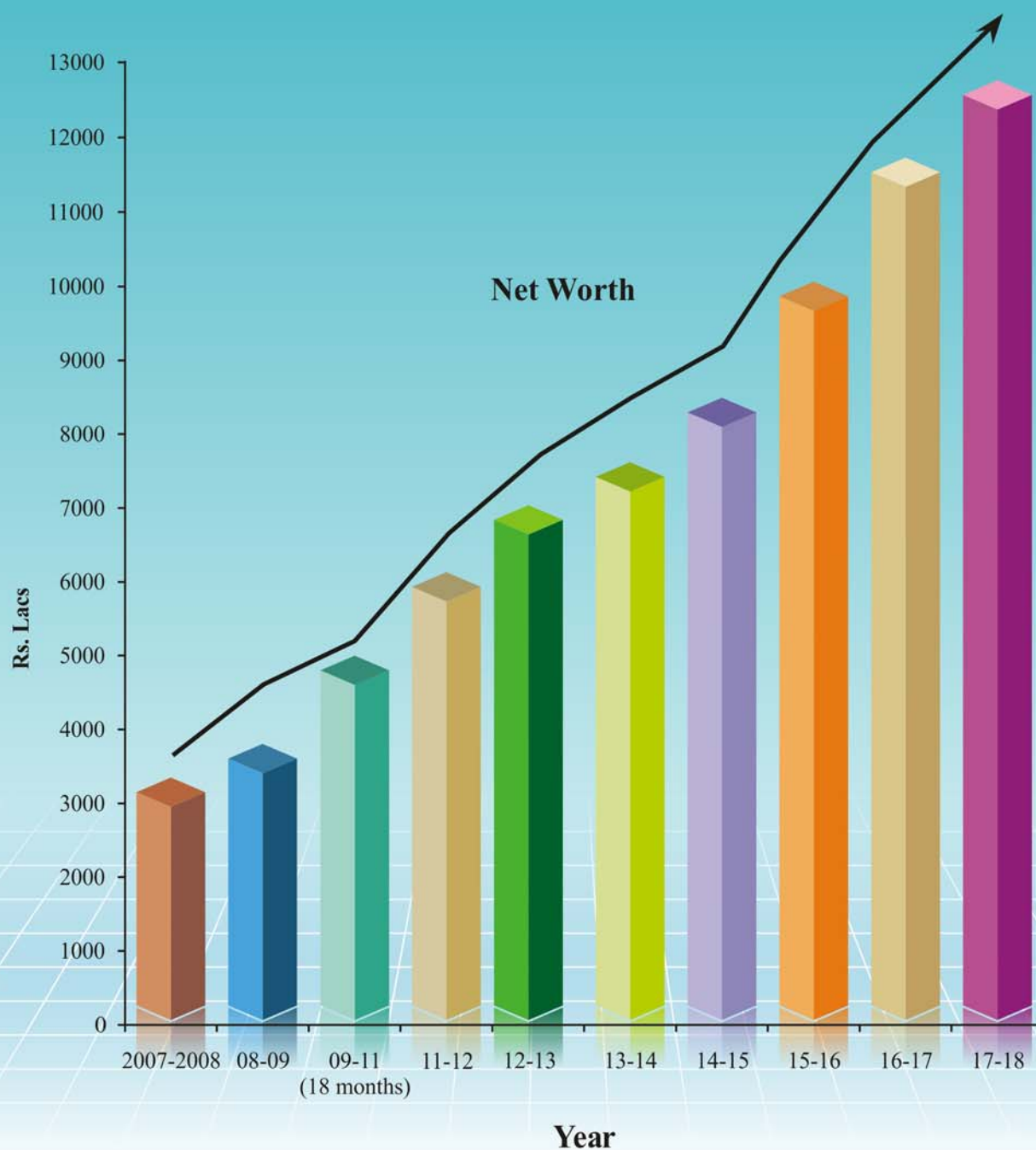




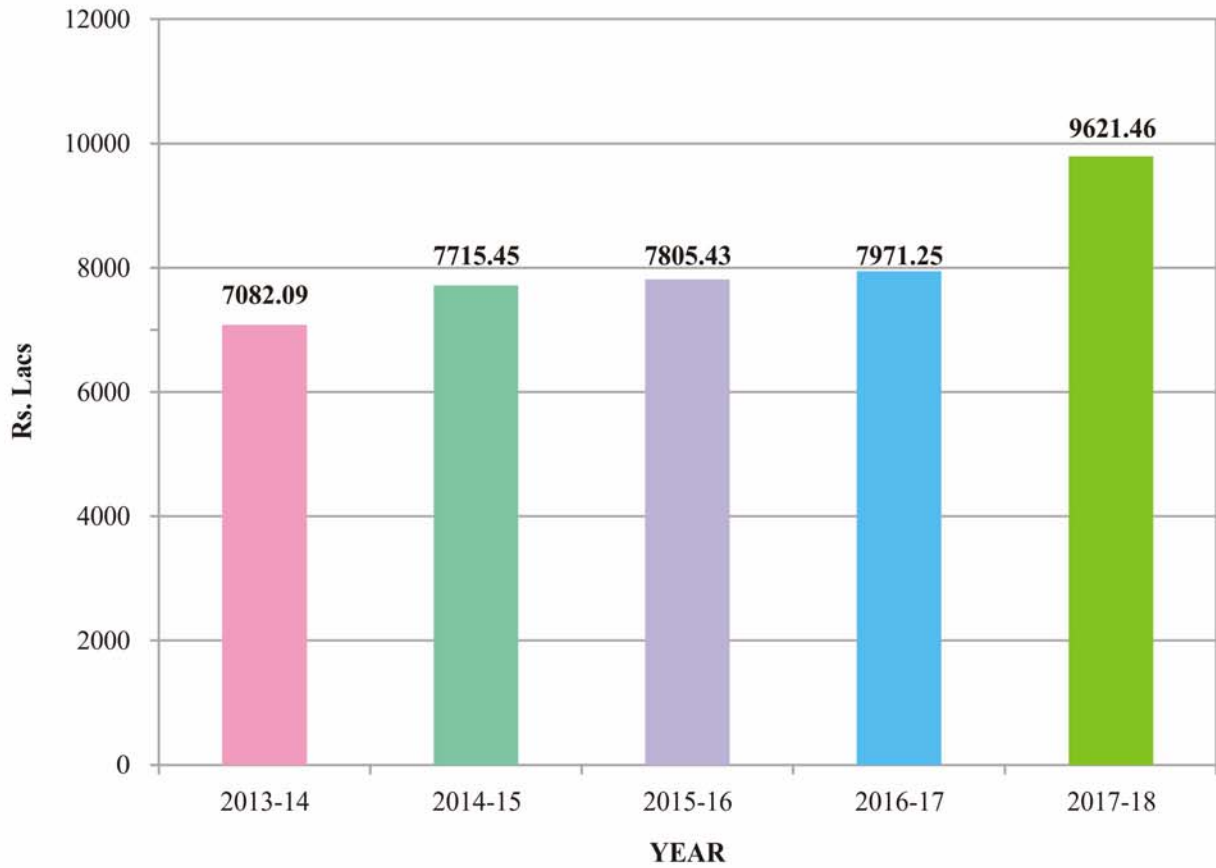
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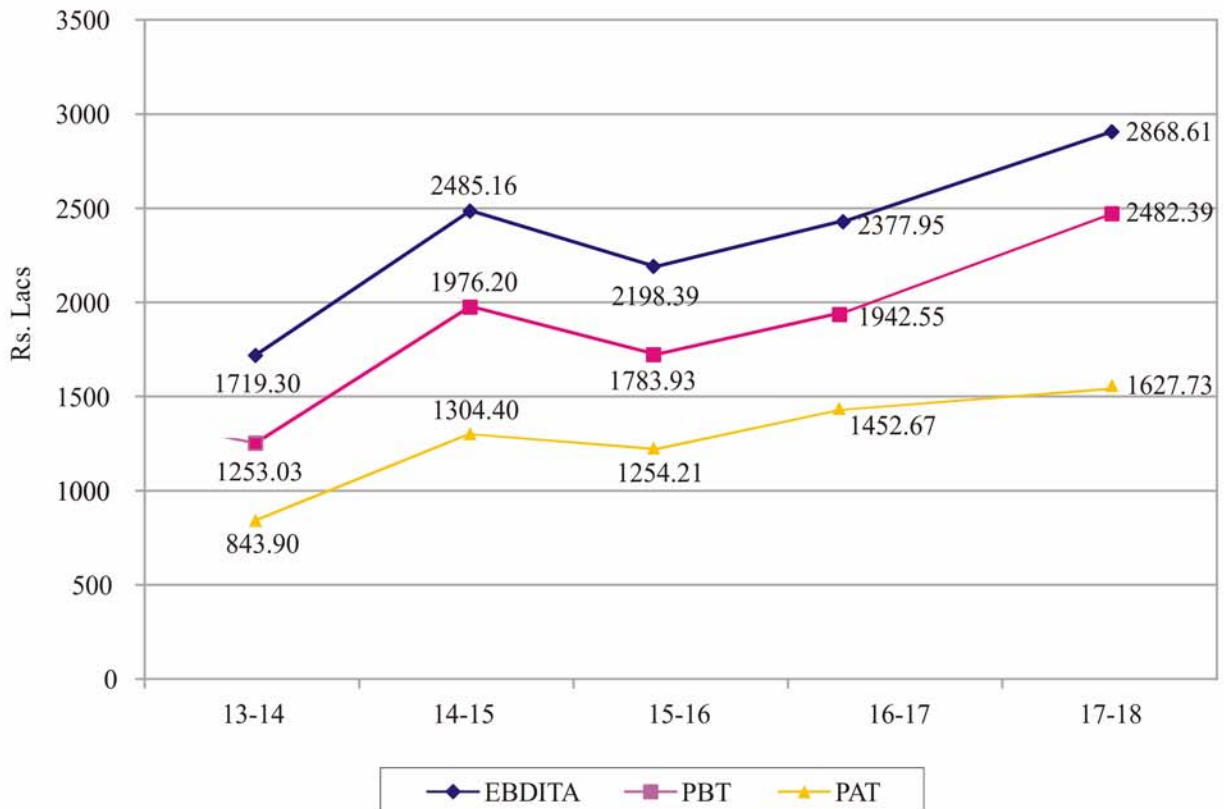


**VELJAN DENISON LIMITED**

## NET SALES



## PROFIT TREND



**BOARD OF DIRECTORS :**

**Shri. V. C. JANARDAN RAO**  
Chairman and Managing Director

**Shri . M.L. MOTWANI**  
Independent Director  
(Resigned w.e.f 03-09-2018)

**Shri, V. PATTABHI**  
Independent Director

**Shri. B.S.SRINIVASAN**  
Independent Director

**Smt. U.UMA DEVI**  
Director

**BOARD'S SUB – COMMITTEES****1. Audit Committee**

Shri. V. PATTABHI - Chairman  
Shri. B.S. SRINIVASAN  
Shri. M.L. MOTWANI

**2. Corporate Social Responsibility(CSR) Committee**

Shri. V. C. JANARDAN RAO- Chairman  
Shri. B.S.SRINIVASAN  
Shri . M.L. MOTWANI

**3. Nomination & Remuneration Committee**

Shri. V. PATTABHI - Chairman  
Shri. M.L. MOTWANI  
Shri. V. PATTABHI

**4. Stakeholder's Relationship Committee**

Shri. V. PATTABHI - Chairman  
Shri. V. C. JANARDAN RAO  
Shri . M.L. MOTWANI

**SENIOR MANAGEMENT**

**Chief Finance Officer :**  
Shri. R. VENKATA RAO

**Company Secretary:**  
Shri. B. NARAHARI

**Statutory Auditors :**

M/S. K.S.RAO & CO.  
Chartered Accountants  
Flat No 603, 6th Floor,  
Golden Green Apartments,  
Erramanzil Colony, Hyderabad – 500082

**Secretarial Auditor :**

M/S BS & Company, Company Secretaries LLP  
5-9-22/71A, Ground Floor, MCH No.250, Near Birla  
Temple, Adarsh Nagar, Hyderabad – 500063

**Internal Auditor:**

M/S M V NARAYANA REDDY & CO  
Chartered Accountants  
Flat No.504, Vijaya Sree Apartments  
Behind Chermas, Ameerpet  
Hyderabad – 500073

**Bankers:**

Canara Bank  
HDFC Bank Ltd.

**Registered Office:**

Plot No.44, 4th Floor, HCL Towers, Chikoti Gardens,  
Begumpet, Hyderabad- 500016, Telangana.  
Ph.No.: 040-27764546  
Fax No.: 040-27765253

**Factory:**

Plot No. 10A, Phase-I, I.D.A.,  
Patancheru - 502 319, Medak District, Telangana  
Ph. No.: 08455-242013, 242020 & 242049,  
Fax No.: 08455-242085

**Registrar And Share Transfer Agents**

M/s Venture Capital and  
Corporate Investments Private Limited  
12-10-167, Bharath Nagar, Hyderabad - 500 018.  
Phone : 040-23818475

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**HIGHLIGHTS OF TEN YEAR'S PERFORMANCE**

Particulars	2007-08	2008-09	2009-11 (18 Months)	2011-12
1. Sales & other income	6438.87	4274.72	10219.37	8370.12
2. Profit Before int, dep & tax	1769.91	1271.29	3301.38	2313.93
3. Profit before extraordinary/exceptional Items & Tax	1443.18	837.21	2575.86	1788.99
4. Profit after Tax	851.40	471.33	1697.30	1134.37
5. Net Fixed Assets	2594.78	3223.39	3411.96	3301.50
6. Share Capital	180.00	180.00	180.00	225.00
7. Reserves & surplus	3483.71	3850.09	5389.97	6328.21
8. Net Worth	3663.71	4030.09	5569.97	6553.21
9. Return on Net worth(RONW) PAT/Networth	23.24%	11.70%	30.47%	17.31%
10. Return on Avg.Capital Employed (ROCE)	0.11	0.06	0.17	0.10
11. Cash Earnings per share(Rs)	58.04	41.39	122.43	65.55
12. Earnings per share (Rs)	47.30	26.19	94.29	50.42
13. Dividend per Share (Rs)	5.00	5.00	7.50	7.50
14. Book Value per Share(Rs)	203.54	223.89	309.44	291.25
15. Sundry Debtors - No of Days	122	126	200	171
16. Turnover/Avg Inventory (Times)	3.56	2.38	2.82	3.54
17. Current Ratio	2.30	2.61	2.28	2.38
20. Debt-Equity Ratio	0.97	0.63	0.61	0.47

**HIGHLIGHTS OF TEN YEAR'S PERFORMANCE**

<b>2012-13</b>	<b>2013-14</b>	<b>2014-15</b>	<b>2015-16</b>	<b>2016-17</b>	<b>2017-18</b>
7375.52	7400.61	8187.41	8076.70	8325.42	9815.97
1969.27	1719.30	2485.16	2198.39	2377.95	2868.61
1478.83	1253.03	1976.20	1783.93	1942.55	2482.39
994.82	843.90	1304.40	1254.21	1452.67	1627.73
3096.36	2878.52	2666.09	2934.23	2708.83	2987.96
225.00	225.00	225.00	225.00	225.00	225.00
7125.61	7772.08	8813.24	9796.65	11249.32	12607.87
7350.61	7997.08	9038.24	10021.65	11474.32	12832.87
13.53%	10.55%	14.43%	12.52%	12.66%	12.68%
0.07	0.06	0.07	0.07	0.06	0.07
58.66	51.67	71.06	67.14	76.51	85.15
44.21	37.51	57.97	55.74	64.56	72.34
7.50	7.50	10.00	10.00	10.00	10.00
326.69	355.43	401.70	445.41	509.97	570.35
225	167	279	291.16	244.92	212.24
2.76	2.89	2.58	2.94	2.75	3.29
2.15	2.67	2.62	3.70	3.44	4.29
0.55	0.45	0.47	0.34	0.36	0.26

## NOTICE OF ANNUAL GENERAL MEETING

**NOTICE** is hereby given that the 44th Annual General Meeting of the members of **Veljan Denison Limited (CIN: L29119TG1973PLC001670)** will be held on **Saturday, the 29th day of September, 2018, at 11.30 A.M. at Plot No. A 18 & 19, APIE, Balanagar, Hyderabad – 500 037** to transact the following business:

### **ORDINARY BUSINESS:**

1. To receive, consider and adopt the Audited Financial Statements which includes Balance Sheet as at March 31, 2018, the Statement of Profit & Loss and Cash Flow Statement for the year ended as on that date and reports of the Board of Directors and the Auditors' thereon.
2. To declare a dividend of Rs. 10/- (Rupees Ten) per equity share of Rs. 10/- each for the financial year ended March 31, 2018.
3. To elect and appoint a Director in place of Mrs. Uma Devi (DIN: 00125840), who retires by rotation and being eligible, offers herself for re-appointment.

### **SPECIAL BUSINESS:**

#### **4. Continuation of the Directorship of Mr. Pattabhi Vangala (DIN: 00200157):**

To consider and if thought fit to pass, with or without modification(s), the following resolution as a **Special Resolution:**

**“RESOLVED THAT** in accordance with the provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and as proposed and amended by Regulation 17(1A) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018, (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) which requires a special resolution for continuing the directorship of any person as a Non Executive Director who has attained the age of seventy five years w.e.f. April 01, 2019, the consent of the members of the Company, be and is hereby accorded for the continuation of Directorship of Mr. Pattabhi Vangala (DIN: 00200157), who has already attained the age of 75 years, as Independent Director of the Company after April 01, 2019 until the expiry of his existing term.”

**“RESOLVED FURTHER THAT** Board of Directors of the Company be and are hereby authorized to do all such acts, deeds and things as may be deemed proper and expedient to give effect to this Resolution.”

#### **5. Commission payable to Non-Executive Directors:**

To consider and if thought fit to pass, with or without modification(s), the following resolution as a **Special Resolution:**

**“RESOLVED THAT** pursuant to Section 197, 198, and all other applicable provisions of the Companies Act, 2013,



provisions of Listing Regulations and other applicable provisions if any, in addition to the sitting fees being paid/payable for attending the meetings of the Board of Directors of the Company and its Committees thereof, the Company be and is hereby authorised to pay to its Directors (other than the Managing Director or Whole-time Director of the Company) for a period of 5 years commencing from April 1, 2018, such commission as the Board of Directors may from time to time determine (to be divided amongst them in such proportion as may be determined by the Board of Directors from time to time and equally in the absence of such determination) but such commission shall not exceed 1 (One) per cent of the net profits of the Company in any financial year (computed in the manner provided in Section 198 of the Companies Act, 2013).

**“RESOLVED FURTHER THAT** Board of Directors of the Company be and are hereby authorized to do all such acts, deeds and things as may be deemed proper and expedient to give effect to this Resolution.”

#### 6. Approval of Material Related Party Transactions:

To consider and if thought fit to pass, with or without modification (s), the following resolution as an Ordinary Resolution:

“RESOLVED THAT pursuant to provisions of Section 188 and other applicable provisions, if any, of the Companies Act, 2013 and Rules made thereunder, if applicable, consent of the members be and is hereby accorded to the Board of Directors or the Committee thereon for entering into the following proposed Related Party Transactions with respect to sale, purchase of goods or materials or services etc by Veljan Denison Limited for the Financial year 2018-19 up to the maximum amounts as appended in table below:

Sl. No	Name of the Related Party	Name of the Interested Director/ KMP/ Company	Nature of Transactions	Material Terms and particulars of the contract or arrangement	Maximum Limit for the FY 2018-19 (Rs. In Crores)
1	Veljan Hydrair Ltd.	1. V. C. Janardan Rao 2. U. Uma Devi	Sales & Purchase	As per the terms of the respective contracts or arrangements entered into or to be entered into from time to time in the ordinary course of business and on an arms' length basis.	120.00
2	Suxus Systems Ltd.	1. V. C. Janardan Rao 2. U. Uma Devi	Sales & Purchase		30.00
3	Ecmat Ltd.	1. V. C. Janardan Rao 2. U. Uma Devi	Job work		30.00
4	Veljan Investments Ltd.	1. V. C. Janardan Rao 2. U. Uma Devi	Rent		2.00
5	JDM Hydro Pneumatics Ltd.	1. V. C. Janardan Rao 2. U. Uma Devi	Job Work		2.00

RESOLVED FURTHER THAT the Board of Directors of the Company (the “Board”, which term shall be deemed to include its “Committee of Directors”), be and is hereby authorised to do or cause to be done all such acts, matters, deeds and things and to settle any questions, difficulties or doubts that may arise with regard to any transactions with related parties and execute such agreements, documents and writings and to make such filings, as may be necessary or desirable for the purpose of giving effect to this resolution.”

#### **7. Approval to make Donations:**

To consider and if thought fit to pass, with or without modification (s), the following resolution as a Special Resolution:

“RESOLVED THAT pursuant to the provisions of Section 181 of the Companies Act, 2013 the consent of the members be and is hereby accorded to the Board of Directors to contribute or donate at its discretion for a period of 5 years with effect from the financial year 2018-19 by way of donations or contributions or otherwise provide assistance to any charitable, public, social, benevolent or general fund, society, association, institutions, trust, organization, related/ not related to the business of the Company or the welfare of its employees, which in aggregate may exceed 5% of the Company’s average net profit during the three immediately preceding financial years, subject to a maximum limit of Rs. 5,00,00,000/- (Rupees Five Crores only) in any financial year.”

RESOLVED FURTHER THAT the Board of Directors of the Company (the “Board”, which term shall be deemed to include its “Committee of Directors”), be and is hereby authorised to do or cause to be done all such acts, matters, deeds and things and to settle any questions, difficulties or doubts that may arise with regard to any transactions with related parties and execute such agreements, documents and writings and to make such filings, as may be necessary or desirable for the purpose of giving effect to this resolution.”

#### **8. Increase in the Borrowing Limits:**

To consider and if thought fit to pass, with or without modification (s), the following resolution as a **Special Resolution:**

“RESOLVED THAT subject to the provisions of Section 180 (1) (c) and other applicable provisions, if any, of the Companies Act, 2013 and relevant rules made thereto including any statutory modifications or re-enactments thereof and in supersession of all the earlier resolutions, if any, passed in this regard, the consent of the members of the Company be and is hereby accorded to the Board of Directors and/or any Committee of Directors thereof, to borrow money, as and when required, from, including without limitation, any Bank and/or other Financial Institution and/or foreign lender and/or any body-corporate/ entity and/or authority, any other securities or instruments, such as floating rate notes, fixed rate notes, syndicated loans, debentures, bonds, commercial papers, short term loans or any other instruments etc. and/or through credit from official agencies and/or by way of commercial borrowings from the private sector window of multilateral financial institution, either in rupees or in such other foreign currencies as may be permitted by law from time to time, as may be deemed appropriate by the Board for an aggregate amount not exceeding Rs. 250.00 Crores (Rupees Two Hundred Fifty Crores only), notwithstanding that money so borrowed together with the monies already borrowed by the Company, if any (apart from temporary loans obtained from the Company’s bankers in the ordinary course of business) may exceed the aggregate of the paid-up share capital of the Company and its free reserves.”

“RESOLVED FURTHER THAT the Board of Directors be and is hereby authorized to take such steps as may be necessary for obtaining approvals, statutory, contractual or otherwise, in relation to the above and to settle all matters arising out of and incidental thereto, and to sign and to execute deeds, applications, documents and writings that may be required, on behalf of the Company and generally to do all such acts, deeds, matters and things as may be necessary, proper, expedient or incidental for giving effect to this resolution.”