



VISAKA INDUSTRIES LIMITED[®]

CIN: L52520TG1981PLC003072

CORP OFF : "VISAKA TOWER", 1-8-303/69/3, S.P. ROAD, SECUNDERABAD - 500 003.

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Ref: VIL/SEC/ST-EX/Presentation/2019-20/25

Date: 14.08.2019

To,

National Stock Exchange of India Limited, Exchange Plaza, 5 th Floor, Plot No. C/1G Block, Bandra Kurla Complex, Bandra (East), Mumbai – 400 051 Scrip Code – VISAKAIND	Bombay Stock Exchange Limited, The Senior General Manager, Listing Compliances, Floor 25, P. J. Towers, Dalal Street, Mumbai – 400 001 Scrip Code – 509055
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Sub: Presentation – ICICI Securities Conference Call dated 13.08.2019

Ref: Regulation 30 read with Schedule III to SEBI (LODR) Regulations, 2015

Dear Sir/s,

With reference to above, we herewith enclose a presentation in connection with the said conference.

This is for your information and records please.

Thanking you,

Yours faithfully,

for **VISAKA INDUSTRIES LIMITED**

Authorised Signatory



Encl. Presentation

Regd. Office & Factory	: A.C. Division I, Survey No. 315, Yelumala Village, R.C. Puram Mandal, Sanga Reddy District, T.S, Pin 502 300.
Factory : A.C. Division II	: Behind Super Gas, Manikantham Village, Paramathi-Velur Taluq, Namakkal District, Tamil Nadu, Pin 637 207.
Factory : A.C. Division III	: 70/3A, 70/3, Sahajpur Industrial Area, Nandur Village, Daund Taluka, Pune District, Maharashtra, Pin 412 020.
Factory : A.C. Division IV	: Changsole Mouza, Bankibundh, G.P. No. 4, Saliboniblock, Midnapore West, W.B, Pin 721 147.
Factory : A.C. Division V	: No. 27/1, G. Nagenahalli Village, Kora Hobli, Tumkur, Karnataka, Pin 572 138.
Factory : A.C. Division VI	: Vill. Kannawan, PS Bachrawan, Tehsil Maharajgunj, Dist Raebareli, U.P, Pin 229 301.
Factory : A.C. Division VII	: Survey No. 385, 386, Jujjuru (V), Chennaropalem (P), Veerulapadu (M), Near Kanchika Cherla, Krishna Dist, A.P, Pin 521 181.
Factory : A.C. Division VIII	: Plot No. 2006, 1994, Khata No. 450, At-Paramanapur Manejwan, Navamunda Village Sambalpur Dist, Odisha, Pin 768 200.
Factory : Textile Division	: Survey No. 179 & 180, Chiruva Village, Mouda Taluk, Nagpur District, Maharashtra, Pin 441 104.
Factory : V-Boards Division I	: Gajalapuram Village, Peddadevalapally Post, Tripuramam Mandal, Near Miryalaguda. Nalgonda Dist, T.S, Pin 508 207.
Factory : V-Boards Division II	: Gate No : 262 to 269, Delwadi Village, Daund Taluq, Pune Dist, Maharashtra, Pin 412 214.



VISAKA INDUSTRIES LIMITED
Q1FY20 Results Presentation

June 2019

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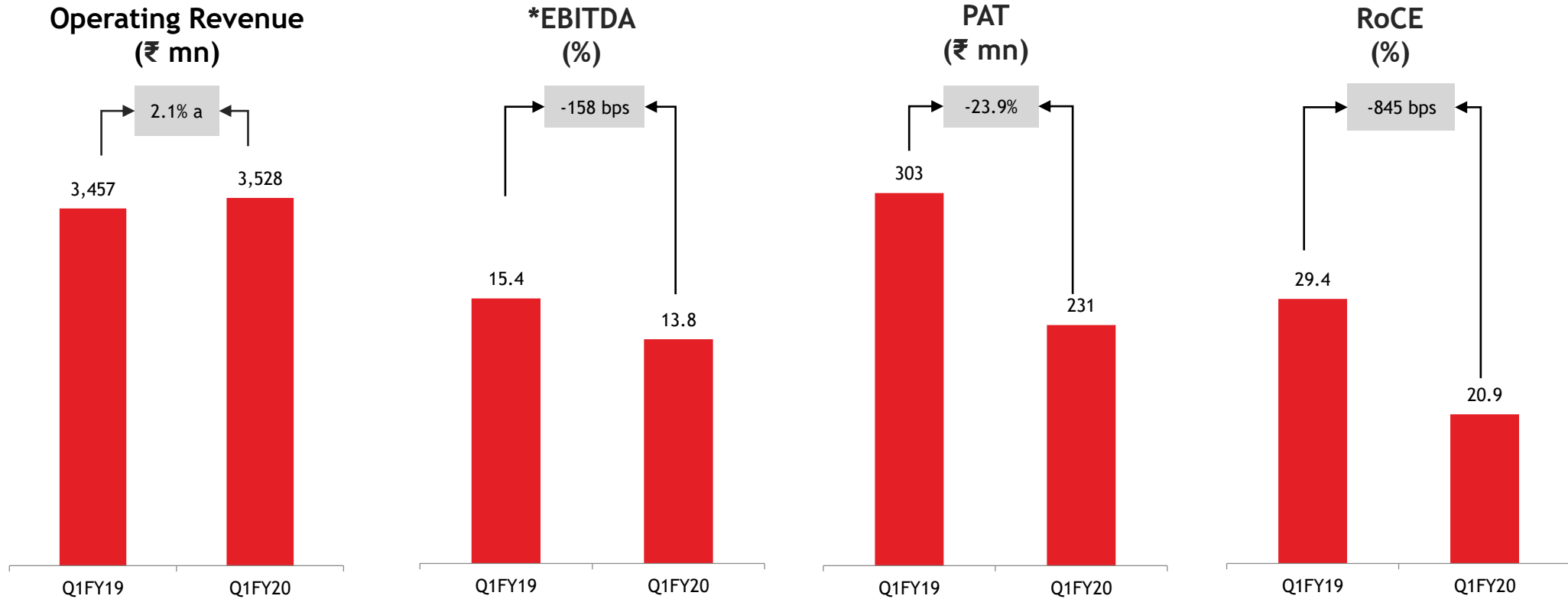
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Brands &
Offerings

RESULT HIGHLIGHTS

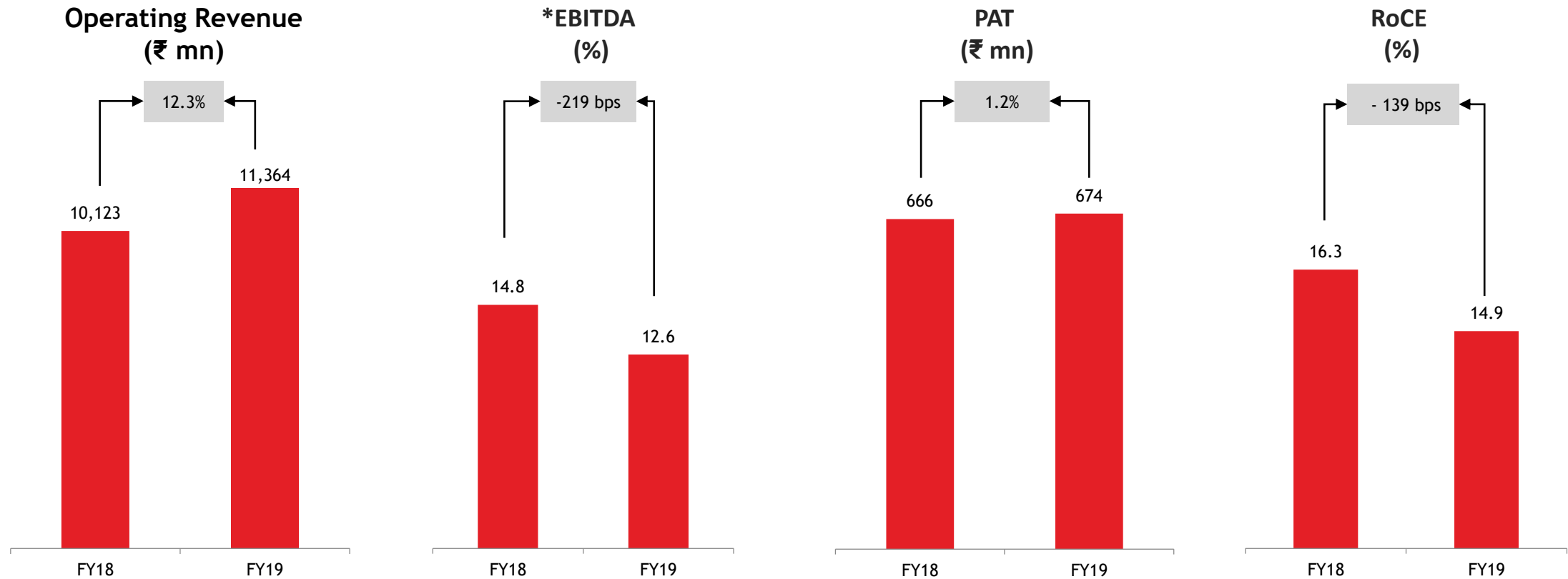


QUARTERLY FINANCIAL HIGHLIGHTS



*EBITDA excludes other income

FY19 FINANCIAL HIGHLIGHTS



*EBITDA excludes other income

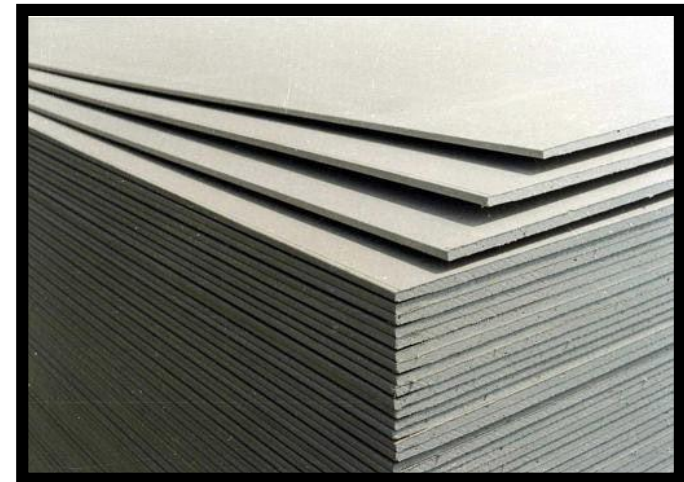
MANAGEMENT COMMENTARY

- In Q1FY20, Operating Revenue grew 2.1% YoY led by increase in sales volume of building product, ATUM and synthetic yarn
- Commenced production at Jhajjar Plant and ATUM (Solar Roofing Product) which saw sales of 241 kw in Q1FY20
- Margins in the board business is improving. Spinning margins have stayed robust. Most business segments have seen healthy growth except cement asbestos which degrew 2%
- The outlook for the future continues to be positive



CURRENT MARKET SHARE OF BUSINESS SEGMENTS

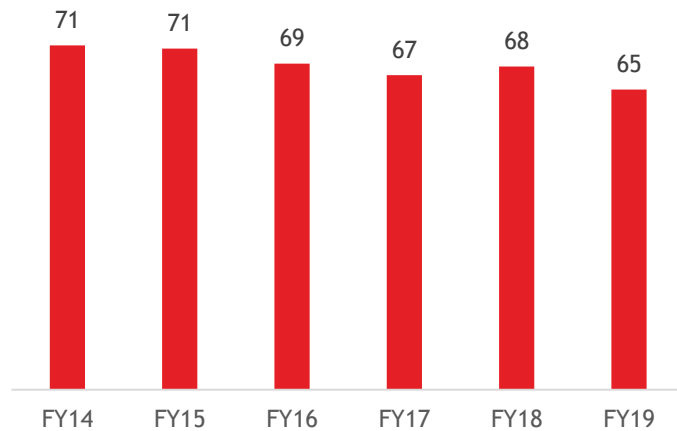
- Cement Asbestos market share stays at 18% in FY19
- Boards and Panels retains a market share at 26% in FY19 became the largest manufacturer of Boards and Panels in India, with manufacturing capacity 32% of the industry as on 31st March 2019
- Visaka's spinning business is a unique technology and hence not affected significantly by the textile industry movements



REVENUE CONTRIBUTION SHIFTING TO HIGHER MARGIN OFFERINGS

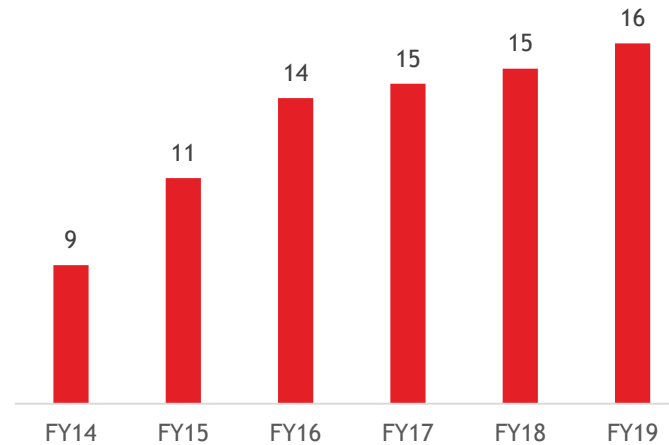


Cement Asbestos



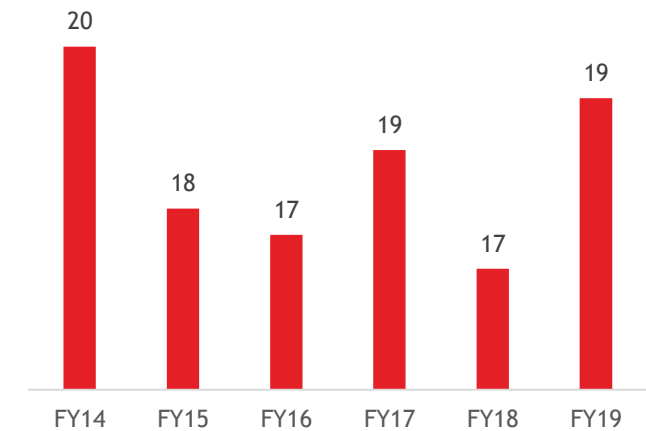
Cement asbestos continues its flattish revenue share

Fibre Cement (V-boards & Panels & traded)



De-risking the business operations by focusing on non-asbestos businesses

Textiles - Synthetic Yarns



OPERATIONAL METRICS



OPERATIONAL METRICS - QUARTERLY



Operational Metrics (₹ mn)	Q4FY17	Q1FY18	Q2FY18	Q3FY18	Q4FY18	Q1FY19	Q2FY19	Q3FY19	Q4FY19	Q1FY20
Segmental revenues										
Building Products	2,134.9	2,613.1	1,693.6	1,969.7	2,143.7	2,956.0	1,912.9	1,889.5	2,400.9	2,960.5
Synthetic Yarn	407.6	485.0	317.2	448.7	452.3	500.8	597.5	509.8	596.7	567.8
Segmental Profits										
Building Products	312.6	447.4	279.6	297.8	328.8	506.7	235.3	187.8	290.8	406.6
Synthetic Yarn	9.8	11.8	6.0	27.3	35.1	43.7	74.5	53.2	52.8	62.3
Segmental EBIT margins										
Building Products	14.6%	17.1%	16.5%	15.1%	15.3%	17.1%	12.3%	9.9%	12.1%	13.7%
Synthetic Yarn	2.4%	2.4%	1.9%	6.1%	7.8%	8.7%	12.5%	10.4%	8.8%	11.0%
Installed capacity in MT										
Building Products	931,750	931,750	931,750	931,750	931,750	931,750	931,750	931,750	981,750	9,81,750
ATUM (Solar Panels) - KW			30,000	30,000	30,000	30,000	30,000	30,000	30,000	30,000
Synthetic Yarn - Spinning Positions	2,752	2,752	2,752	2,752	2,752	2,752	2,752	2,752	2,752	2,752
Production in MT										
Building Products	186,142	235,987	187,343	211,361	202,529	228,330	237,613	209,922	219,140	2,39,356
ATUM (Solar Panels) - KW			182	235	165	88	1,245	1,658	521	120
Synthetic Yarn	2,634	2,743	2,568	2,892	2,488	2,717	2,849	2,979	2,838	2,765
Sales in MT										
Building Products	218,445	252,816	157,967	188,508	208,408	276,107	176,009	173,941	227,163	2,78,988
ATUM (Solar Panels) - KW				2	6	0	25	304	190	241
Synthetic Yarn	2,137	2,646	1,738	2,461	2,537	2,723	2,981	2,474	3,043	2,903
Utilization (on sales)										
Building Products	94%	109%	68%	81%	89%	119%	76%	75%	93%	114%
Synthetic Yarn	71%	88%	58%	82%	85%	91%	99%	82%	101%	97%

OPERATIONAL METRICS - ANNUALLY



Operational Metrics (₹ mn)	FY14	FY15	FY16	FY17	FY18	FY19
Segmental revenues						
Building Products	7,047.9	8,334.6	8,179.7	7,817.3	8,420.0	9159.3
Synthetic Yarn	1,781.3	1,796.4	1,715.8	1,788.3	1,703.2	2204.8
Segmental Profits						
Building Products	244.6	486.3	531.3	1,009.0	1,353.6	1,220.6
Synthetic Yarn	268.6	216.3	262.4	172.0	80.1	224.2
Segmental EBIT margins						
Building Products	3.5%	5.8%	6.5%	12.9%	16.1%	13.3%
Synthetic Yarn	15.1%	12.0%	15.3%	9.6%	4.7%	10.2%
Installed capacity in MT						
Building Products	881,750	931,750	931,750	931,750	931,750	981,750
ATUM (Solar Panels) - KW					30,000	30,000
Synthetic Yarn - Spinning Positions	2,032	2,032	2,176	2,752	2,752	2,752
Production in MT						
Building Products	664,436	855,293	797,157	800,817	837,220	895,004
ATUM (Solar Panels) - KW					582	3,512
Synthetic Yarn	8,614	8,900	9,290	9,985	10,691	11,383
Sales in MT						
Building Products	697,714	805,604	796,238	787,481	807,700	853,220
ATUM (Solar Panels) - KW					8	519
Synthetic Yarn	8,522	8,958	9,199	9,453	9,382	11,221
Utilization (on sales)						
Building Products	79%	86%	85%	85%	86.7%	86.9%
ATUM (Solar Panels) - KW						1.7%
Synthetic Yarn	96%	101%	97%	79%	78.2%	93.5%

FINANCIAL SUMMARY



PROFIT & LOSS STATEMENT - QUARTERLY

Profit & Loss (₹ mn)	Q4FY17	Q1FY18	Q2FY18	Q3FY18	Q4FY18	Q1FY19	Q2FY19	Q3FY19	Q4FY19	Q1FY20
Income from Operations	2,542.5	3,092.3	2,010.8	2,418.4	2,596.0	3,456.9	2,510.4	2399.3	2,997.5	3,528.2
Other Income	8.3	15.9	10.2	9.9	9.8	69.1	20.0	13.4	17.9	14.9
Total Income	2,550.8	3,108.2	2,020.9	2,428.2	2,605.8	3,526.0	2,530.3	2412.7	3,015.4	3,543.1
Operating Expenses	2,232.3	2,625.2	1,677.6	2,074.1	2,239.0	2,924.9	2,192.7	2155.4	2,655.0	3,040.8
EBITDA	318.5	483.1	343.3	354.1	366.9	601.1	337.6	257.4	360.4	502.3
Margin %	12.5	15.6	17.1	14.6	14.1	17.4	13.4	10.7	12.0	14.2
Depreciation	91.0	90.5	86.3	86.6	84.9	86.0	84.8	89.3	93.5	108.5
EBIT	227.5	392.6	257.0	267.5	281.9	515.2	252.8	168.0	266.9	393.9
Margin %	8.9	12.7	12.8	11.1	10.9	14.9	10.1	7.0	8.9	11.2
Financial Charges	54.8	39.7	39.9	48.7	54.2	51.8	43.6	50.9	53.2	43.9
Interest %	2.2	1.3	2.0	2.0	2.1	1.5	1.7	2.1	1.8	1.2
PBT	172.7	352.9	217.1	218.8	227.7	463.4	209.2	117.1	213.7	350.0
Margin %	6.8	11.4	10.8	9.0	8.8	13.4	8.3	4.9	7.1	9.9
Tax	68.6	123.3	75.7	76.1	75.8	160.0	69.8	26.3	73.3	119.2
PAT	104.2	229.6	141.4	142.7	151.9	303.4	139.4	90.9	140.5	230.8
Margin %	4.1	7.4	7.0	5.9	5.9	8.8	5.6	3.8	4.7	6.5
EPS	6.6	14.5	8.9	9.0	9.6	19.1	8.8	5.7	8.8	14.5

PROFIT & LOSS STATEMENT - ANNUALLY

Profit & Loss (₹ mn)	FY14	FY15	FY16	FY17	FY18	FY19
Income from Operations	8,921.0	10,211.3	10,048.5	9,605.7	10,123.2	11,364.1
Other Income	53.6	24.2	27.3	57.1	45.7	120.4
Total Income	8,974.6	10,235.5	10,075.8	9,662.8	10,168.9	11,484.5
Operating Expenses	8,348.1	9,252.3	9,096.2	8,433.8	8,621.6	9,927.9
EBITDA	626.5	983.3	979.6	1,229.0	1,547.3	1,556.5
Margin %	7.0	9.6	9.7	12.8	15.3	13.7
Depreciation	224.6	430.9	363.0	340.8	348.4	353.6
EBIT	401.9	552.4	616.6	888.2	1,198.9	1,203.0
Margin %	4.5	5.4	6.1	9.2	11.8	10.6
Financial Charges	214.0	220.3	212.9	196.0	182.6	199.5
Interest %	2.4	2.2	2.1	2.0	1.8	1.8
PBT	188.0	332.1	403.7	692.2	1,016.3	1,003.5
Margin %	2.1	3.3	4.0	7.2	10.0	8.8
Tax	68.3	119.7	159.4	264.4	350.8	329.4
PAT	119.6	212.4	244.3	427.8	665.5	674.1
Margin %	1.3	2.1	2.4	4.5	6.6	5.9
EPS	7.5	13.3	15.3	26.9	41.8	42.5

BALANCE SHEET & KEY RATIOS

Balance Sheet (₹ mn)	FY14	FY15	FY16	FY17	FY18	FY19
Share capital	159.2	159.2	159.2	159.2	159.2	159.2
Reserves and Surplus	3,174.5	3,162.6	3,311.4	3,719.5	4,297.4	4,835.8
Non-current liabilities	1,258.2	1,193.9	758.9	999.3	1,090.4	982.9
Current liabilities	2692.3	3,386.5	3,959.6	2,812.9	3,298.3	3,283.2
Total Equity and Liabilities	7,284.2	7,902.2	8,189.2	7,690.8	8,845.3	9,261.1
Non-current assets	3,877.8	3,464.4	3,368.8	3,563.7	4,258.3	4,339.1
Current assets	3,406.4	4,437.8	4,820.4	4,127.1	4,587.0	4,922.0
Total Assets	7,284.2	7,902.20	8,189.2	7,690.8	8,845.3	9,261.1

Key Ratios	FY14	FY15	FY16	FY17	FY18	FY19
RoCE (%)	6.2	8.0	8.6	13.4	16.3	14.9
RoE (%)	3.6	6.4	7.0	10.9	14.9	13.5
Debt to equity (x)	0.87	1.00	1.02	0.64	0.63	0.57
Interest coverage (x)	2.9	4.5	4.6	6.3	8.5	7.8
Inventory days	77.0	89.0	84.0	74.0	85.0	88.0
Receivable days	40.0	46.0	53.0	59.0	53.0	50.0
Payable days	19.0	21.0	23.0	29.0	34.0	25.0

ANNEXURE



STOCK INFORMATION



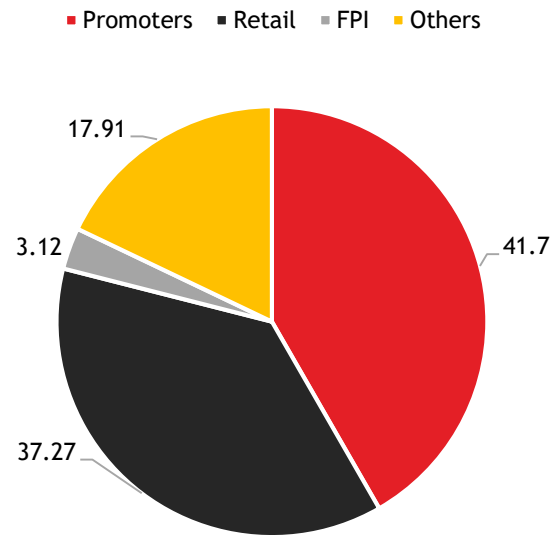
Market cap (₹)
4,611 mn
(as on 13th Aug 2019)

Shares outstanding
15.9mn
(31th June 2019)

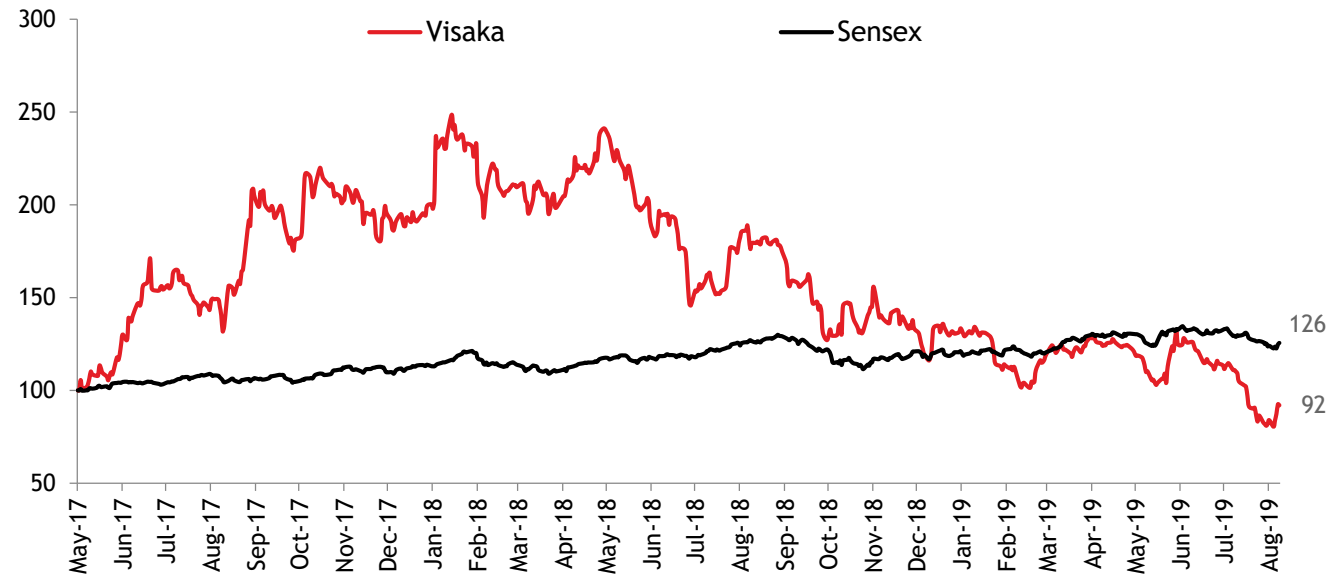
NSE code
VISAKAIND

BSE code
509055

Shareholding Pattern as on
30th June 2019



Relative stock price vs BSE Sensex
(as on 13th Aug 2019)



KEY MANAGERIAL TEAM



**SHRI. DR G.
VIVEKANAND**

Vice
Chairman

An MBBS graduate from Osmania University and a former Member of Parliament is a first-generation entrepreneur playing a pivotal role in the company growth. It is under his leadership and guidance, Visaka Industries has grown multifold and diversified into building products and synthetic blended yarn with a prominent position in both industries.



**SHRI. G. VAMSI
KRISHNA**

Joint Managing
Director

He is a science graduate from Purdue University, USA. He joined Visaka in June 2010 as a management trainee and was later promoted as Chief Business strategist then as whole time director and he is currently joint managing director. He spearheaded the growth of the V-next business and invented ATUM. He was responsible in repositioning the company and introduction of ATUM.



**SHRI. VEPA
VALLINATH**

Whole Time
Director & CFO

He is a member of Institute of Chartered Accountants of India and Institute of Cost Accountants of India. He has a rich and varied experience of over 33 years spreading over various key operations of Finance, Business Strategy, Costing etc.

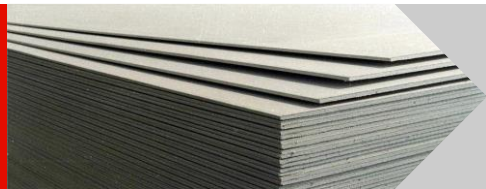
BRANDS & OFFERINGS



PRESTIGIOUS BRANDS OF VISAKA INDUSTRIES



VISAKA & SHAKTI



V-Board



V-Plank



ATUM



V-Next



V-Premium



V-Panel



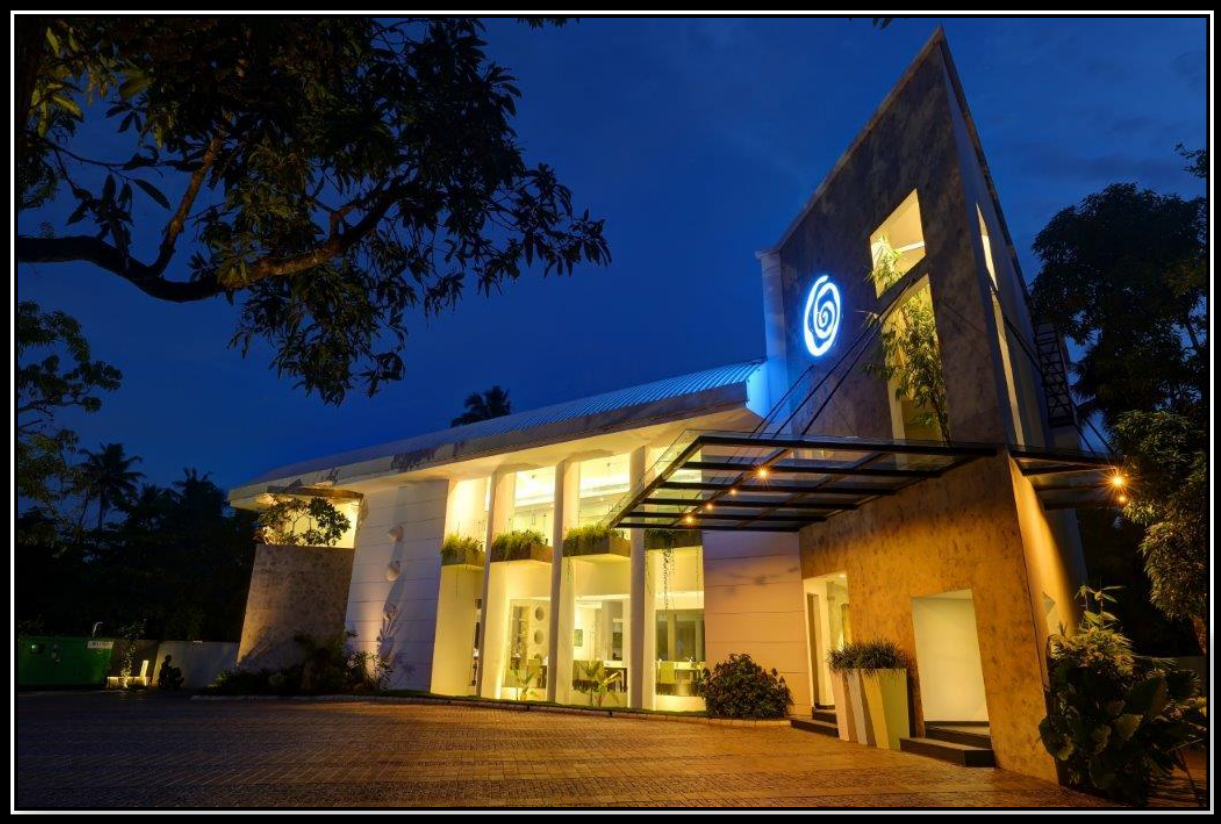
V-Infill

GREEN PRODUCTS FOOTPRINT INCREASING



Vnext by Visaka products are manufactured using Cellulose fiber and are **Green Pro Certified** product (V board, V designer, V plank & V premium, and V panel) by **CII-IGBC**, the first and only company to be certified **Green Products in the category of FCB**. With use of V board, you save huge amount of electricity and water as our product is dry wall construction. Due to shortage of Red Sand for construction, Vnext is an ideal ecofriendly product for future generations to come.

REVOLUTIONIZING USE OF ENERGY EFFICIENTLY - ATUM



AESTHETIC APPEARANCE WITH THE V-VOARDS AND PANELS



INCREASED ACCEPTANCE OF VISAKA'S OFFERINGS IN RESIDENTIAL'S





CONTACT US

INVESTOR RELATIONS CONTACT

Name : V. Vallinath
(Whole Time Director & CFO)
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ADDRESS

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Road, Secunderabad - 500003