

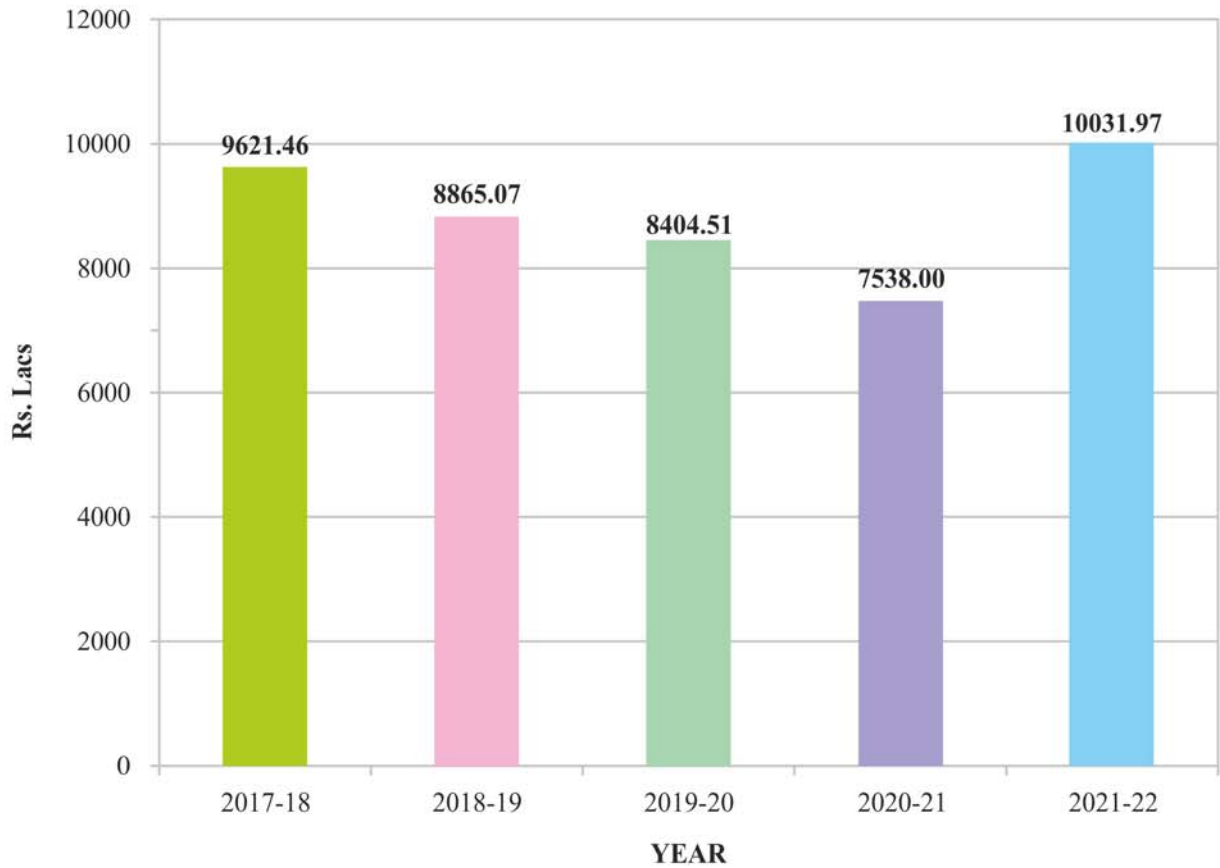


48th ANNUAL REPORT 2021 - 2022

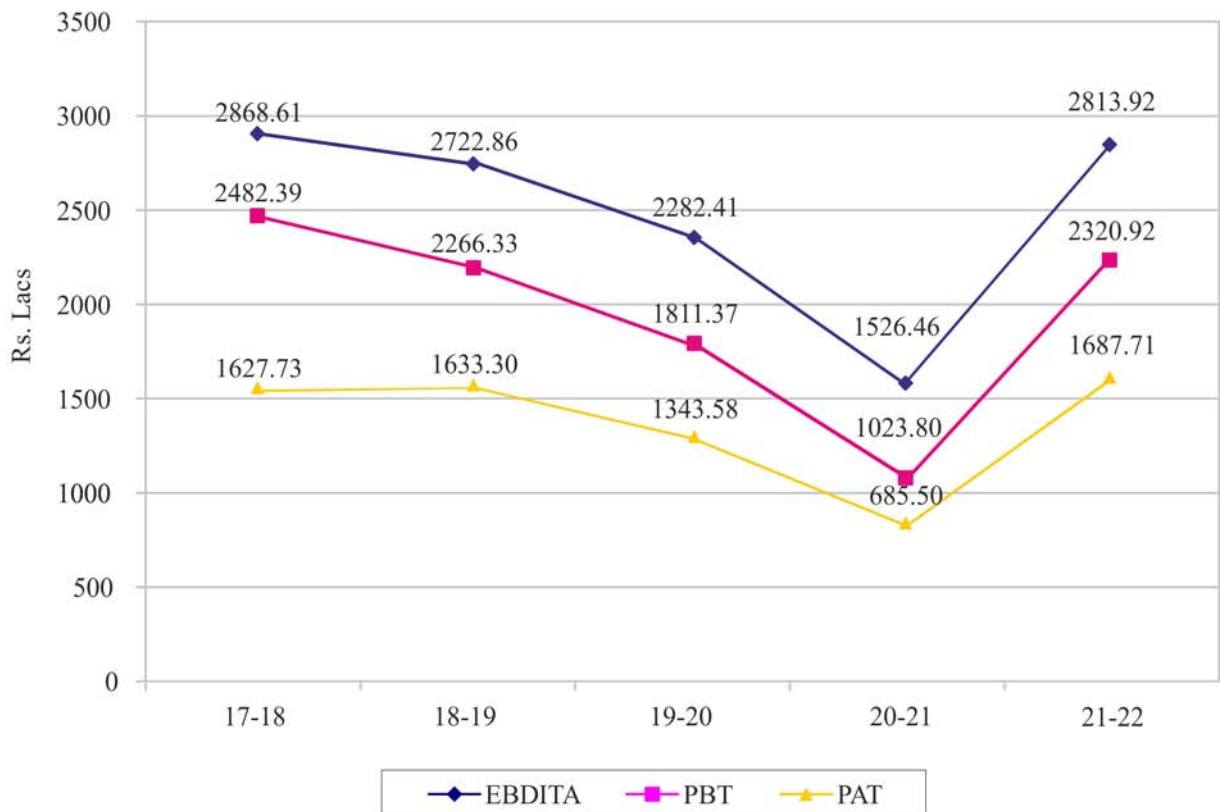


VELJAN DENISON LIMITED

REVENUE



PROFIT TREND



BOARD OF DIRECTORS :

(As on 06-09-2022)

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

Shri. U. SRI KRISHNA
Executive Director & CEO

Shri. A. SURESH
Independent Director

Shri. B.S.SRINIVASAN
Independent Director

Shri. G. NARAYAN RAO
Independent Director

Smt. U.UMA DEVI
Director

BOARD'S SUB – COMMITTEES

1. Audit Committee

Shri. B.S. SRINIVASAN- Chairman
Shri. A. SURESH
Shri. G. NARAYAN RAO
Shri. U. SRI KRISHNA

2. Corporate Social Responsibility(CSR) Committee

Shri. V. C. JANARDAN RAO- Chairman
Shri. B.S.SRINIVASAN
Smt . U. UMA DEVI

3. Nomination & Remuneration Committee

Shri. B.S.SRINIVASAN - Chairman
Smt . U. UMA DEVI
Shri. G. NARAYAN RAO

4. Stakeholder's Relationship Committee

Shri. B.S.SRINIVASAN - Chairman
Shri. V. C. JANARDAN RAO
Shri. U. SRI KRISHNA

SENIOR MANAGEMENT

Chief Financial Officer :
Shri. G. SUBBA 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, Sangareddy 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

(Figures in Rs Lakhs)

Particulars	2012-13	2013-14	2014-15	2015-16
1. Sales & other income	7,375.52	7,400.61	8,187.41	8,076.70
2. Profit Before int, dep & tax	1,969.27	1,719.30	2,485.16	2,198.39
3. Profit before extraordinary/exceptional Items & Tax	1,478.83	1,253.03	1,976.20	1,783.93
4. Profit after Tax	994.82	843.90	1,304.40	1,254.21
5. Net Fixed Assets	3,096.36	2,878.52	2,666.09	2,934.23
6. Share Capital	225.00	225.00	225.00	225.00
7. Reserves & surplus	7,125.61	7,772.08	8,813.24	9,796.65
8. Net Worth	7,350.61	7,997.08	9,038.24	10,021.65
9. Return on Net worth(RONW) PAT/Networth	13.53%	10.55%	14.43%	12.52%
10. % of Employee cost to net turnover	9.52	9.31	8.65	9.13
11. Cash Earnings per share(Rs)	58.66	51.67	71.06	67.14
12. Earnings per share (Rs)	44.21	37.51	57.97	55.74
13. Dividend per Share (Rs)	7.50	7.50	10.00	10.00
14. Book Value per Share(Rs)	326.69	355.43	401.70	445.41
15. Sundry Debtors - No of Days	225	167	279	291.16
16. Turnover/Avg Inventory (Times)	2.76	2.89	2.58	2.94
17. Current Ratio	2.15	2.67	2.62	3.70
18. Debt-Equity Ratio	0.55	0.45	0.47	0.34

HIGHLIGHTS OF TEN YEAR'S PERFORMANCE

(Figures in Rs Lakhs)

2016-17	2017-18	2018-19	2019-20	2020-21	2021-22
8,325.42	9,815.97	8,865.07	8,404.51	7,538.00	10,031.97
2,377.95	2,868.61	2,722.86	2,282.40	1,526.46	2,813.92
1,942.55	2,482.39	2,266.33	1,811.37	1,023.80	2,320.92
1,452.67	1,627.73	1,633.30	1,343.58	685.50	1687.71
2,708.83	2,987.96	4,839.28	6,233.35	6,483.89	6,506.60
225.00	225.00	225.00	225.00	225.00	225.00
11249.32	12,607.87	13,970.36	14,771.42	15,456.92	16,919.63
11474.32	12,832.87	14,195.36	14,996.42	15,681.92	17,144.63
12.66%	12.68%	11.51%	8.96%	4.37%	9.84%
9.48	7.55	8.00	8.90	9.38	8.46
76.51	85.15	87.54	77.72	51.56	49.70
64.56	72.34	72.59	59.71	30.47	75.01
10.00	10.00	10.00	10.00	10.00	10.00
509.97	570.35	630.90	666.51	696.97	761.98
244.92	212.24	194.09	136.79	120.16	104.27
2.75	3.29	2.99	1.79	1.48	1.62
3.44	4.29	3.47	4.64	4.39	5.01
0.36	0.26	0.28	0.18	0.18	0.16

VELJAN DENISON LIMITED**CIN: L29119TG1973PLC001670****Regd. Office:** Plot No. 44, 4th Floor, HCL Towers, Begumpet, Hyderabad – 500 016**Phone:** +91-40-2776 4546 **Fax:** +91-40-2776 5253**Web:** www.veljan.in **E-mail:** info@veljan.in**NOTICE OF ANNUAL GENERAL MEETING**

NOTICE is hereby given that the **48th Annual General Meeting** of the members of **Veljan Denison Limited** (CIN: L29119TG1973PLC001670) will be held on **Friday, the 30th day of September, 2022, 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, 2022, 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. 13/- per equity share of Rs. 10/- each of the Company for the financial year ended on March 31, 2022.
3. To elect and appoint a Director in place of Mr. Sri Krishna Uppaluri (DIN: 0008880274), who retires by rotation and being eligible, offers himself for re-appointment.
4. **Appointment of Statutory Auditors and fix their remuneration:**

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

“RESOLVED THAT pursuant to the provisions of Sections 139, 142 and other applicable provisions of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), M/s Brahmayya & Co, Chartered Accountants, Hyderabad (Firm Registration No. 000513S), be and are hereby appointed as Statutory Auditors of the Company for a term of 5 (five) consecutive years to hold office from the conclusion of this Annual General Meeting till the conclusion of the Fifty Third Annual General Meeting to be held in the year 2027 at such remuneration as shall be fixed by the Board of Directors of the Company.”

SPECIAL BUSINESS:

5. **Appointment of Dr. A. Suresh (DIN: 06931014) as Independent Director of the Company:**

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 Sections 149, 150, 152, 161 and any other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or reenactment thereof for the time being in force) read with Schedule IV to the Companies Act and all applicable regulations of the SEBI (LODR) Regulations, 2015 (as amended from time to time) and upon the recommendations of the Nomination and Remuneration Committee and the Board of Directors, Dr. Suresh Akella (DIN: 06931014), who has been appointed as an Additional Director (Independent Director) of the Company w.e.f September 30, 2021 and who has submitted a declaration that he meets the criteria for independence as provided in the Companies Act and Listing Regulations and in respect of whom the Company has received a notice in writing from a Member proposing his candidature for the office of Director pursuant to Section 160 of the Companies Act, 2013 who holds office up to the date of this Annual General Meeting, be and is hereby appointed as an Independent Non-Executive Director of the Company, whose term shall not be subject to retirement by rotation, to hold office for a first term of five consecutive years with effect from September 30, 2021 to September 29, 2026 and to receive remuneration by way of fees, reimbursement of expenses for participation in the meetings of the board and

/ or committees and profit related commission in terms of applicable provisions of the Companies Act, 2013 as determined by the Board from time to time.

RESOLVED FURTHER THAT the Board of Directors of the Company be and are hereby severally authorised to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution.”

6. Approval of revision of remuneration payable to Mr. Sri Krishna Uppaluri, Whole time Director of the Company:

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

“**RESOLVED THAT** in partial modification of resolution passed in this regard by the members of the Company at 46th Annual General Meeting held on 31st December, 2020 and pursuant to provisions of Sections 196, 197, 198 and other applicable provisions of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification or re-enactment thereof for the time being in force) read with Schedule V thereof and all applicable regulations of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”) (including any statutory modification(s), amendment(s) or re-enactment(s) thereof for the time being in force), upon the recommendations of Nomination & Remuneration Committee, Audit Committee and the Board of Directors, the consent of members of the Company be and is hereby accorded to revision of remuneration payable of Mr. Sri Krishna Uppaluri (DIN: 0008880274), Whole time Director designated as “Executive Director & CEO” of the Company, for the remaining period of his tenure i.e. till 14th September, 2023 as Whole time Director, with effect from February 14, 2022 on the remuneration as set out below with liberty to the Board of Directors (hereinafter referred to as “the Board” which term shall be deemed to include Nomination and Remuneration Committee of the Board) to alter and vary the terms and conditions of the said remuneration as it may deem fit and as may be acceptable to Mr. Sri Krishna Uppaluri, subject to the same is not exceeding the limits specified under Schedule V of the Companies Act, 2013 or any statutory modification(s) or re-enactment thereof:

Revised remuneration w.e.f. 14.02.2022:

1. Gross Salary: increased from Rs. 183,500/- per month (Rs. 22.02 Lakhs p.a.) to Rs. 213,000/- per month (Rs. 25.56 Lakhs p.a.) in the scale of Rs.120,000-20,000-200,000 with the next increment falling due on 01.04.2023 and on April 1, each year thereafter.
2. Commission @ 2% on the net profits of the company w.e.f FY 2021-22.
3. The other terms and conditions including perquisites and allowances which were approved by the Board and members of the Company on 15.09.2020 and 31.12.2020 respectively, will remain unaltered.

Overall Remuneration:

The aggregate of salary, commission, perquisites and allowance in any financial year shall not exceed the limits prescribed from time to time under Sections 196, 197 and other applicable provisions of the Companies Act, 2013 read with Schedule V of the said Act for the time being in force.

Minimum Remuneration:

In the event of loss or inadequacy of profits, in any financial year during the currency of tenure of service, the payment of salary, commission, perquisites and other allowances shall be governed by Schedule V to the Act, including any statutory modifications or re-enactment thereof as may be for the time being in force.

RESOLVED FURTHER THAT for the purpose of giving effect to the aforesaid resolution, the Board of Directors of the Company be and is hereby authorized to do all such acts, deeds and things, as it may in its absolute discretion deem necessary, proper or desirable in the said regard.”

7. 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 there under, if applicable and Regulation 23(4) of the Securities and Exchange Board of India (Listing Obligations and Disclosure requirements) Regulations, 2015, 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 by Veljan Denison Limited for the Financial year 2022-23 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	Maximum Limit for the FY 2022-2023 (Rs. In Crores)
1	Veljan Hydrair Ltd.	1. V C Janardan Rao 2. U Uma Devi 3. U. Sri Krishna	Sales & Purchase	120.00
2	Suxus Systems Ltd.	1. V C Janardan Rao 2. U Uma Devi 3. U. Sri Krishna	Sales & Purchase	30.00
3	Ecmat Ltd.	1. V C Janardan Rao 2. U Uma Devi 3. U. Sri Krishna	Job work	30.00
4	Veljan Investments Ltd.	1. V C Janardan Rao 2. U Uma Devi 3. U. Sri Krishna	Rent	2.00
5	JDM Hydro Pneumatics Ltd.	1. V C Janardan Rao 2. U Uma Devi 3. U. Sri Krishna	Job Work	2.00

RESOLVED FURTHER THAT the Board of Directors of the Company be and are hereby severally authorised to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution.”

By order of the Board
FOR VELJAN DENISON LIMITED

Place: Hyderabad
Date: 06-09-2022

V. C. Janardan Rao
Chairman & Managing Director
DIN: 00181609