

Price Waterhouse & Co Chartered Accountants LLP

Review Report

To
The Board of Directors,
M/s. Visaka Industries Limited,
1-8-303/69/3, Visaka Towers,
S.P.Road, Secunderabad-500 033.

1. We have reviewed the unaudited standalone financial results of Visaka Industries Limited (the "Company") for the quarter ended June 30, 2020 which are included in the accompanying statement of "Unaudited standalone financial results for the quarter ended June 30, 2020" (the "Statement"). The Statement has been prepared by the Company pursuant to Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the "Listing Regulations, 2015"), which has been signed by us for identification purposes. The Statement is the responsibility of the Company's management and has been approved by the Board of Directors. Our responsibility is to issue a report on the Statement based on our review.
2. We conducted our review in accordance with the Standard on Review Engagement (SRE) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Institute of Chartered Accountants of India. This Standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement.
3. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.
4. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the Statement has not been prepared in all material respects in accordance with the applicable Indian Accounting Standards prescribed under Section 133 of the Companies Act, 2013 and other recognised accounting practices and policies and has not disclosed the information required to be disclosed in terms of Regulation 33 of the Listing Regulations, 2015 including the manner in which it is to be disclosed, or that it contains any material misstatement.
5. We draw your attention to Note-2 to the statement, which describes the management's assessment of the impact of the outbreak of Coronavirus (COVID-19) on the business operations of the Company. In view of the uncertain economic environment, a definitive assessment of the impact on the subsequent periods is highly dependent upon circumstances as they evolve.

Our conclusion is not modified in respect of this matter.

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

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UDIN: 20090196AAAAAX2028
Place: Secunderabad
Date: August 05, 2020

N.K. Varadarajan
Partner
Membership Number: 090196

Price Waterhouse & Co Chartered Accountants LLP, Unit - 2B, 8th Floor, Octave Block, Block E1, Parcel - 4
Salarpuria Sattva Knowledge City, Raidurg, Hyderabad, Telangana - 500081
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Registered office and Head Office: Plot No. Y-14, Block-EP, Sector-V, Salt Lake Electronic Complex, Bidhan Nagar, Kolkata - 700 091

Price Waterhouse & Co. (a Partnership Firm) Converted into Price Waterhouse & Co Chartered Accountants LLP (a Limited Liability Partnership with LLP identity no: LLPINAAC-4362) with effect from July 7, 2014. Post its conversion to Price Waterhouse & Co Chartered Accountants LLP, its ICAI registration number is 304026E/E-300009 (ICAI registration number before conversion was 304026E)

VISAKA INDUSTRIES LIMITED					
Regd. Office: Survey No.315, Yelumala Village, R.C.Puram Mandal, Sangareddy District - 502 300, Telangana State CIN :L52520TG1981PLC003072					
UNAUDITED STANDALONE FINANCIAL RESULTS FOR THE QUARTER ENDED JUNE 30, 2020					
(₹ In Lakhs)					
Sl. No.	Particulars	Quarter ended			Year ended
		30-06-2020	31-03-2020	30-06-2019	31-03-2020
		Unaudited	Audited	Audited	Audited
1	Revenue from Operations	28,518.53	22,770.71	35,282.04	105,038.46
2	Other Income	155.58	166.63	149.26	662.04
3	Total Income (1+2)	28,674.11	22,937.34	35,431.30	105,700.50
4	Expenses				
	a) Cost of Materials consumed	8,486.08	10,846.85	15,331.87	48,783.22
	b) Purchase of Stock -In-trade	60.55	74.07	17.68	156.70
	c) Changes in Inventories of finished goods and work in progress	5,319.12	(278.29)	2,806.70	2,381.91
	d) Employee benefits expense	2,928.51	2,782.98	3,079.25	11,602.21
	e) Finance costs	394.43	466.61	438.56	1,740.84
	f) Depreciation and amortisation expense	979.88	993.90	1,084.71	4,096.51
	g) Other Expenses	5,895.73	7,296.12	9,172.60	31,227.45
	Total expenses	24,064.30	22,182.24	31,931.37	99,988.84
5	Profit before exceptional items and tax (3-4)	4,609.81	755.10	3,499.93	5,711.66
6	Exceptional items	-	-	-	-
7	Profit before tax (5-6)	4,609.81	755.10	3,499.93	5,711.66
8	Tax expense				
	Current tax	1,217.72	15.76	1,252.21	1,366.10
	Deferred tax	(49.76)	53.63	(59.84)	(583.94)
9	Net Profit for the period after tax (7-8)	3,441.85	685.71	2,307.56	4,929.50
10	Other Comprehensive Income				
	Items that will not be reclassified to profit or loss				
	(a) Remeasurement of post - employment benefit obligations	-	157.24	-	(221.89)
	(b) Income tax relating to item (a) above	-	(39.57)	-	55.85
	Other Comprehensive Income (net of tax)	-	117.67	-	(166.04)
11	Total Comprehensive Income after tax	3,441.85	803.38	2,307.56	4,763.46
12	Paid-up equity share capital (Face Value of ₹ 10/- per Share)	1,588.10	1,588.10	1,588.10	1,588.10
13	Earnings Per Share -Basic and Diluted ₹ (Not Annualised)	21.67	4.32	14.53	31.04

Notes :

1. The above standalone financial results were reviewed by the Audit Committee and taken on record by the Board of Directors of the Company at its meeting held on August 5, 2020. These results have been subjected to review by the Company's statutory auditors.

2. Impact assessment of the global health pandemic- COVID-19 and related estimation uncertainty

During the last few months the global Pandemic Covid-19 has had significant impact on the economic activity globally and in India and is disrupting supply chains with closing of national and state borders and also imposing of lock down and the economic activity have come to a grinding halt. Post announcement by WHO as a global pandemic, numerous steps have been taken by the Government and the companies to contain the spread of virus.

The Central and most State governments have lifted the lockdown partially from May 2020 to allow economic activity (especially construction and building materials) to start. Construction activity is more important to the company since significant revenues come from sale of building materials. Also, to a large extent the company's fiber cement sheets are sold in rural parts of India. Ever since the lockdown has been lifted, it was observed that the rural india is relatively insulated from the impact of COVID so far.

However the extent to which the business/operations of the company shall be impacted due to various uncertainties arising from Covid-19 shall depend on future developments that are highly uncertain and it may take time for the demand to get to full normalcy. There may be delays beyond usual credit terms from customers.

The Company as a measure of prudence has taken the following actions:

- focus on reducing costs
- managing customer exposure and continuous monitoring of their financial health
- monitoring cash inflows and outflows with specific focus on maintaining liquidity by actively following up for recovery of receivables and managing vendor payments
- Re-engineering the operations to achieve efficiencies

The Company has made an assessment on measurement of assets and liabilities including recoverability of carrying values of its assets, its liquidity position and ability to repay its debts for the next one year, and concluded that no material adjustments are considered necessary. However, the actual impact may be different from that estimated as at the date of approval of these financial results and the company will continue to closely monitor any material changes to the assumptions made or future economic conditions.

3. SEGMENTWISE REVENUE, RESULTS, ASSETS AND LIABILITIES

(₹ in Lakhs)

Sl. No.	Particulars	Quarter ended			Year ended
		30-06-2020	31-03-2020	30-06-2019	31-03-2020
		Unaudited	Audited	Audited	Audited
1	Segment Revenue				
	(a) Building products	27,188.60	17,452.17	29,604.53	83,460.92
	(b) Synthetic blended yarn	1,329.93	5,318.54	5,677.51	21,577.54
	Total Revenue	28,518.53	22,770.71	35,282.04	105,038.46
2	Segment Results				
	Profit before tax and interest from each segment				
	(a) Building Products	6,127.06	1,000.57	4,065.49	7,118.40
	(b) Synthetic blended yarn	(643.87)	746.31	622.65	2,810.50
	Total	5,483.19	1,746.88	4,688.14	9,928.90
	Less:				
	(i) Interest	394.43	466.61	438.56	1,740.84
	(ii) Other unallocable expenditure net of unallocable income	478.95	525.17	749.65	2,476.40
	Total Profit before tax	4,609.81	755.10	3,499.93	5,711.66
3	Segment Assets				
	(a) Building products	59,838.47	74,398.35	69,582.72	74,398.35
	(b) Synthetic blended yarn	14,931.35	16,055.49	17,074.98	16,055.49
	(c) Unallocated	9,373.28	3,897.86	2,879.45	3,897.86
	Total Assets	84,143.10	94,351.70	89,537.15	94,351.70
4	Segment Liabilities				
	(a) Building products	11,203.15	9,971.48	11,105.52	9,971.48
	(b) Synthetic blended yarn	1,245.10	1,586.41	1,471.23	1,586.41
	(c) Unallocated	17,751.49	32,292.32	26,042.99	32,292.32
	Total Liabilities	30,199.74	43,850.21	38,619.74	43,850.21

We have signed this statement for identification purposes only and this Statement should be read in conjunction with our report dated Aug 05, 2020.

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

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N.K.Varadarajan
Partner
Membership Number: 090196

Place : Secunderabad
Date : 05.08.2020

On behalf of Board of Directors
for Visaka Industries Limited

SAROJA
GADDAM
Smt. G. Saroja Vivekanand
Managing Director

Place : Secunderabad
Date : 05.08.2020

Price Waterhouse & Co Chartered Accountants LLP

Review Report

To

The Board of Directors,
M/s. Visaka Industries Limited,
1-8-303/69/3, Visaka Towers,
S.P.Road, Secunderabad-500 033.

1. We have reviewed the unaudited consolidated financial results of Visaka Industries Limited (the "Parent"), its subsidiary (the parent and its subsidiary hereinafter referred to as the "Group") (refer Note 2 on the Statement) for the quarter ended June 30, 2020 which are included in the accompanying statement of "Unaudited consolidated financial results for the quarter ended June 30, 2020" (the "Statement"). The Statement is being submitted by the Parent pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the "Listing Regulations"), which has been signed by us for identification purposes.
2. This Statement, which is the responsibility of the Parent's Management and has been approved by the Parent's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013, and other accounting principles generally accepted in India. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity", issued by the Institute of Chartered Accountants of India. This Standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

We also performed procedures in accordance with the circular issued by the SEBI under Regulation 33 (8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, to the extent applicable.

4. The Statement includes the results of the subsidiary i.e. Vnext Solutions Private Limited.
5. Based on our review conducted and procedures performed as stated in paragraph 3 above, nothing has come to our attention that causes us to believe that the accompanying Statement has not been prepared in all material respects in accordance with the recognition and measurement principles laid down in the aforesaid Indian Accounting Standard and other accounting principles generally accepted in India and has not disclosed the information required to be disclosed in terms of Regulation 33 of the Listing Regulations, including the manner in which it is to be disclosed, or that it contains any material misstatement.

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Price Waterhouse & Co Chartered Accountants LLP

6. The consolidated unaudited financial results includes the financial results of the subsidiary which has not been reviewed/audited by their auditors, whose financial results reflect total revenue of Rs. Nil, total net loss after tax of Rs. 27,328 and total comprehensive loss of Rs. 27,328 for the quarter ended June 30, 2020 and for the period from April 01, 2020 to June 30, 2020 as considered in the consolidated unaudited financial results. According to the information and explanations given to us by the Management, financial results are not material to the Group.

Our conclusion on the Statement is not modified in respect of the above matter.

7. We draw your attention to Note-4 to the financial results, which describes the management's assessment of the impact of the outbreak of Coronavirus (COVID-19) on the business operations of the Company. In view of the uncertain economic environment, a definitive assessment of the impact on the subsequent periods is highly dependent upon circumstances as they evolve.

Our conclusion on the Statement is not modified in respect of the above matter.

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

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Place: Secunderabad
Date: August 05, 2020

N.K. Varadarajan
Partner
Membership Number: 090196

VISAKA INDUSTRIES LIMITED					
Regd. Office: Survey No.315, Yelumala Village, R.C.Puram Mandal, Sangareddy District - 502 300, Telangana State					
CIN :L52520TG19B1PLC003072					
UNAUDITED CONSOLIDATED FINANCIAL RESULTS FOR THE QUARTER ENDED JUNE 30, 2020					
				(₹ In Lakhs)	
Sl. No.	Particulars	Quarter ended			Year ended
		30-06-2020	31-09-2020	30-06-2019	31-03-2020
		Unaudited	Audited	Audited	Audited
1	Revenue from Operations	28,518.53	22,770.71	35,282.04	105,038.46
2	Other Income	155.58	166.63	149.26	662.04
3	Total Income (1+2)	28,674.11	22,937.34	35,431.30	105,700.50
4	Expenses				
	a) Cost of Materials consumed	8,486.08	10,846.85	15,331.87	48,783.22
	b) Purchase of Stock -In-trade	60.55	74.07	17.68	156.70
	c) Changes in Inventories of finished goods and work in progress	5,319.12	(278.29)	2,806.70	2,381.91
	d) Employee benefits expense	2,928.51	2,782.98	3,079.25	11,602.21
	e) Finance costs	394.43	466.61	438.56	1,740.84
	f) Depreciation and amortisation expense	979.88	993.90	1,084.71	4,096.51
	g) Other Expenses	5,896.01	7,296.12	9,172.60	31,227.45
	Total expenses	24,064.58	22,182.24	31,931.37	99,988.84
5	Profit before exceptional items and tax (3-4)	4,609.53	755.10	3,499.93	5,711.66
6	Exceptional items	-	-	-	-
7	Profit before tax (5-6)	4,609.53	755.10	3,499.93	5,711.66
8	Tax expense				
	Current tax	1,217.72	15.76	1,252.21	1,366.10
	Deferred tax	(49.76)	53.63	(59.84)	(583.94)
9	Net Profit for the period after tax (7-8)	3,441.57	685.71	2,307.56	4,929.50
10	Other Comprehensive Income				
	Items that will not be reclassified to profit or loss				
	(a) Remeasurement of post - employment benefit obligations	-	157.24	-	(221.89)
	(b) Income tax relating to item (a) above	-	(39.57)	-	55.85
	Other Comprehensive Income (net of tax)	-	117.67	-	(166.04)
11	Total Comprehensive income after tax	3,441.57	803.38	2,307.56	4,763.46
12	Paid-up equity share capital (Face Value of ₹ 10/- per Share)	1,588.10	1,588.10	1,588.10	1,588.10
13	Earnings Per Share -Basic and Diluted ₹ (Not Annualised)	21.67	4.32	14.53	31.04

Notes :

1. The above consolidated financial results were reviewed by the Audit Committee and taken on record by the Board of Directors of the Company at its meeting held on August 5, 2020. These results have been subjected to review by the Company's statutory auditors.

2. The Company has prepared the consolidated financial results including the results of the subsidiary i.e., Vnext Solutions Private Limited for the first time as it has invested in the subsidiary during the current quarter.

3. In preparing above consolidated financial results, the financial results of the parent (Visaka Industries Limited) and subsidiary (Vnext Solutions Private Limited) are combined on a line to line basis by adding together like items of income and expenses after elimination of Intra group transactions and resulting unrealised profits or losses.

4. Impact assessment of the global health pandemic- COVID-19 and related estimation uncertainty

During the last few months the global Pandemic Covid-19 has had significant impact on the economic activity globally and in India and is disrupting supply chains with closing of national and state borders and also imposing of lock down and the economic activity have come to a grinding halt. Post announcement by WHO as a global pandemic, numerous steps have been taken by the Government and the companies to contain the spread of virus.

The Central and most State governments have lifted the lockdown partially from May 2020 to allow economic activity (especially construction and building materials) to start. Construction activity is more important to the company since significant revenues come from sale of building materials. Also, to a large extent the company's fiber cement sheets are sold in rural parts of India. Ever since the lockdown has been lifted, it was observed that the rural India is relatively insulated from the impact of COVID so far.

However the extent to which the business/operations of the company shall be impacted due to various uncertainties arising from Covid-19 shall depend on future developments that are highly uncertain and it may take time for the demand to get to full normalcy. There may be delays beyond usual credit terms from customers.

The Company as a measure of prudence has taken the following actions:

- focus on reducing costs
- managing customer exposure and continuous monitoring of their financial health
- monitoring cash inflows and outflows with specific focus on maintaining liquidity by actively following up for recovery of receivables and managing vendor payments
- Re-engineering the operations to achieve efficiencies

The Company has made an assessment on measurement of assets and liabilities including recoverability of carrying values of its assets, its liquidity position and ability to repay its debts for the next one year, and concluded that no material adjustments are considered necessary. However, the actual impact may be different from that estimated as at the date of approval of these financial results and the company will continue to closely monitor any material changes to the assumptions made or future economic conditions.

5. CONSOLIDATED SEGMENTWISE REVENUE, RESULTS, ASSETS AND LIABILITIES

(₹ in Lakhs)

Sl. No.	Particulars	Quarter ended			Year ended
		30-06-2020	31-03-2020	30-06-2019	31-03-2020
		Unaudited	Audited	Audited	Audited
1	Segment Revenue				
	(a) Building products	27,188.60	17,452.17	29,604.53	83,460.92
	(b) Synthetic blended yarn	1,329.93	5,318.54	5,677.51	21,577.54
	Total Revenue	28,518.53	22,770.71	35,282.04	105,038.46
2	Segment Results				
	Profit before tax and interest from each segment				
	(a) Building Products	6,126.78	1,000.57	4,065.49	7,118.40
	(b) Synthetic blended yarn	(643.87)	746.31	622.65	2,810.50
	Total	5,482.91	1,746.88	4,688.14	9,928.90
	Less:				
	(i) Interest	394.43	466.61	438.56	1,740.84
	(ii) Other unallocable expenditure net of unallocable income	478.95	525.17	749.65	2,476.40
	Total Profit before tax	4,609.53	755.10	3,499.93	5,711.66
3	Segment Assets				
	(a) Building products	59,839.47	74,398.35	69,582.72	74,398.35
	(b) Synthetic blended yarn	14,931.35	16,055.49	17,074.98	16,055.49
	(c) Unallocated	9,372.28	3,897.86	2,879.45	3,897.86
	Total Assets	84,143.10	94,351.70	89,537.15	94,351.70
4	Segment Liabilities				
	(a) Building products	11,203.43	9,971.48	11,105.52	9,971.48
	(b) Synthetic blended yarn	1,245.10	1,586.41	1,471.23	1,586.41
	(c) Unallocated	17,751.49	32,292.32	26,042.99	32,292.32
	Total Liabilities	30,200.02	43,850.21	38,619.74	43,850.21

We have signed this statement for identification purposes only and this Statement should be read in conjunction with our report dated Aug 05, 2020.

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

VARADARAJAN
KRISHNAN NAVANEETHA

N.K.Varadarajan
Partner
Membership Number: 090196

Place : Secunderabad
Date : 05.08.2020

On behalf of Board of Directors
for Visaka Industries Limited

SAROJA
GADDAM

Smt. G. Saroja Vivekanand
Managing Director

Place : Secunderabad
Date : 05.08.2020