



VISAKA INDUSTRIES LIMITED

Q4&FY18 RESULTS PRESENTATION

May 07, 2018





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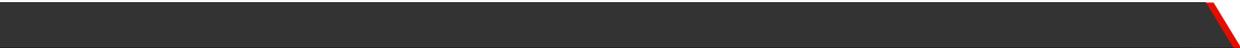
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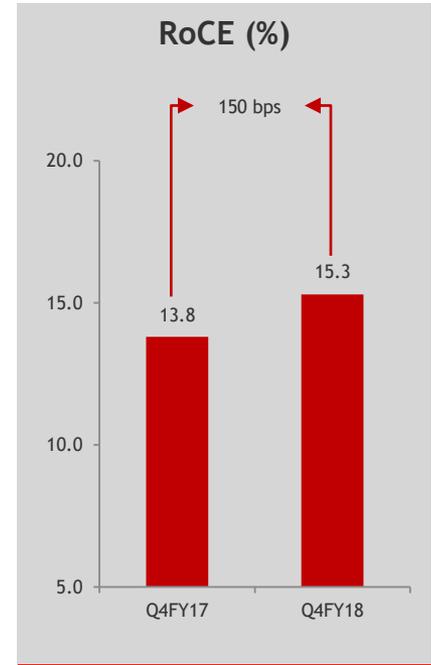
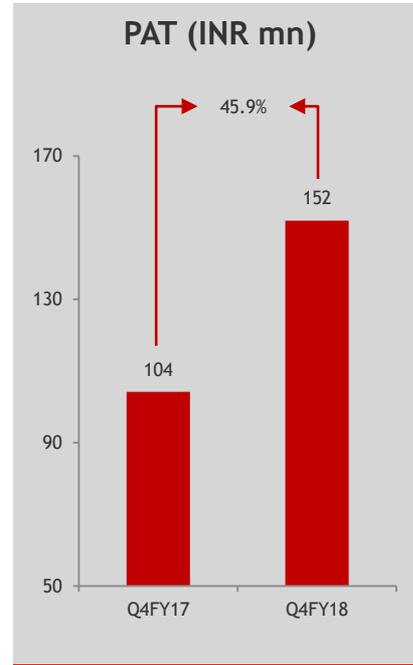
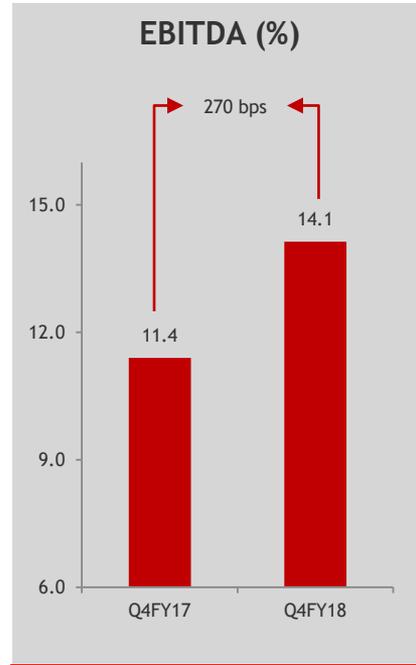
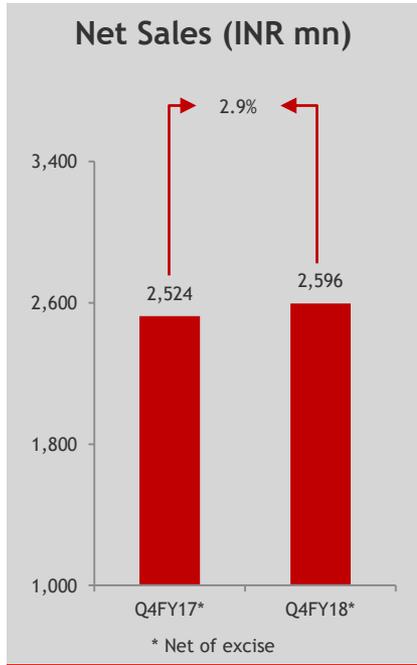
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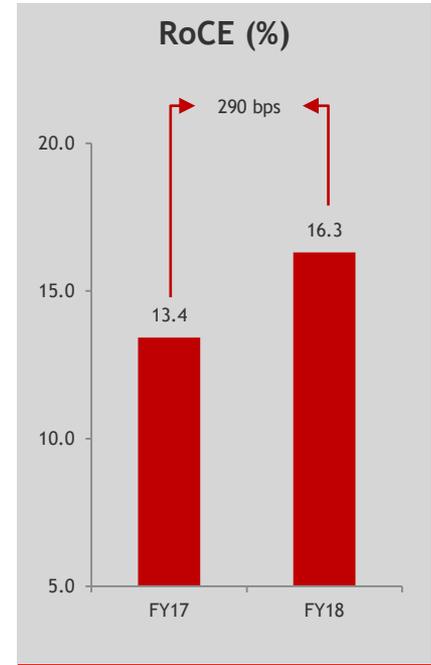
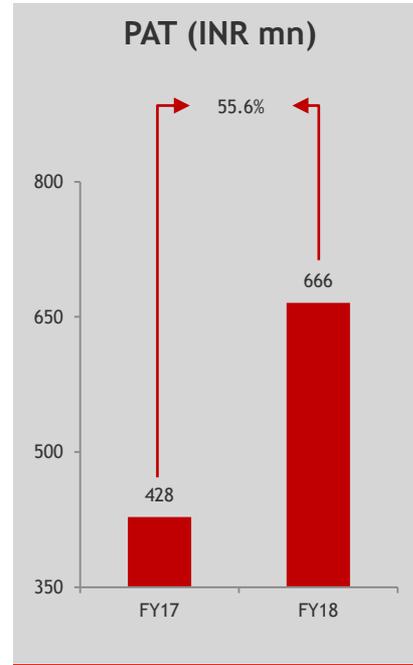
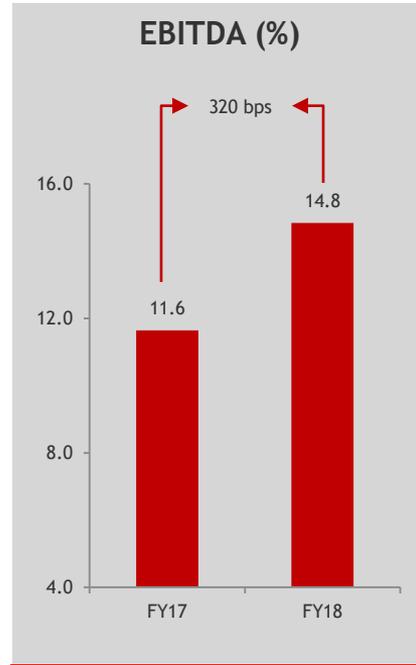
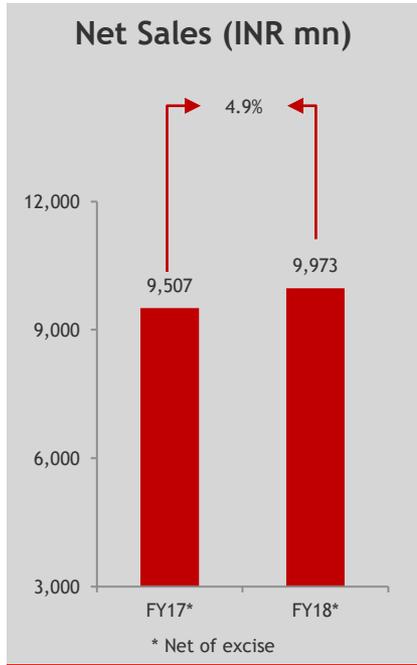
Result Highlights



Quarterly financial highlights



Annual financial highlights



Management commentary



- Revenues grew 2.9% YoY in Q4FY18 to Rs 2,596 mn.
- EBITDA margins for Q4FY18 expanded 270 bps YoY.
- PAT grew 46% YoY in Q4FY18 to Rs 152 mn, aided by significant growth in EBITDA.
- RoCE for the quarter increased by 150 bps points on the back higher EBITDA.
- ROE for Q4FY18 13.6 vs 10.6% in Q4FY17, FY18 - 14.9% vs 10.9% in FY17

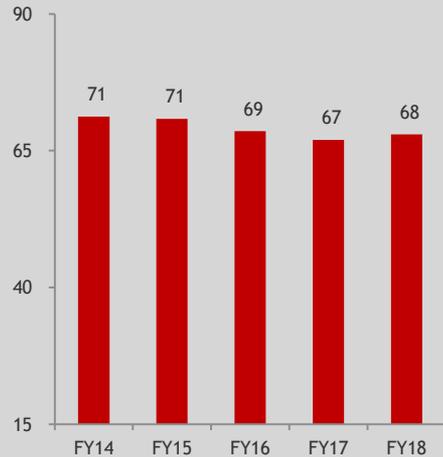
Current market share of business segments

- Cement Asbestos continued with a strong hold on its market share with 18%
- Boards and Panels retains a market share at 26% in Q4FY18 with higher domestic market share

Revenue contribution shifting to higher margin offerings

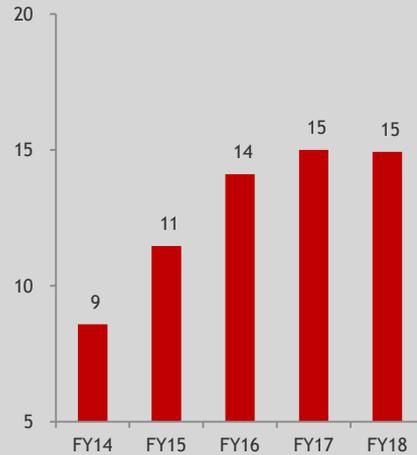


Cement Asbestos (% Sales)



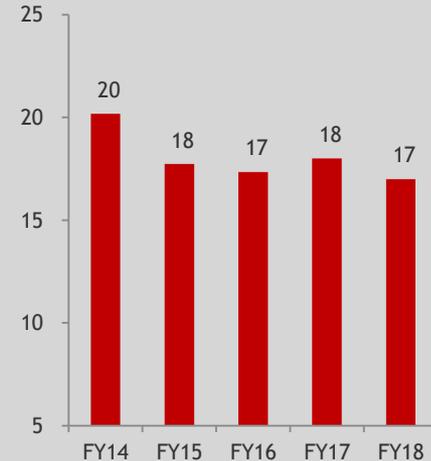
Cement asbestos continues its flattish revenue share

Fibre Cement (% Sales)



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

Textiles (% Sales)



Operational Metrics



Operational Metrics - Quarterly



Operational Metrics Yearly (INR mn)	Q1FY17	Q2FY17	Q3FY17	Q4FY17	Q1FY18	Q2FY18	Q3FY18	Q4FY18
Segmental revenues								
Building Products	2,955.5	1,675.0	1,742.7	2,394.1	2,922.2	1,693.6	1,969.7	2,143.7
Synthetic Yarn	445.5	489.4	445.8	407.6	485.0	317.2	448.7	452.3
Segmental Profits								
Building Products	325.7	208.8	161.9	312.6	447.4	279.6	297.8	328.8
Synthetic Yarn	57.0	68.7	36.5	9.8	11.8	6.0	27.3	35.1
Segmental EBIT margins								
Building Products (%)	11.0%	12.5%	9.3%	13.1%	15.3%	16.5%	15.1%	15.3%
Synthetic Yarn (%)	12.8%	14.0%	8.2%	2.4%	2.41%	1.9%	6.1%	7.8%
Installed capacity in MT								
Building Products	931,750	931,750	931,750	931,750	931,750	931,750	931,750	931,750
Synthetic Yarn - Spinning capacity	2,176	2,176	2,752	2,752	2,752	2,752	2,752	2,752
Production in MT								
Building Products	239,192	198,786	176,697	186,142	235,987	187,343	211,361	202,529
Synthetic Yarn	2,521	2,296	2,535	2,634	2,743	2,568	2,892	2,487.8
Sales in MT								
Building Products	264,318	145,751	158,967	218,445	252,816	157,967	188,508	208,408.0
Synthetic Yarn	2,438.0	2,523.0	2,354.0	2,137.0	2,646.0	1,738.0	2,461.0	2,537.0
Utilization (%) (on sales)								
Building Products	113%	63%	68%	94%	109%	68%	81%	89%
Synthetic Yarn	103%	106%	78%	71%	88%	58%	82%	85%

Operational Metrics - Annually



Operational Metrics Yearly (INR mn)	FY14	FY15	FY16	FY17	FY18
Segmental revenues					
Building Products	7,047.9	8,334.6	8,179.7	8,767.3	8,729.2
Synthetic Yarn	1,781.3	1,796.4	1,715.8	1,788.3	1,703.2
Segmental Profits					
Building Products	244.6	486.3	531.3	1,009.0	1,353.6
Synthetic Yarn	268.6	216.3	262.4	172.0	80.1
Segmental EBIT margins					
Building Products (%)	3.5%	5.8%	6.5%	11.5%	15.5%
Synthetic Yarn (%)	15.1%	12.0%	15.3%	9.6%	4.7%
Installed capacity in MT					
Building Products	881,750.0	931,750.0	931,750.0	931,750.0	931,750.0
Synthetic Yarn - Spinning Positions	2,032	2,032	2,176	2,752	2,752
Production in MT					
Building Products	664,436.0	855,293.0	797,157.3	800,816.8	837,219.8
Synthetic Yarn	8,614.0	8,900.0	9,289.9	9,985.1	10,691.4
Sales in MT					
Building Products	697,714.0	805,604.0	796,238.0	787,481.0	807,700.0
Synthetic Yarn	8,522	8,958	9,199	9,453	9,382
Utilization (%) (on sales)					
Building Products	79.1%	86.5%	85.5%	84.5%	86.7%
Synthetic Yarn	96.2%	101.1%	96.9%	78.8%	78.2%

Financial Summary



Profit & Loss statement - Quarterly



Profit & Loss (INR mn)	Q1FY17	Q2FY17	Q3FY17	Q4FY17	Q1FY18	Q2FY18	Q3FY18	Q4FY18
Income from Operations	3,401.0	2,164.4	2,188.4	2,801.7	3,407.2	2,010.8	2,418.4	2,596.0
Other Income	27.8	10.8	10.2	8.3	15.9	10.2	9.9	9.8
Total Income	3,428.8	2,175.2	2,198.7	2,810.0	3,423.1	2,020.9	2,428.2	2,605.8
Operating Expenses	3,038.1	1,887.0	1,967.1	2,491.5	2,940.0	1,677.6	2,074.1	2,239.0
EBITDA	390.7	288.2	231.5	318.5	483.1	343.3	354.1	366.9
Margin %	11.5	13.3	10.6	11.4	14.2	17.1	14.6	14.1
Depreciation	81.4	81.0	87.4	91.0	90.5	86.3	86.6	84.9
EBIT	309.3	207.2	144.2	227.5	392.6	257.0	267.5	281.9
Margin %	9.1	9.6	6.6	8.1	11.5	12.8	11.1	10.9
Financial Charges	51.6	38.4	51.2	54.8	39.7	39.9	48.7	54.2
Interest %	1.5	1.8	2.3	2.0	1.2	2.0	2.0	2.1
PBT	257.7	168.8	92.9	172.8	352.9	217.1	218.7	227.7
Margin %	7.6	7.8	4.2	6.2	10.4	10.8	9.0	8.8
Tax	91.0	70.8	34.0	68.6	123.3	75.7	76.1	75.8
PAT	166.8	97.9	59.0	104.2	229.6	141.4	142.6	151.9
Margin %	4.9	4.5	2.7	3.7	6.7	7.0	5.9	5.9
EPS	10.5	6.2	3.7	6.6	14.5	8.9	9.0	9.6

Profit & Loss statement - Annually



Profit & Loss (INR mn)	FY14	FY15	FY16	FY17	FY18
Income from Operations	8,921.0	10,211.3	10,048.5	10,555.6	10,432.4
Other Income	53.6	24.2	27.3	57.1	45.7
Total Income	8,974.6	10,235.5	10,075.8	10,612.7	10,478.1
Operating Expenses	8,348.1	9,252.3	9,096.2	9,383.8	8,930.7
EBITDA	626.5	983.3	979.6	1,228.9	1,547.3
Margin %	7.0	9.6	9.7	11.6	14.8
Depreciation	224.6	430.9	363.0	340.8	348.4
EBIT	401.9	552.4	616.6	888.2	1,199.0
Margin %	4.5	5.4	6.1	8.4	11.5
Financial Charges	214.0	220.3	212.9	196.0	182.6
Interest %	2.4	2.2	2.1	1.9	1.8
PBT	188.0	332.1	403.7	692.2	1,016.4
Margin %	2.1	3.3	4.0	6.6	9.7
Tax	68.3	119.7	159.4	264.4	350.8
PAT	119.7	212.4	244.4	427.8	665.6
Margin %	1.3	2.1	2.4	4.1	6.4
EPS	7.5	13.3	15.3	26.9	41.8

Balance sheet & Key Ratios



Balance Sheet (INR mn)	FY14	FY15	FY16	FY17	FY18
Share capital	159.2	159.2	159.2	159.2	159.2
Reserves and Surplus	3,174.5	3,162.6	3,311.4	3,766.5	4,297.4
Non-current liabilities	3,132.2	3,521.4	3,354.2	1,828.8	2,109.5
Current liabilities	818.3	1,059.0	1,364.4	1,848.9	2,279.2
Total Equity and Liabilities	7,284.2	7,902.2	8,189.2	7,603.4	8,845.3
Non-current assets	3,877.8	3,464.4	3,368.7	3,546.0	4,258.3
Current assets	3,406.4	4,437.8	4,820.4	4,057.4	4,587.0
Total Assets	7,284.2	7,902.2	8,189.2	7,603.4	8,845.3

Key Ratios	FY14	FY15	FY16	FY17	FY18
RoCE (%)	6.2	8.0	8.6	13.4	16.3
RoE (%)	3.6	6.4	7.0	10.9	14.9
Debt to equity (x)	0.9	1.0	1.0	0.6	0.6
Interest coverage (x)	2.9	4.5	4.6	6.3	8.5
Inventory days	77.0	89.0	84.0	74.0	85.0
Receivable days	40.0	46.0	53.0	59.0	53.0
Payable days	19.0	21.0	23.0	29.0	34.0

Annexure

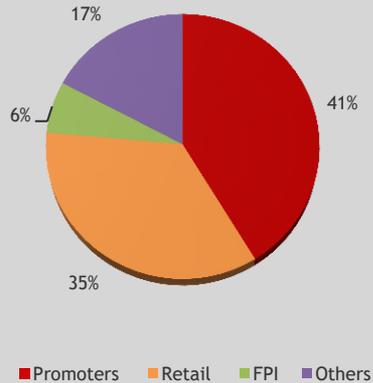


Stock information



- Market cap (INR) - 11,894 mn (As on 7th May 2018)
- Shares outstanding- 15.9mn (31st March 2018)
- BSE code: 509055
- NSE code: VISAKAIND

Shareholding Pattern as on 31st March 2018



Relative stock price vs BSE Sensex (as on 7th May 2018)



Key Managerial Personnel



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-Next

V-Board

V-Premium

V-Plank

V-Panel

ATUM

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



ATUM PLANT



ROOFING with the ATUM product



Multifarious use of Boards and Panels



Mezzanine Flooring with V-Boards



Kitchen cabinets rich look with V-Boards



Aesthetic offering with V-Boards & Panels



Wall Paneling with V-Boards



Roof Underlay with V-Premium



Partitions, False Ceiling, Mezzanine flooring, Shelves in House Boat with V-Board



Contact us



Investor Relations contact

Name : V. Vallinath (Whole Time Director & CFO)
Email id : vallinath@visaka.in
Phone : 040-27813833

Address

Visaka Industries Limited. Visaka towers", 1-8-303/69/3, S.P. Road, Secunderabad - 500003