**

ATUM

Overview

Visaka launched the ATUM solar roof in 2018, a pioneering initiative in the area of sustainable energy. ATUM is an integrated solar roofing system that caters to all the functions of a traditional roof along with generating renewable energy. The Company secured patents pf ATUM from countries such as U.S.A, South Africa and India. Visaka produces integrated solar panels with a cement base which offers increased heat protection compared to a traditional roof without compromising aesthetics.

The Company's ATUM business aims to capitalise on the opportunities developed through the government's renewable energy targets and plans to reduce carbon footprint. The Company created solar roofing applications for data centres and railways and broad based its geographic presence by exporting to the African and Asian countries.

Our competitive features

Robustness: ATUM enjoys the capacity to resist the wind speeds of >250 km per hour, increasing reliability. The product has a load bearing capacity of 300 kg per square meter.

Higher productivity: ATUM occupies lower space but is highly productive; a 1-kilowatt panel occupies across 60 square feet as against a conventional solar panel that consumes 80 - 100 square feet.

Durability: The product offers a long-term solution as its average life stood at 30 years for the roofing application and >25 years for the power generation function.

Certifications: The product has achieved various certifications such as BIS certifiedIS:14286/ IEC 61215, IEC 61730 Part-1 and IEC 61730 Part-2. ATUM received the prestigious UL certification which helped them to enter in the US and European markets.

Challenges and mitigation

The Company's ATUM sub-segment is relatively new and there is a requirement to increase awareness of the product across the globe.

The Company started extensive marketing of the product through various platforms to generate awareness during the year.

Highlights, 2022-23

- The Company's unique ATUM solution has been used in the prestigious projects of major industry players such as Mahindra Group, Sobisco, Balaji Amines, Manthena Aarogyalaya, Phoenix Group, Serum Institute of India Bhabha Atomic Research Center, Indian Oil Corporation Ltd and Indian Railways
- During the year, the Company executed export projects to Bhutan, Thailand and South Africa
- Visaka has confirmed prospects of about 40 MW projects, which have fair chances of conversion into sales.
- The Company received repeat orders from the Manipal Institute, Poonawalla group (Covishield) and Rainbow Hospitals

Outlook

Visaka will continue to create awareness amongst traditional solar adopters to make the next step in terms of roofing and power generation. The Company expects the revenues from this segment to grow attractively due to clientele addition, utilising its full capacity of 60 MW in two years.

Did you know?

ATUM solar roof generates 1 kilowatt of power in hardly 60 square feet, whereas traditional solar roofs generate 1 kilowatt of power in 80-100 square feet

Business **segment**

Synthetic yarns

Business profile

Market share (%): **80**

Presence: Pan-India

Plant locations: Nagpur

Number of plants: **1**

Brands: **Wonder Yarn**

Sales contribution (%) to total revenue: **18**

Overview

Visaka commenced the manufacture of synthetic yarns in 1992 with a facility in Nagpur. The plant produced 2,000 tonnes of man-made yarns per annum at the outset using state-of-the-art air jet spinning technology. Over the years, the Company produced specialised items (melange, high twist and speciality yarns) in various blends utilised by quality conscious fabric manufacturers. The Company increased its spinning capacity in 2016-17 to 12,000 tonnes per annum. The Company's yarn manufacturing capacity increased by another 10% during the end of 2022-23.

Our competitive features

Sustainable: Visaka is among the first companies in the sector to create sustainable fabrics with its PVT recycled yarn.

Reputed: The Company has earned respect among the largest fabric brands in India through consistent quality and timely delivery.

Technology: The Company utilised its state-of-the-art twin airjet spinning technology to manufacture yarns.

Quality: The Company produces yarns of best-in-class standards marked by low pilling, no singeing and superior dye pick-up, reduced picks per inch, reduced weaving costs, low value loss/ fresher piece lengths, high perspiration absorption, low shrinkage, smooth appearance and cotton-touch feel.

Productive: The yarns produced by Visaka increase loom productivity and are increasingly preferred by fabric manufacturers

Highlights, 2022-23

- The Company's revenues increased by 19% from ₹247 crore in 2021-22 to ₹295 crore
- The capacity utilisation of the plants increased from 90% in 2021-22 to full capacity.
- Visaka reported an EBITDA of 15% from its yarn business.
- The Company manufactured 1590 tonnes of sustainable yarn during the year under review
- The Company's yarn exports were affected by geopolitical instability in Europe, which was covered by increased offtake from within India

Outlook

The Company will continue to explore new markets while creating value-added products that address widening requirements. The Company aims to increase production.

Our prominent downstream clients

- Donear
- Siyaram Silks
- Raymonds
- GBTL
- BSL Suitings
- Arvind Mills

Capacity utilisation

	FY20	FY21	FY22	FY23
MTS machines	41	41	41	45
Spinning positions	2752	2752	2752	3040

Sales growth

	FY20	FY21	FY22	FY23
Sales (₹ in cr)	215	135	247	295
Sales growth (%)	-2	-37	83	19

Contribution to total sales (%)

FY18	FY23
17	18

Visaka's risk management approach

Our business segments and risk probabilities

Segments	Risk probability	Reasons
Cement roofing sheets	High-moderate	Rural economic slowdown. Slowdown in the building and construction sector
V Next	Moderate-low	Differentiated products and market
ATUM	Moderate	Comparatively new in the 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	• The quantity of fibre used in India is minimal. No fatalities have been recorded 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 hamper production	Medium	• The Company imports all the fibre it needs (three grades from Russia, Kazakhstan and 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.
There is a risk of supplying far from the production plant, incur high freight, risk transhipment breakage and endanger profitability.	Medium-low	• The Company has progressively commissioned plants in regions with attractive offtake but relatively inadequate supply. • The Company's strategy is to service consumers within a radius of 500 km. • Each of the Company's plants covers mutually exclusive marketing zones, maximising national coverage.
There is a risk of reduced realisations in the event of product oversupply or demand destruction	Medium-low	• 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	• 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

Division	Risk probalitity	Reasons
The Company may be affected by commodity realisations.	Low	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 ₹231 in 2021-22 and ₹245 in 2022-23
The Company could be affected by a rise in input prices.	High-medium	This risk affects the entire industry. However, the Company has always passed on costs due to its premium quality positioning.
The Company could be affected by a decline in offtake and product relevance.	Low	• 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	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 41st 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, 2023.

Financial Performance

The summarised financial performances for the Financial Year ended March 31, 2023, are as under:

(₹ in lakhs)

Particulars	Standalone		Consolidated	
	2022-23	2021-22	2022-23	2021-22
Total Revenues	1,65,759	1,42,567	1,66,396	1,42,568
Profit before depreciation and taxes	12,465	19,839	12,378	19,821
Profit before taxes	7,446	16,077	7,357	16,059
Provision for taxes (Including deferred tax)	1,967	4,224	1,999	4,227
Total comprehensive Income	5,441	11,895	5,321	11,874
Dividend	1,382	2,802	1,382	2,802
Balance brought forward from previous year	36,362	27,268	36,341	27,268
Profit available for appropriation	40,420	36,362	40,279	36,341

Performance review and the state of Company's affairs:

The company's consolidated total income for the financial year 2022-23 is Rs 1664 Crores, up by 17% over the previous year.

The company's standalone total income for the financial year 2022-23 is Rs 1658 Crores up by 16% over the previous year.

The Company has posted highest ever Revenue during the year under review. All segments have significantly contributed to the top line and achieved highest volumes and turnover. The Company made standalone profit after tax of Rs 54.79 Crores during the year compared to ₹118.53 Crores in the previous year. The profit was affected by a sharp rise in raw material costs that could not be passed on to consumers. Though other costs also increased, the company has showcased its resilience and demonstrated the capacity to absorb and continued to deliver a superior price-value proposition. Besides, the growth of the niche textiles business validated the diversified portfolio. The company continued to invest across its businesses, strengthening its foundation for sustainable growth.

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

Cash Profit during the year is Rs 105 crores compared to ₹156 crores in the previous year.

The capital expenditure of ₹221 crores was incurred for FY 2022-23, major part of ₹79 Crores towards V Next Boards & Panels project including proposed new plant at Midnapur and ₹28 Crores is towards setting up of additional line at Asbestos unit at Raebareli near Lucknow and other capital expenditure. The company also bought a parcel of Land in the prime area of Hyderabad at cost of Rs 75 Crores.

CAPITAL

The Company after obtaining approval of the members of the Company and Regulatory and other approvals

Sub-divided the face value of the each of the Equity Share from Rs10/- to ₹2/-.

The Company has obtained new ISIN INE392A01021 from depositories for new face value of the equity shares and the trading with the new face value was commenced on both BSE ltd and National Stock Exchange of India Ltd w.e.f. May 15, 2023.

DIVIDEND

The Board of Directors of the Company, on April 01, 2023 had declared an interim dividend of ₹1.40/- (i.e., 70%)* per share of ₹2/- each fully paid-up. The interim dividend was paid on April 17, 2023 to all the eligible members of the Company. Further your directors in their meeting held on May 19, 2023, recommended a Final Dividend of ₹0.60/- (i.e., 30%) per share of ₹2/- each, for your approval for the Financial Year 2022-23.

With the above, the total dividend for the Financial Year 2022-23 would be ₹2/- (i.e.,100%) per share of ₹2/-each. The Final dividend, if approved at the 41st annual general meeting (AGM), will be paid to all eligible members on or after July 15, 2023.

* ₹7/- (i.e., 70%) per share of ₹10/- each fully paid-up before sub-division of Shares.

TRANSFER TO RESERVES

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

Subsidiary Companies:

The Company has two subsidiaries, i.e., VNEXT Solutions Private Limited and Atum Life Private Limited as on March 31, 2023.

Vnext Solutions Private Limited was 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 was 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 financials 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 enclosed as Annexure-1.

As per Provisions 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: https://visaka.co/investors/financial_information/fn_subcomfin. These are also available for inspection during regular business hours at our corporate office in Hyderabad, India.

Management discussion and analysis

Global economy

Overview: The global economy was estimated to have grown at a slower pace 3.2% in 2022, compared to 6% in 2021 (which was on a smaller base of 2020 on account of the pandemic effect). The relatively slow global growth of 2022 was marked by the Russian invasion of Ukraine, unprecedented inflation, pandemic-induced slowdown in China, higher interest rates, global liquidity squeeze and quantitative tightening by the US Federal Reserve.

The challenges of 2022 translated into moderated spending, disrupted trade and increased energy costs. Global inflation was 8.8% in 2022, among the highest in decades. US consumer prices increased about 6.5% in 2022, the highest in four decades. The Federal Reserve raised its benchmark interest rate to its highest in 15 years.

The global equities, bonds, and crypto assets reported an aggregated value drawdown of USD26 trillion from peak, equivalent to 26% of the global gross domestic product (GDP). In 2022, there was a concurrently unique decline in bond and equity markets; 2022 was the only year when the S&P 500 and 10-year US treasuries delivered negative returns of more than 10%.

Gross FDI inflows – equity, reinvested earnings and other capital – declined 8.4% to $55.3 billion in April-December. The decline was even sharper in the case of FDI inflows as equity – these fell 15% to $36.75 billion between April and December 2022. Global trade expanded by 2.7% in 2022 (expected to slow down to 1.7% in 2023).

The S&P GSCI (benchmark for commodity investments and a measure of global commodity performance) fell from a peak of 4288 in June 2022 to 3233.4. There was a sharp decline in crude oil, natural gas, coal, lithium, lumber, cobalt, nickel and urea realisations. Brent crude oil dropped from a peak of around USD 120 per barrel in June 2022 to USD 80 per barrel at the end of the calendar year following the enhanced availability of low-cost Russian oil.

Regional growth (%)	2022	2021
World output	3.2	6.1
Advanced economies	2.5	5
Emerging and developing economies	3.8	6.3

Performance of major economies

United States: Reported GDP growth of 2.1% compared to 5.9% in 2021

China: GDP growth contracted from 8% in 2021 to 3% in 2022.

United Kingdom: GDP grew 4.1% in 2022 compared to 7.6% in 2021

Japan: Reported growth of 1.7% in 2022 compared to 1.6% in 2021

Germany: Reported GDP growth of 1.8% compared to 2.6% in 2021

[Source: PWC report, EY report, IMF data, OECD data]

Outlook: The global economy is projected to grow a weak 2.9% in 2023, marked by sustained Russia-Ukraine conflict and higher interest rates. Global inflation is projected to be 6.5% in 2023 (Source: IMF). On the positive side, the reopening of China's economy after the waning of the pandemic, the decline in the European energy crisis and robust US consumption outlook (despite high inflation) remain positives. Interestingly, even as the global economy is projected to grow less than 3% for five years, India and China are likely to account for half the global growth in 2023 (IMF).

Indian economy

Overview: Even as the global conflict remained geographically distant from India, ripples comprised increased oil import bills, inflation, cautious government and a sluggish equity market. India reported an estimated economic growth of 7.2% in FY 2022-23. India emerged as the second fastest-growing G20 economy in FY 2022-23. India had retained its position as the fifth-largest global economy and was seen as a principal driver of the global economy (with China).]

	FY 20	FY 21	FY 22	FY23
Real GDP growth (%)	3.7	-6.6%	8.7	7.2

Growth of the Indian economy quarter by quarter, FY 2022-23

	Q1 FY 23	Q2 FY 23	Q3 FY 23	Q4 FY 23
Real GDP growth (%)	13.1	6.3	4.4	6.1

(Source: Budget FY24; Economy Projections, RBI projections)

According to the India Meteorological Department, the year 2022 delivered 6% higher rainfall than the long-period average. India's wheat harvest was expected to rise to around 107 million metric tons (MMT) in 2022-23 from 102 MMT in the preceding year. Rice production at 122 million metric tons (MMT) was down 6 percent due to unseasonal rains. Pulses acreage grew 5 percent to 154.80 lakh hectares following better monsoon rains. Due to a renewed focus, the oilseed area increased by 7.31% from 102.36 lakh hectares in 2021-22 to 109.84 lakh hectares in 2022-23. India's wheat production in crop year 2022-23 is expected to be 102.9 million tonnes (mt), less than the government's estimate of 112 mt.

India's exports (merchandise and services) in April-February 2022-23 were estimated to have grown 16.18 percent over the same period of the previous year. As India's domestic demand remained steady amidst a global slowdown, imports in April-February 2022-23 were estimated to have grown 19.93 percent over the corresponding period of the previous year. India's exports in FY2021-22 were $676 billion and likely to achieve a record $750 bn in FY23.

Till Q3, FY23, India's current account deficit, an indicator of the country's balance of payments position, decreased to $18.2 billion, or 2.2% of GDP from $22.2 billion (2.7% of GDP) a year ago. India's fiscal deficit was estimated in nominal terms at ~ Rs 17.55 lakh crore and 6.4% of GDP for the year ending March 31, 2023.

India's headline foreign direct investment (FDI) numbers rose from US$74.01 billion in 2021 to a record $84.8 billion in 2021-22, a 14% Y-o-Y increase due to 100% FDI approval via automatic route in the Insurance sector, civil aviation, coal sector, telecom, pharma, infrastructure. In 2022-23, the government was estimated to have addressed 77% of its disinvestment target (Rs 50,000 crore against a target of ₹65,000 crore).

After three consecutive years of rise, India's foreign exchange reserves declined by around $ 70 billion in 2022 amid rising inflation and interest rates. The country's forex reserves, which stood at $606.47 billion on 1 April 2022, declined to $578.44 billion on March 31, 2023. India's currency weakened from ₹ 75.91 to a US dollar to

₹82.34 as on 31 March 2023 due to a stronger dollar and weaker current account deficit.

Inflation data on the wholesale Price Index (which calculates the overall prices of goods before selling at retail prices) eased to 4.73% during the period. In 2022, CPI hit its highest of 7.79% in April 2022; WPI reached its highest of 15.88% in May 2022.

In 2022-23, total receipts (other than borrowings) were estimated at 6.5% higher than the Budget estimates. Tax-GDP ratio was estimated to have improved by 11.1 percent Y-o-Y in RE 2022-23.

The total gross collection for FY23 was Rs 18.10 lakh crore, an average of Rs 1.51 lakh a month and up 22% from FY22, India's monthly goods and services tax (GST) collections hit the second highest ever in March 2023 to ₹1.6 lakh crore.

For 2022–23, the government collected Rs 16.61 lakh crore in direct taxes, according to data from the Finance Ministry. This amount is 17.6 percent more than what was collected in the previous fiscal.

Per capita income almost doubled in nine years to Rs 172,000 during the year under review, a rise of 15.8 percent over the previous year. India's GDP per capita was 2,320 USD (March 2023), close to the magic figure of $2500 when consumption spikes across countries.

India moved up in the Ease of Doing Business rankings from 100th in 2017 to 63rd in 2022.

Outlook: According to the World Bank April 2024 projections, India's GDP is projected to expand by 6.3 percent In FY24, supported by domestic demand and increased public investment. India's retail inflation rate could decline from 6.6 percent to 5.2 percent in FY24. The growth could also be driven by broad-based credit expansion, better capacity utilisation and improving trade deficits. Headline and core inflation rates could trend down. Private sector investments could revive.

The global landscape favours India: Europe is moving towards a probable recession, the US economy is slowing, China's GDP growth forecast of 4.4% is less than India's GDP estimate of 6.8% and America and Europe are experiencing their highest inflation in 40 years.

India's production-linked incentive appeared to catalyse downstream sectors. Inflation was steady. India was at the cusp of making significant investments in renewable energy and other sectors and emerging as a suitable industrial supplement to China. India was poised to outpace Germany and Japan and emerge as the third-largest economy by the end of the decade.

The outlook for private business investment remained positive despite an increase in interest rates. India was less exposed to Chinese economic weakness, with much less direct trade with China than many Asian peers.

Broad-based credit growth, improving capacity utilisation, government's thrust on capital spending and infrastructure should bolster investment activity. According to our surveys, manufacturing, services and infrastructure sector firms are optimistic about the business outlook. The protracted geopolitical tensions, tightening global financial conditions and slowing external demand are the downside risks.

Union Budget FY 2023-24 provisions

The Budget 2022-23 sought to lay the foundation for the future of the Indian economy through projects like PM GatiShakti, Inclusive Development, Productivity Enhancement & Investment, Sunrise Opportunities, Energy Transition and Climate Action, as well as Financing of Investments. The capital expenditure of the Indian government expanded 35.4% from ₹5.54 lakh crore to ₹7.50 lakh crore. An outlay of ₹5.25 lakh crore was made to the Ministry of Defence (13.31% of the total Budget outlay). An announcement of nearly ₹20,000 crores was made for the PM Gati Shakti National Master Plan to catalyse the infrastructure sector. An expansion of 25,000 km was initiated for the national highways network. An outlay of ₹1.97 lakh crore was announced for Production Linked Incentive schemes across 13 sectors.

Construction and building materials industry review

Indian construction and building materials industry is expected to expand by 12% in real terms in FY23, registering an average annual growth of 6.1% between 2023 and 2026. This significant growth is attributed to increased government investment and improvement in wider economic activity.

Building material segment is expected to grow at a pace of 8-12% for the next 4-5 years due to various demand drivers including India's urbanization drive, rebound in the real estate market and healthy outlook for hospitality and health care sectors. World tiles consumption has stagnated for the past several years while India continues to grow at 5% CAGR, gaining significant market share mainly due to supply chain disruptions in China.

Healthy order inflows in the railways, roadways and drinking water sectors in 2022 supported the growth of the construction industry in India. Increased spending from the government on infrastructure projects is expected to drive market growth. According to a report from ICRA, the construction industry in India is expected to witness healthy revenue growth in the medium term. While buildings and roads accounted for the bulk of the order book, urban and metro infrastructure along with water and sanitation witnessed significant expansion in the order book over the last few years. However, the rising commodity prices and increased competition in the space are expected to impact the construction industry's profitability. (Source: financialexpress.com, businesswire.com)

Driving factors

The driving factors for the construction and building material sector in India are:

- **Infrastructure spending:** The Government increased the capital expenditure on infrastructure investment by 33 percent to Rs 10 lakh crore for FY 2023–24 accounting for 3.3 percent of India's GDP. This is expected to significantly boost the economy and drive the construction and building materials sector.
- **Rapid urbanization:** India's urban population is expected to record 675 million, accounting for 43.2% of the country's population by 2035. This is expected to lead to a significant growth in housing demand.
- **Increasing population:** India's population surpassed China in 2023 and reached 1.51 billion by 2030. Population growth is expected to catalyse the demand of Indian real estate segment.
- **Growing middle-class:** One in every three Indians is "middle class" in India with an income between Rs 5 lakh and Rs 30 lakh per annum. This number is expected to double by 2047, driving the demand for India's real estate sector.
- **Rising disposable incomes:** India's disposable personal income increased to Rs 274133400 Million in 2022 from Rs 238573760 Million in 2021, catalysing the demand of the construction and building materials sector. (Source: Trading economies)
- **Increase in foreign investment:** FDI inflows into India were $[ ] billion in FY 2022-23, catalysing the demand for new construction
- **Preference for green buildings:** Technological advancements and the growing preference for green buildings are transforming the construction sector. As building and construction practices evolve, the demand for sustainable building materials and technologies could increase.

Policy support

- As a part of the INR100 trillion ($1.3 trillion) Pradhan Mantri Gati Shakti Master Plan, announced in October 2021, India's infrastructure is expected to grow rapidly
- Pradhan Mantri Awas Yojana continues to catalyse market growth in the affordable housing space. The budgetary allocation for the scheme increased by 66% to Rs 79,000 crore for FY 2023-24.
- The Atmanirbhar Bharat Abhiyan package was estimated at ~Rs 27.1 lakh crore (US$ 362.49 billion), accounting for more than 13% of GDP. Atmanirbhar Bharat is expected to boost domestic industries, micro, small and medium enterprises (MSMEs) driving the demand of real estate market
- In March 2021, the government created a $ 2.5 Bn development finance institution called National Bank for Financing Infrastructure and Development (NaBFID) to fund infrastructure projects in India.
- The Atal Mission for Rejuvenation and Urban Transformation (AMRUT) bagged higher budgetary allocations from Rs 7,300 crores in FY 2022-23 to Rs 8,000 crore in FY 2023-24.
- The Smart Cities Mission received a higher budgetary allocation of Rs 8,000 crores in FY 2023-24 compared to Rs 6,800 crore in FY 2022-23.

Fibre cement products market review

The Indian fibre cement market is expected to reach $4.2 million by 2025 after growing at a CAGR of 6.7% during 2020-2025. The growth is mainly driven by increased building activities throughout the region. Fibre cement boards and sheets are composite building and construction materials used in roofing and facade products due to their strength and durability. Moreover, the demand for fibre cement boards and sheets is further driven by stringent regulations against the use of asbestos in construction due to health risks associated across India. In addition, the increasing demand for energy-efficient buildings is also boosting the growth of the market.

In terms of raw materials, the Indian fibre cement roofing sheets market is classified into portland cement, chrysotile asbestos fibre and others. 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 brickwork applications, plywood applications, MDF applications and gypsum board applications.

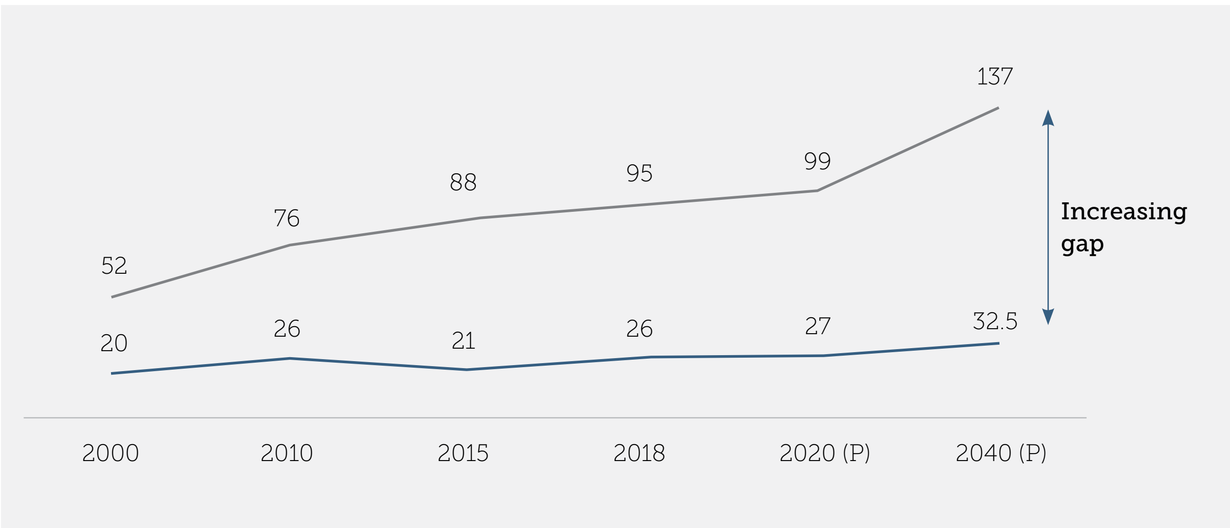
Synthetic textiles industry review

Currently, India is the second largest producer of both polyester and viscose globally. It is estimated that polyester consumption in India is expected to double itself and reach 8.5 million tons by 2030 compared to the estimated consumption of 4.4 million tons, growing at a CAGR of 8%. The growth in India is mainly driven by the growing domestic and exports in textile and apparel sector.

The domestic man-made fibre industry mainly comprises of two components i.e., polyester and viscose, which together accounts for about 94% (in volume terms). Under this, polyester accounts for about 77.5% while viscose accounts for the remaining share. MMF is primarily used to produce 100% non-cotton fabrics and blended fabrics, which are in turn used in readymade garments, home textiles and other industrial textiles.

The textile and apparel industry is going through a drastic shift from cotton to synthetic. Fibre demand in 2022 is divided into 26% of cotton and 56% of polyester compared to 35% for both cotton and polyester in 2000. By 2030, polyester is expected to cover ~60% share of total fibre demand on a global level is expected to account for one-fourth of the total share.

On the export front, India stood sixth in exports of man-made fibre textiles accounting for 16% of the share in the global man-made fibre textile market. USA was the top export destination contributing around 27% share, followed by the Europe union (18%), Bangladesh (12%) and UAE (6%)



Source: PCI Fibers, International Cotton Advisory Committee, OECD-FAO

Driving factors

- Low cost: Increasing cost competitiveness has caused the focus to shoot on low-cost fibres for cloth manufacturing.
- Demand-supply gap in cotton: Global cotton supply is not increasing in line with overall fibre demand growth. With the increasing world population and consumer prosperity in developing nations, fibre demand is continuously increasing. However, the land under cotton cultivation is decreasing because of competition for land use which is more attractive (other cash crops, food crops, industrialization, urbanization).
- Changing consumer trends: An increasing emphasis on fitness and hygiene. rising brand consciousness and fast-changing fashion trends. The emergence of sportswear, performance wear and athleisure as major end-use categories
- Recyclable: Man-made fibre can be blended with other fibers like cotton and spandex for performance requirements. Recycled polyester has achieved pride in place as a green textile option today.

Policy support

- With a view to position the country as a global leader in technical textiles, the Prime Minister and his Cabinet Committee on Economic Affairs (CCEA) have given the approval to set up a National technical textiles mission with a total outlay of USD 194 Million in February 2020. The mission shall be set up for a four-year implementation period from FY 2020-24

- The government has permitted 100% FDI via automatic route in textiles, the textile and apparel sector has attracted over $4.04 bn of foreign direct investments from April 2000 - September 2022.
- The government launched production-linked incentive (PLI) scheme worth ₹10,683 crores (US$ 1.44 billion) for manmade fibre and technical textiles over a five-year period.
- The Indian government notified uniform goods and services tax rate of 12% on man-made fabrics yarns and apparel. (Source:investindia.gov.in)

Solar energy industry sector review

India's energy demand is expected to increase more than that of any other country in the coming decades due to its sheer size and enormous potential for growth and development.

The Central Electricity Authority estimates India's power requirement to grow to reach 817 GW by 2030. and India plans to meet 50% of its electricity needs from renewable sources majorly from solar by 2030. Most of the demand will come from real estate and transport sectors. Also as per India's announcement that it intends to achieve net zero carbon emissions by 2070 marks a historic point in the global effort to combat climate change.

Installed renewable power generation capacity has gained pace over the past few years, posting a CAGR of 15.92% between FY16-22. India has generated 47.64 BU of solar power in the first half of 2022, a 34% YoY increase.

India is reporting the fastest solar electricity growth; by 2026, new capacity additions are expected to double. With the increased support of the Government and improved economics, the sector has become attractive from an investors perspective. As India looks to meet its energy demand on its own, which is expected to reach 15,820 TWh by 2040, solar energy is set to play an important role.

Driving factors

Environmental concerns: Low carbon emissions from renewable sources and growing concerns regarding environmental protection drove the adoption of renewable sources of energy, which led to an increase in investments in renewable energy across the world. The increased focus on renewable energy sources is raising the investments in the country's solar energy sector, which will drive the growth of the solar power market in India during the forecast period.

Declining cost: Renewable energy prices in India have been reducing gradually. The Government of India is also providing tax incentives to users, which reduces installation costs and results in the reduction of the final cost of solar energy. As a result, solar power has been giving tough competition to fossil fuels such as coal-based power in the country

Robust investment: Renewable energy sector received FDI inflow of US$ 12.57 billion between April 2000-June 2022. Rising foreign investment in the renewable sector (such as the US$ 75 billion investment from the UAE) is expected to promote further investments in the country. Investment in renewable energy in India reached a record US$ 14.5 billion in FY22, an increase of 125% over FY21.

Policy support

- The Central government allocated Rs 10,222 crore to the Ministry of New and Renewable Energy as part of the Union Budget 2023-24.
- India launched the Mission Innovation CleanTech Exchange, a global initiative that will help accelerate clean energy innovation.
- The Union Budget 2023 allocated Rs 35,000 crore for green energy transition in addition to the announcements of Green Hydrogen mission with outlay of ₹19,500 crore has reiterated GOI's commitment to achieve net zero targets alongside making India important hub for renewable manufacturing.
- The waiver of Inter State Transmission System (ISTS) charges for inter-state sale of solar and wind power for projects to be commissioned by 30th June 2025,
- The government established Ultra Mega Renewable Energy Parks to provide land and transmission to RE developers on a plug and play basis,
- The government proposed to set up of Project Development Cell for attracting and facilitating investments.
- The government issued standard bidding guidelines for tariff-based competitive bidding process for procurement of power from grid connected solar PV and wind projects.
- Conducting skill development programmes to create a pool of skilled manpower for implementation, operation and maintenance of renewable energy projects.

Financial overview

Analysis of the profit and loss statement

Revenues: Revenue from operations reported 16% growth from ₹1416 crore in FY2021-22 to Rs 1647 crore in 2022-23. Other income of the Company reported a 11% 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 25% from Rs 1265 crore in FY2021-22 to Rs 1583 crore in 2022-23 due to increase in Raw material costs with higher production. Employee expenses accounting for 8.6% of the Company's revenues and increased by 6% from Rs 132 crore in FY2021-22 to Rs 140 crore in FY 2022-23.

Analysis of the Balance Sheet:

Sources of funds

- The capital employed by the Company increased by [26%] from Rs [958] crore as on 31st March 2022 to Rs 1209 crore as on 31st March, 2023.
- The net worth of the Company increased from Rs 732 crore as on 31st March 2022 to Rs 773 crore as on 31st March 2023 owing to increase in reserves and surpluses. The Company's equity share capital is 1.728 crore equity shares of Rs 10/- each, during the year under review. Effective from 15th May 2023 the no. of shares are 8.64 Crores of ₹2/- each due to splitting of shares of face value from Rs 10/- to Rs 2/-.
- Long-term debt of the Company increased to Rs 164 crore as on 31st March, 2023. The long-term debt-equity ratio of the Company stood at 0.21 in 2022-23 compared to 0.07 in FY2021-22.
- Finance costs of the Company increased from Rs 11.56 crore in FY2021-22 to ₹22.33 crore in 2022-23 due to increase in borrowings towards capex and working capital. The interest costs also increased due to increase in the rates by RBI & other banks across world several times to control the inflation. The Company's interest cover stood at 6.58 in 2022-23 compared to 18.20 in FY2021-22.

Applications of funds

Fixed assets (gross) of the Company increased by 30% from Rs 679 crore as of 31st March 2022 to ₹881 crores as on 31st March 2023 due to expansions & purchase of immovable property.

Other non-current assets

Other non-current assets of the Company enhanced from Rs 47.85 crore as on 31st March 2022 to Rs 73.38 crore as of 31st March, 2023 majorly due to capital advances paid towards expansion of Midnapore Boards unit.

Working capital management

- Current assets of the Company increased from Rs 548 crore as on 31st March, 2022 to Rs 634 crore as on 31st March, 2023. The current and quick ratios of the Company stood at 1.51 and 0.46, respectively in 2022-23 compared to 1.75 and 0.62, respectively in FY2021-22.
- Inventories including raw materials, work-in-progress and finished goods among others increased by 30% from Rs 293 crore as on 31st March, 2022 to Rs 381 crore as on 31st March, 2023. The inventory cycle days increased from 71 days of turnover equivalent in FY2021-22 to 75 days of turnover equivalent in 2022-23.
- Trade receivables increased by 2% from Rs 140 crore as on 31st March 2022 to Rs 143 crore as on 31st March, 2023. More than 99% of the receivables are considered good. The Company debtor turnover cycle is 30 days due to higher turnover during 2022-23 compared to 31 days in FY2021-22.
- Cash and bank balances of the Company increased from Rs 27 crore as on 31st March, 2022 to 31 crore as on 31st March, 2023.
- Loans and advances made by the Company increased by 22% from Rs 102 crore as on 31st March, 2022 to Rs 125 crore as on 31st March, 2023 on account of increased advances payable to suppliers and others.

Margins

The EBIDTA margin of the Company decreased by 603 basis points from 14.99% in FY2021-22 to 8.96% in 2022-23, while the net profit margin of the Company decreased by 512 basis points.

Particulars	2022-23	2021-22
Debt-equity ratio	0.56	0.28
Return on equity (%)	7.28	17.44
Earnings per share (Rs) – Basic	6.34	14.25
Debtors Turnover (days)	30	31
Inventory Turnover (days)	75	71
Interest Coverage Ratio	6.58	18.2
Current Ratio	1.51	1.75
EBITDA Margin (%)	8.96	14.99
Net Profit Margin (%)	3.34	8.46

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, 2023, 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 1960 as at 31st March, 2023

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 based on any subsequent development, information, or events.

Fixed Deposits

During the year under review, your Company has accepted ₹1.94 crores as public deposits and repaid ₹1.98 crores upon maturity making the outstanding as on March 31, 2023, to ₹13.24 crores. In this regard, it is further stated that:

a) There were no deposits lying unpaid or unclaimed at the end of the year i.e. 31.03.2023

b) There has been no default in repayment of deposits or payment of interest thereon during the year.

c) 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

d) 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 Section 124 and other provisions of the Companies Act, 2013, read with the IEPF Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ('the Rules'), all unpaid or unclaimed dividends that 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 following unclaimed and unpaid dividends and shares to IEPF as follows:

S. No	Particulars		Amount / No. of shares Transferred to IEPF	Date on which Dividend/ Shares are transferred
1	Transfer of Unclaimed and unpaid dividend	2014-15 (Final-Dividend)	₹11,22,490	13.09.2022
		2015-16 (Interim)	₹8,55,240	25.04.2023
2	Transfer of shares to IEPF	2014-15	6,411	10.10.2022
		2015-16 (Interim)	8,285	16.05.2023

Banks and financial institutions

Your Company is prompt in making the payment of interest and repayment of loans to the financial institutions / 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 ₹249.52 lakhs as against minimum amount of ₹249.48 towards CSR activities during the financial year 2022-23 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:

https://www.visaka.co/assets/website/files/investors/CSR-policy.pdf

Directors and key managerial personnel

As on March 31, 2023, Smt. G.Saroja Vivekanand (DIN: 00012994) , Managing Director, Shri. G.Vamsi Krishna (DIN: 03544943), Joint Managing Director, Shri J P Rao (DIN: 03575950), Whole-time Director, Shri S. Shafiulla, President & CFO and Shri.Ramakanth Kunapuli, AVP & Company Secretary are Key Managerial personnel of the Company in accordance with the provisions of Section 2(51) and 203 of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial personnel) Rules, 2014.

Dr. Vivek Venkatswamy Gaddam (Dr G. Vivekanand), Chairman, a non-executive and non-independent Director (DIN- 00011684) is liable to retire by rotation at the ensuing annual general meeting and being eligible, offers himself for reappointment. Dr. Vivek Venkatswamy Gaddam (Dr G. Vivekanand) Director is holding 3,43,65,215 Equity shares of ₹2/- each (after subdivision) of the Company. He is a non-executive director on the Board of the Visaka Thermal Power Limited.

The Independent Directors have submitted the requisite declaration of independence, pursuant to Section 149(7) of the Companies Act, 2013 stating that they meet the criteria of independence as provided in sub-section (6) of Section 149 of the Companies Act, 2013 read with sub rule (1) and (2) of Rule 6 of Companies (Appointment and Qualification of Directors) Rules, 2014 as amended.

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, 2023, 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) They have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.

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 issued by 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 is attached to this report and forms part of this Report.

Statutory Auditors and Auditors' Report

M/s. Price Waterhouse & Co., Chartered Accountants LLP (FRN 304026E/E300009), Hyderabad who were appointed as statutory auditors of the Company to hold the office from the conclusion of the 40th annual general meeting till the conclusion of 45th annual general meeting to be held in the year 2027 audited the books of the Company for the financial year 2022-23 and submitted their report. The report of the Statutory Auditors on the financial statements for the financial year 2022-23 does not contain any qualifications or adverse remarks.

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 maintained.

M/s. Sagar & Associates (Firm Registration No.000118), Cost Accountants, Hyderabad, were appointed as Cost Accountants of the Company for conducting the cost audit for the financial year 2022-23 at a remuneration of ₹1,65,000/- (exclusive of out-of-pocket expenses and applicable taxes) and the same was ratified by you at the 40th Annual General Meeting of the Company.

The Board after considering the recommendations of its Audit Committee, reappointed the aforesaid firm as cost auditors for the financial year 2023-24 and appropriate resolution in this connection has been included in the notice convening the ensuing annual general meeting of the Company for ratification purpose. Cost audit report for the financial year ended March 31, 2022, was filed with the Central Government on August 14, 2022.

Secretarial audit:

Your Board has appointed M/s. GMR & Associates (ICSI M.NO. 8463 & CP No. 7911) Company Secretaries, Hyderabad as Secretarial Auditors of the Company for the financial year 2022-23 to conduct secretarial audit.

The Secretarial Auditor M/s. GMR & Associates, Hyderabad appointed by the Board conducted the secretarial audit and issued report in FORM MR-3 which is enclosed as Annexure-3.

The report of the Secretarial Auditors for the financial year 2022-23 is a clean report and does not contain any qualifications or adverse remarks.

In accordance with the SEBI Circular dated February 8, 2019 and additional affirmations required under Circulars issued by NSE and BSE dated March 16, 2023 and April 10, 2023 read with Regulation 24A of the SEBI Listing Regulations, the Company has obtained an Annual Secretarial Compliance Report from M/s. GMR & Associates, Practising Company Secretaries, confirming compliances with all applicable SEBI Regulations, Circulars and Guidelines for the year ended March 31, 2023.

M/s. GMR & Associates, Practising Company Secretaries, Hyderabad has issued a certificate confirming that none of the Directors on the Board of the Company has been debarred or disqualified from being appointed or continuing as Directors of companies by SEBI/MCA or any such statutory authority. The said Certificate is annexed to this Report on Corporate Governance.

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:

a) 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.

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 for the directors, key managerial personnel, and other employees.

d) Carry out performance evaluation of every director, including that of Independent Directors and

e) 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 performance evaluation 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:

a. 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.

b. 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 2022-23 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 or provided any other loans or guarantees, 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 the note no. 41 of notes to the financial statements of the Company for the financial year ended March 31, 2023. 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. Statement in Form AOC-2, containing details of 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 at https://www.visaka.co/assets/website/files/investors/Related-Party-Transactions-Policy.pdf

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 the Risks and steps have taken to mitigate the same. The development and implementation of the risk management policy has been covered in the Management Discussion and Analysis, which forms part of this report.

Other disclosures

Board Meetings:

During the year under review, the Board met Six times i.e., on April 30, 2022, May 09,2023, August 05, 2022, November 04,2022, February 06, 2023, and February 22, 2023. 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 of three Independent Directors viz., Smt. Vanitha Datla, (Chairperson), Shri Gusti J. Noria, Shri P. Srikar Reddy and Managing Director Smt. G Saroja Vivekanand, as members. All the recommendations made by the Audit Committee were accepted by the Board.

The chairperson of the Audit Committee has attended 40th Annual General Meeting.

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 a 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 Blower Policy has been uploaded on the website of the Company at https://www.visaka.co/assets/website/files/investors/Vigil-Mechanism-Whistle-Blower-Policy.pdf

Annual Return

As required under Section 92(3) of the Companies Act, 2013 read with Rule 12(1) of the Companies (Management and Administration) Amendment rules, 2020, Annual Return for the financial year 2022-23 is available on the Company's website at https://visaka.co/investors/financial_information/fn_annual_returns.

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.

Business Responsibility & Sustainability Report:

The Company endeavours to cater to the needs of the communities it operates in thereby creating maximum value for the society along with conducting its business in a way that creates a positive impact and enhances stakeholder value. As per regulation 34(2)(f) of the SEBI Listing Regulations, the Business Responsibility & sustainability Report is applicable to your Company and report is attached herewith as annexure-8.

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 along with 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 Statutory Auditors in their report or 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 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.

On behalf of the Board of Directors
For **Visaka Industries Limited**

sd/-
Dr. Vivek Venkatswamy Gaddam
(Dr G Vivekanand)
Chairman
(DIN: 00011684)

Place: Secunderabad
Date: 19.05.2023

Annexure-1

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 ₹ 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	651.00	523.00
5	Reserves & surplus	79.94	-221.45
6	Total assets	1361.39	406.94
7	Total Liabilities	1361.39	406.94
8	Investments	NIL	NIL
9	Turnover	1570.95	47.12
10	Profit before taxation	103.18	-191.97
11	Provision for taxation	30.55	1.60
12	Profit after taxation	72.63	-193.57
13	Proposed Dividend	NIL	NIL
14	% of shareholding	100%	100%

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

1. Names of subsidiaries which are yet to commence operations: NIL
2. 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			

1. Names of associates or joint ventures which are yet to commence operations.
2. 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 2022-23

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

1. 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.

   Company has framed a CSR policy in compliance with the provisions of the Act, as amended, which is available on the Company's website: https://www.visaka.co/assets/website/files/investors/CSR-policy.pdf

2. Composition of CSR Committee:

Sl. No	Name of Director	Designation /Nature of Directorship	Number of meetings held during the year	Number of meetings attended during the year
1	Shri Gusti J.Noria	Chairman - Independent Director	1	1
2	Shri G. Appnender Babu	Member - Independent Director	1	1
3	Dr. Vivek Venkatswamy Gaddam (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

3. Weblink of the Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company: https://visaka.co/assets/website/files/investors/CSR-Composition-and-CSR-spent-details-2022-23.pdf

4. Executive summary along with web-link(s) of Impact Assessment of CSR Projects carried out in pursuance of sub-rule (3) of rule 8, if applicable.– Not Applicable

5. (a) Average net profit of the company as per section 135(5): ₹**12474.04 lakhs**
   (b) Two percent of average net profit of the company as per section 135(5) : ₹**249.48 lacs**
   (c) Surplus arising out of the CSR Projects or programmes or activities of the previous financial years – Nil
   (d) Amount required to be set-off for the financial year, if any: Nil
   (e) Total CSR obligation for FY (b+c-d) : ₹249.48 lacs

6. (a) Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project). ₹249.52 in Lakhs.
   (b) Amount spent in Administrative Overheads: NIL
   (c) Amount spent on Impact Assessment, if applicable: Not Applicable
   (d) Total amount spent for the Financial Year (a+b+c) : ₹249.52 Lacs.
   (e) CSR amount spent or unspent for the Financial Year:

Total Amount Spent for the Financial Year. (in ₹)	Amount Unspent (in ₹)				
	Total Amount transferred to Unspent CSR Account as per subsection (6) of section 135.		Amount transferred to any fund specified under Schedule VII as per second proviso to sub-section (5) of section 135.		
	Amount.	Date of transfer	Name of the Fund	Amount.	Date of transfer.
₹249.52 Lacs.	Not Applicable				

(f) Excess amount for set-off, if any:

Sl. No.	Particular	Amount (₹ Lakhs)
(i)	Two percent of average net profit of the company as per section 135(5)	249.48
(ii)	Total amount spent for the Financial Year	249.52
(iii)	Excess amount spent for the financial year [(ii)-(i)]	0.04
(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)	0.04

7. Details of Unspent CSR amount for the preceding three financial years:

Sl. No.	Preceding Financial Year	Amount transferred to Unspent CSR Account under subsection (6) of section 13	Balance Amount in Unspent CSR Account under subsection (6) of section 135 (in ₹)	Amount Spent in the Financial Year (in Rs)	Amount transferred to a Fund as specified under Schedule VII as per second proviso to subsection (5) of section 135, if any		Amount remaining to be spent in succeeding Financial Years (in Rs)	Deficiency, if any
					Amount in ₹,	Date of transfer		
Not Applicable								

8. Whether any capital assets have been created or acquired through CSR amount spent in the Financial Year: **- No -**

9. 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 -

Place: Secunderabad
Date: 19-05-2023

sd/-
G.Saroja Vivekanad
Managing Director
(DIN:00012994)

sd/-
Gusti J Noria
Chairman CSR Committee
(DIN:00001556)

Annexure-3

FORM MR-3

SECRETARIAL AUDIT REPORT

for the financial year ended on 31st March, 2023

[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, 2023 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, 2023 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, 2009;

  (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.

For **M/s. GMR & ASSOCIATES**
Company Secretaries

sd/-
Gopireddy Malyadri
M.No 8463
C.P. No: 7911
Peer Review Cert No. 1052/2020
UDIN: F008463E000339057

Place: Secunderabad
Date: 19.05.2023

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 records 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.

For M/s. GMR & ASSOCIATES
Company Secretaries

sd/-
Gopireddy Malyadri
M.No 8463
C.P. No: 7911
Peer Review Cert No. 1052/2020
UDIN: F008463E000339057

Place: Secunderabad
Date: 19.05.2023

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 and the manner for effective evaluation of performance of Board, its committees and individual Directors to be carried out either by the Board, by the Nomination and Remuneration Committee or by an independent external agency and review its implementation and compliance

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 ₹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

c) 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);

d) 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 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. 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 loans 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 with requisite approvals.

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

Annexure-6

Particulars of Energy Conservation, Technology Absorption and Foreign Exchange earnings and outgo required under the Companies (Account) 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 bring 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.
- 6 Numbers 40 HP energy efficient Motors installed in unit no-4 TFO machines.
- Optimization of power consumption in centrifugal compressor by adjusted IGV opening Limit.
- VFD installed in fire hydrant jokey pump.
- Vehicle transportation trips reduced to avoid Diesel consumption by Providing E-bike to Maude staff.
- 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).
  - Contract demand revised on January 14, 2023, from 5750 KVA to 6000 KVA and again on March 31, 2023, from 6000 KVA to 6900 KVA for additional machines and increased productivity.

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

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 to this company has also installed 3.5 MW roof top solutions at different manufacturing unit locations adding 3.5 lakh units of power per month.

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 hatcheck machine time to time through In-house R&D, brainstorming and implementing different KAIZENS aiming to get benefit in PQCDSM (Productivity, Quality, Cost, Delivery Safety and Moral) it is meeting for WCM.

b) Installation of rooftop solar panels work is underway at Nandur plant – 450 KWP, Midnapur plant – 600 KWP, Sambalpur plant – 822 KWP.

c) Electric forklift with lithium-ion battery are being used in two plants (PUNE & TMK) as an initiative go green and reduce diesel consumption and avoid pollution/Carbon emission/Noise pollution

d) E-bikes are used for commuting inside the plants to reduce pollution.

VNext Boards Division:

(a) Installed a new stirring system for pulp chests with energy-saving stirring units .

(b) Installed rooftop solar panels at Delvadi and Udumalpet plants.

(c) An automated pulverizing system was installed to handle the waste generated in the plant . This facilitated the improved efficiency in output, reduction of manpower and improved Air quality.

(d) An automated customized pick and place system was developed and under installation at the painting line located at Miryalaguda. This facilitates to improve the efficiency of machine and reduction in manpower.

(e) The installation of ATUM Solar rooftop panels are underway at the Vnext Boards plant Medinipur, WB.

Spinning Division:

(a) Developed 145 mm pot size in TFO machines for increased productivity and improved quality.

(b) 33 KV incoming current transformer 100 Amp capacity replaced with 200 Amp capacity current transformer for new additional machine.

(c) 4 MTS machines and 4 no's Carding Machines were installed to increase productivity.

(d) 10 TFO Machines shifted from u-3 to u-1&2 FG Godown to avoid Building cost for 4 MTS setup.

(e) We have sourced one new draw frame machine supplier, who have fulfilled our all the updated technology requirement in our existing layout by customizing his machine. To replacement our 30-year-old absolute model padmatex Draw frame for quality improvement.

(f) 10 New cotlook sample developed as a new product in marketing.

(g) 10 New different NT-RT yarn combination sample developed as a new product for marketing.

(h) polyester Cationic yarn produce for new market.

(i) We have produced the new Bamboo fibre products.

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 in- house.

Japan make raw material unloading Roots blowers are introduced, which facilitated in reduction of 30% unloading time, in-turn affected in reduced power consumption.

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 a 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.

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

AC-Division:

Finding out the alternate raw material 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 Division :

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.

a) Vnext boards: The company could develop new value-added designer variants and water repellent boards, alternative raw materials, and developed products to suit the U.K markets.

b) Alternative sources of Raw Material (imported) have been developed from UK and France in addition to Russia. This facilitated mitigation of any unforeseen risks in imports, like logistics, natural calamities, and war etc.

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.

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 fibre is being continuously experimented.

Spinning Division: The textile division proposed for future expansions with new technology of Air-jet VORTEX yarns up to 3000 MT per annum. This is the new segment for textile to establish our business in single yarn sector in addition to existing double yarn market.

New Machines of Carding & latest Draw frames to be added in backend process for adding support to produce additional production.

We have developed the Thermo Splice (Hot Air Joint) for the battery segment customer to improve the yarn joining quality.

We have proposed to establish a pre-carding setup for opening of viscose staple fibre to meet the higher end customers quality requirements.

FOREIGN EXCHANGE EARNINGS / OUTGO:

The details of foreign exchange earnings / outgo during the year 2022 - 23 are as follows:

(Amt.Rupees In Lakhs)

Particulars	2022-23	2021-22
Earnings in Foreign Currency		
Exports of Goods (FOB Value)	11,562.7	9,270.45
CIF Value of Imports		
Raw Materials	39,403.17	26,585.53
Capital Goods	876.24	264.20
Components & Spare parts	139.41	203.15

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 2022-23:

S. No.	Name of the Director	Ratio of the remuneration to the median remuneration of the employees
1	Dr. Vivek Venkatswamy Gaddam (Dr G.Vivekanand), Chairman	3.32
2	Smt. Vanitha Datla, Independent Director@	NA
3	Shri Gusti Noria, Independent Director	3.63
4	Shri Appnender Babu, Independent Director	3.41
5	Shri P. Srikar Reddy, Independent Director	3.44
6	Smt. G.Saroja Vivekanand	115.39
7	Shri G. Vamsi Krishna	92.23
8	Shri J P Rao	40.00

@ 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.

S. No.	Name of the Director	Percentage increase / decrease in the remuneration
1	Smt. G. Saroja Vivekanand	(55.41)
2	Shri G. Vamsi Krishna	(39.66)
3	Shri J P Rao	12.49
4	Shri Shafiulla Singanamala	12.78
5	Shri Ramakanth Kunapuli	10.00

There was no increase in the remuneration paid to other directors.

(iii) Percentage increase in the median remuneration of employees in the financial year 8.61%

(iv) The number of permanent employees on the rolls of Company as on March 31, 2023 stood at 1960

(v) Average percentiles 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

sd/-
Dr. Vivek Venkatswamy Gaddam
(Dr G Vivekanad) (DIN: 00011684)
Chairman

Place: Secunderabad
Date: 19-05-2023

Business Responsibility & Sustainability Report

Section A) General Disclosures

I. Details of the listed entity

1. Corporate Identity Number (CIN) of the company: L52520TG1981PLC003072
2. Name of the company: Visaka Industries Limited
3. Year of Incorporation: 1981
4. (a) Registered Office address: Survey No 315, Yelumala village, R C Puram Mandal, Sangareddy district- 502300, Telangana

   (b) Corporate office: 1-8-303/69/3 SP ROAD "VISAKA TOWERS" Secunderabad-500003
5. Name of the Stock Exchanges : BSE Limited & National Stock Exchange of India Ltd
6. Website: www.visaka.co
7. E-mail id: vil@visaka.in
8. Financial year reported: April 2022 to March 2023.
9. List three key products/services that the Company manufactures/provides (as in balance sheet): Fibre Cement Roofings Products, VNext-Boards, synthetic fiber yarn.
10. Total number of locations where business activity is undertaken by the Company

    (a) Number of international locations: Nil

    (b) Number of national locations: The Company is undertaking business activities across India and locations are given at page no 124.
11. Markets served by the Company: National & International markets
12. Paid Up capital: ₹17.28 Crores
13. Name and contact details:
    DIN: 03544943,
    Shri G. Vamsi Krishna, Joint Managing Director
    Ph. No 040-27813833
    Mail ID: vamsi@visaka.in
14. Reporting boundary - Are the disclosures under this report made on a standalone basis (i.e. only for the entity) or on a consolidated basis (i.e. for the entity and all the entities which form a part of its consolidated financial statements, taken together)

    The reporting boundary covers the data of the company and its subsidiaries, period from 01 Apr 2022 to 31 March 2023.

II. Product & Services

15. Details of business activities (accounting for 90% of the turnover):

S No	Description of Main Activity	Description of Business Activity	% of Turnover
1.	Building products manufacturing-Cement Roofing Sheets	Manufacturing of Cement Roofing Sheets	56
2.	Building Products manufacturing-Fibre Cement boards & panels	Manufacturing of Fibre Cement boards & panels & panels	25
3.	Wonder yarn	Manufacturing of synthetic fiber yarn based out of virgin fibers as well as post consumer PET bottles to create a sustainable yarn.	18
4.	ATUM Solar	Manufacturing of Building integrated photovoltaics-Solar	

16. Products/Services sold by the entity (accounting for 90% of the entity's turnover

S No	Product /Service	NIC Code	% of the total turnover contributed
1.	Cement Roofing Sheets	23959	56%
2.	Synthetic Blended Yarn	13114	18%
3.	Fibre Cement boards & panels & panels	23959	25%

III. Operations

17. Number of locations where plants an/or operations/offices of the entity are situated

Location /Unit	Number of Plants	Number of Offices	Total
National- AC	8	7	15
National- V boards	4	7	11
National- ATUM solar	1	NIL	1
National- Wonder Yarn	1	1	2
National- Marketing offices / depots	-	33	33
ATUM life stores	2	-	2
Head Quarters	-	1	1
International	NIL	NIL	Nil

18. Markets served by the entity:

a. Number of Locations

Locations	Number
National (No of States)	All states
International (No of Countries)	30+ countries

b. What is the contribution of exports as a percentage of the total turnover of the entity ?

The percentage of export turnover is 7.71% of the total turnover of the company.

c. A brief on types of customers

Cement roofing sheets, Vnext & ATUM Solar customers brief:

Our major customer base for our Cement roofing sheets, building materials are traders & retailers, poultry farmers, common man aiming to own a roof with elegant, self sustaining & sustainable interior designs.

Wonder Yarn:

Our sustainable yarn produced by using post-consumer pet bottles as well as virgin fibers that are used by all types of fabric manufacturers.

19. a Employees

SL No.	Particulars	Total	Male		Female	
Employees						
1	Permanent (D)	1231	1196	97%	35	3%
2	Other than Permanent (E)	NIL	NIL	NIL	NIL	NIL
3	Total employees (D+E)	1231	1196	97%	35	3%
Workers						
4	Permanent (F)	729	692	95%	37	5%
5	Other than Permanent (G)	3488	3483	99.86%	5	0.14%
6	Total workers (F+G)	4217	4175	99%	42	1%

19. b Differently Abled Employees & Workers

SL No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B/A)	No. ©	% (C/A)
Differently Abled Employees						
1	Permanent (D)	NIL	NIL	NIL	NIL	NIL
2	Other than Permanent (E)	NIL	NIL	NIL	NIL	NIL
3	Total employees (D+E)	NIL	NIL	NIL	NIL	NIL

SL No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B/A)	No. ©	% (C/A)
Differently Abled Workers						
4	Permanent (F)	NIL	NIL	NIL	NIL	NIL
5	Other than Permanent (G)	NIL	NIL	NIL	NIL	NIL
6	Total workers (F+G)	NIL	NIL	NIL	NIL	NIL

20. Participation/Inclusion/Representation of Women

Particulars	Total (A)	No. and percentage of Females	
		No.(B)	% (B/A)
Board of Directors	8	2	25%
Key Management Personnel	2	NIL	NIL

21. Turnover rate for permanent employees and workers.

	Turnover Rate - FY2023			Turnover Rate – FY2022			Turnover Rate – FY2021		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent employees (Staff)	2.07	2.71	4.78	2.18	2.83	5.01	2.10	2.60	4.70
Permanent Workers	1.67	NIL	1.67	2.74	NIL	2.74	0.76	NIL	0.76

V. Holding, Subsidiary and Associate Companies (Including joint ventures)

22. (a) Names of holding/subsidiary/associate companies/joint ventures

S. No.	Name of the holding subsidiary / associate companies / joint ventures (A)	Indicate whether holding/ Subsidiary/ Associate/ Joint Venture	% of shares held by listed entity	Does the entity indicated at column A, participate in the Business Responsibility initiatives of the listed entity? (Yes/No)
1.	VNEXT solutions Private Limited	Wholly owned Subsidiary	100%	Yes
2.	Atum Life Private Limited	Wholly owned Subsidiary	100%	Yes

23. CSR Details

(i) Whether CSR is applicable as per section 135 of Companies Act, 2013: Yes

(ii) Turnover (in ₹): 16,39,70,80,379

(iii) Net worth (in ₹): 7,72,89,83,670.

Section A) VII. Transparency and Disclosures Compliances

24. Complaints/Grievances on any of the principles (Principles 1 to 9) under the National Guidelines on Responsible Business Conduct:

Stakeholder Group from whom complaint is received	Grievance Redressal Mechanism in Place. Yes/No If yes link	FY2023			FY2022		
		Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks
Communities	Yes https://www.visaka.co/contact	-	-	-	-	-	-

Stakeholder Group from whom complaint is received	Grievance Redressal Mechanism in Place. Yes/No If yes link	FY2023			FY2022		
		Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks
Investors (Other than Shareholders)	Yes Email or Phone	-	-	-	-	-	-
Shareholders	Yes https://www.visaka.co/contact	3	NIL		2	NIL	-
Employees & Workers	Refer to our **POSH Act** listed on our website. For details on employee grievances refer to question 6 of Principle 5.	-	-	-	-	-	-
Customers	https://www.visaka.co/contact	-	-	-	-	-	-
Value Chain Partners	https://www.visaka.co/contact	-	-	-	-	-	-

25. Overview of the entity's material responsible business conduct issues.

Material responsible business conduct and sustainability issues pertaining to environmental and social matters that present a risk or an opportunity to your business, the rationale for identifying the same, approach to adapt or mitigate the risk along with its financial implications, as per the following format

No	Material Issue Identified	Risk / Opportunity	Rational for identifying risk or opportunity	In case of risk approach to adapt or mitigate	Financial implication of risk or opportunity
	Operational/ material efficiency	Opportunity	Making more from less is very critical for a manufacturing organization. Our products such as fibre cement boards is based on material efficiency as our major raw materials are cement & water. Material efficiency is critical for building products manufacturers to attain cost effectives and sustainability of the business.		Positive: Possibility of reduction of input cost through material efficiency with sustainable and quality products

No	Material Issue Identified	Risk / Opportunity	Rational for identifying risk or opportunity	In case of risk approach to adapt or mitigate	Financial implication of risk or opportunity
	Sustainable Business	Opportunity	As a manufacturing organization, we prioritize sustainability. Our Vnext Boards & panels have low CO_2 emissions during manufacturing. ATUM Solar, our BIPV product line, promotes operational sustainability for rooftops. Wonder Yarn, made from PET pellets, tackles plastic pollution in oceans.		Positive: Customer satisfaction and well being is our focus. Develop business which will enhance loyalty
	Innovation	Opportunity	Continuous spending on R&D is one of the key for Visaka to develop one of a kind innovative product like ATUM solar. Innovation is not a thought in Visaka but a culture.		With the help of technology and R&D supplemental products can be developed for the benefit of customers.
	Water – As a critical resource	Risk & opportunity	As we manufacturer cement-based & yarns as products, it requires water to manufacture products.	As a responsible organization & adopting sustainable approaches undertaken, we have taken steps to install digital water meters across the factories along with Rain water harvesting pits to ensure the consumption and recharging of underground water table..	Conservation of water resources which will ensure less dependence on alternative source of water.
	Shift in consumer preferences for sustainability .	Opportunity	In order to increase our exports quantity and with respect to the market demand, Vnext division has got EPD certification process for all the products including ATUM. The results of EPD certificate can be a feedback to improve the sustainability factor of the products in the coming years and increase the exports percentage.		Positive: Customer satisfaction and wellbeing is our focus. Develop business which will enhance loyalty
	Supply chain disruption from extreme weather events & geopolitical issues	Opportunity & risk	Pulp & fibre raw materials are imported from Russia and the recent geopolitical tensions has created a need to identify local resources and suppliers to ensure a safeguard against disruptions in the future.	Identification of local suppliers for raw materials will reduce the disruption risks due to geopolitical and weather events.	Alternative source of supply will help lesser dependence and cost effectiveness in procurement of inputs.

SECTION B: Management and Process Disclosures

This section is aimed at helping businesses demonstrate the structures, policies and processes put in place towards adopting the NGRBC Principles and Core Elements.

Disclosure Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
Policy and Management Processes									
1. a. Whether your entity's policy/ policies cover each principle and its core elements of the NGRBCs. (Yes/No)	Y	Y	Y	Y	Y	Y	Y	Y	Y
b. Has the policy been approved by the Board? (Yes/No)	Y	Y	Y	Y	Y	Y	Y	Y	Y
c. Web Link of the Policies, if available	Refer to the whistle blower & code of conduct policy in our website (https://visaka.co/investors/policies) Available in our Intranet Portal Refer to the POSH policy in our website (https://visaka.co/investors/policies) Refer to the CSR policy in our website (https://visaka.co/investors/policies) Available in our Intranet Portal Refer to the CSR policy in our website (https://visaka.co/investors/policies) Available in our Intranet Portal								
2. Whether the entity has translated the policy into procedures. (Yes / No)	Y	Y	Y	Y	Y	Y	Y	Y	Y
3. Do the enlisted policies extend to your value chain partners? (Yes/ No)	N	N	N	N	N	N	N	N	N
4. Name of the national and international codes/certifications/ labels/ standards (e.g. Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trustea) standards (e.g. SA 8000, OHSAS, ISO, BIS) adopted by your entity and mapped to each principle.	N	Y	Y	N	N	Y	N	N	Y
5. Specific commitments, goals and targets set by the entity with defined timelines, if any.	Nil								
6. Performance of the entity against the specific commitments, goals and targets along-with reasons in case the same are not met.	Nil								
Governance, leadership and oversight									

7. Statement by director responsible for the business responsibility report, highlighting ESG related challenges, targets and achievements :

   We are committed to transparently reporting our business responsibility, addressing ESG risk and opportunities. Our targets and achievements reflect our dedication to environmental, social, and governance factors. We assure our stakeholders that we will continuously improve our ESG aspects, striving for sustainable growth and positive impact on society and the environment.

   G. Vamsi Krishna - Joint Managing Director

8. Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy (ies).	Mr G Vamsi Krishna, Joint Managing Director DIN 03544943

Disclosure Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
9. Does the entity have a specified Committee of the Board/ Director responsible for decision making on sustainability related issues? (Yes / No). If yes, details.	Yes Mr G Vamsi Krishna Joint Managing Director (DIN 03544943)								

10. Details of Review of NGRBCs by the Company:

Subject for Review	Indicate whether review was undertaken by Director / Committee of the Board/ Any other Committee									Frequency (Annually/ Half yearly/ Quarterly/ Any other – please specify)								
	P1	P2	P3	P4	P5	P6	P7	P8	P9	P1	P2	P3	P4	P5	P6	P7	P8	P9
Performance against above policies and follow up action	Y	Y	Y	Y	Y	Y	Y	Y	Y	Annually								
Compliance with statutory requirements of relevance to the principles, and, rectification of any non-compliances	We comply with all statutory requirements																	

	P1	P2	P3	P4	P5	P6	P7	P8	P9
11. Has the entity carried out independent assessment/ evaluation of the working of its policies by an external agency? (Yes/No). If yes, Name of the agency.	N	N	N	N	N	N	N	N	N

Section C) Principle 1. Businesses should Conduct and Govern themselves with integrity and in a manner that is ethical, transparent and accountable.

Essential Indicators:

1. Percentage coverage by training and awareness programmes on any of the Principles during the financial year:

Segment	Total Number of training and awareness programmes held	Topics / principles covered under the training and its impact	% of persons in respective category covered by the awareness programmes
Board of Directors	2	Sustainability initiatives. Updates on Code of conduct with anti-bribery and ethics and Charter role & responsibilities for ethical business conduct. The Board members have been updated with the above and the underlying principles thereby adding values.	100%
Key Managerial Personnel	2.	Same as above	100%
Employees other than BoD and KMPs	30 Programs	Code of conduct and general training related to roles and responsibilities	85%
Workers	Same as above	Same as above	80%

2. Details of fines / penalties /punishment/ award/ compounding fees/ settlement amount paid in proceedings (by the entity or by directors / KMPs) with regulators/ law enforcement agencies/ judicial institutions, in the financial year, in the following format (Note: the entity shall make disclosures on the basis of materiality as specified in Regulation 30 of SEBI (Listing Obligations and Disclosure Obligations) Regulations, 2015 and as disclosed on the entity's website):

A. Monetary

Particulars	NGRBC Principle	Name of the regulatory /Enforcement agencies/judicial institutions	Amount (In ₹)	Brief of the Case	Has an appeal been preferred? (Yes/No)
Penalty/Fine	NA	NA	NA	NA	NA
Settlement	NA	NA	NA	NA	NA
Compounding Fee	NA	NA	NA	NA	NA

B. Non Monetary

Particulars	NGRBC Principle	Name of the regulatory / Enforcement agencies/judicial institutions	Brief of the Case	Has an appeal been preferred ?
Imprisonment	Nil	Nil	Nil	Nil
Punishment	Nil	Nil	Nil	Nil

3. Of the instances disclosed in Question 2 above, details of the Appeal/ Revision are preferred in cases where monetary or non-monetary action has been Not Applicable.

4. Does the entity have an anti-corruption or anti-bribery policy? If yes, details in brief and if available, a web-link to the policy.

   The Visaka Anti-corruption or Anti bribery policy outlines the company's commitment to conducting business in an honest and ethical manner, adhering to all applicable laws and regulations. The policy prohibits bribery, corruption and money laundering, emphasising a zero tolerance approach. It provides guidelines, regarding gifts, entertainment, and hospitality, distinguishing acceptable and unacceptable practices. The policy also addresses wilful blindness, charitable contributions, money laundering, record keeping and reporting mechanisms. Violations of the policy will result in disciplinary action and the policy will be periodically reviewed and updated to ensure compliance with changing laws and regulations.

   https://www.visaka.co/assets/website/files/investors/Anti-Corruption-Policy.pdf

5. Number of Directors/KMPs/employees/workers against whom disciplinary action was taken by any law enforcement agency for the charges of bribery/ corruption:

	FY2023	FY2022
Directors	Nil	Nil
KMPs	Nil	Nil
Employees	Nil	Nil
Workers	Nil	Nil

6. Details of complaints with regard to conflict of interest

Particulars	FY2023		FY2022	
	Number	Remarks	Number	Remarks
Number of complaints received in relation to issues of Conflict of Interest of the Directors	NIL	NA	NIL	NA
Number of complaints received in relation to issues of Conflict of Interest of the KMPs	NIL	NA	NIL	NA

7. Details of any corrective action taken or underway on issues related to fines / penalties / action taken by regulators/ law enforcement agencies/ judicial institutions, on cases of corruption and conflicts of interest.

   Nil

Section C) Principle 2. Businesses should provide goods and services in a manner that is sustainable and safe.

Essential Indicators:

1. Percentage of R&D and capital expenditure (CAPEX) investments in specific technologies to improve the environmental and social impacts of product and processes to total R&D and capex investments made by the entity, respectively.

Category	FY2023	FY2022	Details of improvements in environmental and social impacts
R&D	30% of 55.16 Lakhs spent on R&D.	No specific expenditure exclusively on R&D has been incurred. R & D is continuous and an ongoing process for Alternative raw material, reduction of input cost.	1. Performing EPD to identify the areas for environmental impact & opportunities for improvements. 2. Finding alternative materials for chrysotile fibre usage in cement roofing sheet products. 3. Experimenting of different alternatives for pulp used
Capex	4% of capex. Total capex is 22130.03 Lakhs.	1% of capex. Total capex is 14547.78 Lakhs.	1. Installed retrofit pollution control devices for DG sets to reduce pollution during operation of DGs. We have reduced 90% of the Particulate Matter (PM 2.5) emissions. 2. Installation of Electromagnetic water meters for measurement & improvement of water usage. 3. Use of Mono PERC solar cells to increase efficiency of Solar PV energy generation. 4. Use of solar power in existing & new units around 3.5 MW. This reduces the dependency on Grid electricity. 5. Use of post- consumer pet bottles to produce yarn to use in our textiles. 6. V boards and panels are Greenpro & GRIHA certified. 7. Use of rice husks for boilers reducing the use of coal.

2. Sustainable Sourcing

a. **Does the entity have procedures in place for sustainable sourcing? (Yes/No)**

Yes, the following initiatives are being taken for sustainable sourcing.

Procedures for Sustainable Sourcing:

V boards & Panels:

- Pulps used for production of Fibre Cement boards & panels to be FSC certified.
- Post industrial Flyash waste used as part of Fibre Cement boards & panels production.
- Cement Paper Bags & trimmings used as part of Fibre Cement boards & panels production.
- Procurement of major raw material like cement with 500 Km radius for all the plants.
- Reuse of all Rejected chrysolite fibre based products/materials in production as HGW (hard Ground Waste).

Wonder Yarn:

- PET bottles to produce yarn.

Asbestos cement roofing sheets:

- Use of waste cotton products as pulps.
- Post industrial Flyash waste used as part of Asbestos cement roofing sheet production.
- Reuse of all reject products/materials in production as HGW (hard Ground Waste).

b. **If yes, what percentage of inputs were sourced sustainably?**

Most of the input raw materials are sourced within 300-500 kms from the factory.

Input material	Sustainable sourcing %
Fibre Cement boards & panels	80%
Fibre Cement boards & panels	80%
Cement Roofing Sheets	80%
Wonder yarn	30% (all sustainable fibres sourced from beyond 700 km from factory)

3. Processes in place to reclaim products for reuse, recycle, and safe disposal of products at the end of life for

EPR plan to safely reclaim our products is currently under ideation/identification stage.

4. Extended Producer Responsibility (EPR)

Whether Extended Producer Responsibility (EPR) is applicable to the entity's activities (Yes / No). If yes, whether the waste collection plan is in line with the Extended Producer Responsibility (EPR) plan submitted to Pollution Control Boards? If not, steps taken to address the same.

Nil

Leadership Indicators

1. Life Cycle Assessment

Has the entity conducted Life Cycle Perspective / Assessments (LCA) for any of its products (for the manufacturing industry) or for its services (for the service industry)? If yes, details in the following format.

NIC Code	Name of Product / Service	% of total turnover contributed	The boundary for which the Life Cycle Perspective/Assessment was conducted	Whether conducted by an independent external agency	Results communicated in public domain (Yes/ No) If yes the link
23956	V boards	25%	Cradle to Gate	Yes	Yes
23956	V panels		Cradle to Gate	Yes	Yes

Weblink:

Fibre Cement boards & panels: https://www.environdec.com/library/epd6083

Vpanel: https://www.environdec.com/library/epd6084

2. Percentage of recycled or reused input material to total material (by value) used in production (for manufacturing industry) or providing services (for service industry).

Indicate Input Material	Recycled or re-used input material to total material	
	FY23	FY22
V boards (Flyash, CPB, HGW)	25%	25%
V panel (Flyash)	15%	15%
Cement Roofing Sheets (flyash, GGBS, cotton rag pulp, HGW)	34%	34%
PET fibre (Post consumer)	100%* (14.39% sustainable yarn produced in FY-2022-23 on total production)	100%

Section C) Principle 3. Businesses should respect and promote the well-being of all employees, including those in their value chains.

1. a. Details of measures for the well-being of employees

Category	% of employees covered by										
	Total A	Health Insurance		Accident insurance		Maternity Benefits		Paternity Benefits		Day Care Facilities	
		Number B	% (B/A)	Number C	% (C/A)	Number D	% (D/A)	Number E	% (E/A)	Number F	% (F/A)
Permanent Employees											
Male	1196	1058	88%	1196	100.00	NIL	NIL	NIL	NIL	NIL	NIL
Female	35	26	74%	35	100%	35	100%	NIL	NIL	NIL	NIL
Total	**1231**	**1084**	**88%**	**1231**	**100%**	**NIL**	**NIL**	**NIL**	**NIL**	**NIL**	**NIL**
Other than permanent employees											
Male	Nil										
Female											
Total											

In case the entity desires to disclose any benefits other than those specified in this field, additional columns may be added for such disclosures.

b. Details of measures for the well-being of Workers

Category	% of employees covered by										
	Total A	Health Insurance		Accident insurance		Maternity Benefits		Paternity Benefits		Day Care Facilities	
		Number B	% (B/A)	Number C	% (C/A)	Number D	% (D/A)	Number E	% (E/A)	Number F	% (F/A)
Permanent workers											
Male	692	456	66%	692	100%	NIL	NIL	NIL	NIL	NIL	NIL
Female	37	37	100%	37	100%	37	100	NIL	NIL	NIL	NIL
Total	**729**	**493**	**68%**	**729**	**100%**	**37**	**100**	**NIL**	**NIL**	**NIL**	**NIL**
Other than permanent workers											
Male	3483	NIL	NIL	3483	100%	NIL	NIL	NIL	NIL	NIL	NIL
Female	5	NIL	NIL	5	100%	5	100%	NIL	NIL	NIL	NIL
Total	**3488**	**NIL**	**NIL**	**3488**	**100%**	**5**	**100%**	**NIL**	**NIL**	**NIL**	**NIL**

In case the entity desires to disclose any benefits other than those specified in this field, additional columns may be added for such disclosures.

2. Details of retirement benefits, for current FY and previous financial year

Benefits	FY 2023			FY 2022		
	Number of employees covered as % of total employees	Number of Workers covered as % of total employees	Deducted and deposited with the authority (Y/N/N.A)	Number of employees covered as % of total employees	Number of Workers covered as % of total employees	Deducted and deposited with the authority (Y/N/N.A)
PF	100%	100%	Y	100%	100%	Y
Gratuity	100%	100%	Y	100%	100%	Y
ESI	10%	90%	Y	10%	90%	Y

3. Accessibility of workplaces

Are the premises / offices of the entity accessible to differently abled employees and workers, as per the requirements of the Rights of Persons with Disabilities Act, 2016? If not, whether any steps are being taken by the entity in this regard.

The premises / offices of the entity are accessible to differently abled employees.

4. Does the entity have an equal opportunity policy as per the Rights of Persons with Disabilities Act, 2016? If so, a web-link to the policy.

The company doesn't have an exclusive policy as per the right of persons with disabilities act 2016. However, the company doesn't discriminate anyone based on their disabilities.

5. Return to work and Retention rates of permanent employees and workers that took parental leave.

Gender	Permanent Employees		Permanent Workers	
	Return to work Rate	Retention Rate	Return to work Rate	Retention rate
Male	Retention rate is 100%. Company always gives opportunity to employees to return to work as a standard procedure after parental leave.			
Female				
Total				

6. Is there a mechanism available to receive and redress grievances for the following categories of employees and worker? If yes, give details of the mechanism in brief.

Particulars	Yes/No (if yes then give details of the mechanism in brief)
Permanent Workers	Yes, The workers can inform their grievance to the plant supervisor & HR team from where it will go through the hierarchy if it cannot be resolved at the shop level.
Other than permanent workers	
Permanent Employees	Yes, The employees can inform their grievance to the HR team to resolve the same.
Other than permanent Employees	

7. Membership of employees and worker in association(s) or Unions recognised by the listed entity:

Category	FY2023			FY2022		
	Total employees /workers in respective category (A)	Total employees/ workers in respective category, who are part of association (s) or Union (s)	% B/A	Total employees /workers in respective category (A)	Total employees/ workers in respective category, who are part of association (s) or Union (s)	% B/A
Total Permanent Employees						
Male	1196	NIL	0%	1101	NIL	NIL
Female	35	NIL	0%	32	NIL	NIL
Total Permanent Workers						
Male	692	586	85%	734	532	72%
Female	37	37	100%	41	41	100%

8. Details of Training imparted to the employees and workers on health & safety measures and on skill upgradation

Category	FY2023					FY2022				
	Total (A)	On health and safety Measures		On skill upgradation		Total	On health and safety Measures		On skill upgradation	
		NO. B	% (B/A)	No.C	% (C/A)	(D)	No. (E)	% (E/D)	No.(F)	%(F/D)
Employees										
Employees	684	429	63%	255	37%	353	126	36%	227	64%
Workers	488	220	45%	268	55%	385	134	35%	251	65%

9. Details of performance and career development reviews of employees and workers:

Category	FY2023			FY2022		
	Total (A)	No.(B)	% (B/A)	Total C	No.(D)	% (D/C)
Employees						
Male	1196	1146	96%	1163	1001	86%
Female	35	25	71%	32	22	68.7%
Workers						
Male	692	692	100%	734	734	100%
Female	37	37	100%	41	41	100%

10. Health and safety management system

a. Whether an occupational health and safety management system has been implemented by the entity? (Yes/No). If yes, the coverage such system?

Yes, for all the plant/manufacturing units

b. What are the processes used to identify work-related hazards and assess risks on a routine and non-routine basis by the entity?

We follow a systematic approach by conducting regular inspections, analysing job hazards, investigating incidents, evaluating risks, communicating effectively, providing comprehensive training, and implementing control measures for the entire workforce on a routine and non-routine basis to ensure a safe working environment.

For all the factory shop floors we have adopted Standard Operating Procedures that identifies the risk and hazards in all the operation related to manufacturing for routine and non-routine basis.

Also, a safe operating procedure is in place and adequate training will be provided for the workers before the worker is assigned to that operation.

The safe operating procedure is adopted for Mechanical, electrical, stores, Godown, RM handling area, HSD area, etc. The safe Operating Procedures covers the entire factory floor and the related activities.

c. Whether you have processes for workers to report the work related hazards and to remove themselves from such risks. (Y/N)

Yes

d. Do the employees/ worker of the entity have access to non-occupational medical and healthcare services. (Y/N)

Yes

11. Details of safety related incidents

Safety Incident / Number	Category	FY2023	FY2022
Lost Time Injury Frequency Rate (LTIFR) Per One million -person hours worked	Employees	NIL	NIL
	Workers	2.52	2.89
Total recordable work-related injuries	Employees	1	NIL
	Workers	23	31
No of fatalities	Employees	NIL	NIL
	Workers	2	NIL
High consequence work-related injury or ill-health (excluding fatalities)	Employees	NIL	NIL
	Workers	NIL	NIL

12. Measures taken by the entity to ensure a safe and healthy workplace

We assess risks by implementing safety policies and procedures, providing regular trainings and education, supplying necessary safety equipment and PPE, conducting regular workplace inspections, establishing incident reporting and investigation systems, developing emergency preparedness plans, considering ergonomics principles, promoting employee health, and striving for continuous improvement.

13. Number of complaints made by employees and workers

Category	FY2023			FY2022		
	Filed during the year	Pending resolutions at the end of the year	Remarks	Filed during the year	Pending resolutions at the end of the year	Remarks
Working Conditions	1	Nil	Resolved	1	Nil	Resolved
Health & Safety	Nil	Nil		Nil	Nil	Nil

14. Assessments for the year

Particulars	% of plants and offices that were assessed (By entity or statutory authorities or third parties
Health and safety practices	100%
Working Conditions	100%

15. Details of any corrective action taken or underway to address safety-related incidents (if any) and on significant risks / concerns arising from assessments of health & safety practices and working conditions.

We have taken proactive corrective actions to address any safety-related incidents that have occurred, and we are continuously working on improving our health and safety practices and working conditions based on the assessments conducted, ensuring a safer and healthier work environment for our employees.

Leadership Indicators

1. Does the entity extend any life insurance or any compensatory package in the event of death of (A) Employees (Y/N) (B) Workers (Y/N).

   A. Employees- Yes

   B. Workers- Yes

Section C) Principle 4. Businesses should respect the interests of and be responsive to all its stakeholders.

Essential Indicators:

1. Process for identification of key stakeholders

   Identifying key stakeholders for Visaka Industries is a crucial and strategic process that allows for a comprehensive understanding and effective management of relationships with individuals and groups who significantly impact the company's business and operations. This important step involves conducting a systematic analysis of both the internal and external environments of the company. Internally, stakeholders may include employees across different departments, managers responsible for key operations, and shareholders who have a direct financial interest in Visaka Industries. Externally, stakeholders can range from customers and suppliers to regulatory bodies, local communities, and even competitors. By identifying these key stakeholders, Visaka Industries can prioritise its efforts to engage and manage these relationships, ensuring alignment with their interests and enhancing the company's overall performance and sustainability.

2. Key stakeholder groups

	Whether identified as Vulnerable & Marginalized Group (Yes/No)	Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Other	Frequency of engagement (Annually/ Half yearly/ Quarterly / others – please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Employees	No	One to one, Email, circulars, Newsletters	Regular	Tasks, Performance, concerns, support
Shareholders	No	Exchange filings, quarterly and annual results	Regular, quarterly & annually	Investor relation, queries
Suppliers	No	One to one, Email, phone	Regular- On demand	Product and service related, supply, quality, payment
Customers	No	One to one, Email, phone	Regular- On demand	Product, services, complaints (if any)
Channel partners	No	One to one, Email, phone	Regular- On demand	Product, supplies, sales, market, support
Society	Yes	One to one through CSR implementation partners	On demand	Tasks, Performance, concerns, support
Government	No	Reports and Processes- Involvement in government	On demand	Production, compliances

Section C) Principle 5. Businesses should respect and promote human rights

Essential Indicators

1. Training on human rights issues and policies

Category	FY2023			FY2022		
	Total (A)	Number of employees and workers covered (B)	% (B/A)	Total (C)	Number of employees and workers covered (D)	% (D/C)
Employees						
Permanent	1231	Refer note	0	1195	Refer note	NIL
Other than Permanent	NA	Refer note	0	NA	Refer note	NIL
Total Employees	1231	Refer note	0	1195	Refer note	NIL
Workers						
Permanent	729	Refer note	0	775	Refer note	NIL
Other than permanent	3488	Refer note	0	3441	Refer note	NIL
Total Workers	4217	Refer note	0	4216	Refer note	NIL

Note: Our business & the employee contracts include human rights clauses. There is no exclusive human rights training program for the employees and workers, however the general training programs also includes and imparts knowledge on the aspects of human rights. We have also integrated human rights into our business practices.

2. Details of minimum wages paid to employees and workers, in the following format

Category	FY2023					FY2022				
	Total (A)	Equal to Minimum Wage		More than Minimum Wage		Total (D)	Equal Minimum Wage		More than minimum wage	
		No.(B)	%(B/A)	No.(C)	% (C/A)		No. (E)	% (E/D)	No.(F)	% (F/D)
Employees										
Permanent	1231	NIL	NIL	1231	100%	1195	NIL	NIL	1195	100%
Male	1196	NIL	NIL	1196	100%	1163	NIL	NIL	1163	100%
Female	35	NIL	NIL	35	100%	32	NIL	NIL	32	100%
Other than permanent	0	NIL	NIL	0	NIL	NIL	NIL	NIL	NIL	NIL
Male	0	NIL	NIL	0	NIL	NIL	NIL	NIL	NIL	NIL
Female	0	NIL	NIL	0	NIL	NIL	NIL	NIL	NIL	NIL
Workers										
Permanent	729	NIL	NIL	729	100%	775	NIL	NIL	775	100%
Male	692	NIL	NIL	692	100%	734	NIL	NIL	734	100%
Female	37	NIL	NIL	37	100%	41	NIL	NIL	41	100%
Other than permanent	3488	2067	59%	1421	41%	3441	1950	57%	1491	43%
Male	3483	2066	59%	1417	41%	3436	1949	57%	1487	43%
Female	5	1	20%	4	80%	5	1	20%	4	80%

3. Details of remuneration/ salary/ wages (including differently abled)

Category	Male		Female	
	Number	Median remuneration/ salary/wages of respective category	Number	Median remuneration/ salary/wages of respective category
Board of Directors	6	12,07,500	1	3,93,89,883
Key Managerial Personal	2	3,84,048.00	NIL	NIL
Employees other than BoD and KMP	1196	44,914.00	35	34,044.00
Workers	692	24,175.00	37	23,462.00

4. Focal point (Individual/ Committee) responsible for addressing human rights impacts or issues caused or contributed to by the business? (Yes/No)

   Yes. Human Rights issues (if any) are addressed to respective HoDs. There is a proper mechanism in place to address any such issues raised.

5. Describe the internal mechanisms in place to redress grievances related to human rights issues.

   All the plants of Visaka have a works committee/ Grievance & redressal committee at every plant level. This committee is responsible for any issues or grievance related to Human rights impacts or issues caused or contributed to the business.

   This committee is represented by a total of 5 members as below:

   - Union/workmen- 2 Pax
   - Production dept- 2 Pax
   - HR dept- 1 Pax

   Any grievance that is communicated will be first investigated by the above said committee to resolve the issue.

   If the issue is not resolved in the plant level, then it will be escalated to the respective plant head, the chairman of this committee at plant level, for resolution.

   If the issue is not resolvable by Plant head, then the Higher management team will be involved like Technical heads/ President.

   Final solution will be taken care by JMD/Managing Director.

6. Disclosure of complaints made by employees and workers on sexual harassment, discrimination at workplace, Child Labour, Forced Labour/Involuntary Labour, Wages or other human rights related issues.

Category	FY2023			FY2022		
	Filed during the day	Pending Resolution at the end of the year	Remarks	Filed During the Year	Pending Resolution at the end of the year	Remarks
Sexual Harassment	NIL	NIL	NA	NIL	NIL	NA
Discrimination at workplace	NIL	NIL	NA	NIL	NIL	NA
Forced Labour/ Involuntary Labour	NIL	NIL	NA	NIL	NIL	NA
Wages	NIL	NIL	NA	NIL	NIL	NA
Other human right related issues	No Non-Conformance Reported					

7. Mechanisms to prevent adverse consequences to the complainant in discrimination and harassment cases.

   The POSH committee will take necessary steps to ensure the complainant is safeguarded from any adverse consequences. Further awareness programs will be conducted periodically as well.

8. Do human rights requirements form part of your business agreements and contracts? (Yes/No)

   Yes

9. Assessments of the year

Category	% of plants and offices that were assesses by the entity or by the statutory authorities or third parties
Child Labour	100%
Forced/Involuntary Labour	100%
Sexual harassment	100%
Discrimination at workplace	100%
Wages	100%
Others – please specify	-

10. Details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 9 above.

    Nil

Section C) Principle 6. Businesses should respect and make efforts to protect and restore the environment.

Essential Indicators:

1. Details of total energy consumption (in Joules or multiples) and energy intensity

Parameter	FY23	FY22
Total electricity consumption (A) in Kwh	9,18,75,611.4	8,55,02,815.00
Total fuel consumption (B) in Kwh	19,28,413.89	20,96,670.00
Total energy consumption (A+B)	9,38,04,025.29	8,75,99,485.00
Energy intensity (Total energy consumption/ Cr turnover)	57,232.47	62,795.32

Parameter	FY23	FY22
Total renewable energy generated (kwh)	58,88,717.00	42,89,054.00
Energy Intensity (Total renewable energy generated/ Cr turnover)	3,592.87	3,074.59

   Any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

   No

2. Sites / facilities identified as designated consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme of the Government of India? (Y/N)

   No

   If yes, disclose whether targets set under the PAT scheme have been achieved. In case targets have not been achieved, remedial action is taken, if any.

3. Details of the following disclosures related to water

Parameter	FY23	FY22
Water Withdrawal by Source (In Kiloliters)	-	-
(i) Surface water	-	-
(ii) Groundwater	624224	487111
(iii) Third party water	-	-
(iv) Seawater / desalinated water	-	-
(v) Others	-	-
Total volume of water withdrawal (in kilolitres) (i + ii + iii + iv + v)	624224	487111
Water intensity (water consumed/cr of turnover)	380.85	349.18

Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N)

No

4. Mechanism for Zero Liquid Discharge? If yes, details of its coverage and implementation.

   Yes, We have implemented Zero Liquid discharge mechanism for all our plants.

   Cement Roofing Sheets, Fibre Cement boards & panels manufacturing process reuses the water within itself. Hence there is no discharge of any process water.

5. Details of air emissions (other than GHG emissions) by the entity

Parameter	Please specify unit	FY23	FY22
NOx	μg/m3	17	17
Sox	μg/m3	13	13
Particulate Mater	μg/m3	25	25
Persistent organic pollutants (POP)	No Data	No Data	No Data
Volatile organic compounds (VOC)	No Data	No Data	No Data
Hazardous air pollutants (HAP)	No Data	No Data	No Data
Others – please specify	No Data	No Data	No Data

Independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N)

No

6. Details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) & their intensity

Parameter	Unit	FY23	FY22
Total Scope 1 emissions (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)	Metric tonnes of CO2 equivalent	**2006.12**	**2044.3**
Total Scope 2 emissions (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)	Metric tonnes of CO2 equivalent	**74188.77**	**68764.27**
Total Scope 1 and Scope 2 emissions per rupee of turnover	Metric tonnes of CO2 equivalent	**76194.98**	**70808.57**
Total Scope 1 and Scope 2 emission intensity (optional) – the relevant metric may be selected by the entity	Metric tonnes of CO2e/ Cr of turnover	**46.48**	**50.75**

Independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N)

No

7. Project related to reducing Green House Gas emissions? If yes, details: Yes

   Visaka Industries has adopted the approach of using solar power and ATUM solar roofing in the existing / new facilities.

   This approach has led to produce around 58 lakh units of renewable energy, which has led to reduction of around 4122 lakh MT of CO2.

8. Details of waste generated, re-cycled re-used and disposed off

Parameter	FY23	FY22
Total Waste generated (in metric tonnes)		
Plastic waste (A)	1	1
E-waste (B)	0.62	0.6
Bio-medical waste (C)	NIL	
Construction and demolition waste (D)		
Battery waste (E)		
Radioactive waste (F)		
Other Hazardous waste (G)	10.7	10.3
Other Non-hazardous waste generated (H)		
(Break-up by composition i.e by materials relevant to the sector	Metal- 77.6 Wood- 154.1 HGW- 9.7 Fibers- 432	Metal- 77.4 Wood-154 HGW-9.5 Fibers-432
Total (A+B+C+D+E+F+G+H)		
For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)		
Category of waste – Non hazardous		
i. Re-cycled	432	432
ii. Re-used	9.7	9.5
iii. Other recovery operations	231.7	231
Total		
For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)		
Category of Waste – Non Hazardous		
i. Incineration	NIL	NIL
ii. Landfilling	NIL	NIL
iii. Other disposal operations	NIL	NIL
Total	NIL	NIL
For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)		
Category of waste – Hazardous		
i. Re-cycled	0.62	0.6
ii. Re-used	10.7	10.3
iii. Other recovery operations	NIL	NIL
Total		
For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)		
Category of Waste – Hazardous		
i. Incineration	NIL	NIL
ii. Landfilling	NIL	NIL
iii. Other disposal operations	NIL	NIL
Total	NIL	NIL

Independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N)

No

9. Details of waste management practices, strategy adopted by the company to reduce usage of hazardous and toxic chemicals in our products and processes and the practices adopted to manage such wastes

Visaka Industries always strives to replace hazardous and toxic chemicals in our products with eco-friendly alternatives. As such, the Chrysotile fibre is reused within the process if there is any reject roofing sheet material. Our fiber cement & wonder Yarn products do not use any hazardous and toxic chemicals. No hazardous products are sold in ATUM life stores either.

10. Operations/offices if any in/around ecologically sensitive areas (such as national parks, wildlife sanctuaries, biosphere reserves, wetlands, biodiversity hotspots, forests, coastal regulation zones etc.) where environmental approvals / clearances are required,

Location of operations/offices	Type of operations	Whether the conditions of environmental approval / clearance are being complied with? (Y/N)
Nil	Nil	NIl

11. Details of environmental impact assessments (EIA) of projects undertaken by the entity based on applicable laws, in the current financial year:

Name and brief details of project	EIA Notification No.	Date	Whether conducted by independent external agency (Yes / No)	Results communicated in public domain (Yes / No)	Relevant Web Link
Nil					

12. Compliance with the applicable environmental law/ regulations/ guidelines in India; such as the Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, Environment protection act and rules thereunder (Y/N).

If not, details of all such non-compliances, in the following format

SL No	Law / regulation / guidelines which was not complied with	Details of the non-compliance	Any fines / penalties / action taken by regulatory agencies such as pollution control boards or by courts	Corrective action taken, if any
1	Air Act		5,00,000 INR (Bank guarantee)	Resolved

Section C) Principle 7. Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent.

Essential Indicators

1 a. Number of affiliations with trade and industry chambers/associations.

b. List the top 10 trade and industry chambers/associations (determined based on the total members of such body) the entity is a member of /affiliated to

SL No	Name of the trade industry chambers/associations	The reach of trade and industry chambers/associations (State/National)
1	Confederation of Indian Industry	National
2	United States Green Building Council	International
3	Indian Green Building Council	National
4	Green Rating for Integrated Habitat Assessment	National
5	Fiber Cement Product Manufacturer Association	National
6	Chamber of Commerce	National
7	Quality Circle Forum of India	National
8.	Federation of Indian Chambers of Commerce & Industry	National

2. Details of corrective action taken or underway on any issues related to anticompetitive conduct by the entity, based on adverse orders from regular authorities.

Name of authority	Brief of the case	Corrective actions taken
Nil	Nil	Nil

Section C) Principle 8. Businesses should promote inclusive growth and equitable development

Essential Indicators

1. Details of social impact assessments (SIA) of projects undertaken by the entity based on applicable laws, in the current financial year.

Name and brief details of the project	SIA notification No.	Date of notification	Whether conducted by an Independent external agency (Yes/No)	Results communicated in public domain (Yes/ No)	Relevant weblink
Nil					

2. Information on project (s) for which ongoing rehabilitation and resettlement (R&R) is being undertaken by the entity

SL No	Name of project for which R&R is ongoing	State	District	No. of project-affected families	% of PAFs covered by R&R	Amount paid to PAFs in FY23
Nil						

3. Mechanisms to receive and redress grievances of the community

   To address the grievances of the local community surrounding our manufacturing units, Visaka Industries has established a dedicated Safety/HSE Committee in each plant. Chaired by the respective plant head, this committee takes prompt action to resolve community issues. We value open communication and actively involve the community in decision-making processes. Through transparency, collaboration, and accountability, we aim to build a strong relationship with the community and ensure their concerns are effectively addressed. Our goal is to foster a harmonious and mutually beneficial partnership with the community, working together towards sustainable growth and resolution of any issues that may arise.

4. Percentage of input material (inputs to total inputs by value) sourced from suppliers

Parameter	FY23	FY22
Directly sourced from MSMEs/small producers	4.98%	5.83%
Sourced directly from within the district and neighbouring districts	Most of the product and service inputs are sourced from within and nearby districts other than imports.	

Section C) Principle 9. Businesses should engage with and provide value to their consumers in a responsible manner

Essential Indicators

1. Describe the mechanism in place to receive and respond to consumer complaints and feedback
   - The complaints are usually received from the dealers & private customers in respect of breakages in cement roofing sheets or fibre cement boards & panels.
   - Once a complaint is recorded, the sales executive will visit the facility to check the products.
   - A photographic record will be made during the visit.
   - Post the visit, the executive will update the complaints with photographs, Dealer/private customer details & Batch No to escalate it internally.
   - A Quality Control executive will then visit the site to inspect the same.
   - A report will be shared by the Quality Executive for necessary action.
   - The report will then be shared to the QC head of department for the next step of Action.
   - It will then be shared to Marketing head & technical head for further approvals.
   - Finally the same will be shared with accounts team for processing the reimbursement or otherwise replacement will by done by the marketing team.

2. Turnover of products and /services as a percentage of turnover from all products/service that carry information about

Particulars	As a % of total turnover
Environmental and social parameters relevant to the product	100% of our products are as per BIS standards
Safe and responsible usage	
Recycling and/or safe disposal	

3. Number of consumer complaints in respect of the following

Particulars	FY2023		Remarks	FY2022		Remarks
	Received during the year	Pending resolution at end of year		Received during the year	Pending resolution at end of year	
Data Privacy	NIL	NIL	NIL	NIL	NIL	NIL
Advertising	NIL	NIL	NIL	NIL	NIL	NIL
Cyber-security	NIL	NIL	NIL	NIL	NIL	NIL
Delivery of essential services	NIL	NIL	NIL	NIL	NIL	NIL
Restrictive Trade Practices	NIL	NIL	NIL	NIL	NIL	NIL
Unfair Trade Practices	NIL	NIL	NIL	NIL	NIL	NIL
Other	NIL	NIL	NIL	NIL	NIL	NIL

4. Details of instances of product recalls on account of safety issues:

Particulars	Number	Reasons for recall
Voluntary recalls	Nil	
Forced recalls		

5. Framework/ policy on cyber security and risks related to data privacy? (Yes/No) If available, web-link of the policy.

   -Yes-

   Weblink: https://www.visaka.co/assets/website/files/investors/ITPolicy.pdf

6. Details of any corrective actions taken or underway on issues relating to advertising, and delivery of essential services; cyber security and data privacy of customers; re-occurrence of instances of product recalls; penalty / action taken by regulatory authorities on safety of products / services.

   No such concerns have been raised regarding advertising, delivery of essential services, cyber security and data privacy of our customers, or instances of product recalls. We have consistently maintained high standards in these areas, ensuring the utmost safety, security, and satisfaction for our customers. We remain committed to upholding these standards and continually improving our processes to provide the best possible experience for our valued customers and other stakeholders.

Report on

Corporate Governance

for the Financial Year 2022-23

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 31.03.2023 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://www.visaka.co/assets/website/files/investors/VIL-Code-of-Conduct-Directors.pdf. 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) As on 31st March 2023, 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, Accounts & finance, governance and thus meets the requirements of the Board diversity. The Board consists of Four Independent Directors including one Woman Director, Three Executive Directors and One non-executive non-independent director. The Board further confirms that in its opinion, the independent directors fulfil the conditions specified in the SEBI (LODR) Regulations, 2015 (Listing Regulations) and are independent from management. The Board composition is in conformity with provisions of the Companies Act, 2013 ("the Act") and Rules made thereunder and provisions of the Listing Regulations. Chairman of the Board Dr. Vivek Venkatswamy Gaddam (Dr G. Vivekanand) is non-executive non-independent director.

ii) While appointing new Directors on the Board, the Nomination and Remuneration Committee of the Board considers the qualifications, positive attributes and independence (for appointment of Independent Directors) 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. Details of familiarization program conducted during the year are available on company's website at:

https://visaka.co/investors/terms_conditions_familiarization/tcf_famili

v) None of the Board of Directors of the Company is a member of 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 (7) listed entities and more than ten (10) public limited companies.

vii) None of the non-executive directors of the Company are serving as an independent Director in more than seven (7) listed entities. Further none of the executive directors of the Company are not serving as an Independent Director in any Listed entities.

viii) The details of the Board of Directors of the Company as on March 31, 2023, are as under:

Name of the Director Designation / Category	No. of Board Meetings attended during 2022-23	Whether attended AGM held on 17.06.2022	Number of 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. Vivek Venkatswamy Gaddam (Dr G. Vivekanand) Non – Executive Promoter Director	6	Yes	-	-	-
Shri. Gusti J Noria Non – Executive Independent Director	6	Yes	-	-	-
$Shri P. Srikar Reddy Non-Executive Independent Director	5	No	2$	3$	-
Shri G. Appnender Babu Non-Executive Independent Director	6	Yes	-	-	-
Smt. Vanitha Datla Non-Executive Independent Director	5	Yes		2#	-
Smt. G. Saroja Vivekanand Managing Director	6	Yes			-
Shri G.Vamsi Krishna Joint Managing Director	6	Yes	-	-	-
Shri J.P.Rao Whole-time Director	6	Yes	-	-	-

$ Shri P.Srikar Reddy is the Executive Vice Chairman & Whole-time Director of Sonata Software Limited and Director of Palred Technologies Limited both companies are listed entities. He is a member of Audit Committee in Sonata information Technology Limited and Palred Technologies Limited and member of Stakeholders Relationship Committee in Sonata Software Limited.

 # Smt. Vanitha Datla has been appointed as Director in Cyient DLM Limited and she is a member of Audit Committee and Stakeholders' Relationship Committee of Cyient DLM Limited.

@ As per the provisions of SEBI (LODR) Regulations only listed entities directorships should be considered.

% As per the provisions of SEBI (LODR) Regulations for calculating the limit of the committees on which a director may serve in all public limited companies, whether listed or not, shall be included and all other companies including private limited companies, foreign companies and companies under Section 8 of the Companies Act, 2013 shall be excluded;

ix) None of the Directors are related interse, except the following.

- Dr. Vivek Venkatswamy Gaddam (Dr G. Vivekanand), Chairman is spouse of Smt. G. Saroja Vivekanand (Managing Director (MD)) and father of Shri G. Vamsi Krishna (Joint Managing Director (JMD)).
- Smt. G. Saroja Vivekanand (MD) is mother of Shri G. Vamsi Krishna (JMD) and spouse of Dr. Vivek Venkatswamy Gaddam (Dr G. Vivekanand), Chairman.
- Shri G. Vamsi Krishna (JMD) is son of Dr. Vivek Venkatswamy Gaddam (Dr G. Vivekanand), (Chairman) and Smt. G. Saroja Vivekanand (MD).

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

xi) During the year under review Board met Six (6) times i.e., on 30.04.2022, 09.05.2022, 05.08.2022, 04.11.2022, 06.02.2023 and 22.02.2023. The gap between any two meetings did not exceed one hundred and twenty days.

xii) Information such as annual budgets, various important business proposals including the information as stipulated in part A of Schedule II of the Listing Regulations and recommendations of various committees have been placed before the Board for its consideration. During the year under review, the Board has accepted all the recommendations from the Committees.

xiii) A meeting of the Independent Directors was held on 05.08.2022 and inter-alia, discussed on matters pertaining to review the performance of non-independent directors, Board as a whole and performance of Chairman and also assess the quality, quantity and time lines of flow of information between the management of the company and the Board.

xiv) The Company has obtained suitable Directors & officers Insurance policy which complies with the requirements of Regulation 25(10) of the Listing Regulations.

xv) The senior management personnel confirmed that they don't have any personal interest in respect of all material financial and commercial transactions entered by the Company, which have potential conflicts with interest of the Company.

xvi) None of the Independent directors have resigned during the year under review.

xvii) 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.

The following are the core competencies/skills/ expertise identified by the Board of Directors as required in the context of the business of the Company for it to function effectively.

Details of Directors possessing such competencies/skills/expertise:

Si no	Director Name	Skills / expertise / competence
1	Dr. Vivek Venkatswamy Gaddam (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. Appnender Babu	Business strategy & operations, engineering, project management, risk management, financial & supply chain management and governance.

Si no	Director Name	Skills / expertise / competence
5	Smt. Vanitha Datla	Business strategy & operations, risk management, financial management, accountancy, governance, and regulatory affairs.
6	Smt. G. Saroja Vivekanand	Operational experience, strategic planning, industry experience, financial management, 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:

i) The terms of reference of the Audit Committee covers matters specified under Section 177 of the Companies Act, 2013 and regulation 18 of Listing Regulations.

ii) The composition of the Audit Committee as on March 31, 2023, and particulars of meetings held and attended by the members are as follows:

Name	No. of Meetings during the year 2022-23	
	Held	Attended
Smt. Vanitha Datla – Chairperson -Independent Director	4	4
Shri Gusti J. Noria – Member Independent Director	4	4
Shri P. Srikar Reddy- Member Independent Director	4	4
Smt. G. Saroja Vivekanand – Member Managing Director	4	4

iii) Smt. Vanitha Datla – Chaiperson 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 Regulation 18 of Listing Regulations.

iv) During the year under review, the committee met Four (4) times i.e., on 09.05.2022, 05.08.2022, 04.11.2022 and 06.02.2023. The gap between any two meetings did not exceed one hundred and twenty days and necessary quorum was present at all meetings.

v) Chief Financial Officer, Internal Auditor and Statutory Auditors are the invitees to the meetings and the Company Secretary acts as the Secretary to the Audit Committee.

vi) The Chairperson of the Audit Committee attended last Annual General Meeting of the Company held on June 17, 2022.

4. Nomination and Remuneration Committee:

i) 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 regulation 19 of Listing Regulations.

ii) The Composition of the said Committee and details of meetings attended by the members are given below:

Name	Meetings during the year 2022-23	
	Held	Attended
Shri Gusti J Noria – Chairman Independent Director	1	1
Shri P. Srikar Reddy – Member Independent Director	1	NIL
Shri. G. Appnender Babu – Member Independent Director	1	1

iii) The constitution and composition of the Committee thus satisfy the requirements of Section 178 of the Act, read with Listing Regulations.

iv) During the year under review, the Committee met once i.e., on 30.04.2022.

v) The Chairperson of the Nomination and Remuneration Committee has attended last Annual General Meeting of the Company held on June 17, 2022.

vi) 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.

vii) Details of shareholdings of the directors who are holding shares in the Company as on March 31, 2023:

Name	Category of the director	No. of Shares of ₹10/- each
Dr. Vivek Venkatswamy Gaddam (Dr G. Vivekanand)	Chairperson (Non-Executive and Non Independent director)	6873043
Smt. G. Saroja Vivekanand	Managing Director	1062139
Shri G. Vamsi Krishna	Joint Managing Director	121730
Shri Gusti J Noria	Non-Executive Independent Director	3913

viii) **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 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.

ix) The details of Remuneration paid to Directors during the year 2022-23 are given below:

(Amounts in ₹)

Director	Designation	Salary	Perquisites	Commission	Sitting Fees	Total
Dr. Vivek Venkatswamy Gaddam (Dr G. Vivekanand)	Chairman	-	-	10,00,000	1,35,000	11,35,000
Smt. G. Saroja Vivekanand	Managing Director	1,63,87,500	47,52,383	1,82,50,000	-	3,93,89,883
Shri G.Vamsi Krishna	Jt. Managing Director	1,17,86,690	14,48,604	1,82,50,000	-	3,14,85,294
Shri. Gusti Noria	Independent Director	-	-	10,00,000	2,40,000	12,40,000
Shri P.Srikar Reddy	Independent Director	-	-	10,00,000	1,75,000	11,75,000
Shri G. Appnender Babu	Independent Director	-	-	10,00,000	1,65,000	11,65,000
Shri J.P. Rao	Whole-time Director	1,22,15,510	14,37,605	-	-	1,36,53,115
Smt. Vanitha Datla	Independent Director	-	-	-	-	-
Shri S.Shafiulla	CFO	54,49,887	8,57,285	-	-	63,07,172
CS Ramakanth Kunapuli	Company Secretary	32,53,823	1,96,667	-	-	34,50,490

5. Performance of the Board and evaluation:

A formal evaluation mechanism has been adopted for evaluating the performance of the Board, committees of the Board, individual directors and the Chairman of the Board. The evaluation is based on criteria which includes, among others, attendance and preparedness for the meetings, contribution at meetings, effective decision-making ability, role of the Committees:

a. Structured evaluation forms, as recommended by the Nomination and remuneration committee after taking into consideration inputs received from the Directors, covering various aspects of Board functioning such as adequacy of the composition of the Board and its committee, Board culture, execution and performance of specific duties, obligations and governance, were circulated to all the members of the Board along with the agenda papers for evaluation of the performance of the Board, its committee and its Directors.

b. The members of the Board were requested to evaluate by filing the evaluation forms and the duly filled in evaluation forms were required to be sent to the Company Secretary in a sealed envelope.

c. Based on the individual evaluation of the Director, the board initiated a detailed discussion at the concerned meeting on the performance of the Board/Committee/individual director and formulated a final collective evaluation of the Board. The Board also provided individual feedback to the concerned director.

6. Stakeholders' Relationship Committee:

i) The role of the committee includes approval and issuance of duplicate share certificates by way of issuing letter of confirmation, oversees and reviews all matters connected with the transmission, nomination and review the extent of shares dematerialised, review the redressal of Investor complaints etc., redressing grievances of investors.

ii) The committee reviews the measures taken for effective exercise of voting rights by shareholders, adherence of service standards adopted by the Company in respect of various services rendered by the Registrar & Share Transfer Agent (RTA) i.e. Kfin Technologies Limited and measure taken by the Company for reducing the quantum of unclaimed dividends.

iii) The committee consists of three directors and Shri G. Appnender Babu, Independent Director, is the Chairperson of the Committee and Dr. Vivek Venkatswamy Gaddam (Dr G. Vivekanand) and Smt. G. Saroja Vivekanand, MD as other Members of the Committee. The composition of the Committee is complied with provisions of Section 178 of the Act and Regulation 20 of the Listing Regulations.

iv) During the financial year ended March 31, 2023, the Committee met 8 times on April 20, 2022, April 30, 2022, May 05, 2022, May 30, 2022, June 10, 2022, June 20, 2022, July 15, 2022, and July 20, 2022 and the necessary quorum was present at all the meetings and all members of the Committee have attended all the meetings of the Committee held during the financial year 2022-23.

v) CS Ramakanth Kunapuli, AVP and Company Secretary, acts as a secretary to the Committee.

vi) The Chairman of the Committee has attended last Annual General Meeting of the Company held on June 17, 2022.

vii) CS Ramakanth Kunapuli, AVP and Company Secretary is the compliance officer of the Company.

viii) Details of complaints received and redressed from the investors during the year are as follows:

Opening Balance	Received	Resolved	Closing Balance
Nil	3	3	Nil

7. Risk Management Committee:

The Company pursuant to the SEBI (LODR) regulations has constituted the risk management Committee and has adopted the Risk Management Policy.

The terms of reference of the Risk Management Committee cover the matters specified for Risk Management Committees under Section 177 of the

Companies Act, 2013 and regulation 21 of the Listing Regulations.

During the financial year ended March 31, 2023, the Committee met 2 times i.e., on 23rd September 2022 and on 21st March 2023. The necessary quorum was present at both the meetings. CS Ramakanth Kunapuli, AVP and Company Secretary, acts as a secretary to the meeting.

The composition of the Risk Management Committee as on March 31, 2023, and particulars of meetings held and attended by the members are as follows:

Name	No. of Meetings during the year 2022-23	
	Held	Attended
Shri Gusti J Noria – Chairman Independent Director	2	1
Smt. Vanitha Datla – Member Independent Director	2	2
Shri G. Vamsi Krishna – Member Joint Managing Director	2	2
Shri J.P.Rao - Member Whole-time Director	2	2

8. 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
2021-22	40th AGM	Friday 17.06.2022 11.30 A.M	Through Video Conferencing (VC) / Other Audio-Visual Means (OAVM)	Reappointment of Shri G. Vamsi Krishna as Joint Managing Director for a period of 5 years w.e.f. May 6th, 2022.
2020-21	39th AGM	Tuesday 25.05.2021 11.30 A.M.	Through Video Conferencing (VC) / Other Audio-Visual Means (OAVM)	Nil
2019-20	38th AGM	Thursday 23.07.2020 11.30 A.M.	Through Video Conferencing (VC) / Other Audio-Visual Means (OAVM)	Re-appointment of Shri P. Srikar Reddy as an Independent Director of the Company.

ii) Details of postal ballot:

During FY 2022-23, the Company sought the approval of the shareholders by way of postal ballot, vide postal ballot notice dated February 22, 2023, on the following resolution(s):

S. No	Particulars of Resolution	Type of Resolution Special /Ordinary
1	Sub-division of each of the one (1) fully paid-up equity share of the Company having face value of ₹10/- (rupees ten) into 5 (five) fully paid-up equity shares having face value of ₹2/- (rupees two) each.	Ordinary
2	Amendment to the clause v(a) of the Memorandum of Association (MOA) of the Company i.e., capital clause of the Company	Special
3	Amendment to article 4 of the Articles of Association (AOA) of the Company i.e., authorised capital of the Company	Special

The Board of Directors has appointed Mr. B.V. Saravana Kumar (M.No: 26944 & CP.No. 11727), Practicing Company Secretary as Scrutinizer to the Postal Ballot to scrutinize the postal ballot process in a fair and transparent manner.

The voting period for remote e-voting commenced on Tuesday, March 07, 2023 at 9:00 A.M. (IST) and ended on Wednesday, April 05, 2023 at 5:00 P.M. (IST). The consolidated report on the result of the postal ballot through remote e-voting for approving aforementioned resolutions was provided by the Scrutinizer on Thursday, April 06, 2023. The same was submitted to the BSE Limited and National stock exchange of India Limited and also available at company's website.

https://www.visaka.co/assets/website/files/investors/Voting-Results/06042023-Postal-Ballot-Results-Split-Outcome.pdf

9. Disclosures:

i) During the financial year ended March 31, 2023, the Company has not entered any materially significant related party transactions, which have potential conflict with the interest of Company. Related party transactions entered during the financial year under review are disclosed in the note no.41 of notes to the audited financial statements of the company for the financial year ended March 31, 2023.

These transactions entered were at an arm's length basis and were in the ordinary course of business. The details of policy of related party transactions is available at https://www.visaka.co/assets/website/files/investors/Related-Party-Transactions-Policy.pdf

ii) There were no cases of non-compliance by the Company, penalties, strictures imposed on the Company by stock exchanges or SEBI or any statutory authority, on any matter related to capital markets, during the last three years ending March 31, 2023, except an instance of slight delay in appointment of woman director during the financial year 2020-21 for which National Stock Exchange of India has levied a fine of ₹3,24,500 (including GST) and a slight delay in filing of disclosure of related party transactions for the half year ended 30th September, 2022 for which National Stock Exchange of India has levied a fine of ₹41300/- and BSE ltd has levied a fine of ₹35400/-. The Company has made waiver applications with both Stock Exchanges as the delay is caused due to non-release XBRL tool for filing the RPT transactions.

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 provides protection from victimization. During the year under review, the Company has not received any complaints under the policy and no employee was denied access to the Audit committee in this behalf.

iv) The Company has complied with all the applicable mandatory requirements and has fulfilled the following non-mandatory / discretionary requirements as prescribed in Listing Regulations:

a) Audit qualifications: The Audit reports issued by Statutory Auditors on the financial statements for the year ended March 31, 2023, are un-modified reports. and there were no qualifications or adverse remarks were made by the statutory auditors.

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) The Company do not have any material subsidiaries during the FY 2022-23.

vi) 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.

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, 2023.

Smt. G. Saroja Vivekanand
Date : 19.05.2023 **Managing Director**
Place: Secunderabad **(DIN:00012994)**

vii) CEO & CFO certificate: The Managing Director and Chief Financial Officer of the Company have given a Certificate as contemplated in Listing Regulations.

viii) The Company's website contains all the information, disclosures, policies etc., required under SEBI (LODR) Regulations, 2015, provisions of the Companies Act, 2013 and rules made thereunder and other applicable laws.

ix) 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 on quarterly basis and the Company submitted the same to the BSE ltd and the National Stock Exchange of India Ltd.

x) Total fee paid to the statutory auditors of the Company for all services: please refer Note 31(a) of this annual report.

xi) Credit Ratings: Credit rating agency "CARE Ratings" reviewed various credit facilities of the company during the financial year ended 31.03.2023 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	Fixed Deposits	CARE AA- ; Stable [Double A Minus); 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.

xii) 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 are 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.

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 at https://visaka.co/investors/adv_newspaper/adv_board 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 at https://visaka.co/investors/financial_information/fn_results under investors tab (a separate sections for investors information as per the regulation 46 of SEBI(LODR), 2015) 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 at https://visaka.co/investors/financial_information/fn_annual_reports

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 at https://www.visaka.co/investors

11. General Shareholder's information:

1	Annual General Meeting	
	Date	07.07.2023
	Time	11.30 A.M.
	Venue	It was proposed to convene 41st AGM of the Company through Video Conference / Other Audio-Visual Means (VC/OAVM) pursuant to the MCA Circular dated May 5, 2020, January 13, 2021 and December 28, 2022 respectively 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	2022-23
	Year ending	March 31, 2023
	Date of AGM	07.07.2023
3	Date of Book Closure	16.06.2023 to 20.06.2023 (both days inclusive)
4	Dividend Payment Date	On or after 15.07.2023
5	Listing on Stock Exchanges	1. National Stock Exchange of India Ltd and 2. BSE Limited. (The Company has paid the listing fee for 2023-24 to the BSE & NSE).
6	Stock Code / Symbol on NSE / BSE respectively	NSE-VISAKAIND. BSE-509055
7	Address of exchanges	BSE Corporate Office: BSE Limited, Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai – 400 001 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	INE392A01021

12. Market Price Data:

Details of monthly high and low market price as per stock exchanges data for the Financial Year ended March 31, 2023 are as follows:

S. No.	Month	Price at BSE		Price at NSE	
		High	Low	High	Low
1	April – 2022	646.00	561.30	644.90	562.15
2	May – 2022	581.15	490.00	594.80	489.05
3	June – 2022	541.05	434.90	543.95	446.15
4	July – 2021	576.00	460.70	518.60	462.70
5	August – 2022	613.70	480.00	614.20	481.65
6	September – 2022	664.00	556.55	664.00	557.00
7	October – 2022	601.15	522.55	600.90	523.00
8	November – 2022	545.75	435.10	546.75	435.00
9	December – 2022	467.00	402.55	468.00	401.60
10	January – 2023	451.00	401.25	451.45	401.00
11	February – 2023	429.95	373.60	423.90	373.20
12	March – 2023	390.95	324.40	389.75	322.00

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

Sl. No.	Month	Visaka's Closing Price at BSE (₹)	S&P BSE Sensex Closing
1	April – 2022	573.00	57060.87
2	May – 2022	517.45	55566.41
3	June – 2022	473.50	53018.94
4	July – 2022	505.90	57570.25
5	August – 2022	607.35	59537.07
6	September – 2022	575.95	57426.92
7	October – 2022	539.45	60746.59
8	November – 2022	439.75	63099.65
9	December – 2022	432.30	60840.74
10	January – 2023	412.70	59549.90
11	February – 2023	383.35	58962.12
12	March – 2023	342.25	58991.52

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

14. Registrar and Transfer Agents

Name & Address: KFin Technologies Limited
Unit: Visaka Industries Limited
Selenium Tower B, Plot Nos. 31 & 32, Financial District
Nanakramguda, Serilingampally Mandal, Hyderabad – 500032, India.
Phone: 040 6716 2222, E-mail: einward.ris@kfintech.com
Website: www.kfintech.com
Toll Free No: 1800-3454-001

15. 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 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, 2023, from practicing company secretary.

16. Shareholding (as on March 31, 2023)

a) Distribution of shareholding as on March 31, 2023

S no	Category (No. of shares)	Shareholders Number	Shareholders %	Shares	Amount	% Amount
1	1-5000	30124	94.22	2379380	23793800	13.77
2	5001- 10000	1005	3.15	783787	7837870	4.54
3	10001- 20000	418	1.31	624295	6242950	3.61
4	20001- 30000	140	0.44	352276	3522760	2.04
5	30001- 40000	66	0.21	240955	2409550	1.39
6	40001- 50000	52	0.16	246099	2460990	1.42
7	50001- 100000	75	0.23	532104	5321040	3.08
8	100001 & above	91	0.28	12122056	121220560	70.15
	Total:	**31971**	**100.00**	**17280952**	**172809520**	**100.00**

b) Categories of Shareholders as on March 31, 2023

Sl. No	Category	No. of Shares	%
1	Indian Promoters	8367249	48.42
2	Foreign Portfolio Investors	659031	3.81
3	Banks, Financial Institutions, Insurance Companies (Central / State Gov. Institutions / Non-Government Institutions)	4475	0.03
4	Mutual Funds	1072	0.01
5	Private Corporate Bodies (NBFC, Body Corporates and Trusts)	1860451	10.76
6	Hindu Undivided Family (HUF)	341568	1.98
7	Indian Public	5542890	32.08
8	NRIs / OCBs	203953	1.18
9	Clearing Members	6598	0.04
10	IEPF	147998	0.86
11	Directors (Other than Promoter Director)	3913	0.01
12	Alternative Investment Fund	141754	0.82
	Total	**17280952**	**100.00**

17. Dematerialization of shares and liquidity:

As on March 31, 2023, 98.77% of the paid-up share capital of the Company has been dematerialized.

18. Outstanding GDRs / ADRs / Warrants or any convertible instruments: Nil

19. Dividend Distribution policy:

In compliance with Regulation 43A of the listing Regulations the Company has formulated its Dividend distribution policy. A copy of the policy is enclosed to this report and also available on the Company's website at https://www.visaka.co/assets/website/files/investors/Dividend_Distribution_Policy.pdf

20. Annual secretarial compliance report

pursuant to Regulation 24 A of the Listing Regulations, the Company has submitted to the Stock Exchanges Annual Secretarial compliance report for the financial year 2022-23 furnished by GMR & Associates, Practicing Company Secretary.

21. Disclosure of Loans and advances by listed entity and its subsidiaries to firms/Companies in which directors are interested

The Company and subsidiaries have not given any loan or advances to firms/Companies in which directors are interested.

22. Manufacturing facilities:

PLANTS ADDRESSES

1.	**A.C. Division – Plant 1** Survey No.315, Yelumala Village, R. C. Puram Mandal, Sangareddy District - 502 300, Telangana (Closed operations w.e.f. 15.09.2022)
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 and V-Panels Division – 3** Mustil No.105, 106 & 115, Jhanswa Tehsil, Matanhail, Jhajjar, Haryana
13.	**V-Boards and V-Panels Division – 4** S.F.No.169/b1& 174b,Venasapatti Village, Udamalpet Taluk,
14.	**Atum Division** Survey No. 89, 93,94,95 and 96, Gajalapuram Village, Tripuraram, Nalgonda District, Telangana.
15.	**Solar – Power – Miryalguda:** Survey No.89, 93-96, Gajalapuram Village, Tripuram Mandal, Nalgonda District, Telangana
16.	**Fibre Cement Boards (post operations) unit – Mahindra World City SEZ, Chennai:** Situated at Plot No. AP5, Mahindra World City (SEZ), Anjur Village, Chengalpattu Taluq, Kanchipuram District – 603 002

23. Address for Correspondence/registering investor grievances:

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

The Company Secretary
Visaka Industries Limited
Corporate Office: 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.

Important weblinks for Corporate Information / Policies:

S. No.	Particulars	Links
1	Code of conduct of Board of Director and senior management	https://www.visaka.co/assets/website/files/investors/VIL-Code-of-Conduct-Directors.pdf.
2	Terms & Conditions of Independent Directors	https://visaka.co/investors/terms_conditions_familiarization.
3	Familiarisation programmes	https://visaka.co/investors/terms_conditions_familiarization/tcf_famili
4	Remuneration Policy	https://www.visaka.co/assets/website/files/investors/nomination-remuneration-policy.pdf.
5	Related Party Transactions Policy	https://www.visaka.co/assets/website/files/investors/Related-Party-Transactions-Policy.pdf.
6	Policy on Archival	https://www.visaka.co/assets/website/files/investors/Archival-Policy.pdf.
7	Dividend Distribution Policy	https://www.visaka.co/assets/website/files/investors/Dividend_Distribution_Policy.pdf.
8	Whistleblower Policy and Vigil Mechanism	https://www.visaka.co/assets/website/files/investors/Vigil-Mechanism-Whistle-Blower-Policy.pdf.
9	Policy on Prevention of Sexual Harassment at Workplace	chrome-extension://efaidnbmnnnibpcajpcglclefindmkaj/https://www.visaka.co/assets/website/files/investors/posh-policy.pdf
10	Policy on Corporate Social Responsibility	https://www.visaka.co/assets/website/files/investors/CSR-policy.pdf.
11	Financial information	https://visaka.co/investors/financial_information.
12	Risk Management Policy	https://www.visaka.co/assets/website/files/investors/Risk_Management_Policy_30.10.2021.pdf

DIVIDEND DISTRIBUTION POLICY

The dividend distribution policy defines the Company's (Visaka Industries Limited) philosophy of sharing its earnings with the shareholders.

PARAMETERS TO BE CONSIDERED BEFORE RECOMMENDING DIVIDEND

The Board of Directors of the Company shall consider the following financial / internal parameters while declaring or recommending dividend to shareholders:

- Profits earned during the financial year
- Retained Earnings
- Earnings outlook for next three to five years
- Expected future capital / liquidity requirements
- Any other relevant factors and material events.

UTILISATION OF RETAINED EARNINGS

The Company shall endeavour to utilise the retained earnings in a manner which shall be beneficial to the interests of the Company and also its shareholders.

The Company may utilise the retained earnings for making investments for future growth and expansion plans, for the purpose of generating higher returns for the shareholders or for any other specific purpose, as approved by the Board of Directors of the Company.

CIRCUMSTANCES UNDER WHICH A DIVIDEND MAY NOT BE PAID OUT

Some conceivable circumstances under which shareholders may or may not expect a dividend are:

- adverse market conditions and business uncertainty
- inadequacy of profits earned during the fiscal year
- inadequacy of cash balance
- large forthcoming capital requirements which are best funded through internal accruals
- changing government regulations, etc.

Even under such circumstances, the Board may, at its discretion, and subject to applicable rules, choose to recommend a dividend out of the Company's free reserves.

POLICY REVIEW

The Board of Directors may review this policy periodically, by taking into account the national and global economic conditions, Company's growth and investment plans and financial position, etc. and in accordance with any regulatory amendments.

WEBSITE

The Policy shall be disclosed on the website of the Company.

CONFLICT IN POLICY

In the event of any conflict between this Policy and the provisions contained in the Listing Regulations, the Regulations shall prevail.

AMENDMENTS

The Board may, from time to time, make amendments to this Policy to the extent required due to change in applicable laws and Listing Regulations or as deemed fit on a review.

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
VISAKA INDUSTRIES LTD.
Survey No 315, Yelumala Village,
R C Puram Mandal, Sangareddy,
Telangana 502300, India.

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of VISAKA INDUSTRIES LIMITED having CIN-L52520TG1981PLC003072 and having registered office at Survey No 315, Yelumala Village, R C Puram Mandal, Sangareddy, 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, 2023 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.

Sr. No.	Name of Director	DIN	Date of appointment in Company
1.	Dr. Vivek Venkatswamy Gaddam (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.

For M/s. GMR & ASSOCIATES
Company Secretaries

Sd/-
Gopireddy Malyadri
M.No 8463
C.P. No: 7911
Peer Review Cert No. 1052/2020
UDIN: F008463E000338991

Place: Secunderabad
Date: 19.05.2023

AUDITORS' CERTIFICATE REGARDING COMPLIANCE OF CONDITIONS OF CORPORATE GOVERNANCE

To
The Members of
VISAKA INDUSTRIES LIMITED.

We have examined the compliance of conditions of Corporate Governance by Visaka Industries Limited, for the year ended March 31, 2023 as stipulated in Regulations 17, 17A, 18, 19, 20, 21, 22, 23, 24, 24A, 25, 26, 27 and clauses (b) to (i) and (t) 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

Sd/-
N.K.Varadarajan
Partner
Membership Number: 090196
UDIN: 23090196BGYZIR7695

Place: Secunderabad
Date: 19.05.2023

CERTIFICATE UNDER REGULATION 17(8) OF SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015

A. We have reviewed Financial Statements for the financial year ended March 31, 2023 and that to the best of our knowledge and belief we hereby certify that:

   a. These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading.

   b. These statements together present a true and fair view of our Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.

B. There are, to the best of our knowledge and belief, no transactions entered into by our Company during the year ended which are fraudulent, illegal or violate of the Company's code of conduct.

C. We accept responsibility for establishing and maintaining internal controls for financial reporting and have evaluated the effectiveness of internal control systems of our Company pertaining to financial reporting and we have disclosed to the auditors and the audit committee, deficiencies in the design or operation of such internal controls, if any.

D. We have indicated to the auditors and the Audit committee:

   a. Significant changes, if any, in internal control over financial reporting during the Year.

   b. Significant changes, if any, in accounting policies during the Year and the same have been disclosed in the notes to the financial statements and

   c. Instances of significant fraud of which they have become aware and the involvement therein, if any, of the management or an employee having a significant role in the listed entity's internal control system over financial reporting.

For VISAKA INDUSTRIES LIMITED

	Sd/-	**Sd/-**
	G Saroja Vivekanand	**Shafiulla Singanamala**
Place: Secunderabad	Managing Director & CEO	Chief Financial Officer
Date: 19.05.2023	(DIN:00012994)	

Corporate Information

for the year ended 31st March, 2023

Board of Directors

Dr. Vivek Venkatswamy Gaddam (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

President & 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

Stakeholders Relationship Committee

Shri G. Appnender Babu, Chairman
Dr. Vivek Venkatswamy Gaddam (Dr. G. Vivekanand), Member
Smt. G. Saroja Vivekanand, Member

CSR Committee

Shri Gusti J Noria, Chairman
Shri G. Appnender Babu
Dr. Vivek Venkatswamy Gaddam (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:

M/s. GMR Associates
Company Secretaries
Flat No.401, Siddartha Residency,
Plot No.56, Sy. No.48
Behind Hotel Jubilee Ridge,
Kavuri Hills- Phase I, Madhapur,
Hyderabad - 500 081

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
   (Closed permanently w.e.f. 15.09.2022)

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 and V-Panels Division – 3**
    Mustil No.105, 106 & 115,
    Jhanswa Tehsil, Matanhail, Jhajjar, Haryana

13. **V-Boards and V-Panels 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

15. **Solar – Power – Miryalguda:**
    Survey No.89, 93-96, Gajalapuram Village, Tripuram
    Mandal, Nalgonda District, Telangana

16. **Fibre Cement Boards (post operations) unit – Mahindra World City SEZ, Chennai:**
    Situated at Plot No. AP5, Mahindra World City (SEZ),
    Anjur Village, Chengalpattu Taluq, Kanchipuram
    District – 603 002

Standalone Financial Statements

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, 2023, 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, 2023, 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 judgement, 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
Appropriateness of capitalisation of costs included in Property Plant and Equipment/ Capital work in progress as per Ind AS 16 Property, Plant and Equipment Refer to Note - 2 (q) (Significant Accounting Policies), Note - 4.1 (Property, plant and equipment and Capital work-in-progress) of the enclosed standalone financial statements. During the year, the Company has incurred significant capital expenditure towards setting up of panels plant at Udumalpet, boards plant at Midnapore and additional production line of its cement roofing sheets at Raebareli. Capital expenditure amounting to ₹ 2,597.80 lakhs and ₹ 7,539.69 lakhs relating to panel plant at Udumalpet and additional production line at Raebareli plant respectively	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: • 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.

Key audit matter	How our audit addressed the key audit matter
has been capitalized during the year and the capital expenditure of ₹374.32 lakhs relating to setting up of boards plant at Midnapore and ₹3,268.66 lakhs relating to other projects is included in capital work in progress as at the year end. 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.	• Verified the other related costs including those incurred towards repairs and maintenance and debited to Statement of Profit and Loss, to ascertain whether these meet the criteria for capitalization. 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.
Timing of Revenue recognition in the proper period as per Ind AS 115 Refer to Note-2(d) (Significant Accounting Policies) and Note-26 (Revenue from operations) of the standalone financial statements. The Company's revenue is principally derived from sale of building products and synthetic blended yarn. 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 based on terms of sale. Revenue is measured at consideration to which an entity expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third parties. The transaction price of the goods sold is net of variable consideration on account of various discounts and schemes offered by the company as part of contract. 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.	Our audit procedures included the following: • 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 customer order and directions, 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. Based on the above stated procedures, no significant exceptions were noted in revenue recognition.

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 standalone financial statements and our auditor's report thereon.

   Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

   In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained 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 judgement and maintain professional scepticism throughout the audit. We also:

    - Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

    - Obtain an understanding of internal 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 Standalone Balance Sheet, 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 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, 2023, taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2023, 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 standalone financial statements, 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 56 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 standalone financial statements, 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 56 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.

v. The dividend declared and paid during the year by the Company is in compliance with Section 123 of the Act.

vi. As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 (as amended), which provides for books of account to have the feature of audit trail, edit log and related matters in the accounting software used by the Company, is applicable to the Company only with effect from financial year beginning April 1, 2023, the reporting under clause (g) of Rule 11 of the Companies (Audit and Auditors) Rules, 2014 (as amended), is currently not applicable.

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

sd/-
N.K. Varadarajan
Partner
Membership Number : 090196

UDIN: 23090196BGYZIO7414
Place : Secunderabad
Date : May 19, 2023

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, 2023

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, 2023 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, 2023, 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

sd/-

UDIN: 23090196BGYZIO7414 **N.K. Varadarajan**
Place : Secunderabad Partner
Date : May 19, 2023 Membership Number : 090196

Annexure B to Independent Auditors' 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, 2023

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 (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee), as disclosed in Note(s) 4.1 and 4.2 to the standalone financial statements, are held in the name of the Company.

(d) The Company has chosen cost model for its Property, Plant and Equipment (including Right of Use assets) and intangible assets. 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 (including Right of Use assets) 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, and therefore the question of our commenting on whether the Company has appropriately disclosed the details in its financial statements does not arise.

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 ₹ 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 50 to the standalone financial statements).

iii. (a) The Company has made investments in two companies, granted unsecured loans to three companies and advances in nature of loans (salary advances) to two 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:

(₹ in Lakhs)

	Guarantees	Security	Loans	Advances in nature of loans
Aggregate amount granted/ provided during the year				
- Subsidiaries	-	-	550.00	-
- Joint Ventures	-	-	-	-
- Associates	-	-	-	-
- Others	-	-	2,250.00	36.10
Balance outstanding as a balance sheet date in respect of the above case				
- Subsidiaries	-	-	-	-
- Joint Ventures	-	-	-	-
- Associates	-	-	-	-
- Others	-	-	2500.00	49.02

(Also refer Note 5, 6.2, 12 and 13 to the standalone 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 except for one loan where there was no schedule for repayment of principal and interest has been stipulated by the Company as the same were repayable on demand. Therefore, in the absence of stipulation of repayment terms, we are unable to comment on the regularity of repayment of principal and payment of interest.

(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) Following loans has fallen due during the year and was extended. (₹ in Lakhs)

Name of the party	Aggregate amount dues renewed	Percentage of the aggregate to the total loans or advances in the nature of loans granted during the year
Sushee Infra and Mining Limited	2,500.00	88.15%

(Also refer Note 12 to the standalone financial statements)

(f) Following loan was granted during the year, to related parties under Section 2(76), which are repayable on demand.

(₹ in Lakhs)

	All Parties	Promoters	Related Parties
Aggregate of loans/advances in nature of loan			
- Repayable on demand	550.00	-	550.00
- Agreement does not specify any terms or period of repayment	-	-	-
Percentage of loans to the total loans	19.64%	-	100%

(Also refer Note 6.2, 12 and 13 to the standalone financial statements)

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 Section 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 service tax, provident fund, employees state insurance, income tax, cess, duty of customs 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, 2023 which have not been deposited on account of a dispute, are as follows:

Name of the statute	Nature of dues	Amount (₹ 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	2003-04 & 2004-05	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
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
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	55.32	April 2017 to June 2017	Additional Commissioner (Appeals), Commercial Tax, Lucknow
Central Sales Tax Act,1956	Central Sales tax	1.01	April 2017 to June 2017	Additional Commissioner (Appeals), Commercial Tax, Lucknow
Central Excise Act, 1944	Excise duty	86.54	2016-17 & 2017-18	Customs Excise & Service tax Appellate Tribunal, Hyderabad
Service tax Act, 1994	Service Tax/ Penalty	12.70	April 2006 to February 2007	Customs Excise & Service tax Appellate Tribunal, Mumbai
Service tax Act, 1994	Service Tax/ Penalty	2.20	July 2005 to October 2006	Customs Excise & Service tax Appellate Tribunal, Mumbai
Central Excise Act, 1944	Excise duty/ Penalty	41.69	November 04, 2006 to January 31, 2007	Customs Excise & Service tax Appellate Tribunal, Mumbai

* Net of amount paid under protest – ₹175.13 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 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 standalone 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 not made any preferential allotment or private placement of shares or fully or partially or optionally convertible debentures during the year. Accordingly, the reporting under clause 3(x)(b) of the Order is not applicable to the Company.

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(as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) 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 45 to the standalone 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. (Also refer Note 33(b) to the standalone 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

sd/-

UDIN: 23090196BGYZIO7414
Place : Secunderabad
Date : May 19, 2023

N.K. Varadarajan
Partner
Membership Number : 090196

Standalone Balance Sheet as at 31 March 2023

All amounts in ₹ lakhs

Particulars	Note	31 March 2023	31 March 2022
I. ASSETS			
Non-current Assets			
(a) Property, plant and equipment	4.1	61,392.49	46,052.14
(b) Right-of-use asset	4.2	96.60	-
(c) Capital work-in-progress	4.1	3,642.98	4,866.49
(d) Intangible assets	4.1	0.00	0.00
(e) Investments in subsidiaries	5	1,174 .00	242.00
(f) Financial assets			
(i) Investments	6.1	0.00	0.00
(ii) Other financial assets	6.2	66.12	72.70
(g) Other non-current assets	7	7,337.73	4,785.33
Current Assets			
(a) Inventories	8	38,056.80	29,300.98
(b) Financial assets			
(i) Trade receivables	9	13,664.06	13,410.33
(ii) Cash and cash equivalents	10	2,777.31	2,404.89
(iii) Other bank balances	11	361.43	312.23
(iv) Loans	12	2,500.00	3,022.03
(v) Other financial assets	13	245.73	338.26
(c) Current tax assets (net)	25	85.07	-
(d) Other current assets	14	5,732.87	6,033.02
TOTAL ASSETS		1,37,133.19	1,10,840.40
II. EQUITY AND LIABILITIES			
Equity			
(a) Equity share capital	15	1,732.07	1,732.07
(b) Other equity	16	75,557.77	71,498.98
Liabilities			
Non-Current Liabilities			
(a) Financial liabilities			
(i) Borrowings	17	16,359.42	4,902.96
(ii) Lease liabilities	4.2	86.65	-
(iii) Other financial liabilities	18	0.31	12.28
(b) Deferred tax liabilities (net)	19	1,336.37	1,282.90
Current Liabilities			
(a) Financial liabilities			
(i) Borrowings	20	22,369.58	11,814.71
(ii) Lease liabilities	4.2	6.06	-
(iii) Trade payables	21		
(a) total outstanding dues of micro and small enterprises		331.00	204.57
(b) total outstanding dues other than (iii) (a) above		8,944.51	8,376.56
(iv) Other financial liabilities	22	4,817.31	4,549.54
(b) Other current liabilities	23	5,188.21	5,657.50
(c) Provisions	24	403.93	538.30
(d) Current Tax Liabilities (net)	25	-	270.03
TOTAL EQUITY AND LIABILITIES		1,37,133.19	1,10,840.40
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

sd/-
N.K.Varadarajan
Partner
Membership Number: 090196

On behalf of Board of Directors

sd/-
Dr. G. Vivekanand
Chairman
DIN : 00011684

sd/-
Smt. G. Saroja Vivekanand
Managing Director
DIN : 00012994

sd/-
S. Shafiulla
Chief Financial Officer

sd/-
K. Ramakanth
Company Secretary &
Assistant Vice President
Membership No:F5539

Place: Secunderabad
Date: May 19, 2023

Place: Secunderabad
Date: May 19, 2023

Standalone Statement of Profit and Loss for the year ended 31 March 2023

All amounts in ₹ lakhs, except Earning Per Share

Particulars	Note	Year ended 31 March 2023	Year ended 31 March 2022
I. Revenue from operations	26	1,64,658.42	1,41,577.94
II. Other income	27	1,100.40	988.65
III Total Income (I + II)		**1,65,758.82**	**1,42,566.59**
IV. Expenses			
Cost of materials consumed	28	90,244.67	69,744.37
Purchases of stock-in-trade		693.40	420.40
Changes in inventories of finished goods and work-in-progress	29	(2,884.22)	(3,071.66)
Employee benefits expense	30	13,713.14	13,222.89
Finance costs	31	2,232.94	1,155.51
Depreciation expense	32	5,018.96	3,761.80
Other expenses	33	48,973.75	41,256.28
Total expenses		**1,57,992.64**	**1,26,489.59**
V. Profit before exceptional items and tax (III - IV)		**7,766.18**	**16,077.00**
VI. Exceptional item	58	**320.61**	**-**
VII. Profit before tax (V - VI)		**7,445.57**	**16,077.00**
VIII. Tax expense:			
(1) Current tax		1,913.06	4,211.64
(2) Deferred tax		53.47	12.57
IX. Profit for the year (VII-VIII)		**5,479.04**	**11,852.79**
X. Other comprehensive income			
Items that will not be reclassified to statement of profit and loss			
a) Remeasurement of defined employee benefit plans		(50.47)	56.13
b) Income tax relating to item (a) above		12.70	(14.13)
Other comprehensive income (net of tax)		**(37.77)**	**42.00**
XI. Total comprehensive income for the year (IX+X)		**5,441.27**	**11,894.79**
XII. Earning per equity share attributable to owners of Visaka Industries Limited:			
(1) Basic	42	6.34	14.25
(2) Diluted		6.34	13.91
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

sd/-
N.K.Varadarajan
Partner
Membership Number: 090196

Place: Secunderabad
Date: May 19, 2023

On behalf of Board of Directors

sd/-
Dr. G. Vivekanand
Chairman
DIN : 00011684

sd/-
Smt. G. Saroja Vivekanand
Managing Director
DIN : 00012994

sd/-
S. Shafiulla
Chief Financial Officer

sd/-
K. Ramakanth
Company Secretary &
Assistant Vice President
Membership No:F5539

Place: Secunderabad
Date: May 19, 2023

Standalone Statement of Changes in Equity for the year ended 31 March 2023

a. **Equity share capital**

All amounts in ₹ lakhs

Particulars	Note	Equity share capital
As at 01 April 2021	**15**	**1,652.07**
Changes in equity share capital		80.00
As at 31 March 2022		**1,732.07**
Changes in equity share capital		-
As at 31 March 2023		**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 2021	**16**	**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**
Profit for the year		-	-	5,479.04		5,479.04
Other comprehensive income		-	-	(37.77)	-	(37.77)
Dividends		-	-	(1,382.48)	-	(1,382.48)
Balance as at 31 March 2023		**8,137.45**	**27,000.00**	**40,420.32**	**-**	**75,557.77**

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

sd/-
N.K.Varadarajan
Partner
Membership Number: 090196

Place: Secunderabad
Date: May 19, 2023

On behalf of Board of Directors

sd/-
Dr. G. Vivekanand
Chairman
DIN : 00011684

sd/-
Smt. G. Saroja Vivekanand
Managing Director
DIN : 00012994

sd/-
S. Shafiulla
Chief Financial Officer

sd/-
K. Ramakanth
Company Secretary &
Assistant Vice President
Membership No:F5539

Place: Secunderabad
Date: May 19, 2023

Standalone Statement of Cash Flows for the year ended 31 March 2023

All amounts in ₹ lakhs

Particulars	31 March 2023	31 March 2022
Cash flow from operating activities		
Profit before tax	7,445.57	16,077.00
Adjustments for:		
Depreciation expense	5,018.96	3,761.80
Loss on sale of property, plant and equipment (net)	188.77	-
Property, plant and equipment written off	10.22	8.61
Interest income on financial assets carried at amortized cost	(609.77)	(307.11)
Net gain on sale of property, plant and equipment	-	(31.76)
Loss allowance on trade receivables	104.36	(7.13)
Bad Debts written off	34.98	37.66
Amortisation of government grants	(345.49)	(384.39)
Finance costs	2,232.94	1,155.51
Remeasurement of defined employee benefit plans	(50.47)	56.13
Change in operating assets and liabilities		
(Increase) / Decrease in trade receivables	(393.07)	(2,924.52)
(Increase) / Decrease in financial assets other than trade receivables	41.86	(48.37)
(Increase) / Decrease in other assets	(9.43)	(3,220.96)
(Increase) / Decrease in Inventories	(8,755.82)	(4,374.28)
Increase / (Decrease) in Trade payables	694.38	(709.43)
Increase / (Decrease) in other financial liabilities	261.25	214.91
Increase / (Decrease) in provisions	(134.37)	263.14
Increase / (Decrease) in other liabilities	(469.29)	192.53
Cash Generated from Operations	**5,265.58**	**9,759.34**
Income taxes paid	(2,255.46)	(4,213.56)
Net cash inflow from operating activities	**3,010.12**	**5,545.78**
Cash flows from investing activities		
Receipt of loan repayment	2,772.03	477.97
Payments for property plant and equipment	(22,130.03)	(14,547.78)
Interest received	667.02	254.99
Proceeds from sale of property, plant and equipment	511.27	40.48
Investment in subsidiaries	(382.00)	(240.00)
Movement in other bank balances	(49.20)	261.34
Loan given	(2,800.00)	(3,500.00)
Net cash outflow from investing activities	**(21,410.91)**	**(17,253.00)**
Cash flow from financing activities		
Proceeds from non current borrowings	15,731.61	-
Repayment of non current borrowings	(3,731.96)	(1,004.74)
Proceeds/ (repayment) from current borrowings other than related party loans	9,996.19	6,289.00
Repayment of loan to related party	(588.00)	(2,190.00)
Receipt of loan from related party	588.00	2,076.00

Standalone Statement of Cash Flows for the year ended 31 march 2023

All amounts in ₹ lakhs

Particulars	31 March 2023	31 March 2022
Dividend paid to Company's shareholders	(1,377.98)	(2,792.05)
Proceeds from Issue of shares and share warrants	-	1,446.00
Prinicipal element of lease payment	(6.00)	-
Finance cost	(1,838.65)	(792.33)
Net cash inflow from financing activities	**18,773.21**	**3,031.88**
Net increase/(Decrease) in cash and cash equivalents	**372.42**	**(8,675.34)**
Cash and Cash equivalents at the beginning of the financial year	**2,404.89**	**11,080.23**
Cash and Cash equivalents at the end of the year	**2,777.31**	**2,404.89**

All amounts in ₹ lakhs

Non cash investing activities	31 March 2023	31 March 2022
- Aquisition of Right-of-use asset	97.00	-
- Conversion of loan to equity (Refer note 12.4)	550.00	-

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

sd/-
N.K.Varadarajan
Partner
Membership Number: 090196

Place: Secunderabad
Date: May 19, 2023

On behalf of Board of Directors

sd/-
Dr. G. Vivekanand
Chairman
DIN : 00011684

sd/-
Smt. G. Saroja Vivekanand
Managing Director
DIN : 00012994

sd/-
S. Shafiulla
Chief Financial Officer

sd/-
K. Ramakanth
Company Secretary &
Assistant Vice President
Membership No:F5539

Place: Secunderabad
Date: May 19, 2023

Notes to the Standalone Financial Statements for the year ended 31 March 2023

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 twelve 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 Ministry of Corporate Affairs had vide notification dated 23 March 2022 notified Companies (Indian Accounting Standards) Amendment Rules, 2022 which amended certain accounting standards, and are effective 1 April 2022. These amendments 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) New and amended standards issued but not effective

The Ministry of Corporate Affairs has vide notification dated 31 March 2023 notified Companies (Indian Accounting Standards) Amendment Rules, 2023 (the 'Rules') which amends certain accounting standards, and are effective 1 April 2023.

The Rules predominantly amend Ind AS 12, Income taxes, and Ind AS 1, Presentation of financial statements. The other amendments to Ind AS notified by these rules are primarily in the nature of clarifications.

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. Specifically, no changes would be necessary as a consequence of amendments made to Ind AS 12 as the Company's accounting policy already complies with the now mandatory treatment.

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.

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 consideration to which an entity expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third parties. Amounts disclosed as revenue are net of returns, trade allowances, rebates, refundable taxes 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. In case of bill and hold arrangements, the Company recognises revenue only on satisfaction of criteria established under Ind AS 115 on meeting of related performance obligation associated with transfer of control of the products. 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

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses. The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period. 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 income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled. Deferred tax assets are recognised for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses. Deferred tax assets and liabilities are offset where there is a legally enforceable right to offset current

Notes to the Standalone Financial Statements for the year ended 31 March 2023

tax assets and liabilities and where the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously. Current and deferred tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

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. Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the following lease payments:

- fixed payments (including in-substance fixed payments), less any lease incentives receivable
- amounts expected to be payable by the Company under residual value guarantees

Lease payments to be made under reasonably certain extension options are also included in the measurement of the liability. The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, which is generally the case for leases in the Company, the lessee's incremental borrowing rate is used, being the rate that the individual lessee would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment with similar terms, security and conditions.

To determine the incremental borrowing rate, the Company:

- where possible, uses recent third-party financing received by the individual lessee as a starting point, adjusted to reflect changes in financing conditions since third party financing was received

  Lease payments are allocated between principal and finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

  Right-of-use assets are measured at cost comprising the following:

- the amount of the initial measurement of lease liability
- any lease payments made at or before the commencement date less any lease incentives received
- any initial direct costs."

Right-of-use assets are generally depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis. If the Company is reasonably certain to exercise a purchase option, the right-of-use asset is depreciated over the underlying asset's useful life.

Payments associated with short-term leases of equipment and all leases of low-value assets are recognised on a straight-line basis as an expense in profit or loss. Short-term leases are leases with a lease term of 12 months or less. Low-value assets comprise of computers & related equipment and plant & machinery.

As a lessor

Lease income from operating leases where the Company is a lessor is recognised in income on a straight-line basis over the lease term. Initial direct costs incurred in obtaining an operating lease are added to the carrying amount of the underlying asset and recognised as expense over the lease term on the same basis as lease income. The respective leased assets are included in the balance sheet based on their nature.

h) Impairment of assets

Property, plant and equipment and intangible assets are tested for impairment annually and 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 amounts due from customers for goods sold or services performed in the ordinary course of business and reflects Company's unconditional right to consideration (that is, payment is due only on the passage of time). Trade receivables are recognised initially at the transaction price as they do not contain significant financing components. The Company holds the trade receivables with the objective of collecting the contractual cash flows and therefore measures them subsequently at amortised cost using the effective interest method, less loss allowance.

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) 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.

Notes to the Standalone Financial Statements for the year ended 31 March 2023

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) Recognition

Regular way purchases and sales of financial assets are recognised on trade-date, being the date on which the Company commits to purchase or sale the financial asset.

(iii) Measurement

At initial recognition, the Company measures a financial asset (excluding trade receivables which do not contain a significant financing component) 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. Interest income from these financial assets is included in Other Income using the effective interest rate method. Any gain or loss arising on derecognition is recognised directly in profit or loss and presented in other gains/(losses). Impairment losses are presented as separate line item in the statement of profit and loss.

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 statement of 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 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.

iv) 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.

v) 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 on financial assets at amortised cost is calculated using the effective interest method is recognised in the statement of profit and loss as part of other income.

Interest income is calculated by applying the effective interest rate to the gross carrying amount of a financial asset except for financial assets that subsequently become credit-impaired. For credit-impaired financial assets the effective interest rate is applied to the net carrying amount of the financial asset (after deduction of the loss allowance).

Dividends

Dividends are received from financial assets at fair value through profit or loss and at FVOCI. Dividends are recognised as other income in profit or loss when the right to receive payment is established. This applies even if they are paid out of pre-acquisition profits, unless the dividend clearly represents a recovery of part of the cost of the investment.

o) Derivatives that are not designated as hedges

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.

Notes to the Standalone Financial Statements for the year ended 31 March 2023

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 reliably. The carrying amount of any component accounted for as separate asset is derecognized when replaced. All other repairs and maintenance are charged to statement of 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 method to allocate the cost of the assets, net of residual values, over 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 improvements are depreciated over the shorter of their useful life or the lease term, unless the entity expects to use the assets beyond the lease term. 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. 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.

Transition to Ind AS

On transition to Ind AS, the Company has elected to continue with the carrying value of all of intangible assets measured as per the previous GAAP and use that carrying value as the deemed cost of intangible assets.

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 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 statement of profit or loss.

Borrowings are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period. Where there is a breach of a material provision of a long term loan arrangement on or before the end of the reporting period with the effect that the liability becomes payable on demand on the reporting date, the entity does not classify the liability as current, if the lender agreed, after the reporting period and before the approval of the financial statements for issue, not to demand payment as a consequence of the breach.

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.

Notes to the Standalone Financial Statements for the year ended 31 March 2023

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.

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 statement of profit or loss as per past service cost.

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 2023

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.

4.1(a) Property, plant and equipment

All amounts in ₹ lakhs

Particulars	Gross carrying amount				Accumulated depreciation				Net carrying amount
	As at 1 April 2022	Additions	Deletions/ Adjustments	As at 31 March 2023	As at 1 April 2022	For the Year	Deletions/ Adjustments	As at 31 March 2023	As at 31 March 2023
Owned Assets									
Land	9,557.29	7,834.66	-	17,391.95	-	-	-	-	17,391.95
Buildings	28,241.42	4,504.53	787.24	31,958.71	6,461.19	1,351.48	92.69	7,719.98	24,238.73
Plant and Equipment	27,741.79	8,477.35	50.09	36,169.05	13,902.70	3,402.78	41.33	17,264.15	18,904.90
Furniture and Fixtures	136.80	40.43	0.19	177.04	70.15	14.80	0.17	84.78	92.26
Vehicles	1,063.63	97.19	32.08	1,128.74	490.71	130.95	25.15	596.51	532.23
Office Equipment	270.95	51.98	-	322.93	188.93	40.54	-	229.47	93.46
Data Processing Equipment	886.23	63.03	-	949.26	732.29	78.01	-	810.30	138.96
TOTAL	**67,898.11**	**21,069.17**	**869.60**	**88,097.68**	**21,845.97**	**5,018.56**	**159.34**	**26,705.19**	**61,392.49**

The Company has setup V Panel manufacturing unit at Udumalpet in Tamilnadu state which commenced its commercial production on July 20, 2022 and an additional production line of cement roofing sheets had commenced commerical production at Raebareli, Uttar Pradesh on May 05, 2022.

The Company has closed operations of cement roofing sheets unit at Patancheru in Hyderabad, Telangana state on September 15, 2022. As at date the Company is evaluating various proposals for utilisation of assets at the said unit.

4.1(b) 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**

4.1(c) Capital work-in-progress

Capital work-in-progress Ageing schedule

All amounts in ₹ lakhs

Particulars	Amount in capital work-in-progress for a period of				Total as at 31 March 2023
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	3,090.30	552.68	-	-	3,642.98
Projects temporarily suspended	-	-	-	-	-

4.1(d) Capital work-in-progress

Capital work-in-progress Ageing schedule

All amounts in ₹ lakhs

Particulars	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	-	-	-	-	-

Notes to the Standalone Financial Statements for the year ended 31 March 2023

4.1(e) Intangible assets

All amounts in ₹ lakhs

Particulars	Gross carrying amount				Accumulated amortisation				Net carrying amount
	As at 1 April 2022	Additions	Deletions/ Adjustments	As at 31 March 2023	As at 1 April 2022	For the Year	Deletions/ Adjustments	As at 31 March 2023	As at 31 March 2023
Computer Software	124.94	-	-	124.94	124.94	-	-	124.94	-
TOTAL	**124.94**	**-**	**-**	**124.94**	**124.94**	**-**	**-**	**124.94**	**-**

4.1(f) Intangible assets

All amounts in ₹ lakhs

Particulars	Gross carrying amount				Accumulated amortisation				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**	**-**

4.2 Right-of-use asset and Lease liabilities

(i) Amounts recognised in Standalone Balance Sheet

The balance sheet shows the following amounts relating to lease of land:

Right- of- use asset

All amounts in ₹ lakhs

Particulars	31 March 2023	31 March 2022
Gross Carrying Amount		
Opening gross carrying amount	-	-
Additions	97.00	-
Disposals	-	-
Closing gross carrying amount	**97.00**	**-**
Accumulated depreciation		
Opening balance	-	-
Depreciation charge for the year	0.40	-
Disposals	-	
At the end of the year	**0.40**	**-**
Net Carrying Amount	**96.60**	**-**

Leases liabilities

All amounts in ₹ lakhs

Particulars	31 March 2023	31 March 2022
Non Current		
Lease liabilities	86.65	-
Current		
Lease liabilities	6.06	-
Total Lease liabilities	**92.71**	**-**

(ii) Amount recognised in the statement of Profit and Loss

All amounts in ₹ lakhs

Particulars	Note	31 March 2023	31 March 2022
Interest expenses	31	1.70	-
Depreciation charge of right- of- use asset	32	0.40	-
Expenses related to short term leases	33	533.93	465.82

The total cash outflow for lease for the year was ₹ 6.00 lakhs (31 March 2022 was Nil).

Notes to the Standalone Financial Statements for the year ended 31 March 2023

5. Investment in subsidiaries

All amounts in ₹ lakhs

Particulars	31 March 2023	31 March 2022
Investments carried at cost		
Equity investment in subsidiary companies (unquoted - fully paid up)		
a) Vnext Solutions Private Limited	651.00	101.00
6,510,000 (2022-1,010,000) shares of ₹ 10 each		
b) Atum Life Private Limited	523.00	141.00
5,230,000 (2022-1,410,000) shares of ₹ 10 each		
TOTAL	**1,174.00**	**242.00**
Aggregate amount of unquoted investments in subsidiaries	**1,174.00**	**242.00**

6.1. Investments

All amounts in ₹ lakhs

Particulars	31 March 2023	31 March 2022
Investments in Equity Instruments (unquoted - fully paid up)		
Other entities - Fair value through Profit and Loss (FVTPL)		
a) Visaka Thermal Power Limited	0.00	0.00
2,078,600 (2022-2,078,600) shares of ₹ 10 each		
b) Somerset Entertainment Ventures (Singapore) Pte Ltd	0.00	0.00
131,903 (2022 -131,903) shares of Singapore $ 10 each		
c) Bhadreshwar Vidyut Private Limited (formerly known as OPGS Power Gujarat Private Limited)	0.00	0.00
702,000(2022 - 702,000) shares of ₹ 0.10 each		
d) V- Solar Roofings Private Limited	0.00	0.00
1,900 (2022 - 1900) of ₹ 10 each		
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 2023	31 March 2022
Unsecured, Considered good		
Employee advances	4.99	11.57
Secured, Considered good		
Deposits with maturity of more than 12 months *	61.13	61.13
TOTAL	**66.12**	**72.70**

* Earmarked with bank for providing bank guarantee to sales tax department.

7. Other non-current assets

All amounts in ₹ lakhs

Particulars	31 March 2023	31 March 2022
Unsecured, considered good		
i) Capital advances	6,061.97	3,819.15
ii) Deposits with government and others	1,275.76	966.18
TOTAL	**7,337.73**	**4,785.33**

Notes to the Standalone Financial Statements for the year ended 31 March 2023

8. Inventories

All amounts in ₹ lakhs

Particulars	31 March 2023	31 March 2022
a) Raw material	18,893.89	13,103.14
{including material in transit of ₹ 1,376.58 lakhs (2022- ₹1,250.82 lakhs)}		
b) Work-in-progress	3,948.01	3,092.49
c) Finished goods	13,704.96	11,676.26
{including material in transit of ₹ 608.41 lakhs (2022-₹ 746.07 lakhs)}		
d) Stores and spares	1,509.94	1,429.09
TOTAL	**38,056.80**	**29,300.98**

9. Trade receivables

All amounts in ₹ lakhs

Particulars	31 March 2023	31 March 2022
Secured, considered good	2,763.12	2,306.81
Unsecured, considered good*	11,436.02	11,523.20
Significant increase in Credit risk	141.33	152.37
Credit Impaired	-	-
	14,340.47	**13,982.38**
Less: Loss Allowance	(676.41)	(572.05)
TOTAL	**13,664.06**	**13,410.33**

* Includes ₹ 532.49 lakhs (Previous Year ₹ 195.44 lakhs) receivable from related parties (Refer Note 41)

9 (a) Trade Receivables ageing schedule:

All amounts in ₹ lakhs

Particulars	<6M	6m-1yr	1yr - 2yr	2yr-3yr	>3yr	Total as at 31 March 2023
Undisputed trade receivables						
- considered good	13,320.72	290.38	164.37	113.84	309.83	14,199.14
- significant increase in credit risk	-	-	-	-	-	-
- credit impaired	-	-	-	-	-	-
Disputed trade receivables						
- considered good	-	-	-	-		-
- significant increase in credit risk	-	-	-	34.02	107.31	141.33
- credit impaired	-	-	-	-	-	-
Total	**13,320.72**	**290.38**	**164.37**	**147.86**	**417.14**	**14,340.47**
Less: Loss Allowance						(676.41)
Net trade receivable						**13,664.06**

9 (b) Trade Receivables ageing schedule:

All amounts in ₹ lakhs

Particulars	<6M	6m-1yr	1yr - 2yr	2yr-3yr	>3yr	Total as at 31 March 2022
Undisputed trade receivables						
- considered good	12,948.76	245.70	224.13	154.68	256.74	13,830.01
- significant increase in credit risk	-	-	-	-	-	-
- credit impaired	-	-	-	-	-	-

9 (b) Trade Receivables ageing schedule: (Contd.)

All amounts in ₹ lakhs

Particulars	<6M	6m-1yr	1yr - 2yr	2yr-3yr	>3yr	Total as at 31 March 2022
Disputed trade receivables						
- considered good	-	-	-	-	-	-
- significant increase in credit risk	-	-	34.02	2.22	116.13	152.37
- credit impaired	-	-	-	-	-	-
Total	**12,948.76**	**245.70**	**258.15**	**156.90**	**372.87**	**13,982.38**
Less: Loss Allowance						(572.05)
Net trade receivable						**13,410.33**

10. Cash and cash equivalents

All amounts in ₹ lakhs

Particulars	31 March 2023	31 March 2022
a) Balances with banks		
in current accounts	2,393.13	2,401.88
b) Cash on hand	3.54	3.01
c) Cheques in hand	380.64	-
TOTAL	**2,777.31**	**2,404.89**

11. Other bank balances

All amounts in ₹ lakhs

Particulars	31 March 2023	31 March 2022
Earmarked balances with banks		
Unpaid dividend account	126.96	122.46
Reserve towards Public deposit	219.00	175.00
Margin money deposit	10.22	9.77
Deposit with maturity of more than 3 months but less than 12 monhts	5.25	5.00
TOTAL	**361.43**	**312.23**

12. Loans

All amounts in ₹ lakhs

Particulars	31 March 2023	31 March 2022
Unsecured, considered good		
Inter corporate deposits	2,500.00	3,022.03
TOTAL	**2,500.00**	**3,022.03**

12.1. During the year, Jamuna Hatcheries Private Limited has repaid the inter corporate deposit of ₹522.03 lakhs along with interest .

12.2. During the previous year, the Company has provided inter corporate deposit to Sushee Infra & Mining Limited of ₹2,500.00 lakhs for short term business requirements at an interest rate of 18% p.a which is repayable within one year from the date of disbursement or repayable on demand whichever is earlier.

During the year, the Company has received a part repayment of ₹1,500.00 lakhs and balance of ₹1,000.00 lakhs has been extended by a period of six months.

Further the Company has given an additional loan of ₹1,500.00 lakhs for short term business requirements at an interest rate of 18% p.a which is repayable within one year from the date of original agreement and the Company extended the said loan by a period of six months.

The amount outstanding as at balance sheet date is ₹2,500.00 lakhs which is repayable in September 2023.

Notes to the Standalone Financial Statements for the year ended 31 March 2023

12.3. During the year, the Company has provided inter corporate deposit to Vigilance Security Services Private Limited of ₹750.00 lakhs for short term business requirements at an interest rate of 9.5% p.a which is repayable within 6 months from the date of agreement and the same has been repaid during the year.

12.4. During the year, the Company has provided inter corporate deposit to Vnext Solutions Private Limited of ₹ 550.00 lakhs at an interest rate of 9.5% p.a for the purpose of short term business requirement which is repayable on demand or convertable into equity at the option of the Company.

During the year the ICD has been converted into equity by allotment of 55 lakhs equity shares by Vnext Solutions Private Limited at face value of ₹ 10/- each.

13. Other financial assets (current)

All amounts in ₹ lakhs

Particulars	31 March 2023	31 March 2022
Interest receivable	67.90	125.15
Employee advances	169.97	188.05
Advances to related parties (Refer note 41)	7.86	25.06
TOTAL	**245.73**	**338.26**

14. Other current assets

All amounts in ₹ lakhs

Particulars	31 March 2023	31 March 2022
Rent deposits	69.12	73.78
Prepaid expenses	430.89	312.78
Supplier advances	3,794.09	3,203.91
Cenvat , VAT & GST credit available	405.06	691.73
Others	1,033.71	1,750.82
TOTAL	**5,732.87**	**6,033.02**

15. Equity share capital

All amounts in ₹ lakhs

Particulars	31 March 2023	31 March 2022
AUTHORIZED:		
30,000,000 (2022- 30,000,000) Equity Shares of ₹10/- each	3,000.00	3,000.00
500,000 (2022- 500,000) 12% Cumulative Redeemable Preference Shares ₹100/- each	500.00	500.00
TOTAL	**3,500.00**	**3,500.00**
ISSUED, SUBSCRIBED & PAID-UP CAPITAL		
17,280,952 (2022- 17,280,952) equity shares of ₹ 10/- each fully paid up	1,728.10	1,728.10
Add: Shares forfeited - 79,408 (2022- 79,408) shares	3.97	3.97
TOTAL	**1,732.07**	**1,732.07**

(A) Movement in equity share capital:

All amounts in ₹ lakhs

Particulars	Number of shares	Amount
Balance at 1 April 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**
Movement during the year	-	-
Balance at 31 March 2023	**1,72,80,952**	**1,732.07**

15. Equity share capital (Contd.)

(B) Details of shareholders holding more than 5% shares in the Company

Name of the shareholder	As at 31 March 2023		As at 31 March 2022	
	No. of Shares	% holding	No. of Shares	% holding
a) Dr.G Vivekanand	68,73,043	39.77	68,63,492	39.72
b) Smt.G.Saroja Vivekanand	10,62,139	6.15	8,75,139	5.06
c) Vigilance Security Services Private Limited	8,96,424	5.19	8,79,764	5.09

(C) Details of Shareholding of Promoters

Shares held by promoters at the end of the year

Promoter name	As at 31 March 2023		% Change during the year
	No. of Shares	% of total shares	
Dr.G.Vivekanand	68,73,043	39.77%	0.14%
Smt.G.Saroja Vivekanand	10,62,139	6.15%	21.37%
Total	**79,35,182**	**45.92%**	

Shares held by promoters at the end of the year

Promoter name	As at 31 March 2022		% Change during the year
	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%
Total	**77,38,631**	**44.78%**	

(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.

(F) The shareholders of the Company approved sub division of one fully paid up equity share of the Company having face value of ₹ 10 into 5 fully paid up equity shares having a face value of ₹ 2 each and same has been given effect to on 15 May 2023 (record date).

16. Other equity

All amounts in ₹ lakhs

Particulars	31 March 2023	31 March 2022
Reserves and surplus		
Securities premium reserve	8,137.45	8,137.45
General reserve	27,000.00	27,000.00
Retained earnings	40,420.32	36,361.53
TOTAL	**75,557.77**	**71,498.98**

Notes to the Standalone Financial Statements for the year ended 31 March 2023

16. Other equity (Contd.)

(i) Securities Premium Reserve

All amounts in ₹ lakhs

Particulars	31 March 2023	31 March 2022
Opening balance	8,137.45	6,289.45
Movement during the year	-	1,848.00
Closing balance	**8,137.45**	**8,137.45**

(ii) General Reserve

All amounts in ₹ lakhs

Particulars	31 March 2023	31 March 2022
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 2023	31 March 2022
Opening balance	36,361.53	27,268.50
Profit for the year	5,479.04	11,852.79
Interim dividend	-	(1,153.67)
Final dividend	(1,382.48)	(1,648.09)
Items of other comprehensive income recognised directly in retained earnings		
- Remeasurements of post employment benefit obligation, net of tax	(37.77)	42.00
Closing balance	**40,420.32**	**36,361.53**

(iv) Money received against share warrants

All amounts in ₹ lakhs

Particulars	31 March 2023	31 March 2022
Opening balance	-	482.00
Money received during the year	-	-
Money adjusted on conversion of warrants	-	(482.00)
Closing balance	**-**	**-**

The Company on January 22, 2022 allotted 800,000 fully paid equity shares of face value ₹ 10/- each to the promoters group against 800,000 convertible warrants after receiving the balance consideration of ₹ 1,446.00 lakhs.

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.

17. Borrowings (non-current)

All amounts in ₹ lakhs

Particulars	31 March 2023	31 March 2022
Non- current		
a) Secured loans		
Term loans from banks	11,166.13	251.45
Loans from others		
PICUP Loan	3,364.53	2,657.40
Deferred revenue grant - PICUP Loan	1,798.36	1,758.40
b) Unsecured loans		
Public deposits	30.40	235.71
TOTAL	**16,359.42**	**4,902.96**

(i) Term loans from banks include

- Loan 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 7.95% 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 ₹ 251.46 lakhs repayable in June 23 which is included in Borrowings (current).

- Loan taken from HDFC Bank Limited for boards & panel project at Udumalpet, Tamilnadu State and an additional production line of cement roofing sheets at Raebareli, Uttar Pradesh State. The loan sanctioned and drawn is ₹ 7,500.00 lakhs during the year 2022-23 and is repayable in 24 quarterly installments at the rate of ₹ 312.50 lakhs each quarter from the financial year 2022-23 to 2028-29 (i.e., from December' 2022 to September' 2028). The current rate of interest is 8.83% p.a. (linked to treasury bill rate). 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 ₹ 6,875.00 lakhs repayable in 22 quarterly installments (out of which ₹ 1,250.00 lakhs are included in Borrowings (current)).

- Loan taken from ICICI Bank Limited for boards & panel project at Udumalpet, Tamilnadu State and an additional production line of cement roofing sheets at Raebareli, Uttar Pradesh State. The loan sanctioned is ₹ 7,500.00 lakhs during the year 2022-23 at the current rate of interest of 8.83% p.a. (linked to treasury bill rate). Out of which

  (a) ₹ 5,000.00 lakhs is drawn in Septemeber 2022, which is repayable in 22 quarterly installments at the rate of ₹ 227.27 lakhs each quarter from financial year 2022-23 to 2027-28 (i.e., from December' 2022 to March' 2028).

  (b) ₹ 2500.00 lakhs is drawn in January 2023 which is repayable in 21 quarterly installments at the rate of ₹ 119.05 lakhs from the financial year 2022-23 to 2027-28 (i.e., from March' 2023 to March' 2028).

  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 ₹ 6,926.41 lakhs repayable in 20 quarterly installments (out of which ₹ 1,385.28 lakhs are included in Borrowings (current)).

(ii) Loans from others include interest free loans of ₹ 6,977.94 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, ₹731.61 lakhs in 2022-23) from The Pradeshiya Industrial & Investment Corporation of U.P. Ltd (PIC UP) for the cement asbestos unit at

Notes to the Standalone Financial Statements for the year ended 31 March 2023

17. Borrowings (non-current) (Contd.)

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. During the year the Company has repaid the loan of ₹ 1523.75 lakhs.

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 2023	31 March 2022
Interest accrued but not due	0.31	12.28
TOTAL	**0.31**	**12.28**

19. Deferred tax liabilities (net)

All amounts in ₹ lakhs

Particulars	31 March 2023	31 March 2022
a) **Deferred tax assets**		
Expenses allowable on payment basis	170.24	164.18
b) **Deferred tax liabilities**		
Depreciation and amortisation	1,506.61	1,447.08
Deferred tax liabilities (net)	**1,336.37**	**1,282.90**

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 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**
Charged/(Credited) to statement of profit and loss	59.53	(6.06)	53.47
As at 31 March 2023	**1,506.61**	**(170.24)**	**1,336.37**

20. Borrowings (current)

All amounts in ₹ lakhs

Particulars	31 March 2023	31 March 2022
Current		
a) **Secured loans**		
Working capital loans from banks	8,812.08	3,496.62
Current maturities of long term debts (Refer note 17)	2,886.74	2,529.59
b) **Unsecured loans**		
Current maturities of public deposits	1,293.42	1,091.89
Short term loans from banks	9,377.34	4,696.61
TOTAL	**22,369.58**	**11,814.71**

20. Borrowings (current) (Contd.)

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 7.00% p.a.

20.2 Short term loans include

- Loan from HDFC amounting to ₹ 4,074.51 lakhs at an interest rate of 7.40% to 8.00% p.a
- Loan from ICICI amounting to ₹ 593.43 lakhs at an interest rate of 9.00% p.a.
- Standby letter of credit availed from various banks at an rate of interest ranging from 5% to 5.5%. The balance outstanding as at year end comprise of credit availed from :
  - (a) HDFC amounting to ₹ 374.76 lakhs
  - (b) ICICI amounting to ₹ 2234.75 lakhs
  - (c) SBI amounting to ₹ 2099.89 lakhs

20.3 Net Debt Reconciliation

All amounts in ₹ lakhs

Particulars	31 March 2023	31 March 2022
Opening balance of borrowings	16,717.67	11,548.53
Add:- Proceeds from non-current borrowings	15,731.61	-
Less:- Repayment of non-current borrowings	(3,731.96)	(1,004.74)
Proceeds/ (repayment) from current borrowings	9,996.19	6,175.00
Fair Value Adjustment	15.49	(1.12)
Lease liability	92.71	-
Closing balance of borrowings	**38,821.71**	**16,717.67**

21. Trade payables

All amounts in ₹ lakhs

Particulars	31 March 2023	31 March 2022
(a) Total outstanding dues of micro and small enterprises (Refer note 44)	331.00	204.57
(b) Total outstanding dues other than (a) above	8,944.51	8,376.56
TOTAL	**9,275.51**	**8,581.13**

21 (a) Trade Payables ageing schedule:

All amounts in ₹ lakhs

SI. No.	Particulars	Outstanding for following periods from due date of payment					Total as at 31 March 2023
		Unbilled dues	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i)	MSME	-	331.00	-	-	-	331.00
(ii)	Others	1,603.23	7,080.71	149.59	31.82	79.16	8,944.51
(iii)	Disputed dues- MSME	-	-	-	-	-	-
(iv)	Disputed dues- Others		-	-	-	-	-
TOTAL		**1,603.23**	**7,411.71**	**149.59**	**31.82**	**79.16**	**9,275.51**

Notes to the Standalone Financial Statements for the year ended 31 March 2023

21. Trade payables (Contd.)

21 (b) Trade Payables ageing schedule:

All amounts in ₹ lakhs

SI. 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**

22. Other financial liabilities (current)

All amounts in ₹ lakhs

Particulars	31 March 2023	31 March 2022
Interest accrued but not due	102.99	59.42
Unpaid dividend	126.96	122.46
Sundry deposits *	4,311.12	4,049.87
Capital creditors	276.24	317.79
TOTAL	**4,817.31**	**4,549.54**

*Sundry deposits include security deposits from stockists, agents and transporters etc.

23. Other current liabilities

All amounts in ₹ lakhs

Particulars	31 March 2023	31 March 2022
Advances from customers	1,148.74	1,351.66
Statutory liabilities	1,770.47	1,507.70
Employee benefits payable	2,269.00	2,798.14
TOTAL	**5,188.21**	**5,657.50**

24. Provisions

All amounts in ₹ lakhs

Particulars	31 March 2023	31 March 2022
Current		
Provision for contingencies	52.35	223.59
Provision for employee benefits		
- Leave encashment	88.00	106.09
- Gratuity	263.58	208.62
TOTAL	**403.93**	**538.30**

Movement in provision for contingencies

All amounts in ₹ lakhs

Particulars	31 March 2023	31 March 2022
Balance as at beginning of the year	223.59	123.16
Provision made during the year	-	100.43
Provision utilised during the year	(171.24)	-
Balance as at end of the year	**52.35**	**223.59**

24. Provisions (Contd.)

(i) Leave obligations

The leave obligation covers the Company's liability for earned leave. The Company has created a fund with LIC of India for earned leave encashment of employees for future payment.

All amounts in ₹ lakhs

Particulars	31 March 2023	31 March 2022
Leave obligation not expected to be settled within next 12 months	945.48	835.35

(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 of India 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 2023	31 March 2022
Company's Contribution to Provident Fund	699.22	651.08
Company's Contribution to Superannuation Fund	89.14	105.50

(iii) Post- employment obligations

a) Gratuity

The Company provides for gratuity for employees in India as per the Payment of Gratuity Act, 1972.Employees who are in continuous service for a period of 5 years are eligible for gratuity.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 gratuity plan is a funded plan and the Company makes contributions to 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 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**

Notes to the Standalone Financial Statements for the year ended 31 March 2023

24. Provisions (Contd.)

All amounts in ₹ lakhs

Particulars	Present value of obligation	Fair Value of Plan Assets	Net Liability
1 April 2022	**3,115.61**	**2,906.99**	**208.62**
Current service cost	316.68	-	316.68
Interest expense/(income)	212.44	216.30	(3.86)
Total amount recognized in profit and loss	**529.12**	**216.30**	**312.82**
<u>**Remeasurements**</u>			
Return on plan assets, excluding amounts included in interest expense/(income)	-	(1.03)	1.03
(Gain)/loss from change in financial assumptions	10.46	-	10.46
Experience (gains)/loss	38.98	-	38.98
Total amount recognized in other comprehensive income	**49.44**	**(1.03)**	**50.47**
Employer contributions	-	308.33	(308.33)
Benefit payments	(370.67)	(370.67)	-
31 March 2023	**3,323.50**	**3,059.92**	**263.58**

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 2023	31 March 2022
Present value of funded obligations	3,323.50	3,115.61
Fair value of plan assets	3,059.92	2,906.99
(Surplus)/Deficit of funded plans	**263.58**	**208.62**

Expected contributions to post- employment benefit plans of gratuity for the year ending 31 March 2024 are ₹268.97 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 2023	31 March 2022	Rate	31 March 2023	31 March 2022	Rate	31 March 2023	31 March 2022
Discount rate	7.21%	7.25%	1%	251.63	230.10	1%	(291.41)	(266.48)
Salary growth rate	5.00%	5.00%	1%	(277.89)	(253.86)	1%	244.15	222.97
Attrition rate	3.00%	3.00%	1%	(36.97)	(34.57)	1%	40.76	38.28

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.

24. Provisions (Contd.)

The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to the prior period.

Expected cash flow and duration of the plan

All amounts in ₹ lakhs

Particulars	31 March 2023	31 March 2022
Weighted average duration of DBO	14	14
Expected total benefit payments		
Year 1	529.91	430.34
Year 2	326.32	434.71
Year 3	185.01	173.99
Year 4	262.00	173.08
Year 5	229.72	233.21
Next 5 years	1057.86	968.01

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 (Assets)/Liabilities(net)

All amounts in ₹ lakhs

Particulars	31 March 2023	31 March 2022
Opening balance	270.03	257.82
Less: Taxes paid (net of refunds)	(2,255.46)	(4,213.56)
Add: Current tax expense for the year	1,900.36	4,225.77
TOTAL	**(85.07)**	**270.03**

26. Revenue from operations

All amounts in ₹ lakhs

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
Sale of products	1,63,970.80	1,40,043.37
Other operating revenue		
Export incentives	150.46	96.52
Industrial incentives	250.83	1,240.29
Sale of scrap	286.33	197.76
TOTAL	**1,64,658.42**	**1,41,577.94**

Notes to the Standalone Financial Statements for the year ended 31 March 2023

27. Other income

All amounts in ₹ lakhs

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
Interest income on financial assets carried at amortised cost	609.77	307.11
Insurance claim received	48.04	38.46
Government grants	345.49	384.39
Net gain on disposal of property, plant and equipment	-	31.76
Miscellaneous income	97.10	226.93
TOTAL	**1,100.40**	**988.65**

28. Cost of materials consumed

All amounts in ₹ lakhs

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
Cost of materials consumed	90,244.67	69,744.37
TOTAL	**90,244.67**	**69,744.37**

29. Changes in inventories of finished goods and work in progress

All amounts in ₹ lakhs

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
Opening inventory		
Finished goods	11,676.26	8,849.29
Work-in-progress	3,092.49	2,847.80
(A)	**14,768.75**	**11,697.09**
Closing inventory		
Finished goods	13,704.96	11,676.26
Work-in-progress	3,948.01	3,092.49
(B)	**17,652.97**	**14,768.75**
TOTAL (A-B)	**(2,884.22)**	**(3,071.66)**

30. Employee benefits expense

All amounts in ₹ lakhs

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
Salaries, wages and bonus	11,538.45	11,210.62
Contribution to provident and other funds	890.06	844.63
Gratuity	312.82	285.42
Leave compensation	106.51	98.15
Staff welfare expenses	865.30	784.07
TOTAL	**13,713.14**	**13,222.89**

Notes to the Standalone Financial Statements for the year ended 31 March 2023

31. Finance costs

All amounts in ₹ lakhs

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
Interest on borrowings	2,159.14	1,028.71
Other borrowing cost	72.10	92.78
Interest on shortfall in payment of advance tax	-	34.02
Interest on lease liability (Refer note 4.2)	1.70	-
TOTAL	**2,232.94**	**1,155.51**

32. Depreciation expense

All amounts in ₹ lakhs

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
Depreciation of property, plant and equipment	5,018.56	3,761.80
Depreciation of right-of-use asset (Refer note 4.2)	0.40	-
TOTAL	**5,018.96**	**3,761.80**

33. Other expenses

All amounts in ₹ lakhs

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
Consumption of stores and spares	4,942.97	3,537.83
Cost of packing materials consumed	2,038.90	1,596.80
Power and fuel	6,844.25	5,447.33
Repairs and maintenance		
Buildings	1,132.26	838.61
Plant and machinery	513.80	497.86
Insurance	456.38	404.31
Rates & taxes	234.18	199.93
Rent	533.93	465.82
Wages - contract labour	5,891.22	4,770.81
Travelling & conveyance	1,273.85	882.82
Commission	445.23	522.42
Freight	16,332.95	14,858.29
Advertisement & sales promotion expenses	3,110.66	2,471.11
Payments to auditors {Refer note 33 (a)}	62.15	52.05
Directors' sitting fee	7.15	7.75
Bad debts written off	34.98	37.66
Foreign exchange (gain)/loss (net)	(262.06)	(73.52)
Loss on sale of property, plant and eqiupment (net)	188.77	-
Non whole time directors' commission	40.00	40.00
Property, plant and eqiupment written off	10.22	8.61
Loss allowance on trade receivables	104.36	(7.13)
Corporate social responsibility (CSR) expenditure {Refer note 33 (b)}	249.52	230.07
Contribution to political party *	-	300.00
Miscellaneous expenses	4,788.08	4,166.85
TOTAL	**48,973.75**	**41,256.28**

*Donation to Bharatiya Janata Party

Notes to the Standalone Financial Statements for the year ended 31 March 2023

33 (a) Payment to auditors

All amounts in ₹ lakhs

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
(a) To statutory auditor		
- Statutory audit fee	35.00	31.50
- Quarterly audit fee	4.00	4.00
- Certification fee	6.00	7.25
- Reimbursement of expenses	3.32	1.70
(b) To others		
- Cost audit fee	1.80	1.50
- Tax audit fee	9.00	6.00
- Certification and taxation matters	3.03	0.10
TOTAL	**62.15**	**52.05**

33 (b) Corporate social responsibility expenditure

All amounts in ₹ lakhs

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
Amount spent directly by the Company towards CSR activities	249.52	230.07
	249.52	**230.07**
a) Amount required to be spent by the Company during the year as per Section 135 of the Act	249.48	205.97
b) Amount approved by the board to be spent during the year	249.52	230.07
c) Amount of expenditure incurred /Amount spent during the year on :		
1. Construction/ acquisition of any assets	-	-
2. On purposes other than (1) above	249.52	230.07

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	Year ended 31 March 2023	Year ended 31 March 2022
Balance (excess)/ short spent at the beginning of the year	**(24.10)**	**-**
Add:Amount required to be spent during the year	249.48	205.97
Less:Amount spent during the year	(249.52)	(230.07)
Balance (excess)/short at the end of the year	**(24.14)**	**(24.10)**

34. Reconciliation of tax expenses and the accounting profit multiplied by tax rate

All amounts in ₹ lakhs

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
Profit before tax expense	**7,445.57**	**16,077.00**
Tax at the Indian tax rate of 25.168%	1,873.90	4,046.26
Effect of non-deductible expense	91.26	180.72
Effect of allowances for tax purpose	1.37	(2.77)
Income tax expense	**1,966.53**	**4,224.21**

35. Fair Value Measurement

Fair values

1. 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.

2. 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.

Categories of financial instruments

All amounts in ₹ lakhs

Particulars	Level	31 March 2023		31 March 2022	
		Carrying amount	Fair value*	Carrying amount	Fair value*
Financial assets					
Measured at amortised cost:					
Non-current					
Other financial assets	3	66.12	66.12	72.70	72.70
Current					
Trade receivables	3	13,664.06	13,664.06	13,410.33	13,410.33
Cash and Cash Equivalents	3	2,777.31	2,777.31	2,404.89	2,404.89
Other bank balances	3	361.43	361.43	312.23	312.23
Loans	3	2,500.00	2,500.00	3,022.03	3,022.03
Other financial assets	3	245.73	245.73	338.26	338.26
Measured at fair value through profit and loss					
Non-current					
Investments	3	0.00	0.00	0.00	0.00
Total		**19,614.65**	**19,614.65**	**19,560.44**	**19,560.44**
Financial liabilities					
Measured at amortised cost					
Non-current					
Borrowings	3	16,359.42	16,359.42	4,902.96	4,902.96
Other financial liabilities	3	0.31	0.31	12.28	12.28
Current					
Borrowings	3	22,369.58	22,369.58	11,814.71	11,814.71
Trade Payables	3	9,275.51	9,275.51	8,581.13	8,581.13
Other Financial Liabilities	3	4,817.31	4,817.31	4,549.54	4,549.54
Total		**52,822.13**	**52,822.13**	**29,860.62**	**29,860.62**

*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.

Notes to the Standalone Financial Statements for the year ended 31 March 2023

35. Fair Value Measurement (Contd.)

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.

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 2023 and 31 March 2022. 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 2023 and 31 March 2022.

(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 dollors 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 2023	31 March 2022	31 March 2023	31 March 2022
Change in USD				
1% increase	(40.02)	(38.01)	(29.95)	(28.44)
1% decrease	40.02	38.01	29.95	28.44
Change in GBP				
1% increase	-	0.72	-	0.54
1% decrease	-	(0.72)	-	(0.54)

36. Financial risk management (Contd.)

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 floating 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 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 2023	31 March 2022	31 March 2023	31 March 2022
Change in interest rate				
increase by 100 basis points	(322.42)	(94.51)	(241.27)	(70.72)
decrease by 100 basis points	322.42	94.51	241.27	70.72

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

Notes to the Standalone Financial Statements for the year ended 31 March 2023

36. Financial risk management (Contd.)

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.

i. 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.

ii. The Company follows "simplfied approach" for recognition of impairment of loss allowance on trade receivable.

(i) Expected credit loss for trade receivable under simplified approach:

All amounts in ₹ lakhs

Particulars	31 March 2023	31 March 2022
Gross carrying amount	14,340.47	13,982.38
Expected credit losses (Loss allowance)	(676.41)	(572.05)
Carrying amount of trade receivables	**13,664.06**	**13,410.33**

(ii) Reconciliation of loss allowance provision

All amounts in ₹ lakhs

Particulars	Trade receivables
Loss allowance as at 1 April 2021	**579.18**
Changes in loss allowance during the period of 2021-22	(7.13)
Loss allowance as at 31 March 2022	**572.05**
Changes in loss allowance during the period of 2022-23	104.36
Loss allowance as at 31 March 2023	**676.41**

Expected credit loss rate

Particulars	<6M	6m-1yr	1yr-2yr	2yr-3yr	>3yr
31-March-23	0.50%	20.40%	27.50%	75.90%	100.00%
31-March-22	0.30%	4.90%	21.20%	59.90%	100.00%

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 2023	31 March 2022
Asset group	Estimated gross carrying amount at default	Estimated gross carrying amount at default
Gross carrying amount		
Loans	2,500.00	3,022.03
Employee advances	182.82	224.68
	2,682.82	**3,246.71**
Net carrying amount		
Loans	2,500.00	3,022.03
Employee advances	182.82	224.68
Total	**2,682.82**	**3,246.71**

(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.

36. Financial risk management (Contd.)

(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	31 March 2023	31 March 2022
Expiring within one year (bank overdraft and other facilities)	11,873.00	23,494.00

(ii) Maturities of Financial liabilities

Contractual maturities of financial liabilities as at :

All amounts in ₹ lakhs

Particulars	31 March 2023		31 March 2022	
	Less than 12 months	More than 12 months	Less than 12 months	More than 12 months
Borrowings	22,369.58	16,359.42	11,814.71	4,902.96
Trade Payables	9,275.51	-	8,581.13	-
Other Financial Liabilities	4,817.31	0.31	4,549.54	12.28
Total	**36,462.40**	**16,359.73**	**24,945.38**	**4,915.24**

(iii) Management expects finance cost to be incurred for the year ending 31 March 2024 of ₹ 3,500.00 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 2023	31 March 2022
Borrowings		
Current	22,369.58	11,814.71
Non current	16,359.42	4,902.96
Debt	**38,729.00**	**16,717.67**
Equity		
Equity share capital	1,732.07	1,732.07
Other equity	75,557.77	71,498.98
Total capital	**77,289.84**	**73,231.05**
Gearing ratio in % (Debt/ capital)	**50%**	**23%**

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.

Notes to the Standalone Financial Statements for the year ended 31 March 2023

37. Capital management (Contd.)

No changes were made in the objectives, policies or processes for managing capital during the years ended 31 March 2023 and 31 March 2022.

B. Dividends

All amounts in ₹ lakhs

Particulars	31 March 2023	31 March 2022
Dividend declared and paid during the year		
Interim dividend of ₹ Nil/- per fully paid equity share (31 March 2022 - ₹ 7/-).	-	1,153.67
Proposed dividends on equity shares		
For the year ended the directors have recommended the payment of a final dividend of ₹ 0.60/- per equity share i.e., 30% on the face value of ₹ 2/- per share (31 March 2022 - ₹ 8/-per equity share i.e., 80% on the face value of ₹10/- per share) . This proposed dividend is subject to the approval of shareholders in the ensuing annual general meeting, hence the same is not recognised.	518.43	1,382.48

The Board of Directors in its meeting held on April 01, 2023 has approved payment of interim dividend of ₹7/- per equity share (i.e., 70% on the face value of ₹10/- per share) aggregating to ₹ 1209.67 lakhs for the financial year 2022–23.

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 uses 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.

38. Segment information (Contd.)

Summary of segment information

All amounts in ₹ lakhs

Particulars	31 March 2023	31 March 2022
A.Revenue		
Segment revenue		
Building product	1,35,068.15	1,16,750.16
Synthetic yarn	29,590.27	24,827.78
Total revenue	**1,64,658.42**	**1,41,577.94**
B.Segment profit		
Building product	9,499.48	16,116.50
Synthetic yarn	4,334.31	4,410.86
Segment operating profit	**13,833.79**	**20,527.36**
Reconciliation of segment operating profit to operating profit		
Unallocated:		
Unallocated corporate expenses	(5,038.15)	(3,936.58)
Unallocated corporate Income	882.87	641.73
Operating profit	**9,678.51**	**17,232.51**
Finance costs	(2,232.94)	(1,155.51)
Profit before tax	**7,445.57**	**16,077.00**
Income tax expense	(1,966.53)	(4,224.21)
Profit after tax	**5,479.04**	**11,852.79**

All amounts in ₹ lakhs

Particulars	31 March 2023	31 March 2022
Segment Assets		
Building product	1,07,891.12	83,347.60
Synthetic yarn	11,924.48	14,622.35
Unallocated corporate assets	17,317.59	12,870.45
Total assets	**1,37,133.19**	**1,10,840.40**
Segment liabilities		
Building product	13,212.60	12,937.20
Synthetic yarn	1,672.44	1,842.81
Unallocated corporate liabilities	44,958.31	22,829.34
Total liabilities	**59,843.35**	**37,609.35**

All amounts in ₹ lakhs

Particulars	31 March 2023	31 March 2022
Geographical segment revenue by location of customers		
India	1,51,877.53	1,31,019.28
Outside India	12,780.89	10,558.66
	1,64,658.42	**1,41,577.94**

All amounts in ₹ lakhs

Particulars	31 March 2023	31 March 2022
Geographical segment assets		
India	1,36,069.51	1,09,135.37
Outside India	1,063.68	1,705.03
	1,37,133.19	**1,10,840.40**

Notes to the Standalone Financial Statements for the year ended 31 March 2023

39. Contingent liabilities

The Company has following contingent liabilities as at:

All amounts in ₹ lakhs

Particulars	31 March 2023	31 March 2022
(i) VAT/CST/Entry tax*	80.48	85.28
(ii) Excise duty/Customs duty/Service tax*	5,983.91	6,049.47
Total	**6,064.39**	**6,134.75**

*Includes ₹ 144.13 lakhs (2022 ₹ 143.99 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 certainity, 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

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 2023	31 March 2022
Property, plant and equipment	7,454.62	4,023.19
Total	**7,454.62**	**4,023.19**

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.J.Pruthvidhar Rao	Whole Time Director & COO
Mr.S.Shafiulla	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	
Dr. G.Vivekanand	Director
Mr. Gusti Noria	Director
Mr. P. Srikar Reddy	Director
Mr. Gogineni Appnender Babu	Director
Mrs. Vanitha Datla	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. K.Vimala	Mother of Mrs. Saroja Vivekanand

41. Related party transactions (Contd.)

Names of the related parties	Nature of relationship
Mrs. Dinaz Gusti Noria	Spouse of Mr. Gusti Noria
Mr. Youhan Gusti Noria	Son of Mr. Gusti Noria
Mrs. J. Asha Latha	Spouse of Mr.J.Pruthvidhar Rao
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) V-Solar roofing Private Limited	
e) G Vivekanand family trust	
f) SV family trust	
g) Arudra Roofings Private Limited	
h) Atumobile Private Limited	
v) Subsidiary companies	
a) Vnext Solutions Private Limited	
b) Atum Life Private Limited	

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 2023	Year ended 31 March 2022
Mrs. G.Saroja Vivekanand	Remuneration*	393.90	883.28
Mr.G.Vamsi Krishna	Remuneration*	314.85	521.81
Mr.J.Pruthvidhar Rao	Remuneration*	136.53	121.37
Mr.S.Shafiulla	Remuneration*	63.07	55.93
Mr.I. Srinivas	Remuneration*	-	26.81
Mr. M. Muralidhar	Remuneration*	-	11.57
Mr. K. Ramakanth	Remuneration*	34.50	10.44
Mrs. G.Saroja Vivekanand	Dividend paid	72.01	50.00
Dr.G.Vivekanand	Dividend paid	549.08	1,124.14
Mr.G.Vamsi Krishna	Dividend paid	9.74	3.69
Mrs. G.Vritika	Dividend paid	4.32	0.68
Mrs. G.Vaishnavi	Dividend paid	4.32	0.68
G Vivekanand family trust	Dividend paid	2.94	6.24
SV family trust	Dividend paid	1.24	2.64
Arudra Roofings Private limited	Dividend paid	24.97	96.58
VIL Media Private limited	Dividend paid	0.04	0.08
Mr. Gusti Noria	Dividend paid	0.31	0.48
Mrs. Dinaz Gusti Noria	Dividend paid	0.08	0.17
Mr. Youhan Gusti Noria	Dividend paid	0.01	0.02
Dr. G.Vivekanand	Commission and Sitting fees	11.35	11.15
Mr. Gusti Noria	Commission and Sitting fees	12.40	12.65
Mr. P. Srikar Reddy	Commission and Sitting fees	11.75	12.20

Notes to the Standalone Financial Statements for the year ended 31 March 2023

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 2023	Year ended 31 March 2022
Mr. Gogineni Appnender Babu	Commission and Sitting fees	11.65	11.75
Mrs. G.Vritika	Interest on Public Deposits	5.14	4.08
Mrs. G.Vaishnavi	Interest on Public Deposits	4.08	3.75
Mr. G.Venkat Krishna	Interest on Public Deposits	0.57	0.57
Mrs. K.Vimala	Interest on Public Deposits	2.50	2.50
Mr.J.Pruthvidhar Rao	Interest on Public Deposits	2.00	-
Mrs. J. Asha Latha	Interest on Public Deposits	2.26	-
Dr.G.Vivekanand	Loan received	400.00	636.00
	Loan repaid	400.00	636.00
	Interest on Unsecured loan	3.19	7.05
Mrs. G.Saroja Vivekanand	Loan received	188.00	230.00
	Loan repaid	188.00	230.00
	Interest on Unsecured loan	2.94	1.53
Arudra Roofings Private Limited	ICD repaid	-	114.00
	Interest on ICD	-	1.15
VIL Media Private Limited	Advertising expenses	1,010.24	748.58
	ICD received	-	1,210.00
	ICD repaid	-	1,210.00
	Interest on ICD	-	15.32
	Advance for expenses	93.91	-
Vnext Solutions Private Limited	Investment (Conversion of loan to equity)	550.00	100.00
	Sale	924.40	385.63
	Rental income	0.36	0.27
	ICD given	550.00	-
	Interest income on ICD	30.15	-
	Lease payments	6.00	-
Atum Life Private Limited	Investment	382.00	140.00
	Sale	10.98	9.63
	Rental income	18.00	2.55
Mrs. G.Vritika	Public Deposits received	13.00	15.00
Mrs. G.Vaishnavi	Public Deposits received	3.49	3.25
Mr.J.Pruthvidhar Rao	Public Deposits received	50.00	-
Mrs. J. Asha Latha	Public Deposits received	50.00	-
Mr.J.Pruthvidhar Rao	Public Deposits repaid	50.00	-
Mrs. J. Asha Latha	Public Deposits repaid	50.00	-
Mr.J.Pruthvidhar Rao	Advances given	4.91	26.54
	Advances repaid	22.11	2.75
Mr.S.Shafiulla	Advances repaid	-	2.56

* Post employment benefits are actuarially determined on overall basis and hence not seperately provided.

41. Related party transactions (Contd.)

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 2023	31 March 2022
Vnext Solutions Private Limited	Debtors Outstanding	501.79	183.06
	Lease liability	92.71	-
Atum Life Private Limited	Debtors Outstanding	30.70	12.38
	Other receivable	33.87	-
VIL Media Private Limited	Advances Outstanding	93.91	-
Mrs. G.Vritika	Public Deposits Outstanding	60.34	47.34
Mrs. G.Vaishnavi	Public Deposits Outstanding	42.84	39.35
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	7.86	25.06

42. Earnings per share (EPS)

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
Profit after tax ((₹ in lakhs))	5,479.04	11,852.79
Weighted average number of equity shares outstanding in calculating Basic EPS (Nos in lakhs)	864.05	831.60
Weighted average number of equity shares outstanding in calculating Diluted EPS (Nos in lakhs)	864.05	852.20
Basic Earnings per Share (EPS)₹	6.34	14.25
Diluted Earnings per Share (EPS)₹	6.34	13.91

Subsequent to the year end and pursuant to Board and Shareholder's approval, the equity shares of the Company i.e.,17,280,952 shares having face value of Rs 10/- each were split/sub-divided into 86,404,760 shares having face value of ₹2/- each, fully paid-up with effect from May 15, 2023 (Record Date).

The Earnings per share (EPS) presented for the above periods is after adjusting for the split/ sub-division of equity shares of the Company in accordance with Ind AS 33.

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 2023	31 March 2022
Non-current Assets		
(a) Property, plant and equipment	61,392.49	46,052.14
(b) Right-of-use asset	96.60	-
(c) Capital work-in-progress	3,642.98	4,866.49
(d) Intangible assets	0.00	0.00
(e) Investments in subsidiaries	1,174.00	242.00

Notes to the Standalone Financial Statements for the year ended 31 March 2023

43. Assets pledged as security (Contd.)

All amounts in ₹ lakhs

Particulars	31 March 2023	31 March 2022
(f) Financial assets		
Investments	0.00	0.00
Other financial assets	66.12	72.70
(g) Other non-current assets	7,337.73	4,785.33
Current Assets		
(a) Inventories	38,056.80	29,300.98
(b) Financial assets		
(i) Trade receivables	13,664.06	13,410.33
(ii) Cash and cash equivalents	2,777.31	2,404.89
(iii) Other bank balances	361.43	312.23
(iv) Loans	2,500.00	3,022.03
(v) Other financial assets	245.73	338.26
(c) Current tax assets (net)	85.07	-
(d) Other current assets	5,732.87	6,033.02
TOTAL	**1,37,133.19**	**1,10,840.40**

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 2023	31 March 2022
Principal amount due to suppliers registered under the MSMED Act and remaining unpaid as at year end	331.00	204.57
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	-	-

45. Financial Ratios

Particulars	Numerator	Denominator	31 March 2023	31 March 2022	Variance %	Reasons for variance of above 25%
Current Ratio (no. of times)	Current Assets	Current Liabilities	1.51	1.75	-14%	-
Debt Equity ratio (no. of times)	Total Debt	Shareholder's Equity	0.56	0.28	100%	Variance is primarily on account of increase in borrowings .
Debt service coverage ratio (no. of times)	Earnings available for debt service	Debt Service	2.09	3.81	-45%	Variance is primarily on account of decrease in earnings and increase in current maturities of long term borrowings payable in FY 23-24.
Return on Equity Ratio (%)	Net Profits after taxes	Average Shareholder's Equity	7.28	17.44	-58%	Variance is primarily on account of decrease in profits for the current year.
Inventory turnover ratio (no. of times)	Cost of goods sold (or) sales	Average Inventory	4.87	5.17	-6%	-
Trade Receivables turnover ratio (no. of times)	Net Credit Sales	Average trade receivables	12.11	11.71	3%	-
Trade payables turnover ratio (no. of times)	Net Credit Purchases	Average trade payables	10.83	7.95	36%	Variance is primarily on account of increase in purchases due to increase in purchase prices.
Net capital turnover ratio (no. of times)	Net Sales	Working Capital	7.68	5.98	28%	Variance is primarily on account of increase in net sales and decrease in working capital.
Net profit ratio (%)	Net Profits after taxes	Net Sales	3.34	8.46	-61%	Variance is primarily on account of increase in net sales and decrease in profits .
Return on Capital employed (%)	Earning before interest and taxes	Capital Employed	7.89	17.95	-56%	Variance is primarily on account of increase in borrowings and decrease in profits.
Return on investment (ROI) (%)	Earning before interest and Tax of investee	Total assets of investee	(3.25)	(3.64)	-11%	-

Notes to the Standalone Financial Statements for the year ended 31 March 2023

46. Title deeds of immovable properties

The title deeds of all the immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in the favour of the lessee), as disclosed in note 4.1 & 4.2 to the standalone financial statements, are held in the name of the Company.

47. Valuation of Property Plant & Equipment, intangible asset

The Company has not revalued its property, plant and equipment including Right -of -Use Asset 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 which is outstanding as at balance sheet date 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 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.

50. Borrowing secured against current asset

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.

51. Wilful defaulter

The Company has not been declared wilful defaulter by any bank or financial institution or other lender.

52. 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.

53. 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.

54. 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.

55. 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.

56. 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

56. Utilisation of borrowed funds and share premium (Contd.)

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.

57. 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.

58. Exceptional item as disclosed in the Statement of Profit & Loss represents retrenchment compensation paid to workers of Patancheru factory during the year.

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

sd/-
N.K.Varadarajan
Partner
Membership Number: 090196

Place: Secunderabad
Date: May 19, 2023

On behalf of Board of Directors

sd/-
Dr. G. Vivekanand
Chairman
DIN : 00011684

sd/-
Smt. G. Saroja Vivekanand
Managing Director
DIN : 00012994

sd/-
S. Shafiulla
Chief Financial Officer

sd/-
K. Ramakanth
Company Secretary &
Assistant Vice President
Membership No:F5539

Place: Secunderabad
Date: May 19, 2023

Consolidated Financial Statements

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, 2023, 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, 2023 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
Appropriateness of capitalisation of costs included in Property Plant and Equipment/ Capital work in progress as per Ind AS 16 Property, Plant and Equipment 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 consolidated financial statements.	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: • 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.

Key audit matter	How our audit addressed the key audit matter
During the year, the Holding Company has incurred significant capital expenditure towards setting up of panels plant at Udumalpet, boards plant at Midnapore and additional production line of its cement roofing sheets at Raebareli. Capital expenditure amounting to ₹ 2,597.80 lakhs and ₹ 7,539.69 lakhs relating to panel plant at Udumalpet and additional production line at Raebareli plant respectively has been capitalized during the year and the capital expenditure of ₹374.32 lakhs relating to setting up of boards plant at Midnapore and ₹3,268.66 lakhs relating to other projects is included in capital work in progress as at the year end. 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.	• 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, to ascertain whether these meet the criteria for capitalization. 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.
Timing of Revenue recognition in the proper period as per Ind AS 115 Refer to Note-2(d) (Significant Accounting Policies) and Note-25 (Revenue from operations) of the consolidated financial statements. The Holding Company's revenue is principally derived from sale of building products and synthetic blended yarn. 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 based on terms of sale. Revenue is measured at consideration to which an entity expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third parties. The transaction price of the goods sold is net of variable consideration on account of various discounts and schemes offered by the company as part of contract. 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.	Our audit procedures included the following: • 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 customer order and directions, 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. Based on the above stated procedures, no significant exceptions were noted in revenue recognition

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 auditors 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 such entities 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 1,768.33 lakhs and net assets of ₹ 1,032.49 lakhs as at March 31, 2023, total revenue of ₹ 1,620.96 lakhs, total comprehensive loss (comprising of loss and other comprehensive income) of ₹120.94 lakhs and net cash flows amounting to ₹36.62 lakhs for the year ended on that date, as considered in the consolidated financial statements. These financial statements have been audited by other auditors 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, 2023 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary companies incorporated in India, none of the directors of the Group companies, incorporated in India is disqualified as on March 31, 2023 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, 2023 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 Holding 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 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 received by the Holding 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 Holding 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.

vi. As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 (as amended), which provides for books of account to have the feature of audit trail, edit log and related matters in the accounting software used by the Group, is applicable to the Group only with effect from financial year beginning April 1, 2023, the reporting under clause (g) of Rule 11 of the Companies (Audit and Auditors) Rules, 2014 (as amended), is currently not applicable.

19. The Group have 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

sd/-
N.K. Varadarajan
Partner
Membership Number : 090196

UDIN: 23090196BGYZIQ2591
Place : Secunderabad
Date : May 19, 2023

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 31,2023

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, 2023, 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, 2023, 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

sd/-

UDIN: 23090196BGYZIQ2591 **N.K. Varadarajan**
Place : Secunderabad Partner
Date : May 19, 2023 Membership Number : 090196

Consolidated Balance Sheet as at 31 March 2023

All amounts in ₹ lakhs

Particulars	Note	31 March 2023	31 March 2022
I. ASSETS			
Non-current Assets			
(a) Property, plant and equipment	4.1	62,043.02	46,052.14
(b) Capital work-in-progress	4.2	3,748.13	4,954.96
(c) Intangible assets	4.3	11.05	0.00
(d) Financial assets			
Investments	5.1	0.00	0.00
Other financial assets	5.2	186.04	108.02
(e) Other non-current assets	6	7,364.04	4,785.77
Current Assets			
(a) Inventories	7	38,147.63	29,378.46
(b) Financial assets			
(i) Trade receivables	8	13,666.41	13,347.94
(ii) Cash and cash equivalents	9	2,833.42	2,424.39
(iii) Other bank balances	10	361.43	312.23
(iv) Loans	11	2,500.00	3,022.03
(v) Other financial assets	12	295.34	338.26
(c) Current tax assets (net)	24	60.91	-
(d) Other current assets	13	5,821.07	6,172.53
TOTAL ASSETS		**1,37,038.49**	**1,10,896.73**
II. EQUITY AND LIABILITIES			
Equity			
(a) Equity share capital	14	1,732.07	1,732.07
(b) Other equity	15	75,416.87	71,478.41
Liabilities			
Non-Current Liabilities			
(a) Financial liabilities			
(i) Borrowings	16	16,359.42	4,902.96
(ii) Other financial liabilities	17	0.31	12.28
(b) Deferred tax liabilities (net)	18	1,337.97	1,282.90
Current Liabilities			
(a) Financial liabilities			
(i) Borrowings	19	22,369.58	11,816.17
(ii) Trade payables	20		
(a) total outstanding dues of micro and small enterprises		331.00	204.57
(b) total outstanding dues other than (ii) (a) above		8,990.48	8,406.18
(iii) Other financial liabilities	21	4,817.31	4,549.54
(b) Other current liabilities	22	5,279.55	5,701.20
(c) Provisions	23	403.93	538.30
(d) Current tax Liabilities(net)	24	-	272.15
TOTAL EQUITY AND LIABILITIES		**1,37,038.49**	**1,10,896.73**
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

sd/-
N.K.Varadarajan
Partner
Membership Number: 090196

Place: Secunderabad
Date: May 19, 2023

On behalf of Board of Directors

sd/-
Dr. G. Vivekanand
Chairman
DIN : 00011684

sd/-
Smt. G. Saroja Vivekanand
Managing Director
DIN : 00012994

sd/-
S. Shafiulla
Chief Financial Officer

sd/-
K. Ramakanth
Company Secretary &
Assistant Vice President
Membership No:F5539

Place: Secunderabad
Date: May 19, 2023

Consolidated Statement of Profit and Loss for the year ended 31 March 2023

All amounts in ₹ lakhs, except Earning Per Share

Particulars	Note	Year ended 31 March 2023	Year ended 31 March 2022
I. Revenue from operations	25	1,65,342.50	1,41,581.42
II. Other income	26	1,053.38	986.28
III. Total Income (I + II)		**1,66,395.88**	**1,42,567.70**
IV. Expenses			
Cost of materials consumed	27	90,244.67	69,744.37
Purchases of stock-in-trade		1,225.23	478.65
Changes in inventories of finished goods and work-in-progress	28	(2,897.57)	(3,149.14)
Employee benefits expense	29	13,713.14	13,222.89
Finance costs	30	2,232.41	1,155.51
Depreciation and amortisation expense	31	5,020.87	3,761.80
Other expenses	32	49,179.13	41,294.59
Total expenses		**1,58,717.88**	**1,26,508.67**
V. Profit before exceptional items and tax (III - IV)		**7,678.00**	**16,059.03**
VI. Exceptional item	56	**320.61**	**-**
VII. Profit before tax (V - VI)		**7,357.39**	**16,059.03**
VIII. Tax expense:			
(1) Current tax		1,943.37	4,214.04
(2) Deferred tax		55.07	12.57
(3) Tax relating to prior years		0.24	-
IX. Profit for the year (VII-VIII)		**5,358.71**	**11,832.42**
X. Other comprehensive income			
Items that will not be reclassified to statement of profit and loss			
a) Remeasurement of defined employee benefit plans		(50.47)	56.13
b) Income tax relating to item (a) above		12.70	(14.13)
Other comprehensive income (net of tax)		**(37.77)**	**42.00**
XI. Total comprehensive income for the year (IX+X)		**5,320.94**	**11,874.42**
XII. Earning per equity share attributable to owners of Visaka Industries Limited:			
(1) Basic	41	6.20	14.23
(2) Diluted		6.20	13.88
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

sd/-
N.K.Varadarajan
Partner
Membership Number: 090196

Place: Secunderabad
Date: May 19, 2023

On behalf of Board of Directors

sd/-
Dr. G. Vivekanand
Chairman
DIN : 00011684

sd/-
Smt. G. Saroja Vivekanand
Managing Director
DIN : 00012994

sd/-
S. Shafiulla
Chief Financial Officer

sd/-
K. Ramakanth
Company Secretary &
Assistant Vice President
Membership No:F5539

Place: Secunderabad
Date: May 19, 2023

Consolidated Statement of Changes in Equity for the year ended 31 March 2023

a. **Equity share capital**

All amounts in ₹ lakhs

Particulars	Note	Equity share capital
As at 01 April 2021	**14**	**1,652.07**
Changes in equity share capital		80.00
As at 31 March 2022		**1,732.07**
Changes in equity share capital		-
As at 31 March 2023		**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 2021		**6,289.45**	**27,000.00**	**27,268.30**	**482.00**	**61,039.75**
Profit for the year	15	-	-	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 adjusted on conversion of warrants		-	-	-	(482.00)	(482.00)
Balance as at 31 March 2022		**8,137.45**	**27,000.00**	**36,340.96**	**-**	**71,478.41**
Profit for the year		-	-	5,358.71	-	5,358.71
Other comprehensive income		-	-	(37.77)	-	(37.77)
Dividends		-	-	(1,382.48)	-	(1,382.48)
Balance as at 31 March 2023		**8,137.45**	**27,000.00**	**40,279.42**	**-**	**75,416.87**

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
sd/-
N.K.Varadarajan
Partner
Membership Number: 090196

Place: Secunderabad
Date: May 19, 2023

On behalf of Board of Directors

sd/-
Dr. G. Vivekanand
Chairman
DIN : 00011684

sd/-
Smt. G. Saroja Vivekanand
Managing Director
DIN : 00012994

sd/-
S. Shafiulla
Chief Financial Officer

sd/-
K. Ramakanth
Company Secretary &
Assistant Vice President
Membership No:F5539

Place: Secunderabad
Date: May 19, 2023

Consolidated Statement of Cash Flows for the year ended 31 March 2023

All amounts in ₹ lakhs

Particulars	31 March 2023	31 March 2022
Cash flow from operating activities		
Profit before tax	7,357.39	16,059.03
Adjustments for:		
Depreciation expense	5,020.87	3,761.80
Loss on sale of property, plant and equipment(net)	188.77	-
Property, plant and equipment written off	10.22	8.61
Interest income on financial assets carried at amortized cost	(579.77)	(307.11)
Net gain on disposal of property, plant and equipment	-	(31.76)
Loss allowance on trade receivables	107.38	(7.13)
Bad Debts written off	34.98	48.70
Amortisation of government grants	(345.49)	(384.39)
Finance costs	2,232.41	1,155.51
Remeasurement of defined employee benefit plans	(50.47)	56.13
Change in operating assets and liabilities		
(Increase) / Decrease in Trade Receivables	(460.83)	(2,873.17)
(Increase) / Decrease in financial assets other than trade receivables	(12.28)	(49.69)
(Increase) / Decrease in other assets	41.65	(3,367.31)
(Increase) / Decrease in Inventories	(8,769.17)	(4,451.76)
Increase / (Decrease) in Trade payables	710.73	(680.70)
Increase / (Decrease) in other financial liabilities	261.25	214.91
Increase / (Decrease) in provisions	(134.37)	263.14
Increase / (Decrease) in other liabilities	(421.65)	218.38
Cash Generated from Operations	**5,191.62**	**9,633.19**
Income taxes paid	(2,263.97)	(4,213.87)
Net cash inflow from operating activities	**2,927.65**	**5,419.32**
Cash flows from investing activities		
Payments for property plant and equipment	(22,823.24)	(14,636.25)
Interest received	636.87	254.99
Loans given	(2,250.00)	(3500.00)
Receipt of loan repayment	2,772.03	477.97
Proceeds from sale of property, plant and equipment	511.27	40.48
Payments for Intangible asset	(13.00)	-
Movement in other bank balances	(49.20)	261.34
Net cash outflow from investing activities	**(21,215.27)**	**(17,101.47)**
Cash flow from financing activities		
Proceeds from non current borrowings	15,731.61	-
Repayment of non current borrowings	(3,731.96)	(1,004.74)
Proceeds/ (repayment) from current borrowings other than related party loans	9,994.73	6,290.46

Consolidated Statement of Cash Flows for the year ended 31 March 2023

All amounts in ₹ lakhs

Particulars	31 March 2023	31 March 2022
Repayment of loan to related party	(588.00)	(2,190.00)
Receipt of loan from related party	588.00	2,076.00
Dividend paid to company's shareholders	(1,377.98)	(2,792.05)
Proceeds from Issue of shares and share warrants	-	1,446.00
Deposit with chit fund Company	(79.92)	(34.00)
Finance cost	(1,839.83)	(792.33)
Net cash inflow from financing activities	**18,696.65**	**2,999.34**
Net increase/(Decrease) in cash and cash equivalents	**409.03**	**(8,682.81)**
Cash and Cash equivalents at the beginning of the financial year (Refer note 9)	**2,424.39**	**11,107.20**
Cash and Cash equivalents at the end of the year	**2,833.42**	**2,424.39**

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

sd/-
N.K.Varadarajan
Partner
Membership Number: 090196

Place: Secunderabad
Date: May 19, 2023

On behalf of Board of Directors

sd/-
Dr. G. Vivekanand
Chairman
DIN : 00011684

sd/-
Smt. G. Saroja Vivekanand
Managing Director
DIN : 00012994

sd/-
S. Shafiulla
Chief Financial Officer

sd/-
K. Ramakanth
Company Secretary &
Assistant Vice President
Membership No:F5539

Place: Secunderabad
Date: May 19, 2023

Notes to the Consolidated Financial Statements for the year ended 31 March 2023

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 Ministry of Corporate Affairs had vide notification dated 23 March 2022 notified Companies (Indian Accounting Standards) Amendment Rules, 2022 which amended certain accounting standards, and are effective 1 April 2022. These amendments 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) New and amended standards issued but not effective

The Ministry of Corporate Affairs has vide notification dated 31 March 2023 notified Companies (Indian Accounting Standards) Amendment Rules, 2023 (the 'Rules') which amends certain accounting standards, and are effective 1 April 2023.

The Rules predominantly amend Ind AS 12, Income taxes, and Ind AS 1, Presentation of financial statements. The other amendments to Ind AS notified by these rules are primarily in the nature of clarifications.

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. Specifically, no changes would be necessary as a consequence of amendments made to Ind AS 12 as the group's accounting policy already complies with the now mandatory treatment.

Principles of consolidation

Subsidiaries

Subsidiaries are all entities over which the group has control. The group controls an entity where 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 acquisition method of accounting is used to account for business combinations by the group.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. Non-controlling interests in the results and equity of subsidiaries are shown separately in the consolidated statement of profit and loss, consolidated statement of changes in equity and balance sheet respectively.

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 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 group'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 consideration to which an entity expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third parties. Amounts disclosed as revenue are net of returns, trade allowances, rebates, refundable taxes 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.In case of bill and hold arrangements the group recognises revenue only on satisfaction of criteria established under Ind AS 115 on meeting of related performance obligation associated with transfer of control of the products.

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.

Notes to the Consolidated Financial Statements for the year ended 31 March 2023

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 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

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax loss.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period. 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 income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements.Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred tax assets are recognised for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Deferred tax assets and liabilities are offset where there is a legally enforceable right to offset current tax assets and liabilities and where the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Current and deferred tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

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.

Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the following lease payments:

- fixed payments (including in-substance fixed payments), less any lease incentives receivable
- amounts expected to be payable by the group under residual value guarantees

Lease payments to be made under reasonably certain extension options are also included in the measurement of the liability. The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, which is generally the case for leases in the group, the lessee's incremental borrowing rate is used, being the rate that the individual lessee would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment with similar terms, security and conditions.

To determine the incremental borrowing rate, the group

- where possible, uses recent third-party financing received by the individual lessee as a starting point, adjusted to reflect changes in financing conditions since third party financing was received.

  Lease payments are allocated between principal and finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

Right-of-use assets are measured at cost comprising the following:

- the amount of the initial measurement of lease liability.
- any lease payments made at or before the commencement date less any lease incentives received.
- any initial direct costs.

Right-of-use assets are generally depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis. If the group is reasonably certain to exercise a purchase option, the right-of-use asset is depreciated over the underlying asset's useful life.

Payments associated with short-term leases of equipment and all leases of low-value assets are recognised on a straight-line basis as an expense in profit or loss. Short-term leases are leases with a lease term of 12 months or less. Low-value assets comprise of computers & related equipment and plant & machinery.

As a lessor

Lease income from operating leases where the group is a lessor is recognised in income on a straight-line basis over the lease term. Initial direct costs incurred in obtaining an operating lease are added to the carrying amount of the underlying asset and recognised as expense over the lease term on the same basis as lease income. The respective leased assets are included in the balance sheet based on their nature.

h) Impairment of assets

Property, plant and equipment and intangible assets are tested for impairment annually and 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

Notes to the Consolidated Financial Statements for the year ended 31 March 2023

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 amounts due from customers for goods sold or services performed in the ordinary course of business and reflects group's unconditional right to consideration (that is, payment is due only on the passage of time). Trade receivables are recognised initially at the transaction price as they do not contain significant financing components. The group holds the trade receivables with the objective of collecting the contractual cash flows and therefore measures them subsequently at amortised cost using the effective interest method, less loss allowance.

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) Other Investments and 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) Recognition

Regular way purchases and sales of financial assets are recognised on trade-date, being the date on which the group commits to purchase or sale the financial asset.

(iii) Measurement

At initial recognition, the group measures a financial asset (excluding trade receivables which do not contain a significant financing component) 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 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. Interest income from these financial assets is included in Other Income using the effective interest rate method. Any gain or loss arising on derecognition is recognised directly in profit or loss and presented in other gains/(losses). Impairment losses are presented as separate line item in the statement of profit and loss.

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 statement of 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 (other than investment in subsidiary) 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.

iv) 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.

v) Derecognition of financial assets
A financial asset is derecognized only when

Notes to the Consolidated Financial Statements for the year ended 31 March 2023

- 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.

m) Income recognition

Interest income

Interest income on financial assets at amortised cost is calculated using the effective interest method is recognised in the statement of profit and loss as part of other income.

Interest income is calculated by applying the effective interest rate to the gross carrying amount of a financial asset except for financial assets that subsequently become credit-impaired. For credit-impaired financial assets the effective interest rate is applied to the net carrying amount of the financial asset (after deduction of the loss allowance).

Dividends

Dividends are received from financial assets at fair value through profit or loss and at FVOCI. Dividends are recognised as other income in profit or loss when the right to receive payment is established. This applies even if they are paid out of pre-acquisition profits, unless the dividend clearly represents a recovery of part of the cost of the investment.

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 group 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 method to allocate the cost of the assets, net of residual values, over 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 improvements are depreciated over the shorter of their useful life or the lease term, unless the entity expects to use the assets beyond the lease term.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. 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.

Transition to Ind AS

On transition to Ind AS, the group has elected to continue with the carrying value of all of intangible assets measured as per the previous GAAP and use that carrying value as the deemed cost of intangible assets.

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.

Notes to the Consolidated Financial Statements for the year ended 31 March 2023

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 statement of profit or loss.

Borrowings are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period. Where there is a breach of a material provision of a long term loan arrangement on or before the end of the reporting period with the effect that the liability becomes payable on demand on the reporting date, the entity does not classify the liability as current, if the lender agreed, after the reporting period and before the approval of the financial statements for issue, not to demand payment as a consequence of the breach.

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.

(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 as per past service cost.

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.

Notes to the Consolidated Financial Statements for the year ended 31 March 2023

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.

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.

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.

4.1(a) Property, plant and equipment

All amounts in ₹ lakhs

Particulars	Gross carrying amount				Accumulated depreciation				Net carrying amount
	As at 1 April 2022	Additions	Deletions/ Adjustments	As at 31 March 2023	As at 1 April 2022	For the Year	Deletions/ Adjustments	As at 31 March 2023	As at 31 March 2023
Owned Assets									
Land	9,557.29	8,453.29	-	18,010.58	-	-	-	-	18,010.58
Buildings	28,241.42	4,504.53	787.24	31,958.71	6,461.19	1,351.48	92.69	7,719.98	24,238.73
Plant and Equipment	27,741.79	8,477.35	50.09	36,169.05	13,902.70	3,402.78	41.33	17,264.15	18,904.90
Furniture and Fixtures	136.80	40.43	0.19	177.04	70.15	14.80	0.17	84.78	92.26
Vehicles	1,063.63	128.39	32.08	1,159.94	490.71	131.13	25.15	596.69	563.25
Office Equipment	270.95	53.04	-	323.99	188.93	40.72	-	229.65	94.34
Data Processing Equipment	886.23	63.03	-	949.26	732.29	78.01	-	810.30	138.96
TOTAL	**67,898.11**	**21,720.06**	**869.60**	**88,748.57**	**21,845.97**	**5,018.92**	**159.34**	**26,705.55**	**62,043.02**

The Holding Company has setup V Panel manufacturing unit at Udumalpet in Tamilnadu state which commenced its commercial production on July 20, 2022 and an additional production line of cement roofing sheets had commenced commerical production at Raebareli, Uttar Pradesh on May 05, 2022.

The Holding Company has closed operations of cement roofing sheets unit at Patancheru in Hyderabad, Telangana state on September 15, 2022. As at date the Company is evaluating various proposals for utilisation of assets at the said unit.

4.1(b) 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**

4.2(a) Capital work-in-progress

Capital work-in-progress Ageing schedule

All amounts in ₹ lakhs

Particulars	Amount in capital work-in-progress for a period of				Total as at 31 March 2023
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	3,106.98	641.15	-	-	3,748.13
Projects temporarily suspended	-	-	-	-	-

4.2(b) Capital work-in-progress

Capital work-in-progress Ageing schedule

All amounts in ₹ lakhs

Particulars	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	4940.23	14.73	-	-	4954.96
Projects temporarily suspended	-	-	-	-	-

Notes to the Consolidated Financial Statements for the year ended 31 March 2023

4.3(a) Intangible assets

All amounts in ₹ lakhs

Particulars	Gross carrying amount				Accumulated amortisation				Net carrying amount
	As at 1 April 2022	Additions	Deletions/ Adjustments	As at 31 March 2023	As at 1 April 2022	For the Year	Deletions/ Adjustments	As at 31 March 2023	As at 31 March 2023
Computer Software	124.94	13.00	-	137.94	124.94	1.95	-	126.89	11.05
TOTAL	**124.94**	**13.00**	**-**	**137.94**	**124.94**	**1.95**	**-**	**126.89**	**11.05**

4.3(b) Intangible assets

All amounts in ₹ lakhs

Particulars	Gross carrying amount				Accumulated amortisation				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**	**-**

5.1. Investments

All amounts in ₹ lakhs

Particulars	31 March 2023	31 March 2022
Investments in Equity Instruments (unquoted - fully paid up)		
Other entities - Fair value through Profit and Loss (FVTPL)		
a) Visaka Thermal Power Limited	0.00	0.00
2,078,600 (2022-2,078,600) shares of ₹ 10 each		
b) Somerset Entertainment Ventures (Singapore) Pte Ltd	0.00	0.00
131,903 (2022 -131,903) shares of Singapore $ 10 each		
c) Bhadreshwar Vidyut Private Limited (formerly known as OPGS Power Gujarat Private Limited)	0.00	0.00
702,000(2022 - 702,000) shares of ₹ 0.10 each		
d) V- Solar Roofings Private Limited	0.00	0.00
1,900 (2022- 1900) of ₹ 10 each		
TOTAL	**0.00**	**0.00**
Aggregate amount of unquoted investments	**0.00**	**0.00**

5.2. Other financial assets (non - current)

All amounts in ₹ lakhs

Particulars	31 March 2023	31 March 2022
Unsecured, Considered good		
Employee advances	4.99	11.57
Deposit with chit fund Company	113.92	34.00
Contract asset	-	1.32
Secured, Considered good		
Deposits with maturity of more than 12 months*	67.13	61.13
TOTAL	**186.04**	**108.02**

* Earmarked with bank providing bank guarantee to sales tax department amounting to ₹61.13 lakhs and balance of ₹ 6.00 lakhs relating to bank guarantee .

6. Other non-current assets

All amounts in ₹ lakhs

Particulars	31 March 2023	31 March 2022
Unsecured, considered good		
i) Capital advances	6,087.61	3,819.15
ii) Deposits with government and others	1,276.43	966.62
TOTAL	**7,364.04**	**4,785.77**

7. Inventories

All amounts in ₹ lakhs

Particulars	31 March 2023	31 March 2022
a) Raw material	18,893.89	13,103.14
{including material in transit of ₹ 1,376.58 lakhs (2022- ₹1,250.82 lakhs)}		
b) Work-in-progress	3,948.01	3,092.49
c) Finished goods	13,795.79	11,753.74
{including material in transit of ₹ 608.41 lakhs (2022-₹ 746.07 lakhs)}		
d) Stores and spares	1,509.94	1,429.09
TOTAL	**38,147.63**	**29,378.46**

8. Trade receivables

All amounts in ₹ lakhs

Particulars	31 March 2023	31 March 2022
Secured, considered good	2,763.12	2,306.81
Unsecured, considered good	11,438.37	11,460.81
Significant increase in Credit risk	144.35	152.37
Credit Impaired	-	-
	14,345.84	**13,919.99**
Less: Loss Allowance	(679.43)	(572.05)
TOTAL	**13,666.41**	**13,347.94**

8 (a) Trade Receivables ageing schedule:

All amounts in ₹ lakhs

Particulars	<6M	6m-1yr	1yr - 2yr	2yr-3yr	>3yr	Total as at 31 March 2023
Undisputed trade receivables						
- considered good	13,323.07	290.38	164.37	113.84	309.83	14,201.49
- significant increase in credit risk	-	-	-	-	-	-
- credit impaired	-	-	-	-	-	-
Disputed trade receivables						
- considered good	-	-	-	-		-
- significant increase in credit risk	-	-	3.02	34.02	107.31	144.35
- credit impaired	-	-	-	-	-	-
Total	**13,323.07**	**290.38**	**167.39**	**147.86**	**417.14**	**14,345.84**
Less: Loss Allowance						(679.43)
Net trade receivable						**13,666.41**

Notes to the Consolidated Financial Statements for the year ended 31 March 2023

8 (b) Trade Receivables ageing schedule:

All amounts in ₹ lakhs

Particulars	<6M	6m-1yr	1yr - 2yr	2yr-3yr	>3yr	Total as at 31 March 2022
Undisputed trade receivables						
- considered good	12,886.37	245.70	224.13	154.68	256.74	13,767.62
- significant increase in credit risk	-	-	-	-	-	-
- credit impaired	-	-	-	-	-	-
Disputed trade receivables						
- considered good	-	-	-	-	-	-
- significant increase in credit risk	-	-	34.02	2.22	116.13	152.37
- credit impaired	-	-	-	-	-	-
Total	**12,886.37**	**245.70**	**258.15**	**156.90**	**372.87**	**13,919.99**
Less: Loss Allowance						(572.05)
Net trade receivable						**13,347.94**

9. Cash and cash equivalents

All amounts in ₹ lakhs

Particulars	31 March 2023	31 March 2022
a) Balances with banks		
in current accounts	2,449.04	2,421.38
b) Cash on hand	3.74	3.01
c) Cheques in hand	380.64	-
TOTAL	**2,833.42**	**2,424.39**

10. Other bank balances

All amounts in ₹ lakhs

Particulars	31 March 2023	31 March 2022
Earmarked balances with banks		
Unpaid dividend account	126.96	122.46
Reserve towards Public deposit	219.00	175.00
Margin money deposit	10.22	9.77
Deposit with maturity of more than 3 months but less than 12 monhts	5.25	5.00
TOTAL	**361.43**	**312.23**

11. Loans

All amounts in ₹ lakhs

Particulars	31 March 2023	31 March 2022
Unsecured, considered good		
Inter corporate deposits	2,500.00	3,022.03
TOTAL	**2,500.00**	**3,022.03**

11.1. During the year, Jamuna Hatcheries Private Limited has repaid the inter corporate deposit of ₹522.03 lakhs along with interest.

11.2. During the previous year, the Holding Company has provided inter corporate deposit to Sushee Infra & Mining Limited of ₹2,500.00 lakhs for short term business requirements at an interest rate of 18% p.a which is repayable within one year from the date of disbursement or repayable on demand whichever is earlier.

During the year, the Holding Company has received a part repayment of ₹1,500.00 lakhs and balance of ₹1,000.00 lakhs has been extended by a period of six months.

11.2 (Contd.)

Further the Holding Company has given an additional loan of ₹1,500.00 lakhs for short term business requirements at an interest rate of 18% p.a which is repayable within one year from the date of original agreement and the Company extended the said loan by a period of six months.

The amount outstanding as at balance sheet date is ₹2,500.00 lakhs which is repayable in September 2023.

11.3. During the year, the Holding Company has provided inter corporate deposit to Vigilance Security Services Private Limited of ₹750.00 lakhs for short term business requirements at an interest rate of 9.5% p.a which is repayable within 6 months from the date of agreement and the same has been repaid during the year.

12. Other financial assets (current)

All amounts in ₹ lakhs

Particulars	31 March 2023	31 March 2022
Interest receivable	68.05	125.15
Employee advances	169.97	188.05
Advances to related parties (Refer note 40)	7.86	25.06
Contract asset - Unbilled revenue	49.46	-
TOTAL	**295.34**	**338.26**

13. Other current assets

All amounts in ₹ lakhs

Particulars	31 March 2023	31 March 2022
Rent deposits	87.12	77.38
Prepaid expenses	432.88	312.78
Supplier advances	3,862.82	3,317.90
Cenvat , VAT & GST credit available	438.41	713.65
Others	999.84	1,750.82
TOTAL	**5,821.07**	**6,172.53**

14. Equity share capital

All amounts in ₹ lakhs

Particulars	31 March 2023	31 March 2022
AUTHORIZED:		
30,000,000 (2022- 30,000,000) Equity Shares of ₹10/- each	3000.00	3000.00
500,000 (2022- 500,000) 12% Cumulative Redeemable Preference Shares ₹100/- each	500.00	500.00
TOTAL	**3,500.00**	**3,500.00**
ISSUED, SUBSCRIBED & PAID-UP CAPITAL		
17,280,952 (2022- 17,280,952) equity shares of ₹ 10/- each fully paid up	1,728.10	1,728.10
Add: Shares forfeited - 79,408 (2022- 79,408) shares	3.97	3.97
TOTAL	**1,732.07**	**1,732.07**

(A) Movement in equity share capital:

All amounts in ₹ lakhs

Particulars	Number of shares	Amount
Balance at 1 April 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**
Movement during the year	-	-
Balance at 31 March 2023	**1,72,80,952**	**1,732.07**

Notes to the Consolidated Financial Statements for the year ended 31 March 2023

14. Equity share capital (Contd.)

(B) Details of shareholders holding more than 5% shares in the Holding Company

Name of the shareholder	As at 31 March 2023		As at 31 March 2022	
	No. of Shares	% holding	No. of Shares	% holding
a) Dr.G Vivekanand	68,73,043	39.77	68,63,492	39.72
b) Smt.G.Saroja Vivekanand	10,62,139	6.15	8,75,139	5.06
c) Vigilance Security Services Private Limited	8,96,424	5.19	8,79,764	5.09

(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 2023		
	No. of Shares	% of total shares	
Dr.G.Vivekanand	68,73,043	39.77%	0.14%
Smt.G.Saroja Vivekanand	10,62,139	6.15%	21.37%
Total	**79,35,182**	**45.92%**	

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%
Total	**77,38,631**	**44.78%**	

(D) Terms/Rights attached to equity shares

The Holding 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 Group 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 Group/ Holding 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 Group 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 group/ Holding Company since its incorporation.

(F) The shareholders of the Holding Company approved sub division of one fully paid up equity share of the Company having face value of ₹ 10 into 5 fully paid up equity shares having a face value of ₹ 2 each and same has been given effect to on 15 May 2023 (record date).

15. Other equity

All amounts in ₹ lakhs

Particulars	31 March 2023	31 March 2022
Reserves and surplus		
Securities premium reserve	8,137.45	8,137.45
General reserve	27,000.00	27,000.00
Retained earnings	40,279.42	36,340.96
TOTAL	**75,416.87**	**71,478.41**

15. Other equity (Contd.)

(i) Securities Premium Reserve

All amounts in ₹ lakhs

Particulars	31 March 2023	31 March 2022
Opening balance	8,137.45	6,289.45
Movement during the year	-	1,848.00
Closing balance	**8,137.45**	**8,137.45**

(ii) General Reserve

All amounts in ₹ lakhs

Particulars	31 March 2023	31 March 2022
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 2023	31 March 2022
Opening balance	36,340.96	27,268.30
Profit for the year	5,358.71	11,832.42
Interim dividend	-	(1,153.67)
Final dividend	(1,382.48)	(1,648.09)
Items of other comprehensive income recognised directly in retained earnings		
- Remeasurements of post employment benefit obligation, net of tax	(37.77)	42.00
Closing balance	**40,279.42**	**36,340.96**

(iv) Money received against share warrants

All amounts in ₹ lakhs

Particulars	31 March 2023	31 March 2022
Opening balance	-	482.00
Money received during the year	-	-
Money adjusted on conversion of warrants	-	(482.00)
Closing balance	**-**	**-**

The Holding Company on January 22, 2022 allotted 800,000 fully paid equity shares of face value ₹ 10/- each to the promoters group against 800,000 convertible warrants after receiving balance consideration of ₹ 1,446.00 lakhs.

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 2023

16. Borrowings (non-current)

All amounts in ₹ lakhs

Particulars	31 March 2023	31 March 2022
Non- current		
a) Secured loans		
Term loans from banks	11,166.13	251.45
Loans from others		
PICUP Loan	3,364.53	2,657.40
Deferred revenue grant - PICUP Loan	1,798.36	1,758.40
b) Unsecured loans		
Public deposits	30.40	235.71
TOTAL	**16,359.42**	**4,902.96**

(i) Term loans from banks include

- Loan 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 7.95% 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 ₹ 251.45 lakhs repayable in June 23 which is included in Borrowings (current).

- Loan taken from HDFC Bank Limited for boards & panel project at Udumalpet, Tamilnadu State and an additional production line of cement roofing sheets at Raebareli, Uttar Pradesh State. The loan sanctioned and drawn is ₹ 7,500.00 lakhs during the year 2022-23 and is repayable in 24 quarterly installments at the rate of ₹ 312.50 lakhs each quarter from the financial year 2022-23 to 2028-29 (i.e., from December' 2022 to September' 2028). The current rate of interest is 8.83% p.a. (linked to treasury bill rate). 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 ₹ 6,875.00 lakhs repayable in 22 quarterly installments (out of which ₹ 1,250.00 lakhs are included in Borrowings (current)).

- Loan taken from ICICI Bank Limited for boards & panel project at Udumalpet, Tamilnadu State and an additional production line of cement roofing sheets at Raebareli, Uttar Pradesh State. The loan sanctioned is ₹ 7,500.00 lakhs during the year 2022-23 at the current rate of interest of 8.83% p.a. (linked to treasury bill rate). Out of which

  (a) ₹ 5,000.00 lakhs is drawn in Septemeber 2022, which is repayable in 22 quarterly installments at the rate of ₹ 227.27 lakhs each quarter from financial year 2022-23 to 2027-28 (i.e., from December' 2022 to March' 2028).

  (b) ₹ 2,500.00 lakhs is drawn in January 2023 which is repayable in 21 quarterly installments at the rate of ₹ 119.05 lakhs from the financial year 2022-23 to 2027-28 (i.e., from March' 2023 to March' 2028).

  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 ₹ 6,926.41 lakhs repayable in 20 quarterly installments (out of which ₹ 1,385.28 lakhs are included in Borrowings (current).

(ii) Loans from others include interest free loans of ₹ 6,977.94 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, ₹731.61 lakhs in 2022-23) from The Pradeshiya Industrial & Investment Corporation of U.P. Ltd (PIC UP) for the cement asbestos unit at

16. Borrowings (non-current) (Contd.)

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. During the year the Company has repaid the loan of ₹ 1523.75 lakhs

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 2023	31 March 2022
Interest accrued but not due	0.31	12.28
TOTAL	**0.31**	**12.28**

18. Deferred tax liabilities (net)

All amounts in ₹ lakhs

Particulars	31 March 2023	31 March 2022
a) Deferred tax assets		
Expenses allowable on payment basis	170.24	164.18
b) Deferred tax liabilities		
Depreciation and amortisation	1508.21	1,447.08
Deferred tax liabilities (net)	**1337.97**	**1,282.90**

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 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**
Charged/(Credited) to statement of profit and loss	61.13	(6.06)	55.07
As at 31 March 2023	**1,508.21**	**(170.24)**	**1,337.97**

19. Borrowings (current)

All amounts in ₹ lakhs

Particulars	31 March 2023	31 March 2022
Current		
a) Secured loans		
Working capital loans from banks	8,812.08	3498.08
Current maturities of long term debts (Refer note 16)	2,886.74	2,529.59
b) Unsecured loans		
Current maturities of public deposits	1,293.42	1,091.89
Short term loans from banks	9,377.34	4,696.61
TOTAL	**22,369.58**	**11,816.17**

Notes to the Consolidated Financial Statements for the year ended 31 March 2023

19. Borrowings (current) (Contd.)

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 Holding 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 7.00% p.a.

19.2 Short term loans include

- Loan from HDFC amounting to ₹ 4,074.51 lakhs at an interest rate of 7.40% to 8.00% p.a.
- Loan from ICICI amounting to ₹ 593.43 lakhs at an interest rate of 9% p.a.
- Standby letter of credit availed from various banks at an rate of interest ranging from 5% to 5.5%. The balance outstanding as at year end comprise of credit availed from :

  (a) HDFC amounting to ₹ 374.76 lakhs
  (b) ICICI amounting to ₹ 2234.75 lakhs
  (c) SBI amounting to ₹ 2099.89 lakhs

19.3 Net Debt Reconciliation

All amounts in ₹ lakhs

Particulars	31 March 2023	31 March 2022
Opening balance of borrowings	16,719.13	11,548.53
Add:- Proceeds from non-current borrowings	15,731.61	-
Less:- Repayment of non-current borrowings	(3,731.96)	(1,004.74)
Proceeds/ (repayment) from current borrowings	9,994.73	6,176.46
Fair Value Adjustment	15.49	(1.12)
Closing balance of borrowings	**38,729.00**	**16,719.13**

20. Trade payables

All amounts in ₹ lakhs

Particulars	31 March 2023	31 March 2022
(a) Total outstanding dues of micro and small enterprises (Refer note 43)	331.00	204.57
(b) Total outstanding dues other than (a) above	8,990.48	8,406.18
TOTAL	**9,321.48**	**8,610.75**

20 (a) Trade Payables ageing schedule:

All amounts in ₹ lakhs

SI. No.	Particulars	Outstanding for following periods from due date of payment					Total as at 31 March 2023
		Unbilled dues	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i)	MSME	-	331.00	-	-	-	331.00
(ii)	Others	1,604.67	7,124.44	150.39	31.82	79.16	8,990.48
(iii)	Disputed dues- MSME	-	-	-	-	-	-
(iv)	Disputed dues- Others		-	-	-	-	-
TOTAL		**1,604.67**	**7,455.44**	**150.39**	**31.82**	**79.16**	**9,321.48**

20. Trade payables (Contd.)

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 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**

21. Other financial liabilities (current)

All amounts in ₹ lakhs

Particulars	31 March 2023	31 March 2022
Interest accrued but not due	102.99	59.42
Unpaid dividend	126.96	122.46
Sundry deposits *	4,311.12	4,049.87
Capital creditors	276.24	317.79
TOTAL	**4,817.31**	**4,549.54**

*Sundry deposits include security deposits from stockists, agents and transporters etc.

22. Other current liabilities

All amounts in ₹ lakhs

Particulars	31 March 2023	31 March 2022
Advances from customers	1,233.28	1,393.60
Statutory liabilities	1,777.27	1,509.46
Employee benefits payable	2,269.00	2,798.14
TOTAL	**5,279.55**	**5,701.20**

23. Provisions

All amounts in ₹ lakhs

Particulars	31 March 2023	31 March 2022
Current		
Provision for contingencies	52.35	223.59
Provision for employee benefits		
- Leave encashment	88.00	106.09
- Gratuity	263.58	208.62
TOTAL	**403.93**	**538.30**

Movement in provision for contingencies

All amounts in ₹ lakhs

Particulars	31 March 2023	31 March 2022
Balance as at beginning of the year	223.59	123.16
Provision made during the year	-	100.43
Provision utilised during the year	(171.24)	-
Balance as at end of the year	**52.35**	**223.59**

Notes to the Consolidated Financial Statements for the year ended 31 March 2023

23. Provisions (Contd.)

(i) Leave obligations

The leave obligation covers the group's liability for earned leave. The group has created a fund with LIC of India for earned leave encashment of employees for future payment.

All amounts in ₹ lakhs

Particulars	31 March 2023	31 March 2022
Leave obligation not expected to be settled within next 12 months	945.48	835.35

(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 of India 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 2023	31 March 2022
Company's Contribution to Provident Fund	699.22	651.08
Company's Contribution to Superannuation Fund	89.14	105.50

(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 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**

23. Provisions (Contd.)

All amounts in ₹ lakhs

Particulars	Present value of obligation	Fair Value of Plan Assets	Net Liability
1 April 2022	**3,115.61**	**2,906.99**	**208.62**
Current service cost	316.68	-	316.68
Interest expense/(income)	212.44	216.30	(3.86)
Total amount recognized in profit and loss	**529.12**	**216.30**	**312.82**
Remeasurements			
Return on plan assets, excluding amounts included in interest expense/(income)	-	(1.03)	1.03
(Gain)/loss from change in financial assumptions	10.46	-	10.46
Experience (gains)/loss	38.98	-	38.98
Total amount recognized in other comprehensive income	**49.44**	**(1.03)**	**50.47**
Employer contributions	-	308.33	(308.33)
Benefit payments	(370.67)	(370.67)	-
31 March 2023	**3,323.50**	**3,059.92**	**263.58**

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 of India.

The net (surplus) / deficit disclosed above relating to funded and unfunded plans are as follows:

All amounts in ₹ lakhs

Particulars	31 March 2023	31 March 2022
Present value of funded obligations	3,323.50	3,115.61
Fair value of plan assets	3,059.92	2,906.99
(Surplus)/Deficit of funded plans	**263.58**	**208.62**

Expected contributions to post- employment benefit plans of gratuity for the year ending 31 March 2024 are ₹ 268.97 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 2023	31 March 2022	Rate	31 March 2023	31 March 2022	Rate	31 March 2023	31 March 2022
Discount rate	7.21%	7.25%	1%	251.63	230.10	1%	(291.41)	(266.48)
Salary growth rate	5.00%	5.00%	1%	(277.89)	(253.86)	1%	244.15	222.97
Attrition rate	3.00%	3.00%	1%	(36.97)	(34.57)	1%	40.76	38.28

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.

The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to the prior period.

Notes to the Consolidated Financial Statements for the year ended 31 March 2023

23. Provisions (Contd.)

Expected cash flow and duration of the plan

All amounts in ₹ lakhs

Particulars	31 March 2023	31 March 2022
Weighted average duration of DBO	14	14
Expected total benefit payments		
Year 1	529.91	430.34
Year 2	326.32	434.71
Year 3	185.01	173.99
Year 4	262.00	173.08
Year 5	229.72	233.21
Next 5 years	1057.86	968.01

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 (Assets)/Liabilities(net)

All amounts in ₹ lakhs

Particulars	31 March 2023	31 March 2022
Opening balance	272.15	257.85
Less: Taxes paid (net of refunds)	(2,263.97)	(4,213.87)
Add: Current tax expense for the year	1,930.67	4,228.17
Less: Tax relating to prior years	0.24	-
TOTAL	**(60.91)**	**272.15**

25. Revenue from operations

All amounts in ₹ lakhs

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
Sale of products	1,64,651.99	1,40,046.85
Other operating revenue		
Export incentives	150.46	96.52
Industrial incentives	250.83	1,240.29
Sale of scrap	286.33	197.76
Commission income	2.89	-
TOTAL	**1,65,342.50**	**1,41,581.42**

Notes to the Consolidated Financial Statements for the year ended 31 March 2023

26. Other income

All amounts in ₹ lakhs

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
Interest income on financial assets carried at amortised cost	579.77	307.11
Insurance claim received	48.04	38.46
Government grants	345.49	384.39
Net gain on disposal of property, plant and equipment	-	31.76
Miscellaneous income	80.08	224.56
TOTAL	**1,053.38**	**986.28**

27. Cost of materials consumed

All amounts in ₹ lakhs

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
Cost of materials consumed	90,244.67	69,744.37
TOTAL	**90,244.67**	**69,744.37**

28. Changes in inventories of finished goods and work in progress

All amounts in ₹ lakhs

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
Opening inventory		
Finished goods	11,753.74	8,849.29
Work-in-progress	3,092.49	2,847.80
(A)	**14,846.23**	**11,697.09**
Closing inventory		
Finished goods	13,795.79	11,753.74
Work-in-progress	3,948.01	3,092.49
(B)	**17,743.80**	**14,846.23**
TOTAL (A-B)	**(2,897.57)**	**(3,149.14)**

29. Employee benefits expense

All amounts in ₹ lakhs

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
Salaries, wages and bonus	11,538.45	11,210.62
Contribution to provident and other funds	890.06	844.63
Gratuity	312.82	285.42
Leave compensation	106.51	98.15
Staff welfare expenses	865.30	784.07
TOTAL	**13,713.14**	**13,222.89**

30. Finance costs

All amounts in ₹ lakhs

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
Interest on borrowings	2,159.14	1,028.71
Other borrowing cost	72.10	92.78
Interest on shortfall in payment of advance tax	1.17	34.02
TOTAL	**2,232.41**	**1,155.51**

Notes to the Consolidated Financial Statements for the year ended 31 March 2023

31. Depreciation expense

All amounts in ₹ lakhs

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
Depreciation of property, plant and equipment	5,018.92	3,761.80
Amortisation of intangible assets	1.95	-
TOTAL	**5,020.87**	**3,761.80**

32. Other expenses

All amounts in ₹ lakhs

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
Consumption of stores and spares	4,942.97	3,537.83
Cost of packing materials consumed	2,038.90	1,596.80
Power and fuel	6,845.27	5,447.57
Repairs and maintenance		
Buildings	1,132.26	838.61
Plant and machinery	513.80	497.86
Insurance	456.38	404.31
Rates & taxes	251.10	202.44
Rent	547.98	470.32
Wages - contract labour	5,893.72	4,770.81
Travelling & conveyance	1,273.85	883.18
Commission	448.83	522.42
Freight	16,332.95	14,858.29
Advertisement & sales promotion expenses	3,260.28	2,476.56
Payments to auditors {Refer note 32 (a)}	64.65	53.09
Directors' sitting fee	7.15	7.75
Bad debts written off	34.98	48.70
Foreign exchange (gain)/loss (net)	(262.06)	(73.52)
Loss on sale of property, plant and eqiupment (net)	188.77	-
Non whole time directors' commission	40.00	40.00
Property, plant and eqiupment written off	10.22	8.61
Loss allowance on trade receivables	107.38	(7.13)
Corporate social responsibility (CSR) expenditure {Refer note 32 (b)}	249.52	230.07
Contribution to political party*	-	300.00
Miscellaneous expenses	4,800.23	4,180.02
TOTAL	**49,179.13**	**41,294.59**

*Donation to Bharatiya Janata Party

32 (a) Payment to auditors

All amounts in ₹ lakhs

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
(a) To statutory auditors		
-Statutory audit fee	36.50	32.54
-Quarterly audit fee	4.00	4.00
-Certification fee	6.00	7.25

32 (a) Payment to auditors (Contd.)

All amounts in ₹ lakhs

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
-Reimbursement of expenses	3.32	1.70
(b) To others		
-Cost audit fee	1.80	1.50
-Tax audit fee	9.40	6.00
-Certification and taxation matters	3.63	0.10
TOTAL	**64.65**	**53.09**

32 (b) Corporate social responsibility expenditure

All amounts in ₹ lakhs

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
Amount spent directly by the Holding Company towards CSR activities	249.52	230.07
	249.52	**230.07**
a) Amount required to be spent by the Holding Company during the year as per Section 135 of the Act	249.48	205.97
b) Amount approved by the board to be spent during the year	249.52	230.07
c)Amount of expenditure incurred / Amount spent during the year on :		
1. Construction/ acquisition of any assets	-	-
2. On purposes other than (1) above	249.52	230.07

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	Year ended 31 March 2023	Year ended 31 March 2022
Balance (excess)/ short spent at the beginning of the year	**(24.10)**	**-**
Add:Amount required to be spent during the year	249.48	205.97
Less:Amount spent during the year	(249.52)	(230.07)
Balance (excess)/short at the end of the year	**(24.14)**	**(24.10)**

33. Reconciliation of tax expenses and the accounting profit multiplied by tax rate

All amounts in ₹ lakhs

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
Profit before tax expense	**7,357.39**	**16,059.03**
Tax at the Indian tax rate of 25.168%	1,851.71	4,041.74
Tax losses for which no deferred income tax was recognised	49.75	-
Effect of non-deductible expense	95.61	187.64
Effect of allowances for tax purpose	1.37	(2.77)
Tax relating to prior years	0.24	-
Income tax expense	**1,998.68**	**4,226.61**

Notes to the Consolidated Financial Statements for the year ended 31 March 2023

34. Fair Value Measurement

Fair values

1. 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.

2. 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.

Categories of financial instruments

All amounts in ₹ lakhs

Particulars	Level	31 March 2023		31 March 2022	
		Carrying amount	Fair value*	Carrying amount	Fair value*
Financial assets					
Measured at amortised cost:					
Non-current					
Other financial assets	3	186.04	186.04	108.02	108.02
Current					
Trade receivables	3	13,666.41	13,666.41	13,347.94	13,347.94
Cash and Cash Equivalents	3	2,833.42	2,833.42	2,424.39	2,424.39
Other bank balances	3	361.43	361.43	312.23	312.23
Loans	3	2,500.00	2,500.00	3,022.03	3,022.03
Other financial assets	3	295.34	295.34	338.26	338.26
Measured at fair value through profit and loss					
Non-current					
Investments	3	0.00	0.00	0.00	0.00
Total		**19,842.64**	**19,842.64**	**19,552.87**	**19,552.87**
Financial liabilities					
Measured at amortised cost					
Non-current					
Borrowings	3	16,359.42	16,359.42	4,902.96	4,902.96
Other financial liabilities	3	0.31	0.31	12.28	12.28
Current					
Borrowings	3	22,369.58	22,369.58	11,816.17	11,816.17
Trade Payables	3	9,321.48	9,321.48	8,610.75	8,610.75
Other Financial Liabilities	3	4,817.31	4,817.31	4,549.54	4,549.54
Total		**52,868.10**	**52,868.10**	**29,891.70**	**29,891.70**

*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.

34. Fair Value Measurement (Contd.)

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.

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 2023 and 31 March 2022

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 2023 and 31 March 2022.

(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 2023	31 March 2022	31 March 2023	31 March 2022
Change in USD				
1% increase	(40.02)	(38.01)	(29.95)	(28.44)
1% decrease	40.02	38.01	29.95	28.44
Change in GBP				
1% increase	-	0.72	-	0.54
1% decrease	-	(0.72)	-	(0.54)

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.

Notes to the Consolidated Financial Statements for the year ended 31 March 2023

35. Financial risk management (Contd.)

(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.

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 2023	31 March 2022	31 March 2023	31 March 2022
Change in interest rate				
increase by 100 basis points	(322.42)	(94.51)	(241.27)	(70.72)
decrease by 100 basis points	322.42	94.51	241.27	70.72

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 group 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.

35. Financial risk management (Contd.)

i. 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.

ii. The group follows "simplfied approach" for recognition of impairment of loss allowance on trade receivables.

(i) Expected credit loss for trade receivable under simplified approach:

All amounts in ₹ lakhs

Particulars	31 March 2023	31 March 2022
Gross carrying amount	14,345.84	13,919.99
Expected credit losses (Loss allowance)	(679.43)	(572.05)
Carrying amount of trade receivables	**13,666.41**	**13,347.94**

(ii) Reconciliation of loss allowance

All amounts in ₹ lakhs

Particulars	Trade receivables
Loss allowance as at 1 April 2021	**579.18**
Changes in loss allowance during the period of 2021-22	(7.13)
Loss allowance as at 31 March 2022	**572.05**
Changes in loss allowance during the period of 2022-23	107.38
Loss allowance as at 31 March 2023	**679.43**

Expected credit loss rate

Particulars	<6M	6m-1yr	1yr-2yr	2yr-3yr	>3yr
31-March-23	0.50%	20.40%	27.50%	75.90%	100.00%
31-March-22	0.30%	4.90%	21.20%	59.90%	100.00%

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 2023	31 March 2022
Asset group	Estimated gross carrying amount at default	Estimated gross carrying amount at default
Gross carrying amount		
Loans	2,500.00	3,022.03
Employee advances	182.82	224.68
	2,682.82	**3,246.71**
Net carrying amount		
Loans	2,500.00	3,022.03
Employee advances	182.82	224.68
Total	**2,682.82**	**3,246.71**

(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.

Notes to the Consolidated Financial Statements for the year ended 31 March 2023

35. Financial risk management (Contd.)

(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	31 March 2023	31 March 2022
Expiring within one year (bank overdraft and other facilities)	11,873.00	23,494.00

(ii) Maturities of Financial liabilities

Contractual maturities of financial liabilities as at :

All amounts in ₹ lakhs

Particulars	31 March 2023		31 March 2022	
	Less than 12 months	More than 12 months	Less than 12 months	More than 12 months
Borrowings	22,369.58	16,359.42	11,816.17	4,902.96
Trade Payables	9,321.48	-	8,610.75	-
Other Financial Liabilities	4,817.31	0.31	4,549.54	12.28
Total	**36,508.37**	**16,359.73**	**24,976.46**	**4,915.24**

(iii) Management expects finance cost to be incurred for the year ending 31 March 2024 of ₹ 3,500.00 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 group'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 2023	31 March 2022
Borrowings		
Current	22,369.58	11,816.17
Non current	16,359.42	4,902.96
Debt	**38,729.00**	**16,719.13**
Equity		
Equity share capital	1,732.07	1,732.07
Other equity	75,416.87	71,478.41
Total capital	**77,148.94**	**73,210.48**
Gearing ratio in % (Debt/ capital)	**50%**	**23%**

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.

36. Capital management (Contd.)

No changes were made in the objectives, policies or processes for managing capital during the years ended 31 March 2023 and 31 March 2022.

B. Dividends

All amounts in ₹ lakhs

Particulars	31 March 2023	31 March 2022
Dividend declared and paid during the year		
" Interim dividend of ₹ Nil/- per fully paid equity share (31 March 2022 - ₹ 7/-). "	-	1,153.67
For the year ended the directors have recommended the payment of a final dividend of ₹ 0.60/- per equity share i.e., 30% on the face value of ₹ 2/- per share (31 March 2022 - ₹ 8/-per equity share i.e., 80% on the face value of ₹10/- per share) . This proposed dividend is subject to the approval of shareholders in the ensuing annual general meeting, hence the same is not recognised.	518.43	1,382.48

The Board of Directors of the Holding Company in its meeting held on April 01, 2023 has approved payment of interim dividend of ₹7/- per equity share (i.e., 70% on the face value of ₹10/- per share) aggregating to ₹ 1209.67 lakhs for the financial year 2022–23.

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.

Notes to the Consolidated Financial Statements for the year ended 31 March 2023

37. Segment information (Contd.)

Summary of segment information

All amounts in ₹ lakhs

Particulars	31 March 2023	, 31 March 2022
A.Revenue		
Segment revenue		
Building product	1,35,752.23	1,16,753.64
Synthetic yarn	29,590.27	24,827.78
Total revenue	**1,65,342.50**	**1,41,581.42**
B.Segment profit		
Building product	9,410.77	16,098.53
Synthetic yarn	4,334.31	4,410.86
Segment operating profit	**13,745.08**	**20,509.39**
Reconciliation of segment operating profit to operating profit		
Unallocated:		
Unallocated corporate expenses	(5,038.15)	(3,936.58)
Unallocated corporate Income	882.87	641.73
Operating profit	**9,589.80**	**17,214.54**
Finance costs	(2,232.41)	(1,155.51)
Profit before tax	**7,357.39**	**16,059.03**
Income tax expense	(1,998.68)	(4,226.61)
Profit after tax	**5,358.71**	**11,832.42**

All amounts in ₹ lakhs

Particulars	31 March 2023	, 31 March 2022
Segment Assets		
Building product	1,08,994.58	83,645.93
Synthetic yarn	11,924.48	14,622.35
Unallocated corporate assets	16,119.43	12,628.45
Total assets	**1,37,038.49**	**1,10,896.73**
Segment liabilities		
Building product	13,257.20	13,010.52
Synthetic yarn	1,672.44	1,842.81
Unallocated corporate liabilities	44,959.91	22,832.92
Total liabilities	**59,889.55**	**37,686.25**

All amounts in ₹ lakhs

Particulars	31 March 2023	31 March 2022
Geographical segment revenue by location of customers		
India	1,52,561.61	1,31,022.76
Outside India	12,780.89	10,558.66
	1,65,342.50	**1,41,581.42**

All amounts in ₹ lakhs

Particulars	31 March 2023	, 31 March 2022
Geographical segment assets		
India	1,35,974.81	1,09,191.70
Outside India	1,063.68	1,705.03
	1,37,038.49	**1,10,896.73**

38. Contingent liabilities

The group has following contingent liabilities as at: All amounts in ₹ lakhs

Particulars	31 March 2023	31 March 2022
(i) VAT/CST/Entry tax*	80.48	85.28
(ii) Excise duty/Customs duty/Service tax*	5,983.91	6,049.47
Total	**6,064.39**	**6,134.75**

*Includes ₹ 144.13 lakhs (2022 ₹ 143.99 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 certainity, 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

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 2023	31 March 2022
Property, plant and equipment	7,477.47	4,023.19
Total	**7,477.47**	**4,023.19**

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.J.Pruthvidhar Rao	Whole Time Director & COO
Mr.S.Shafiulla	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	
Dr. G.Vivekanand	Director
Mr. Gusti Noria	Director
Mr. P. Srikar Reddy	Director
Mr. Gogineni Appnender Babu	Director
Mrs. Vanitha Datla	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. 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
Mrs. J. Asha Latha	Spouse of Mr.J.Pruthvidhar Rao

Notes to the Consolidated Financial Statements for the year ended 31 March 2023

40. Related party transactions (Contd.)

Names of the related parties	Nature of relationship
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) V-Solar roofing Private Limited	
e) G Vivekanand family trust	
f) SV family trust	
g) Arudra Roofings Private Limited	
h) Atumobile Private Limited	

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 2023	Year ended 31 March 2022
Mrs. G.Saroja Vivekanand	Remuneration*	393.90	883.28
Mr.G.Vamsi Krishna	Remuneration*	314.85	521.81
Mr.J.Pruthvidhar Rao	Remuneration*	136.53	121.37
Mr.S.Shafiulla	Remuneration*	63.07	55.93
Mr.I. Srinivas	Remuneration*	-	26.81
Mr. M. Muralidhar	Remuneration*	-	11.57
Mr. K. Ramakanth	Remuneration*	34.50	10.44
Mrs. G.Saroja Vivekanand	Dividend paid	72.01	50.00
Dr.G.Vivekanand	Dividend paid	549.08	1,124.14
Mr.G.Vamsi Krishna	Dividend paid	9.74	3.69
Mrs. G.Vritika	Dividend paid	4.32	0.68
Mrs. G.Vaishnavi	Dividend paid	4.32	0.68
G Vivekanand family trust	Dividend paid	2.94	6.24
SV family trust	Dividend paid	1.24	2.64
Arudra Roofings Private limited	Dividend paid	24.97	96.58
VIL Media Private limited	Dividend paid	0.04	0.08
Mr. Gusti Noria	Dividend paid	0.31	0.48
Mrs. Dinaz Gusti Noria	Dividend paid	0.08	0.17
Mr. Youhan Gusti Noria	Dividend paid	0.01	0.02
Dr. G.Vivekanand	Commission and Sitting fees	11.35	11.15
Mr. Gusti Noria	Commission and Sitting fees	12.40	12.65
Mr. P. Srikar Reddy	Commission and Sitting fees	11.75	12.20
Mr. Gogineni Appnender Babu	Commission and Sitting fees	11.65	11.75
Mrs. G.Vritika	Interest on Public Deposits	5.14	4.08
Mrs. G.Vaishnavi	Interest on Public Deposits	4.08	3.75
Mr. G.Venkat Krishna	Interest on Public Deposits	0.57	0.57
Mrs. K.Vimala	Interest on Public Deposits	2.50	2.50
Mr.J.Pruthvidhar Rao	Interest on Public Deposits	2.00	-
Mrs. J. Asha Latha	Interest on Public Deposits	2.26	-

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 2023	Year ended 31 March 2022
Dr.G.Vivekanand	Loan received	400.00	636.00
	Loan repaid	400.00	636.00
	Interest on Unsecured loan	3.19	7.05
Mrs. G.Saroja Vivekanand	Loan received	188.00	230.00
	Loan repaid	188.00	230.00
	Interest on Unsecured loan	2.94	1.53
Arudra Roofings Private Limited	ICD repaid	-	114.00
	Interest on ICD	-	1.15
VIL Media Private Limited	Advertising expenses	1,110.24	748.58
	ICD received	-	1,210.00
	ICD repaid	-	1,210.00
	Interest on ICD	-	15.32
	Advance for expenses	93.91	-
Atumobile Private Limited	Purchases	105.72	30.02
	Commission income	2.89	-
Mrs. G.Vritika	Public Deposits received	13.00	15.00
Mrs. G.Vaishnavi	Public Deposits received	3.49	3.25
Mr.J.Pruthvidhar Rao	Public Deposits received	50.00	-
Mrs. J. Asha Latha	Public Deposits received	50.00	-
Mr.J.Pruthvidhar Rao	Public Deposits repaid	50.00	-
Mrs. J. Asha Latha	Public Deposits repaid	50.00	-
Mr.J.Pruthvidhar Rao	Advances given	4.91	26.54
	Advances repaid	22.11	2.75
Mr.S.Shafiulla	Advances repaid	-	2.56

* Post employment benefits are actuarially determined on overall basis and hence not seperately 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 2023	31 March 2022
VIL Media Private Limited	Advances Outstanding	93.91	-
Atumobile Private Limited	Trade payable	7.68	-
Mrs. G.Vritika	Public Deposits Outstanding	60.34	47.34
Mrs. G.Vaishnavi	Public Deposits Outstanding	42.84	39.35
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	7.86	25.06

Notes to the Consolidated Financial Statements for the year ended 31 March 2023

41. Earnings per share (EPS)

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
Profit after tax attributable to the owners (₹ in lakhs)	5,358.71	11,832.42
Weighted average number of equity shares outstanding in calculating Basic EPS (Nos in lakhs)	864.05	831.60
Weighted average number of equity shares outstanding in calculating Diluted EPS (Nos in lakhs)	864.05	852.20
Basic Earnings per Share (EPS)₹	6.20	14.23
Diluted Earnings per Share (EPS)₹	6.20	13.88

Subsequent to the year end and pursuant to Board and Shareholder's approval, the equity shares of the Company i.e.,17,280,952 shares having face value of Rs 10/- each were split/sub-divided into 86,404,760 shares having face value of ₹2/- each, fully paid-up with effect from May 15, 2023 (Record Date).

The Earnings per share (EPS) presented for the above periods is after adjusting for the split/ sub-division of equity shares of the Company in accordance with Ind AS 33..

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 2023	31 March 2022
Non-current Assets		
(a) Property, plant and equipment	62,043.02	46,052.14
(b) Capital work-in-progress	3,748.13	4,954.96
(c) Intangible assets	11.05	0.00
(d) Financial assets		
Investments	0.00	0.00
Other financial assets	186.04	108.02
(e) Other non-current assets	7,364.04	4,785.77
Current Assets		
(a) Inventories	38,147.63	29,378.46
(b) Financial assets		
(i) Trade receivables	13,666.41	13,347.94
(ii) Cash and cash equivalents	2,833.42	2,424.39
(iii) Other bank balances	361.43	312.23
(iv) Loans	2,500.00	3,022.03
(v) Other financial assets	295.34	338.26
(c) Current tax assets (net)	60.91	-
(d) Other current assets	5,821.07	6,172.53
TOTAL	**1,37,038.49**	**1,10,896.73**

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 (Refer note 20):

All amounts in ₹ lakhs

Particulars	31 March 2023	31 March 2022
Principal amount due to suppliers registered under the MSMED Act and remaining unpaid as at year end	331.00	204.57
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. Interest in Other Entities

The Company's subsidiaries as at 31 March 2023 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 on 31 st March 2023	Principal activity
		31 March 2023	31 March 2023	
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.

Notes to the Consolidated Financial Statements for the year ended 31 March 2023

45. Other disclosures

Additional Information required by Schedule III

All amounts in ₹ lakhs

31 March 2023	Net Assets(Total Assets minus Total Liabilities)		Share in Profit or (Loss)		Share in Other Comprehensive Income		Share in Total Comprehensive Income	
Name of the entity in the group	As % of Consolidated net assets	Amount	As % of Consolidated Profit or (Loss)	Amount	As % of Consolidated Other Comprehensive Income	Amount	As % of Consolidated Total Comprehensive Income	Amount
Parent Company:								
Visaka Industries Limited	100.18%	77,289.84	102.25%	5,479.04	100.00%	(37.77)	102.26%	5,441.27
Sub-total (A)	**100.18%**	**77,289.84**	**102.25%**	**5,479.04**	**100.00%**	**(37.77)**	**102.26%**	**5,441.27**
Subsidiaries								
Vnext Solutions Private Limited	0.95%	730.94	1.35%	72.63	0.00%	-	1.37%	72.63
Atum Life Private Limited	0.39%	301.55	-3.61%	(193.57)	0.00%	-	-3.64%	(193.57)
Sub-total of subsidiaries (B)	**1.34%**	**1,032.49**	**-2.26%**	**(120.94)**	**0.00%**	**-**	**-2.27%**	**(120.94)**
Sub-total (A+B)	**101.52%**	**78,322.33**	**99.99%**	**5,358.10**	**100.00%**	**(37.77)**	**99.99%**	**5,320.33**
Adjustments arising out of Consolidation (C)	-1.52%	(1,173.39)	0.01%	0.61	0.00%	-	0.01%	0.61
Total (A+B+C)	**100.00%**	**77,148.94**	**100.00%**	**5,358.71**	**100.00%**	**(37.77)**	**100.00%**	**5,320.94**

All amounts in ₹ lakhs

31 March 2022	Net Assets(Total Assets minus Total Liabilities)		Share in Profit or (Loss)		Share in Other Comprehensive Income		Share in Total Comprehensive Income	
Name of the entity in the group	As % of Consolidated net assets	Amount	As % of Consolidated Profit or (Loss)	Amount	As % of Consolidated Other Comprehensive Income	Amount	As % of Consolidated 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**

46. 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 group.

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 which is outstanding as at balance sheet date 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 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.

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 entites 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.

Notes to the Consolidated Financial Statements for the year ended 31 March 2023

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. Exceptional item as disclosed in the Statement of Profit & Loss represents retrenchment compensation paid to workers of Patancheru factory during the year.

57. 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.

58. 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.

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

sd/-
N.K.Varadarajan
Partner
Membership Number: 090196

Place: Secunderabad
Date: May 19, 2023

On behalf of Board of Directors

sd/-
Dr. G. Vivekanand
Chairman
DIN : 00011684

sd/-
Smt. G. Saroja Vivekanand
Managing Director
DIN : 00012994

sd/-
S. Shafiulla
Chief Financial Officer

sd/-
K. Ramakanth
Company Secretary &
Assistant Vice President
Membership No:F5539

Place: Secunderabad
Date: May 19, 2023

NOTICE

Notice is hereby given that the 41st Annual General Meeting of VISAKA INDUSTRIES LIMITED ("Company") will be held on Friday, the July 07, 2023 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, 2023, 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 Rs. 7.00 per Equity share of Rs. 10/- (face value before stock split) and to declare a Final Dividend of Rs.0.60 per Equity Share of Rs. 2/- (face value after stock split) for the Financial Year 2022-23.

3. To appoint a director in place of Dr. Vivek Venkatswamy Gaddam (Dr G. Vivekanand) (DIN: 00011684) who retires by rotation and being eligible, offers himself for reappointment.

SPECIAL BUSINESS:

4. 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 ("the Act") 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,(Firm Regn. No.000118) 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, 2024, be paid a remuneration of Rs. 1,65,000/- exclusive of out-of-pocket expenses and applicable taxes.

   RESOLVED FURTHER THAT the Board of Directors of the Company (including its Committee thereof) and / or Company Secretary of the Company, be and are hereby severally authorised to do all such acts, deeds, matters and things as may be considered necessary, desirable or expedient to give effect to this resolution".

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

   "**RESOLVED THAT** in supersession of all the earlier resolutions passed for payment of remuneration to Non-Executive Directors and pursuant to the provisions of Section 197, 198 and all other applicable provisions of the Companies Act, 2013 ("the Act") and the Rules made thereunder and applicable provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) and based on the recommendation of Nomination and Remuneration Committee and the Board of Directors, the consent of the members of the Company be and is hereby accorded to pay remuneration by way of commission or otherwise to the Non-Executive Directors of the Company including Independent Directors for the financial year 2023-24 and thereafter, at an amount not exceeding 1% (One percent) of the net profits of the Company computed in accordance with the provisions of Section 198 of the Companies Act, 2013, subject to maximum of Rs.15.00 lakhs (Rupees Fifteen Lakhs) per director and the said remuneration is in addition to sitting fees and reimbursement of expenses for attending the meetings of the Board of Directors or Committees thereof and the said remuneration be paid in such amount, proportion and manner as may be decided by the Board of Directors of the Company from time to time;

   RESOLVED FURTHER THAT the total overall managerial remuneration payable to all the directors of the Company in any financial year shall not exceed the limits prescribed under Section 197 and other applicable provisions of the Act.

   RESOLVED FURTHER THAT the Board of Directors of the Company (including its Committee thereof) and / or Company Secretary of the Company, be and are hereby severally authorised to do all such acts, deeds, matters and things as may be considered necessary, desirable or expedient to give effect to this resolution".

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 provisions of Section 161 of the Companies Act, 2013 ("The Act") and the rules made thereunder and Articles of Association of the Company, Shri J Pruthvidhar Rao (J.P. Rao)

(DIN-03575950) who was appointed as an Additional Director of the Company w.e.f., May 26th 2023, by the Board of Directors of the Company on the recommendation of nomination and remuneration committee for his candidature as director of the Company and who holds office up to ensuring Annual General Meeting of the Company, be and is hereby appointed as Director of the Company liable to retire by rotation."

7. 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 provisions of Sections 196, 197, 198 and any other applicable provisions of the Companies Act, 2013 ("the Act") read with Schedule V and other applicable provisions, if any, of the Act and rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, and based on recommendation of Nomination and Remuneration Committee and relevant provisions of the Articles of Association of the Company and all applicable guidelines issued by the Central Government from time to time and such other approvals as may be necessary, approval of the members be and is hereby accorded for the appointment of Shri J.Pruthvidhar Rao (Shri J P Rao) (DIN: 03575950) as Director (Strategic planning & business development) of the Company, a Whole-time Director of the Company liable to retirement by rotation for a period of two years effective from May 26, 2023 on the following terms and conditions:

   A) Basic Salary per month : Shri J P Rao shall be paid a basic salary of Rs. 5,00,000/-(Rupees five Lakhs only) per month in the scale of Rs. 5,00,000/- to Rs.7,50,000/-

   B) Perquisites & Allowances: in addition to the abovesaid salary, Shri J P Rao shall also be entitled to the following perquisites & allowances.

      i) House rent Allowance: Equal to 50% of the basic salary per month

      ii) Use of Car with Driver: The Company shall provide a Car with driver for business use

      iii) Communication facilities: The Company will provide all communication facilities like Telephone/Internet/Mobile/Fax at residence of the Whole-time Director and will pay the bills on actual basis.

      iv) Helper allowance Rs.20,000/- per month.

      v) Uniform allowance Rs.10,000/- per month.

   Increments: Increments may be given subject to the overall limits specified under Section 197 read with Schedule V of the Companies Act, 2013.

   RESOLVED FURTHER THAT where in any financial year during the currency of the tenure of Shri J.P. Rao as a Director, the Company has no profits or its profits are inadequate, the Company will pay remuneration as per Schedule V of the Companies Act, 2013.

   RESOLVED FURTHER THAT the Board of Directors or its duly constituted committee be and is hereby severally authorised to alter and vary the terms and conditions of appointment and / or remuneration including annual increments effective from first day of April in respect of each financial year based on the performance appraisal, 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.

   RESOLVED FURTHER THAT Smt. G. Saroja Vivekanand, (DIN:00012994) Managing Director, Shri G. Vamsi Krishna, (DIN:03544943) Joint Managing Director and Shri Ramakanth Kunapuli, Assistant Vice President & Company Secretary of the Company be and are hereby, severally authorised to do all necessary acts, deeds and things as may be required in this connection including filing of the relevant forms with Ministry of Corporate Affairs and / or Registrar of Companies and / or such other authorities as may be required.

By order of the Board
For **VISAKA INDUSTRIES LIMITED**

sd/-
Ramakanth Kunapuli
Assistant Vice President & Company Secretary
ICSI Membership No. F-5539
Date: May 26, 2023
Place: Secunderabad

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") vide its circular(s) dated December 28, 2022 read with other previous circulars issued in that connection (collectively referred to as "MCA Circulars"), has 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 2022-23 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 2022-23 being uploaded on the Company's website at https://visaka.co/investors/financial_information/fn_annual_reports & 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 shall remain closed from 16-06-2023 to 20-06-2023 (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), bank details, 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 / or

      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 lodgement of transfer of shares in physical form.

8. As per SEBI circular dated March 16, 2023, mandated to furnish details of PAN, contact details (email address & mobile number), bank account details and nomination by the holders of physical securities, if not available on or after October 01, 2023 or any other date as may be notified by the SEBI, shall be frozen by the Registrar and Transfer Agent of the Company (RTA) and after December 31, 2025, the frozen folios, if any, shall be referred by RTA/ Company to the administering authority under the Benami Transactions (Prohibitions) Act, 1988 and /or Prevention of Money Laundering Act, 2002.

9. The Board of Directors has appointed Mr. B V Saravana Kumar (ICSI Membership Number – 26944 & CP-11727) Practising Company Secretary, as the Scrutinizer to scrutinize the ensuring Annual General Meeting process in fair and transparent manner.

10. 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-in addressing to saravana1015@gmail.com 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."

11. 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.

12. Adhering to the various requirements set out in terms of provisions of Section 124, 125 and other applicable provisions 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 6411 equity shares to the Investor Education and Protection Fund (IEPF) authority during the previous financial year 2022-23 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 Unpaid Dividend account in respect of the Dividend for the Year FY-2015–16 (Final) if any, remain unpaid/ unclaimed after 1st September 2023, will be transferred to Investor Education and Protection Fund within 30 days from due date. Accordingly, shareholders who have not claimed Dividend in respect of the said Dividend for the year 2015-16 are requested to claim the same on or before 1st September 2023.
    v. Pursuant to provisions of Section 124 of the Companies Act, 2013 read with Rules made there under, shares on which Dividend was unpaid/ unclaimed for continuous period of seven years or more shall be transferred to Investor Education and Protection Fund within 30 days from due date from time to time. Individual letters are being sent to those shareholders whose Dividend/ Shares are liable to be transferred to Investor Education and Protection Fund well in advance and also new paper publication(s) are also being published in one English daily and one Telugu daily newspaper.

       Details also been made available on the website of the Company at https://www.visaka.co/assets/website/files/investors/Newspaper-Publication-27-05-2023.pdf

13. In connection with 1st Interim Dividend Rs.7/- per share (i.e., 70%) declared on equity share of Rs.10/- each fully paid-up for the financial year 2022–23, an amount aggregating to Rs 12,09,66,664/- was paid to the shareholders through electronic means i.e., NEFT, RTGS, ECS , NECS/Demand Drafts etc.

14. 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.

15. 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.

16. M/s. KFin Technologies Limited (Kfintech) will be providing facility for voting through remote e-voting and for participation in the Forty-first (41st) 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.22 below.

17. This notice together with annual report 2022-23 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.22 in detailed manner.

18. 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.

19. 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.

20. 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	Dr. Vivek Venkatswamy Gaddam (Dr. G. Vivekanand) (DIN:00011684)	Shri J.P. Rao (DIN: 03575950)
Qualification	MBBS	BA, MBA
Age	65 Years	64 Years
Date of First Appointment	18-06-1981	07-05-2015
Terms & Conditions of Re-appointment along with Remuneration sought to be paid.	Reappointment by virtue of retirement by rotation.	Appointment of Director as per resolution set out in Item No.7 of the notice.
Remuneration last drawn	NA (Since proposed for reappointment by virtue of retirement by rotation)	Rs. 1,36,53,115 PA
Relationship with other Directors, manager and other key managerial personnel of the Company	Dr. Vivek Venkatswamy Gaddam (Dr. G. Vivekanand) is Spouse of Smt. G. Saroja Vivekanand, Managing Director and Father of Shri G. Vamsi Krishna, Joint Managing Director	He is not related to any other director of the Company
Brief Profile and expertise in specific functional area.	He has nearly 40 years of experience in the field of Leadership, strategic planning, business operations, industry experience, risk management, consumer insights & supply chain management, governance and regulatory affairs.	He has four decades of experience in sales, marketing and distribution of products ranging from corrugated cement roofing, fibre cement boards like VBoards & VPanels. He also has good exposure in the textile business, both domestic and international markets. He holds a bachelor's degree in public administration and has done a Master of Business Administration with a specialization in Marketing.
No. of Board meetings held and attended by the Director during the year	Attended all 6 meetings held during the year	Attended all 6 meetings held during the year
Names of other listed companies in which directorship(s) is held	Nil	Nil
Names of other companies including other listed entities in which holds the membership of Committees of the Board	He is the member of Stakeholders' Relationship Committee of Visaka Industries Limited.	Nil
No. of Equity Shares of Rs.10/- each held in the Company as on 31st March, 2023	3,43,65,215 (After Stock-split)	Nil

21. Members may join the Forty-first (41st) 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 Forty-first (41st) AGM. The detailed instructions for participating in the Forty-first (41st) AGM through VC/OAVM are given in point No 22. 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), promoters/promoter group, institutional investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination & Remuneration Committee, Stakeholders Relationship Committee, Risk Management Committee, Auditors, etc., can attend the AGM without any restriction i.e., first-come-first-served principle.

22. 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 June 30, 2023 the cut-off 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 03-07-2023 and closes at 5.00 p.m. on 06-07-2023.

    xiii. Members of the Company who have purchased their shares after the dispatch of the notice but before the cut- off date (30-06-2023) 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	
1.	**Users already registered for IDeAS facility of NSDL**	**1.**	**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 CSDL.
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 the 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 CSDL 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 1800-2244-30	Members facing any technical issue in login can contact CDSL helpdesk by sending a request to: helpdesk.evoting@cdslindia.com or contact 022-23058738 or 22-23058542-43

INSTRUCTIONS FOR PARTICIPATING THROUGH VC/OAVM:

i. Members will be able to attend the Forty-first AGM through VC/OAVM of the KFintech e-voting system at https://emeetings.kfintech.com under shareholders login by using the remote e-voting credentials and selecting the EVENT for the Company's Forty-first 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 the AGM to avoid last minute rush. Further, Members can also use the OTP based login for logging into 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., 05-07-2023 by 11.30 A.M. IST. Such questions by the Members shall be taken up during the meeting and replied by the Company suitably.

v. **Post your question:**

The Members who wish to post their questions prior to the meeting can do the same by visiting https://emeetings.kfintech.com. Please login through the user id and password provided in the mail received from KFintech. On successful login, select 'Post Your Question' option which will opened from 9.00 A.M. on July 03, 2023 to 5.00 P.M. on July 06, 2023.

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 Forty-first 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 N0. 31 & 32, Financial District, Nanakramguda, Gachibowli, Hyderabad – 500032, Telangana. Phone: +91-40-6716-2222.

23. **Speaker Registration :**

The Members who wish to speak during the meeting may register themselves as speakers for the AGM to express their views. They can visit https://emeetings.kfintech.com and login through the user id and password provided in the mail received from KFintech. On successful login, select 'Speaker Registration' which will be opened from 9.00 A.M. on July 03, 2023 to 5.00 P.M. on July 06, 2023. The Company reserves the right to restrict the speakers at the AGM to only those Members who have registered themselves, depending on the availability of time for the AGM.

24. Pursuant to Finance Act 2020, dividend income is taxable in the hands of the Members w.e.f. April 01, 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, 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).

25. 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 July 10, 2023 Members are requested to note that in case their PAN is not registered, the tax will be deducted at a higher rate of 20%.

26. 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 10th July, 2023. The formats of the same can be downloaded from the website of the Company, www.visaka.co.

27. 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

As per the provisions of Section 148 of the Act read with the Companies (Audit and Auditors) Rules, 2014, M/s. Sagar and Associates, (Firm Regn. No. 000118) Cost Accountants, Hyderabad have been conducting Cost Audit of Building products Division and Textile 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 re-appoint them as Cost Auditors for the financial year 2023-24 at a remuneration of Rs.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.4** of the Notice (hereinafter 'resolution') for ratification of the remuneration payable to the Cost Auditors for the financial year ending March 31, 2024.

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. 4** of the Notice.

The Board of Directors of the company recommends the resolution for approval of the members.

Item No. 5

On March 25, 2019, the members of the Company through postal ballot, approved the payment of commission to Non-Executive Directors including Independent Directors for the financial year 2018-19 and thereafter at an amount not exceeding 1% per annum of the net profits of the Company calculated in accordance with the provisions of the Companies Act, 2013 ('the Act') subject to a maximum of Rs.10.00 Lakhs to each such director for a financial year.

The Company's Non-Executive Directors including Independent Directors are professionals with high level of expertise and rich experience in functional areas such as business strategy, financial governance, corporate governance, marketing amongst others. The Company's Non-Executive Directors have been shaping and steering the long-term strategy and make invaluable contributions towards Visaka's business strategy, monitoring of risk management and compliances. Keeping in view the fact that Non-Executive Directors are expected to shoulder greater responsibilities under contemporary compliances with various Laws, Regulations and Rules and governance regime, the Board in its meeting held on May 19, 2023, based on the recommendation of the Nomination and Remuneration Committee, proposed to enhance the said ceiling of Rs.10.00 Lakhs to Rs.15.00 Lakhs for financial year starting from financial year, subject to the approval of the Members of the Company. The above payment to the Non–Executive Directors will be in addition to the sitting fee payable to them for attending Board /Committee meetings.

Except Smt. Vanitha Datla (DIN: 03575950), an Independent Director, who has opted not to receive any remuneration, and Shri J P Rao (DIN: 03575950) Director(Strategic planning & business development) and other Key Managerial Personnel of the Company and their relatives, all other Directors along with their relatives are deemed to be concerned or interested, financially or otherwise, in this resolution to the extent of remuneration or fees that may be received by them.

The Board of Directors of the company recommend the Resolution in the best interest of the Company for approval of the Members as a special resolution.

Item no. 6 & 7:

Shri J. Pruthvidhar Rao (DIN:03575950) (Shri J P Rao) was appointed as a Whole-time Director of the Company initially for a period of three years effective from May 07, 2015 to May 06, 2018 and subsequently based on the recommendations of Nomination & Remuneration Committee and after reviewing his performance, reappointed him as a Whole-time Director for two more terms i.e., fromMay 07, 2018 to May 20, 2021 and from May 21, 2021 to May 20, 2023 and designated him as Whole-time Director and Chief Operation Officer (COO) of the Company. He was ceased to be a director consequent to expiry of his term on May 26, 2023.

Keeping in view his contribution to the growth of the Company, the Board in its meeting held on May 26, 2023, and on the recommendation of Nomination & Remuneration Commitee appointed him as an additional director and Director (Stategic Pllaning & Business development), a Whole-time Director of the Company for a period of two years effective from May 26, 2023..

Shri J. P. Rao has four decades of experience in sales, marketing and distribution of produts ranging from corrugated cement roofing, fibre cement boards like Vboards & Vpanels. He also has god exposure in the textile business, both domestic and international markets.

Shri J. P. Rao holds a bachelor's degree in public administration and did Master of Business Administration (M.B.A). He holds directorship in Jepee Buildtech Private Limited, Vnext Solutions Private Limited and Atum Life Private Limited. He does not hold any share in the Company and is not related to any other Directors of the Company.

Shri J. P. Rao and his relatives are deemed to be concerned or interested, financially or otherwise, in this resolution with respect to his appointment. Save and except the above, none of the Directors, Key Managerial Personnel of the Company and their relatives are, in any way, concerned or interested financially or otherwise in the resolution.

The Board of Directors of the Company recommends the resolution for approval of the members as an ordinary resolution.

By order of the Board
For VISAKA INDUSTRIES LIMITED

sd/-
Ramakanth Kunapuli
Assistant Vice President & Company Secretary

ICSI Membership No. F-5539
Date: May 26, 2023
Place: Secunderabad

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

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by VISAKA

www.visaka.co

Visaka Industries Limited
Visaka Towers, 1-8-303/69/3
S.P. Road, Secunderabad - 500 003