



CIN: L52520TG1981PLC003072

VISAKA INDUSTRIES LIMITED[®]

CORP. OFF : "VISAKA TOWERS", 1-8-303/69/3, S.P. ROAD, SECUNDERABAD - 500 003.
TEL : +91-40-27813833, 27813835 FAX : +91-40-27813837, 27891833 www.visaka.in e-mail : vil@visaka.in

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Date: 07.04.2017

To,

National Stock Exchange of India Limited, Exchange Plaza, 5 th Floor, Plot No. C/1G Block, Bandra Kurla Complex, Bandra (East), Mumbai - 400 051 Scrip Code - VISAKAIND	Bombay Stock Exchange Limited, The Senior General Manager, Listing Compliances, Floor 25, P. J. Towers, Dalal Street, Mumbai - 400 001 Scrip Code - 509055
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Sub: Transcription of Chat with ET Now

Dear Sir/s,

With reference to above, we enclose herewith transcription of the chat that our Whole-time Director Shri.G.Vamsi Krishna had with Economic Times Now (ET Now).

This is for your information and records please.

Thanking you,

Yours faithfully,

for VISAKA INDUSTRIES LIMITED

I SRINIVAS

Assistant Vice President (Corporate Affairs)
& Company Secretary

Encl. a/a

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

In a chat with ET Now, G Vamsi Krishna of Visaka Industries said, the company expects its boards' business to become the largest revenue generator as Vboards can make a huge impact on the construction industry.

Edited excerpts:

Tell us about performance of your boards and panels business in FY16 and FY17, and what is your future outlook? Do expect to beat the previous nine-month performance?

To talk about Vboard segment, last time we had registered a growth of about 15 per cent, this year we expect to attain the same level despite drop in exports. We will disclose full details in our yearly results soon, but overall as a product we have done exceedingly well. The market is appreciating the product because it is something new in the Indian industry. There has not been any major change in construction industry in the last 60-70 years and I think Vboards will bring that change.

Can you share some numbers with us?

We have registered good growth of 20 per cent in the last nine months in domestic market as products like plywood are getting replaced by Vboards because of it being ecofriendly. The product is energy efficient which saves a lot of foundation cost. People are realising the benefits of this product. Indian construction industry is changing a lot over the last five years and we are happy to be part of that. We are trying to make that change happen in India right now.

Give us some ballpark figure on your margins?

It's difficult to speak about margins because we do not specify that, but to give you an idea on product line, I would like to tell you why we are so bullish on this product. We have set up two plants in the last six to seven years and have got great encouragement from the market. After using for six to eight years, people are very confident about the product. We are being exceedingly innovative in terms of launching a product, which a customer needs. So in that way we are doing well.

How much revenues do you expect from your new businesses?

Right now, overall we are getting about 30 per cent of our revenues from new businesses. We expect to touch Rs 200 crore soon from Vboards. In addition to our existing plants we also plan to set up a new plant in the north in next one year.

You also have a yarn business that is about 20 per cent of your broad ballpark revenue. What is the natural integration here?

Primarily we were in the roofing business and way back in 92 we wanted to diversify into different business so that is how we picked up yarn business. It is a very niche product. We feel that wherever we can add value we would definitely look at that and that is how yarn came into the picture. Recently, we had an expansion in yarn business as well, because we are doing well in that segment. Likewise in boards, it was a very exciting product, there was no product as such that could make such an impact on the building industry and that really encouraged us. As a team we are very innovative and we would like to take on challenges where we feel we can add value.

How should Visaka Industries be defined a company which is making roofing sheets or a company which is now venturing into value added businesses?

It's very interesting question as we are actually transforming as a company. We are evolving as a company right now, if you see boards we are very passionate about the product because we feel it can really impact in our country in terms of construction. In terms of yarn we are catering to a very niche segment so we are adding value. In a sense the way you can define Visaka is that we are an innovative company, we want to reach out to new beginnings, new learnings where we will constantly learn, constantly evolve and wherever we feel that we can add concrete value we will do that.

Which business or segment do you see as your largest revenue pie holder in the next two years. Would it be yarns or would you continue to focus on boards?

It would be boards, because we think Vboards can make a huge impact on the construction industry. Our way of constructing homes, furniture will be changed it will be faster, more energy efficient. We can drastically cut down construction time by using boards. Energy demand will come down by 6 per cent once you use Vboards into buildings, the roofing systems will also become lighter. It's economical in terms of price too, so it can make huge impact on the construction industry. People are going to change the way they look at construction once we plan out and execute what we have in mind.

