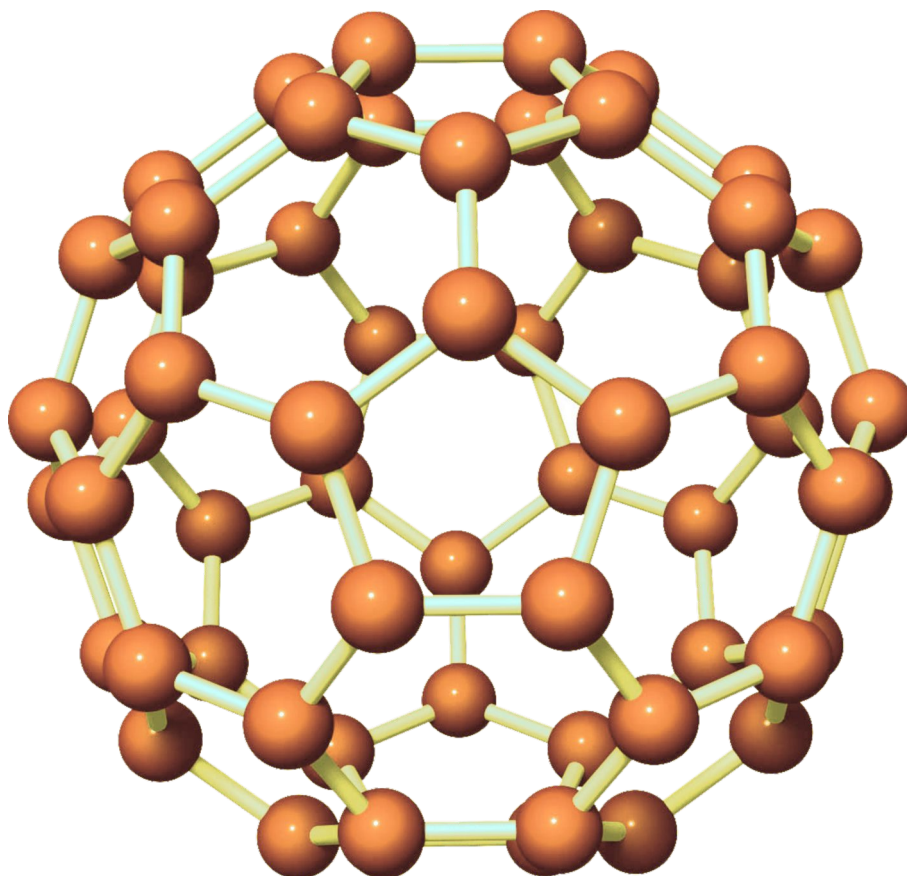




VISHNU CHEMICALS LIMITED

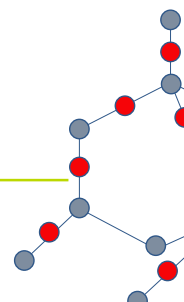


Reliability Is Our Core

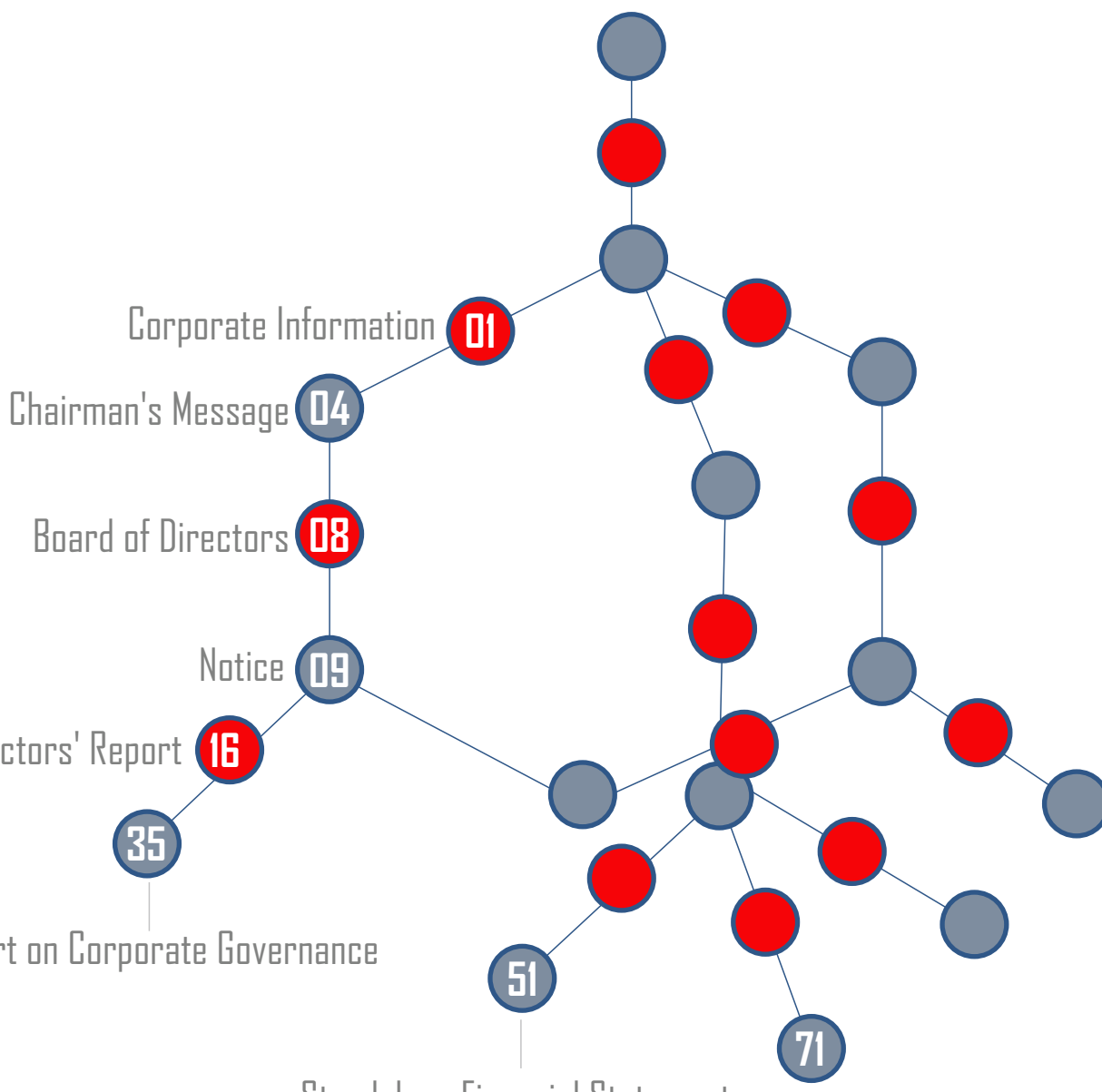
22nd Annual Report 2014-15

Corporate Information

Board of Directors: (as on 20.05.2015)	Sri. Ch. Krishna Murthy Chairman & Managing Director Sri. Ch. Siddartha Whole-time Director Smt. Ch. Manjula Director Sri. U. Dileep Kumar Independent Director Sri T.S. Apparao Independent Director	Registered Office:	6-3-662/B/4 Sri Sai Nilayam, II Floor Sangeetnagar Colony, Somajiguda Hyderabad - 500 082 Telangana, India Ph: 040-66626680-83, Fax: 040-23314158 Website: www.vishnuchemicals.com Email: vishnu@vishnuchemicals.com CIN: L85200TG1993PLC046359
Company Secretary:	L. Narasimha Rao	Works:	Survey No.15 Gaddapotharam Medak District - 502319 Telangana Survey No. 18-26 Nandini Road, Bhilai - 490026 Chattisgarh State Plot No. 57 Phase - III, IDA, Jeedimetla Hyderabad - 500 055 Telangana Plot No.29 IOCL Road, Parwada Visakhapatnam District - 531019 Andhra Pradesh
Auditors:	M/s C K S Associates Chartered Accountants 87, Nagarjuna, Road # 3, Gagan Mahal Colony, Hyderabad - 500 029		
Cost Auditor:	N.V.S Kapardhi Cost Accountants SRT-148, GHMC No. 7-1-621/468, S.R. Nagar Hyderabad - 500038		
Secretarial Auditor:	M/s L.D. Reddy & Co Company Secretaries Plot No.6-2-1/2, Flat No.504 Afzal Commercial Complex Beside MMTS Railway Station (South) Lakdi-ka-pool Hyderabad-500004	Registrar & Share Transfer Agent:	Bigshare Services Pvt. Ltd. 306, Right Wing, Amrutha Ville, Opp.Yasodha Hospital, Somajiguda, Raj Bhavan Road, Hyderabad - 500 082.
Bankers:	State Bank of Hyderabad Andhra Bank Indian Overseas Bank State Bank of India Punjab National Bank Union Bank of India	Listing:	Bombay Stock Exchange Ltd. National Stock Exchange of India Ltd. Ahmedabad Stock Exchange Ltd.

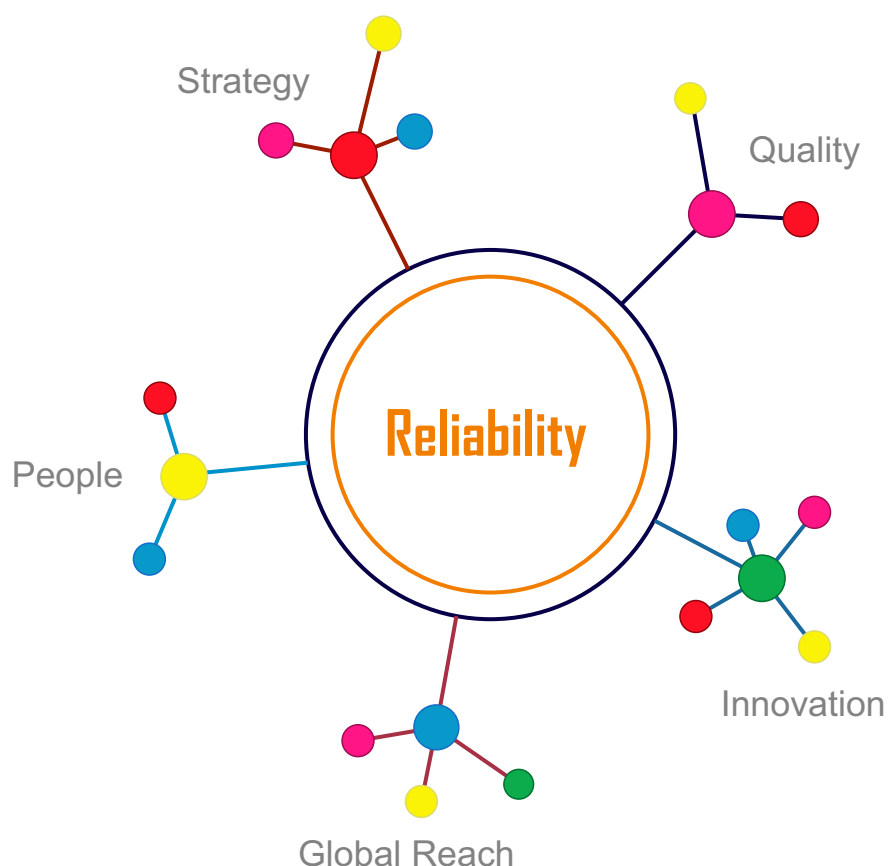


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Reliability Is Our Core



Being reliable is the guiding principle of Vishnu Chemicals and our way to achieve excellence. Reliability depicts trustworthiness, dependability, consistency & commitment. Reliability in the operations, systems, and processes empowers the brand with an unwavering ability to delivery promises and there by create long standing business relations.

At Vishnu we continuously strive to remain reliable - reliable to our customers, suppliers and employees. We nurture and strengthen all key ingredients of reliability such as quality, technology, innovation and global reach.

In the year 2015 when we are about to complete 25 years of Vishnu Chemicals, reliability remains as our key success formula.

Chairman's Message

Dear Shareholders

It gives me a great pleasure in sharing about Vishnu Chemicals Ltd, which has successfully completing its 25 years in business and entered an era a Silver Jubilee Year. The seasoned strategies we have adopted all these years have put the company in today's position of market leadership in our segment.

Vishnu started its operations in small way during 1990 and spent 25 years in manufacturing various specialty chemicals. In the process, we have strengthened our position by differentiating ourselves from others through intense focus on quality, being reliable to all stakeholders and upgrading technologies. During the process, we have

been able to deliver best quality to our customers and expanded our presence to more than 50 countries across the globe.

Strategic Initiatives

In view of the landmark year we are completing all pending projects to achieve a benchmark growth. For environment, we are putting endless efforts to make ourselves as a zero waste company. For all the employees our company is rewarding by way of loyalty bonus for their unstinted support all these years. For shareholders we are striving to maximize their return on equity.

For society we are undertaking various welfare measure in rural areas and surrounding villages under Corporate Social responsibility scheme. Having reached the 25 years landmark, we feel the time has come to prepare a blue print for the Golden Jubilee Year.

All the above growth story of 25 years would not be in place but for the support of customers, supply chain partners, government agencies. I would also place on record our team efforts in displaying performance and immense support gave for the management. I would also like to thank all our shareholder, who were patient enough for all these years.

Regards

Ch. Krishna Murthy

Chairman & Managing Director



About Vishnu Chemicals

Established in 1990 Vishnu Chemicals Limited is a market leader in production, sales and customer support of chromium and other speciality chemicals across India and abroad. A public listed company in Bombay Stock Exchange (BSE), National Stock Exchange of India Ltd. (NSE) and Ahmedabad Stock Exchange Ltd., the company derives core competence from its world class manufacturing facilities backed by state of the art research capabilities. The company from its knowledge centre - Vishnu Chemicals Technology Development Centre supported by a superlative analytical development facility also offers services in custom synthesis, contract research, and contract manufacturing to fine chemical and pharmaceutical clients.

Vishnu's Global Foot Prints



Number of Employees



600

Offices



- Hyderabad
- Vishakhapatnam
- Chennai
- Mumbai
- Delhi
- Kanpur

Representative Offices



- China
- Mexico
- Italy
- Brazil

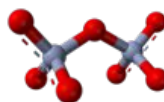
Manufacturing Units



- Hyderabad
- Vishakhapatnam
- Bhilai

Products

Chrome Chemicals



- Sodium Dichromate
- Chromic Acid
- Chrome Oxide Green
- Basic Chromium Sulphate
- Potassium Dichromate

Warehouses



- Hyderabad
- Vishakhapatnam
- Chennai
- Mumbai
- Baroda
- Kanpur
- Kolkata

Reliable Quality Standards

Quality Policy

Over two decades of our expertise in chrome chemical manufacturing, we have strived for exceptional quality and continual improvement.

Technical excellence and innovative solutions are key factors for our continual improvement. Achieving customer satisfaction, alignment to client expectations and consistently meeting or exceeding client requirements.

We work with customers, trade associates, regulators and contractors to promote the best practices in the use of our products.

Enrichment of knowledge is a continuous process for all our employees. All our employees are committed to exceptional quality.

Complying with National and International standards and all regulatory requirements is a mandatory policy.

We work in accordance with International Quality Management System standards and awarded certification of ISO 9001: 2000



Environment Health & Safety

Vishnu Chemicals is committed for conservation of environment, health and safety of its employees and all stakeholders. The company's growth plans are in line with environment, health and safety policy. Awareness programs and training to all the staff and workers on safety and environment is a continuous activity. Continual improvement is the key factor in achieving highest standards sustainable growth. Our Environmental Management efforts are:

Installation of air emission control equipments for controlling particle and air quality

Effluent wastewater treatment facility with tertiary treatment including reverse osmosis

Stabilization of waste residue, using an automated treatment plant and disposal as per the Hazardous Waste (Handling, Management & Transboundary Movement) Rules, 2008.

Development of "Green Belt" on the perimeter of the entire facility. Conservation of natural resources: minerals, water and energy to maximum levels.

Operations are engineered in a closed loop system, all water is treated and reused to achieve zero discharge

Compliance to all Local, State and Central Government Legislation and Standards

EHS @ Vishnu Chemicals

- Deployment of appropriate and adequate Safety Appliances
- Mandatory use of personal protective equipment
- Provision of safe drinking water
- Regular health checkups



Board of Directors



Ch. Krishna Murthy
Chairman & Managing Director



Ch. Siddartha
Whole Time Director



Ch. Manjula
Non Executive Director



U. Dileep Kumar
Independent Director



T.S. Apparao
Independent Director

Ch. Krishna Murthy

Mr. Murthy is the Chairman and Managing Director of the company and is one of the key architects in developing the organization and is instrumental in transforming the company from single product to multi product. He is a postgraduate in Management and is having 22 years of experience in Chemicals and Logistics Industry.

Ch. Siddartha

Mr. Siddartha is the Whole Time Director of the Company, has pursued his B.Tech in Industrial Biotechnology and has an MBA from United States. He is responsible for all International Marketing activities and Strategic Business Developments.

Ch. Manjula

A Non Executive Director of the company and spouse of our Chairman and Managing Director, Mrs. Manjula contributes significantly to our business through her support and guidance.

U. Dileep Kumar

Mr. U. Dileep Kumar is a Chartered Accountant, and was associated with A.P State Financial Corporation for more than 31 years. He is having vast experience in banking aspects such as investments banking and other related matters. After working in various branches of A.P State Financial Corporation in various designations, he retired as a Deputy General Manager in the year 2008.

T.S. Apparao

Mr. T.S. Apparao, IAS (Retired) is a M.Sc., & M.A (UEA, UK) with having more than 30 years of experience in Industries, Finance, Taxation, Municipal Administration and Urban Development as Head of Department and Policy Making level of undivided State of A.P. Mr. T.S. Apparao has expertise in Public-Private Partnership (PPP) projects for successful bidding of Hyderabad Metro Rail Project -largest PPP project in the country, creating a policy environment to make A.P State competitive in obtaining private Investment. Presently working as Chairman of Board of AP State Financial Corporation.

Notice of Annual General Meeting

Notice is hereby given that the Twenty Second Annual General Meeting of the members of **Vishnu Chemicals Limited** will be held on Monday, the 29th day of June, 2015, at 10.30 A.M at Hotel I.K. London, 6-3-656, Kapadia lane, Somajiguda, Hyderabad-500082 to transact the following business

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March, 2015 and the Statement of Profit and Loss for the period ended on that date and Directors' and Auditors' Reports there on.
2. To appoint a Director in place of Sri Ch. Siddartha, who retires by rotation and being eligible, offers himself for re-appointment.
3. To declare final dividend and confirm interim dividend already paid for the year ended 31st March, 2015.
4. To ratify the appointment of Auditors and to fix their remuneration.

"RESOLVED THAT pursuant to the provisions of Section 139 and all other applicable provisions of the Companies Act, 2013 (the "Act") read with Rule 3(7) of the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), the Company hereby ratifies the appointment of M/s. C.K.S. Associates, Chartered Accountants (Firm Registration No.007390S), Hyderabad as the Statutory Auditors of the Company to hold office from the conclusion of this meeting until the conclusion of the Annual General Meeting to be held for the financial year 2016-17 on such remuneration as may be determined by the Board of Directors."

SPECIAL BUSINESS

5. To appoint of Shri. T.S. Appa Rao (DIN-00412492) as Director of the Company and in this regard 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 149, 152 and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 [Including any statutory modification(s) or re-enactment thereof for the time being in force] read with Schedule IV to the Companies Act, 2013, and provisions of Listing Agreement, Shri T.S. Appa Rao (DIN-00412492), who was earlier appointed as an Additional Director of the Company, and in respect of whom the Company has received a notice in writing from a member under Section 160 of the Companies Act, 2013 signifying his intention to propose Shri T.S. Appa Rao as a

candidate for the office of Director of the Company, be and is hereby appointed as an Independent Director of the Company to hold office for a term upto five consecutive years commencing from 29th June, 2015 to 28th June, 2020 and whose period of office shall not be liable to retire by rotation."

6. To invest in Equity Share Capital of Solvay Vishnu Barium Private Limited and in this regard 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 186 and all other applicable provisions, if any, of the Companies Act, 2013 and the Rules made thereunder provisions of listing agreement (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) and subject to the approval of the Regulatory Authorities and all other concerned authorities, if any and to the extent necessary and such other approvals, permissions and sanctions, as may be necessary and subject to such conditions and modifications as may be prescribed or imposed by any of them while granting such approvals, permissions and sanctions, which may be agreed to, by the Board of Directors of the Company (hereinafter referred to as the "Board") and/or duly Authorised Committee thereof for the time being exercising the powers conferred by the Board, the consent of the members be and is hereby accorded their approval, to invest, acquire, by way of transfer, purchase or otherwise the entire securities of "Solvay Vishnu Barium Private Limited (SVBPL)", having its Registered Office at 1st Floor, Plot No.15, D.No.8-2-704/B/13/1, Sai Enclave, Road No.12, Banjara Hills, Hyderabad-500034, for making as Subsidiary of the Company and to pay a total consideration not exceeding Rs.25 Crores (Rupees Twenty Five Crores only)."

"RESOLVED FURTHER THAT, for the purpose of giving effect to this resolution, the Board/ Committee be and is hereby authorized to do all such acts, matters and things including nomination of Directors on the Board of Directors of SVBPL and execute all such agreements, deeds, documents, instruments and writings as may be required in connection with and incidental thereto, with powers on behalf of the Company to settle all questions, difficulties or doubts that may arise in this regard as the Board/Committee may in its sole and absolute discretion deems fit and also delegate all or any of its powers herein conferred to any Director(s) and/or Officer(s) of the Company, if required, as it may in its absolute discretion deem it necessary or desirable."

7. To approve the Borrowing Limits along with guarantee or counter-guarantee and in this regard 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 180(1)(c) and other applicable provisions of the Companies

Act, 2013 [including and statutory modifications(s) or re-enactment thereof, for the time being in force] and that of the Articles of Association of the Company, consent of the Company be and is hereby accorded to borrow from time to time any sum or sums of money by way of cash credit, loan, overdraft, discounting of bills, operating of letters of credit, for standing guarantee or counter-guarantee and any other type of credit line or facilities, on such security and on such terms and conditions as the Board may deem fit, notwithstanding that the money to be borrowed together with the money already borrowed by the Company (apart from temporary loans obtained or to be obtained from the Company bankers in the ordinary course of business) including rupee equivalent foreign currency loans (such rupee equivalent being calculated at the exchange rate prevailing as on the date of relevant foreign currency agreement) may exceed, at any time, the aggregate of the paid-up capital of the Company and its free reserves, provided however the total amount so borrowed in excess of the aggregate of the paid-up capital of the Company and its free reserves shall not at any time exceed Rs. 400 Crores (Rupees Four Hundred Crores)".

"RESOLVED FURTHER THAT, the Board be and is hereby authorized to do all acts on behalf of the Company and execute all documents and forms relating to the above credit lines and to secure the facilities by hypothecation of present and future raw materials belonging to the Company and lying in any godown, factory or anywhere in India, stock of stores, work-in-progress and finished goods and book debts, and that the Company do create an equitable mortgage on the fixed assets of the Company in favour of the Banks/Financial Institutions/NBFC's by depositing the title deeds in relation thereto, as collateral security for the credit facility made available to the Company."

"RESOLVED FURTHER THAT the securities to be created by the Company aforesaid may rank prior/pari passu with/to the mortgages and/or charges already created or to be created by the Company as may be agreed to between the concerned parties."

"AND RESOLVED FURTHER THAT, the Board be and is hereby authorized to delegate all or any of the powers herein conferred to any Committee of Directors or any one or more Directors of the Company."

8. **To hypothecate/mortgage and/or charge any of its movable and/or immovable properties wherever situated both present and future and in this regard to consider and if thought fit, to pass, with or without modification(s), the following resolution as an Special Resolution**

"RESOLVED THAT, pursuant to the provisions of Section 180(1)(a) and other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modifications

or re-enactments thereof), the Memorandum and Articles of Association of the Company, the consent of the Company be and is hereby accorded to hypothecate/mortgage and/or charge, in addition to the hypothecations/mortgages/charges created/to be created by the Company in such form and manner and with such ranking and at such time and on such terms and conditions as the Board of Directors and/or the Committee of Directors may determine, on all or any of the movable and/or immovable properties of the Company, and/or the interest held by the Company in all or any of the movable and/or immovable properties, both present and future and/or the whole or any part of the undertaking(s) of the Company, together with the power to take over the management of business and concern of the Company in certain events of default, in favour of lender(s), agent(s), and trustee(s) for securing the borrowings of the Company availed/to be availed by way of loan(s) (in foreign currency and/or rupee currency) and securities (comprising fully/partly convertible debentures and/or non-convertible debentures with or without detachable or non- detachable warrants and/or secured premium notes and/or floating rate notes/bonds or other debt instruments), issued/to be issued by the Company, from time to time, subject to the limits approved under Section 180(1) (c) of the Companies Act, 2013, from time to time, together with interest at the respective agreed rates, additional interest, compound interest in case of default, accumulated interest, liquidated damages, commitment charges, premia on prepayment, remuneration of the agent(s) and/or trustee(s), premium (if any) on redemption, all other costs, charges and expenses, including any increase as a result of devaluation/revaluation/fluctuation in the rates of exchange and all other monies payable by the Company in terms of the Loan Agreement(s), Debenture Trust Deed(s) or any other agreement/document, entered into/to be entered into between the Company and the lender(s)/ investor(s)/agent(s) and/or trustee(s), in respect of the said loans, borrowings/debentures and containing such specific terms and conditions and covenants in respect of enforcement of security as may be stipulated in that behalf and agreed to between the Board of Directors and/or the Committee of Directors and the lender(s), agent(s) and/or trustee(s).

"RESOLVED FURTHER THAT the securities to be created by the Company aforesaid may rank prior/pari passu with/to the mortgages and/or charges already created or to be created by the Company as may be agreed to between the concerned parties."

"AND RESOLVED FURTHER THAT in connection with the above, the Board/Committee of Directors be and is hereby authorized to do all such acts, deeds, matters and things as may be deemed necessary, desirable, proper or expedient for the purpose of giving effect to this Resolution and for matters connected therewith or incidental thereto."

9. To ratify the remuneration of the Cost Auditors for the financial year ending March 31, 2016 and in this regard 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 Section 148 and all other applicable provisions of the Companies Act, 2013 and Companies (Audit and Auditors) Rules, 2014 [including any statutory modifications(s) or re-enactment thereof, for the time being in force], the remuneration of Rs. 30,000 (Rupees Thirty Thousand Only) plus service tax as applicable and reimbursement of actual expenses, to be paid to M/s. N.V.S. Kapardhi, Cost Accountants, Hyderabad (Regd. No. 100231) Cost Auditors of the Company, for the financial year 2015-2016, as approved by the Board of Directors of the Company, be and is hereby ratified”.

For and on behalf of the Board

Place: Hyderabad
Date: 20th May, 2015

Ch. Krishna Murthy
Chairman & Managing Director

Notes:

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF AND SUCH PROXY NEED NOT BE A MEMBER. PROXIES IN ORDER TO BE EFFECTIVE MUST BE DULY STAMPED, SIGNED AND DEPOSITED AT THE COMPANY'S REGISTERED OFFICE NOT LESS THAN 48 HOURS BEFORE THE TIME FOR HOLDING THE MEETING.

A PERSON CAN ACT AS A PROXY ON BEHALF OF MEMBERS NOT EXCEEDING FIFTY AND HOLDING IN THE AGGREGATE NOT MORE THAN TEN PERCENT OF THE TOTAL SHARE CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS. A MEMBER HOLDING MORE THAN TEN PERCENT OF THE TOTAL SHARE CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS MAY APPOINT A SINGLE PERSON AS PROXY AND SUCH PERSON SHALL NOT ACT AS A PROXY FOR ANY OTHER PERSON OR SHAREHOLDER.

2. Proxies submitted on behalf of Limited Companies, Societies, Partnership Firms, etc., must be supported by appropriate resolution/authority, as applicable, issued by the member organization.
3. Members / proxies should bring duly filled Attendance Slips sent herewith to attend the meeting.
4. The Authorised Representatives of the Corporate Members are requested to bring a certified true copy of the Board Resolution pursuant to Section 113 of the Companies Act, 2013 duly authorizing them to attend and vote at the Annual General Meeting.

5. Final dividend of Re.1.00 per equity share has been recommended by the Board of Directors for the year ended 31st March, 2015 and subject to the approval of the shareholders at the ensuing Annual General Meeting. The interim dividend of Re. 1.00 per equity share for the year 2015 was paid during November, 2014.
6. The final dividend, if declared at the annual general meeting, will be credited/dispatched between 30th June, 2015 and 4th July, 2015 to:
- For shares held in physical form - those shareholders whose names will appear in the Register of Members on June 19, 2015;
 - For shares held in dematerialized form - those beneficiaries, whose names are furnished by the National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) as beneficial owner on June 19, 2015.
7. Members holding shares in dematerialized form are hereby informed that, bank particulars registered against their respective depository accounts will be used by the Company for payment of dividend. The Company or its Registrars cannot act on any request received directly from the Members holding shares in dematerialized form for any change of bank particulars or bank mandates. Such changes are to be advised only to the Depository Participant of the Members. Members holding shares in physical form and desirous of either registering bank particulars or changing bank particulars already registered against their respective folios for payment of dividend are requested to write to the Company.
8. An Explanatory Statement pursuant to Section 102(1) of the Companies Act, 2013 relating to the special business to be transacted at the meeting is annexed hereto.
9. The register of members and share transfer books of the Company will remain closed from 22.06.2015 to 29.06.2015 (both days inclusive).
10. Electronic copy of the Annual Report for the financial year 2014-15 is being sent to all the members whose email IDs are registered with the Company/Depository Participants(s) for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their email address, physical copies of the Annual Report for the financial year 2014-15 are being sent in the permitted mode.
11. Members whose shareholding is in the electronic mode are requested to inform change of address, emails, phone numbers and updates of savings bank account details to their respective depository participants.
12. Members wishing to claim dividends, which remain unclaimed are requested to correspond with the Company Secretary, at the Company's registered office. Members

are requested to note that dividends not encashed or claimed within seven years from the date of transfer to the Company's Unpaid Dividend Account, will, as per Section 124 and 125 of the Companies Act, 2013, be transferred to the Investor Education and Protection Fund.

13. Members are requested to send their queries, if any, on the accounts and operations of the Company, to the Company Secretary at least 7 days before the meeting.
14. A Member or his/her proxy is requested to bring the annual report to the meeting as extra copies will not be distributed.
15. Members who have not registered their e-mail addresses so far are requested to register their e-mail address for receiving all communication including Annual Report, Notices etc., from the Company electronically.
16. Pursuant to the provisions of Section 107 and 108, read with the Companies (Management and Administration) Rules, 2014, the Company is pleased to offer the option of E-Voting facility to all the members of the Company. For this purpose, the Company has entered into an agreement with Central Depository Services (India) Limited (CDSL) for facilitating e-voting. The Members who wish to attend Annual General Meeting can vote at the Meeting. The Company has appointed Mr. L. D. Reddy, Practicing Company Secretary as Scrutinizer.

17. The instructions for shareholders voting electronically are as under

- (i) The voting period begins on 26.06.2015 at 10.00 A.M. and ends on 28.06.2015 at 5.00 P.M. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date 22.06.2015, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

Company Name: Vishnu Chemicals Limited
EVSN: 150601001
- (ii) The shareholders should log on to the e-voting website www.evotingindia.com.
- (iii) Click on Shareholders.
- (iv) Now Enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (v) Next enter the Image Verification as displayed and Click on Login.
- (vi) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any Company, then your existing password is to be used.
- (vii) If you are a first time user follow the steps given below:

For Members holding shares in Demat Form and Physical Form	
PAN	<p>Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none"> Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the folio/client id number in the PAN field. In case the folio number is less than 8 digits enter the applicable number of '0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with folio number 1 then enter RA00000001 in the PAN field.
DOB	Enter the Date of Birth as recorded in your demat account or in the Company records for the said demat account or folio in dd/mm/yyyy format.
Dividend Bank Details	<p>Enter the Dividend Bank Details as recorded in your demat account or in the Company records for the said demat account or folio.</p> <ul style="list-style-type: none"> Please enter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the depository or Company please enter the number of shares in the Dividend Bank details field.

- (viii) After entering these details appropriately, click on "SUBMIT" tab.
- (ix) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other Company on which they are eligible to vote, provided that Company opts for e-voting through CDSL platform.
- (x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xi) Click on the EVSN for the relevant Vishnu Chemicals Limited on which you choose to vote.

- (xii) On the voting page, you will see “RESOLUTION DESCRIPTION” and against the same option “YES/ NO” for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiii) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- (xiv) After selecting the resolution you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.
- (xv) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- (xvi) You can also take out print of the voting done by you by clicking on “Click here to print” option on the Voting page.
- (xvii) If Demat account holder has forgotten the same password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xviii) Note for Non - Individual Shareholders and Custodians

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporates.
- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
- After receiving the login details they have to create compliance user should be created using the admin login and password. The Compliance user would be able to link the account(s) for which they wish to vote on.
- The list of accounts should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
- A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.

- (xix) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions (“FAQs”) and e-voting manual available at www.evotingindia.com under help section or write an email to helpdesk.evoting@cdslindia.com.

Place: Hyderabad
Date: 20th May, 2015

For and on behalf of the Board
Ch. Krishna Murthy
Chairman & Managing Director

EXPLANATORY STATEMENT PURSUANT TO SECTION 102(2) OF THE COMPANIES ACT, 2013

Item No. 5

Shri. T.S. Apparao, was appointed as Additional Director at the Board meeting held on 19th March 2015. The Board proposed to appoint him as an Independent Director on the Board for a period of 5 (Five) consecutive years from 29th June, 2015 to 28th June, 2020. Shri T.S. Apparao, a retired IAS Officer has joined in the year 1980 in Andhra Pradesh Cadre. His education qualifications are M.Sc. and M.A., (UEA, UK). His present occupation is Chairman of Board, AP State Financial Corporation Limited. His previous experience includes:

- a. 1980-1990- District and sub-District level posting including SDM, DM, Project Director of DRDA and ITDA.
- b. 1990-2000 - Social Welfare, Tribal Welfare, Health & Family Welfare, Tourism etc., as Head of Department at State Level
- c. 2000-2012 - Industries, Finance, Taxation, Municipal Administration and Urban Development as Head of Department and Policy making levels of the Government.

Pursuant to the provisions of Sections 149, 152 and all other applicable provisions of the Companies Act, 2013, and the Companies (Appointment and Qualification of Directors) Rules, 2014 [Including any statutory modification(s) or re-enactment thereof for the time being in force] read with Schedule IV to the Companies Act, 2013, the appointment requires the approval of shareholders by way of Ordinary Resolution.

Accordingly, consent of the members is sought for passing an Ordinary Resolution as set out at Item No. 5 of the Notice.

None of the Directors except Shri T.S. Appa Rao, Key Managerial Personnel of the Company, their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No. 5 of the Notice except to their shareholding.

Your Directors recommends the Ordinary Resolution set out at Item Nos. 5 of the Notice for your approval.

Item No. 6

The Company has received an offer from the management of M/s. Solvay Vishnu Barium Private Limited to invest in the equity share capital of the Company. M/s. Solvay Vishnu Barium Private Limited was a part of Vishnu Chemicals Limited earlier and demerged as separate Company. This Company has a good infrastructure facility in the form of Factory premises and Plant & Machinery and located in Industrial area of Srikalahasti of Chittoor Dist, Andhra Pradesh and will add more strength to the Company in the form of better manufacturing facility for existing products and promotion of new products and to avail income tax benefits. Plant is constructed in a very large extent of land approximately in 60 acres which gives tremendous scope

for further expansion and diversification to cater the needs for International market. Srikalahasti is near to Chennai port and Krishnapatnam port and well connected to all corners of the country and world.

Any investment in excess of the limits mentioned in Section 186 of the Act, has to be approved by the shareholders of the Company. Accordingly, consent of the members is sought for passing a Special Resolution as set out at Item No. 6 of the Notice.

None of the Directors, Key Managerial Personnel of the Company, their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No. 6 of the Notice except to their shareholding.

Your Directors recommends the Special Resolution set out at Item No. 6 of the Notice for your approval.

Item No. 7 & 8

The overall borrowings of the Company except temporary borrowings should be approved by the members of the Company by way of passing of special resolution in General meeting. The members may also note that the Company has already passed special resolutions pursuant to the provisions of Section 293 (1)(a) and 293(1)(d) of the Companies Act, 1956 at the Annual General meeting held on 31st July 2010 authorising the Board to borrow funds from time to time for an amount not exceeding Rs. 400.00 Crores (Rupees Four Hundred crores) in excess of the aggregate of the paid-up capital of the Company and its free reserves and to mortgage property of the Company in favour of lenders. Keeping in view the new Companies Act, 2013, the said resolutions are required to be passed under Sections 180(1) (a) and 180(1)(c) by way of Special resolutions in the General meeting authorizing the Board to borrow as well as to mortgage the property of the Company.

Accordingly, consent of the members is sought for passing Special Resolutions as set out at Item No. 7 & 8 of the Notice.

None of the Directors, Key Managerial Personnel of the Company, their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No. 7 & 8 of the Notice except to their shareholding.

Your Directors recommends the Special Resolution set out at Item Nos. 7 & 8 of the Notice for your approval.

Item No. 9

The Board of Directors, on recommendations of the Audit Committee, at their meeting held on 20th May, 2015, has approved the re-appointment and remuneration of the M/s. N.V.S. Kapardhi, Cost Accountants, Hyderabad (Regd. No. 100231), as Cost Auditors of the Company to conduct the audit of the cost records of the Company for the financial year ending March 31, 2016 on a remuneration of Rs. 30,000 (Rupees Thirty Thousand Only) In accordance with the provisions of Section 148 of the Act read with the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditors has to be ratified by the shareholders of the Company. Accordingly, consent of the members is sought for passing an Ordinary Resolution as set out at Item No.9 of the Notice for ratification of the remuneration payable to the Cost Auditors for the financial year ending March 31, 2016.

None of the Directors, Key Managerial Personnel of the Company, their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No. 9 of the Notice except to their shareholding.

Your Directors recommends the Ordinary Resolution set out at Item Nos. 9 of the Notice for your approval.

For and on behalf of the Board

Place: Hyderabad
Date: 20th May, 2015

Ch. Krishna Murthy
Chairman & Managing Director

ANNEXURE TO ITEMS 2 AND 5 OF THE NOTICE

Details of Directors seeking appointment/re-appointment at the Annual General Meeting pursuant to Clause 49 of the Listing Agreement

Name of the Director	Sri Ch. Siddartha	Sri T.S. Appa Rao
Director Identification Number (DIN)	01250728	00412492
Date of Birth	12.05.1985	10.05.1952
Nationality	Indian	Indian
Date of appointment	02-01-2006	19.03.2015
Qualification	B.Tech in Industrial Biotechnology and has an MBA from United States	IAS (retired), M.Sc., & M.A (UEA, UK)
Brief Profile	He is responsible for all International Marketing activities and Strategic Business Developments. The Company exports increased by remarkably during his tenure as Executive Director.	Having more than 30 years of experience of Industries, Finance, taxation, Municipal Administration and Urban Development as Head of Department and Policy making level of undivided state of Andhra Pradesh. Mr. T.S. Apparao has expertise in Public-Private Partnership (PPP) projects for successful bidding of Hyderabad Metro Rail Project -largest PPP project in the country, creating a policy environment to make Andhra Pradesh State competitive in obtaining private Investment. Presently working as Chairman of the Board of Andhra Pradesh State Financial Corporation Limited.
List of Directorships held in other Companies	Vishnu Hong Kong Limited (Wholly Owned Subsidiary of the Company)	<ol style="list-style-type: none"> 1. Andhra Pradesh State Financial Corporation Limited 2. Andhra Pradesh Rajiv Swagruha Corporation Limited 3. Andhra Pradesh Trade Promotion Corporation Limited
Memberships / Chairmanships of Audit and Stakeholders' Relationship Committees across Public Companies	Audit Committee of the Board (M)	<ol style="list-style-type: none"> 1. Audit Committee of the Board (M) 2. Stakeholders' Relationship Committee (M)
Total shares held by him in the Company	11,25,668 equity shares of Rs.10/- each (9.42%) 1,50,000 7% Redeemable Preference Shares of Rs.10/- each (0.32%)	Nil

DIRECTORS' REPORT

To
THE MEMBERS
VISHNU CHEMICALS LIMITED

Your Directors are happy to present their Twenty Second Annual Report on the business and operations of the Company and the financial statements for the year ended on 31st March, 2015.

FINANCIAL RESULTS

(Rs. in Lakhs)

Particulars	2014-15	2013-14
Gross Income	45016.60	37959.59
Profit before Interest, Depreciation & Tax	7787.29	6346.44
Less: Depreciation	1221.81	1302.59
Less: Interest	3147.71	2934.83
Profit for the year before taxes	3417.77	2109.02
Less: Provision for Taxes	1227.06	796.86
Profit after Taxes	2190.71	1312.16
Add: Surplus brought forward from Previous Year	5726.43	4414.27
Surplus Carried forward to Balance Sheet	7917.14	5726.43
Less: Depreciation on life expired assets	13.73	0.00
Less: Appropriations	507.44	0.00
Balance carried forward to next year	7395.97	5726.43

OPERATIONS

Your Company is strong enough to face typhoons like 'Hud Hud', which has effected Visakhapatnam severely including our unit and our team is equally strong enough and reinstated the operations within three weeks.

This year is a special year for the Company operations as it is entering into Silver Jubilee year of operations. The Company started with a humble turnover of Rs.1 Crore during 1990 and within a span of 25 years the Company has reached almost Rs.500 Crores turnover by building world class plant, world class product quality with world class people. Today infact Vishnu Chemicals Limited is a world class player in this segment and exporting to more than 50 countries all over the world competing against American, European, Russian and German Companies.

During the year of operations the Company's sales have increased by 19% whereas the profitability increased by 67% and the earning per Equity share is increased by almost 100%.

For any organization building a strong base is important and having achieved this, now the Company will look forward for the fast growth in the coming years.

No material changes and commitments have occurred after the close of the year till the date of this Report, which affect the financial position of the Company.

There are no significant material orders passed by the Regulators / Courts which would impact the going concern status of the Company and its future operations.

FUTURE PLANS

Now the Company's immediate task is further optimization of the usage of resources i.e., production, marketing, finance and human resources by completing the related balance works and to reach a turnover of Rs. 1000 Crores in next two years.

SUBSIDIARY

The operations of the Vishnu Hong Kong Limited, wholly owned subsidiary of the Company, are yet to be commenced and planning to commence the activities during the current financial year,

DIRECTORS

Your Company has 6 (Six) Directors consisting of 2 (Two) Promoter and Executive Directors (Chairman & Managing Director and Whole-time Director), 1 (One) Promoter and Non-Executive Director and 3 (Three) Independent Directors, as on March 31, 2015.

CHANGES IN DIRECTORS AND KEY MANAGERIAL PERSONNEL

Sri Ch. Siddartha, Whole-time Director of the Company retires by rotation and being eligible offers himself for re-appointment.

The Board of Directors of the Company has appointed Sri T.S. Appa Rao, as an Additional Director, at their meeting held on 19.03.2015 and his office as Additional Director will be ceased at the ensuing Annual General Meeting. The proposal for appointment of Sri T.S. Appa Rao, as Independent Director is being placed before the shareholders for approval and the relevant details are forming part of the AGM notice.

DIRECTORS RESIGNATIONS

During the period under review, Sri V. Vimalanand resigned from the Board of Directors of the Company w.e.f. 19.03.2015. Dr. S. Chandrasekhar resigned from the Board of Directors of the Company w.e.f. 20.05.2015.

COMPANY SECRETARY

The Company has appointed Sri L. Narasimha Rao, a Fellow Member (FCS-7406) of The Institute of Company Secretaries of India, New Delhi as the full time Company Secretary and Compliance Officer and also designated as Key Managerial Personnel of the Company with effect from 27.04.2015 and the same was approved by the Board at their meeting held on 20.05.2015, in place of Sri B.S. Hari Krishna.

DECLARATION BY AN INDEPENDENT DIRECTOR(S) AND RE-APPOINTMENT, IF ANY

In compliance of sub-section (7) of Section 149 of the Companies Act, 2013, all the Independent Directors of the Company have submitted their declarations stating that, they meet the criteria of independence as provided in sub-section (6) of Section 149 of the above said Act and Clause 49 of the Listing Agreement with the Stock Exchanges.

CORPORATE GOVERNANCE - CLAUSE 49 OF THE LISTING AGREEMENT

A separate Section on Corporate governance with a detailed compliance report thereon is annexed to the Annual Report. The Practicing Company Secretary's Certificate with respect to compliance with the provisions of Corporate Governance, as required by clause 49 of Listing Agreement, is also annexed.

DIVIDEND

During the year under review, the Board of Directors had declared and paid an interim dividend of Rs. 1.00 per equity share of Rs.10/- each (10%) for the financial year 2014-15. Your Directors also recommend a final dividend of Rs. 1.00 per equity share of Rs.10/- each (10%) for the year ended March 31, 2015 [the total dividend will be Rs.2/- per equity share of Rs. 10/- each (20%)], subject to the approval of the Members at this Annual General Meeting.

TRANSFER TO THE INVESTOR EDUCATION AND PROTECTION FUND

In terms of Section 125 of the Companies Act, 2013, an amount of Rs. 161,645/- being unclaimed dividend pertaining to the financial year 2006-07 was transferred to the Investor Education and Protection fund (IEPF) on July 8, 2014.

FIXED DEPOSITS

Your Company has not accepted any deposits covered by the provisions of Section 73 of the Companies Act, 2013 and the Rules framed there under.

INDUSTRIAL RELATIONS

Your Directors are happy to report that the Industrial Relations have been extremely cordial at all levels throughout the year. Your Directors record their appreciation for sincere efforts, support and co-operation of all employees being extended from time to time to accelerate the growth of the Company.

AUDITORS

The Statutory Auditors M/s C.K.S. Associates (Firm Regn. No.007390S), Chartered Accountants, Hyderabad were re-appointed for three years at the last Annual General Meeting held on 30.09.2014, subject to ratification by the members at every Annual General Meeting. They have confirmed their eligibility and willingness to accept the assignment as Statutory Auditors of the Company, if ratified.

AUDITORS' REPORT

Auditors Observations:

1. The Auditors have mentioned in their Report that, the brought forward reserves are overstated due to capitalisation of interest of Rs.312.82 lakhs on Term Loans during the year 2007-08 in contravention of AS-16 issued by the ICAI, which also resulted in overstatement of fixed assets by Rs.312.82 lakhs, depreciation for the period by Rs.11.13 lakhs and total accumulated depreciation till March 31, 2015 by Rs.96.87 lakhs. As a result, the profit for the year is understated by Rs.11.13 lakhs.
2. The Auditors have mentioned in their Annexure report as point 7.1 that there is Rs.267.92 lakh of Entry Tax outstanding as at the last day of the financial year under audit for a period of more than six months from the date it became payable.

Management Replies:

1. The management already clarified in the year 2007-08 that since, the operations with respect to the first line of production, which was commissioned, were at very insignificant level at that point of time and the plant becoming an integrated unit only subsequent to the commissioning of second line, it was not deemed inappropriate to capitalise the interest.

2. The Company has filed Special Leave Petition (Civil) before the Hon'ble Supreme Court of India along with other assesses in this regard and will act based on the decision of the Hon'ble Supreme Court.

COST AUDITOR

Pursuant to Section 148 of the Companies Act, 2013, the Central Government has prescribed Cost Audit of the Company. Based on the recommendations of the Audit Committee M/s. N.V.S Kapardhi (Firm Regn. No. 100231), Cost Accountants, Hyderabad were re-appointed as Cost Auditors of the Company for the year 2015-16.

SHARE CAPITAL

The paid up Equity and Preference Share Capital as on March 31, 2015 was Rs.59.44 Crore. During the year under review, the Company has not issued shares with differential voting rights nor granted stock options nor sweat equity nor made any provision of money for purchase of or subscription for, shares in the Company, if the purchase of, or the subscription for, the shares by trustees is for the shares to be held by or for the benefit of the employees of the Company as provided in the rules of Companies (Share Capital and Debentures) Rules, 2014. As on March 31, 2015, the Directors of the Company hold shares and convertible instruments of the Company as below:

Sl.No.	Name of the Director	Details of shares held and Percentage			
		Equity Shares in Nos.	%	7% Redeemable Preference shares in Nos.	%
1.	Shri Ch. Krishna Murthy	6219790	52.07	44100000	92.84
2.	Smt. Ch. Manjula	1614048	13.51	3250000	6.84
3.	Shri. Ch. Siddartha	1125668	9.42	150000	0.32
Total		8959506	75.00	47500000	100.00

BOARD MEETINGS

Five meetings of the Board of Directors were held during the period under review and further details are set out in the Corporate Governance Report forming part of the Directors' Report.

AUDIT COMMITTEE

Four meetings of the Audit Committee of the Board were held during the period under review and further details are set out in the Corporate Governance Report forming part of the Directors' Report.

INDEPENDENT DIRECTORS' MEETING

The performances of the members of the Board, the Board level Committees and the Board as a whole were evaluated at the meetings of the Independent Directors and the Board of Directors of the Company held on May 20, 2015.

DETAILS OF ESTABLISHMENT OF VIGIL MECHANISM FOR DIRECTORS AND EMPLOYEES

Your Company recognizes the value of transparency and accountability in its administrative and management practices. The Company promotes the ethical behavior in all its business activities. The Company has adopted the Whistle Blower Policy and Vigil Mechanism in view to provide a mechanism

for the Directors and employees of the Company to approach Audit Committee of the Company to report existing/probable violations of laws, rules, regulations or unethical conduct.

NOMINATION AND REMUNERATION COMMITTEE

Your Company has a Nomination and Remuneration Committee and further details are set out in the Corporate Governance Report forming part of the Directors' Report.

The Board has, on the recommendation of the Nomination & Remuneration Committee framed a policy for selection and appointment of Directors, Key Managerial Persons (KMP), Senior Management and their remuneration.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186

Details of Loans, Guarantees and Investments covered under the provisions of Section 186 of the Companies Act, 2013 are given in the notes to the Financial Statements.

CONSOLIDATED FINANCIAL STATEMENTS

In accordance with the Companies Act, 2013 ("the Act") and Accounting Standard (AS) - 21 on Consolidated Financial Statements read with AS - 23 on Accounting for Investments in Associates and AS - 27 on Financial Reporting of Interests in Joint Ventures, the audited consolidated financial statements are provided in the Annual Report.

PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

All related party transactions that were entered into during the financial year were on an arm's length basis and were in the ordinary course of business. There are no materially significant related party transactions made by the Company with Promoters, Directors, Key Managerial Personnel or other designated persons which may have a potential conflict with the interest of the Company at large.

All Related Party Transactions are placed before the Audit Committee as also the Board for approval.

The particulars of contracts or arrangements entered into by the Company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 disclosed in Form No. AOC -2 and is set out as Annexure and forms part of this report.

RISK MANAGEMENT

Your Company has a Risk Management Committee and further details are set out in the Corporate Governance Report forming part of the Directors' Report.

The Company has a Risk Management Policy and framework to identify, evaluate business risks and opportunities. This framework seeks to create transparency, minimize adverse impact on the business objectives and enhance the Company's competitive advantage. The business risk framework defines the risk management approach across the enterprise at various levels including documentation and reporting.

SECRETARIAL AUDIT REPORT

Pursuant to Section 204 of the Companies Act 2013 and The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, your Company had appointed M/s L.D. Reddy & Co., Practicing Company Secretaries, Hyderabad as its Secretarial Auditors to conduct the secretarial audit of the Company for the financial year 2014-15. The Company provided all assistance and facilities to the Secretarial Auditor for conducting their audit. The Report of Secretarial Auditor for the financial year 2014-15 is set out as Annexure and forms part of this report.

Secretarial Auditor's observations:

- i. There were delays in the payment of wages to the employees before the due date as per Payment of Wages Act, 1936.
- ii. All Statutory Payments like Service tax, Income Tax, Professional Tax, Entry tax, PF, ESI, VAT, TDS, Self assessment tax, Excise Duty etc., are paid with delay as per the provisions of the relevant Acts.
- iii. A separate meeting of Independent Director was not held during the year as per the provisions of Companies act 2013.

Management replies:

- i. The payments of wages to employees are up-to-date. However, the Company is taking all possible steps to pay the wages within the stipulated time.
- ii. The Company is taking all possible steps to pay the statutory dues within the stipulated time.
- iii. Separate meeting of Independent Directors was held on 20.05.2015 and will be complied in future within the stipulates schedule.

DIRECTORS' RESPONSIBILITY STATEMENT

The Directors' Responsibility Statement referred to in clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013, shall state that

- (a) in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- (b) the directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit and loss of the Company for that period;
- (c) the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (d) the directors had prepared the annual accounts on a going concern basis; and
- (e) the directors, in the case of a listed Company, had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively.
- (f) the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

INTERNAL FINANCIAL CONTROLS

The Company has in place adequate internal financial controls with reference to financial statements. During the period under review, such controls were tested and no reportable material weakness in the design or operation was observed.

EXTRACT OF THE ANNUAL RETURN

Pursuant to sub-section 3(a) of Section 134 and sub-section (3) of Section 92 of the Companies Act 2013, read with Rule 12 of the Companies (Management and Administration) Rules, 2014 the extracts of the Annual Return as at March 31, 2015 is set out as Annexure and forms part of this report.

QUALITY

Your Company accord to high priority to quality, safety, training, development, health and environment. The Company endeavours to ensure continuous compliance and improvements in this regard.

INSURANCE

All the properties and insurable assets of the Company, including Building, Plant and Machinery, stocks etc., wherever necessary and to the extent required, have been adequately covered.

LISTING OF COMPANY'S SECURITIES

Your Company's shares are currently listed on Bombay Stock Exchange Limited (BSE), Ahmedabad Stock Exchange Limited and the Company also listed it's shares in the National Stock Exchange of India Limited (NSE), Mumbai on 05.03.2015.

DEMATERIALIZATION OF SHARES

Your Company's shares have been made available for dematerialization through the National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL).

CORPORATE SOCIAL RESPONSIBILITY

In compliance with Section 135 of the Companies Act, 2013 read with the Companies (Corporate Social Responsibility Policy) Rules 2014, the Company has established Corporate Social Responsibility (CSR) Committee and statutory disclosures with respect to the CSR Committee and an Annual Report on CSR Activities is setout as Annexure and forms part of this report.

STAKEHOLDERS' RELATIONSHIP COMMITTEE

Your Company has a Stakeholders' Relationship Committee and further details are set out in the Corporate Governance Report forming part of the Directors' Report.

The Committee will monitor expeditious redressal of investors / stakeholders grievances relating to non-receipt of annual reports, notices, non-receipt of declared dividend / interest, change of address for correspondence etc. and to monitor action taken.

MANAGEMENT DISCUSSION AND ANALYSIS

The Management Discussion and Analysis Report for the year under review as stipulated under Clause 49 of the listing agreement with the Stock Exchanges in India is presented in a separate section forming part of this Annual Report.

EQUITY SHARES IN THE SUSPENSE ACCOUNT

Your Company is not having any shares lying in the suspense accounts in terms of Clause 5A(I) and Clause 5A(II) of the Listing Agreement.

ENERGY CONSERVATION, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

The information on conservation of energy, technology absorption and foreign exchange earnings and outgo stipulated under Section 134(3)(m) of the Companies Act, 2013 read with Rule, 8 of The Companies (Accounts) Rules, 2014, is annexed herewith as Annexure .

PARTICULARS OF EMPLOYEES

The percentage of increase in remuneration of each Director, Chief Financial Officer and Company Secretary during the financial year 2014-15, ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year 2014-15 and the comparison of remuneration of each Key Managerial Personnel (KMP) against the performance of the Company are as under:

Sl. No.	Name of Director/KMP and Designation	Remuneration of Director/KMP for financial year 2014-15 (in Rs.)	% increase in Remuneration in the Financial Year 2014-15	Ratio of remuneration of each Director/ to median remuneration of employees	Comparison of the Remuneration of the KMP against the performance of the Company
1	Sri Ch. Krishna Murthy	6000000	25.00 %	26.54	Profit before Tax increased by 62 % and Profit After Tax increased by 67 % in financial Year 2014-15
2	Sri Ch. Siddartha	4200000	40.00 %	19.30	
3	Sri T. Rama Krishna	2700000	36.37 %	8.20	
4	Sri B.S. Hari Krishna	375000	29.98 %	1.45	

During the period under review, no employee of the Company is employed throughout the financial year and in receipt of Rs.60 lakhs or more, or employed for part of the year and in receipt of Rs.5 lakhs or more a month, under Rule 5(2) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

ACKNOWLEDGEMENTS

Your Directors take this opportunity to express their deep and sincere gratitude to the Bankers, Financial Institutions, Customers and Suppliers for their unstinted and continued support to the Company. Your Directors thank the various Central and State Government Departments, Organizations and Agencies for the continued help and co-operation extended by them. The Directors also gratefully acknowledge all stakeholders of the Company viz., customers, banks, members, dealers, vendors and other business partners for the excellent support received from them during the year.

The Directors place on record their sincere appreciation to all employees of the Company for their unstinted commitment and continued contribution to the Company.

By Order of the Board

Ch. Manjula
Director

Ch. Krishna Murthy
Chairman & Managing Director

Place: Hyderabad

Date : 20th May, 2015

ANNEXURE TO DIRECTORS REPORT

Information Under Section 134(3)(m) of the Companies Act, 2013 read with the Rule 8(3) of the Companies (Accounts) Rules 2014 and forming part of Directors Report.

A. CONSERVATION OF ENERGY

- (i) the steps taken or impact on conservation of energy;
The Company is planning to convert from batch process to continuous process for manufacture of Chromic Acid. The advantages of the above process change are saving in energy by 50% and impurification level will be reduced by 50%.
- (ii) the steps taken by the Company for utilising alternate sources of energy;
The Company is already utilising alternate sources of energy.
- (iii) the capital investment on energy conservation equipments;
a. In Vizag unit, all equipment operations are monitored more closely for idle running and this is done through our DCS operation system improvement. This is helping to maintain better specific norms for electrical energy.
b. Process equipment operation load requirements are being studied and for this reducing the motor capacity, if there is wastage is being explored. This is in the initial stages of study now.
c. Use of low pressure steam for our process heating requirement is also being explored for conserving the steam energy and for better utilization. This is being planned in the white sodium sulphate where the solution preheater heat exchanger is being ordered for using the low pressure steam instead of high pressure steam.

Form for disclosure of particulars with respect to conservation of energy.

			2014-15	2013-14
A	POWER AND CONSUMPTION			
	1. Electricity:			
	a) Purchased			
	Units	Nos.	32907255	27390333
	Total Amount	Rs.	194555919	188928454
	Rate/Unit	Rs.	5.91	6.90
	b) Own Generation			
	Units	KWH	161615	266048
	Total Amount	Rs.	2845839	4509514
	Unit per Litre of Diesel Oil	Rs.	3.21	3.37
	Cost / Unit (Variable)	Rs.	17.61	16.95
	2. Coal\Husk			
	Quantity "C" used in Boiler for Steam Generation	MTs	25675	28011
	Total Cost	Rs.	107536038	110951783
	Average Rate \ Tone	Rs.	4188	3961
B	CONSUMPTION PER UNIT OF PRODUCTION			
	Products :			
	1. Sodium Bichromate			
	2. Basic Chrome sulphate			
	Electricity (KWH)\Diesel	Units	397.38	435.69
	Coal\Husk	MTs	0.31	0.44

B. TECHNOLOGY ABSORPTION

- (i) the efforts made towards technology absorption;

The Company started to work on reducing sulphate and chloride content in sodium bichromate. The Company has done lot of in-house work and also out-source some of areas with reputed laboratories. The Company proposes to buy sophisticated equipment like ICP, particle size analyser, carbon sulphur detection, XRF for accurate results and quick results.

- (ii) the benefits derived like product improvement, cost reduction, product development or import substitution;

Chromic Acid cost will be reduced by 5% and quality will improve. Because of quality achievement our export sales will increase.

(iii) in case of imported technology (imported during the last three years reckoned from the beginning of the financial year)-

- (a) the details of technology imported : Nil
- (b) the year of import : Nil
- (c) whether the technology been fully absorbed : Nil
- (d) if not fully absorbed, areas where absorption has not taken place, and the reasons thereof : Nil

(iv) the expenditure incurred on Research and Development :

Not quantified.

RESEARCH AND DEVELOPMENT

The Company has done a lot of work in reducing Iron and Silica content in Chrome Oxide Green (COG) by various trials at laboratory. The Company used various Testing facilities to find Fe Content, carbon content, Silica Content in COG products and improved quality with the help of R&D lab at its Jeedimetla unit

Further the Company also carries out various tests at Central Leather Research Unit to improve the performance of its chemicals to suit to various customers needs. For example the fullness of leather is improved by adding additives with the help of research.

The Company adopted various energy conservation measures and the benefits will be resulted from this year onwards. There is a gaining of more than 10% energy during the current financial year when compared to the previous year.

EXPENDITURE INCURRED

The Company has incurred revenue expenditure during the year for the R&D activity which is absorbed during the year as regular effort. However no capital expenditure was incurred during the year.

C. FOREIGN EXCHANGE EARNING AND OUTGO

Total Foreign Exchange collected is Rs. 16630.81 lakhs and spent is Rs. 3681.63 lakhs during the year.

OTHERS

The Annual Report of the Company shall contain a declaration in respect of the Code of Conduct for all Board Members and Senior Management of the Company, signed by the CEO.

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES

A brief outline of the Company's CSR policy, including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programmes.

In alignment with its vision, as a socially responsible corporate citizen, the Company will continue to enhance value creation in the society and community in which it operates. Through its conduct, services, and CSR initiatives it will strive to promote sustained growth in the surrounding environs. To operate its business in a sustainable manner respecting the society & the environment, while recognising the interests of all its stakeholders.

To take up directly or indirectly programmes that will benefit the communities in and around its work place which will over a period of time enhance the quality of life and economic wellbeing of the local residents. Through its regular services and additionally through its CSR initiatives, the Company will generate community goodwill and create a positive image of the Company as a socially responsible corporate.

To pursue these objectives we will continue to:

- Eradicating hunger, poverty and malnutrition, promoting health care including preventive health care and sanitation and making available safe drinking water
- Promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly and the differently abled and livelihood enhancement projects
- Promoting gender equality, empowering women, setting up homes and hostels for women and orphans; setting up old age homes, day care centres and such other facilities for senior citizens and measures for reducing inequalities faced by socially and economically backward groups;
- Ensuring environmental sustainability, ecological balance, protection of flora and fauna, animals welfare, agroforestry, conservation of natural resources and maintaining quality of soil, air and water;
- Protection of national heritage, art and culture including restoration of buildings and sites of historical importance and works of art; setting up public libraries; promotion and development of traditional arts and handicrafts;
- Measures for the benefit of armed forces veterans, war widows and their dependents;
- Training to promote rural sports, nationally recognized sports, Paralympic sports and Olympic sports;
- Contribution to the Prime Minister's National Relief Fund or any other fund set up by the Central Government for socio-economic development and relief and welfare of the Scheduled Castes, the Scheduled Tribes, other backward classes, minority and women;
- Contribution or funds provided to technology incubators located within academic institutions which are approved by the Central Government;
- Rural development projects

1	The Composition of the CSR Committee	1. Sri U. Dileep Kumar 2. Shri Ch. Krishna Murthy 3. Smt. Ch. Manjula
2	Average net profit of the Company for last three financial years	Rs.1165.35 Lakhs.
3	Prescribed CSR Expenditure (two per cent of the amount as in item 3 above)	Rs.23.30 lakhs
4	Details of CSR spent during the financial year.	
	a. Total amount to be spent for the financial year	Rs.9.36 lakhs
	b. Amount unspent, if any	Rs.13.94 Lakhs *

* In the process of identifying the most deserved areas/people, the Company could not spend Rs.13.94 lakhs during the period under review and the unspent amount will carry forward to the next year.

Sl. No.	CSR project or activity identified	Sector in which the Project is covered	Projects or programs (1) Local area or other (2) Specify the State and district where projects or programs was undertaken	Amount outlay (budget) project or programs wise (in Rs.)	Amount spent on the projects or programs Sub - heads: (1) Direct expenditure on projects or programs (2) Overheads (in Rs.)	Cumulative expenditure upto to the reporting period (in Rs.)	Amount spent : Direct or through implementing agency (in Rs.)
1	Provided water tanker for drinking water	Provision of Drinking Water	Bhilai, Durg District, Chattisgarh	194250	194250	194250	194250
2	Constructed school room	Promotion of education	Kazipally, Medak District, Telangana	452276	452276	452276	452276
3	Green Vishaka Project-Plants provided	Environmental sustainability	Vizag, Visakhapatnam District, Andhra Pradesh	262500	262500	262500	262500
4	Distributed books to school children	Promotion of education	Vizag, Visakhapatnam District, Andhra Pradesh	27200	27200	27200	27200
				936226			

RESPONSIBILITY STATEMENT

The Responsibility Statement of the Corporate Social Responsibility (CSR) Committee of the Board of Directors of the Company, is reproduced below:

The implementation and monitoring of Corporate Social Responsibility (CSR) Policy, is in compliance with CSR objectives and policy of the Company.'

U. Dileep Kumar
Chairman of the Committee

Ch. Krishna Murthy
Chairman & Managing Director
& Member of the Committee

Form No. MGT-9
EXTRACT OF ANNUAL RETURN

as on the financial year ended on 31.03.2015

[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the
Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS

- i) CIN : L85200TG1993PLC046359
- ii) Registration Date : 15.01.1993
- iii) Name of the Company : VISHNU CHEMICALS LIMITED
- iv) Category / Sub-Category of the Company : Public Listed Company
- v) Address of the Registered office and contact details : # 6-3-662/B/4, 2nd Floor, Sri Sai Nilayam,
Sangeetnagar Colony, Somajiguda, Hyderabad,
Telangana - 500082 Ph: 040-66626680-83, Fax: 040-23314158
Email: vishnu@vishnuchemicals.net,
Website- www.vishnuchemicals.com
- vi) Whether listed Company Yes / No : YES
- vii) Name, Address and Contact details of Registrar and Transfer Agent, if any : Bigshare Services Pvt. Ltd ,
306, 3rd Floor, Right Wing, Amrutha Ville,
Opp: Yashoda Hospital, Raj Bhavan Road,
Somajiguda, Hyderabad, Andhra Pradesh, 500082
Tel: 040 - 23374967, Fax: 040 - 23370295,
Email: bsshyd@bigshareonline.com,
Website: www.bigshareonline.com

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10 % or more of the total turnover of the Company shall be stated

Sl. No.	Name and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the Company
1	Basic Chromium Sulphate	24117	49.12%
2	Sodium Bichromate	24117	31.80%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sl. No.	Name & Address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of Shares Held	Applicable Section
1	Vishnu Hong Kong Limited 23/F B07 Hover Industrial Building No.26-38, Kwai Cheong Road Kwai Chung N.T., Hong Kong	No.2164536	Wholly Owned Subsidiary	100%	2(87)(ii)

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

i) Category-wise Shareholding

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% change during the year	
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	Shares	%
A. Promoters										
(1) Indian										
a) Individual/ HUF	8959506	--	8959506	75.00	8959506	--	8959506	75.00	--	--
b) Central Govt	--	--	--	--	--	--	--	--	--	--
c) State Govt(s)	--	--	--	--	--	--	--	--	--	--
d) Bodies Corp.	--	--	--	--	--	--	--	--	--	--
e) Banks / FI	--	--	--	--	--	--	--	--	--	--
f) Any Other	--	--	--	--	--	--	--	--	--	--
Sub-total (A) (1)	8959506	--	8959506	75.00	8959806	--	8959506	75.00	--	--
(2) Foreign										
a) NRIs - Individuals	--	--	--	--	--	--	--	--	--	--
b) Other - Individuals	--	--	--	--	--	--	--	--	--	--
c) Bodies Corp.	--	--	--	--	--	--	--	--	--	--
d) Banks / FI	--	--	--	--	--	--	--	--	--	--
e) Any Other	--	--	--	--	--	--	--	--	--	--
Sub-total (A) (2)	--	--	--	--	--	--	--	--	--	--
Total shareholdings of Promoter (A) = (A)(1)+(A)(2)	8959506	--	8959506	75.00	8959506	--	8959506	75.00	--	--
B. Public Shareholdings										
I. Institutions										
a) Mutual Funds	--	--	--	--	--	--	--	--	--	--
b) Banks / FI	200	--	200	--	200	--	200	--	--	--
c) Central Govt	--	--	--	--	--	--	--	--	--	--
d) State Govt(s)	--	--	--	--	--	--	--	--	--	--
e) Venture Capital Funds	--	--	--	--	--	--	--	--	--	--
f) Insurance Companies	--	--	--	--	--	--	--	--	--	--
g) FIs	--	--	--	--	--	--	--	--	--	--
h) Foreign Venture Capital funds	--	--	--	--	--	--	--	--	--	--
i) Others (specify)	--	--	--	--	--	--	--	--	--	--
Sub-total (B)(1)	200	--	200	--	200	--	200	--	--	--
2. Non-Institutions										
a) Bodies Corp.										
i) Indian	353948	6875	360823	3.02	366667	6875	373542	3.13	12719	0.11
ii) Overseas	--	--	--	--	--	--	--	--	--	--
b) Individuals										
i) Individual shareholders holding nominal share capital up to Rs.1 lakh	895442	214064	1109506	9.29	1055486	206199	1261685	10.56	152179	1.27
ii) Individual shareholders holding nominal share capital in excess of Rs.1 lakh	1173713	--	1173713	9.83	1065411	--	1065411	8.92	(108302)	(0.91)
c) Others										
i) NRIs/OCBs	272161	42240	314401	2.63	198679	42240	240919	2.02	(73482)	(0.61)
ii) Clearing members	27871	--	27871	0.23	44757	--	44757	0.37	16886	0.14
Sub-total (B)(2)	2723135	263179	2986314	25.00	2731000	255314	2986314	25.00	--	--
Total Public Shareholding (B)=(B)(1)+ (B)(2)	2723335	263179	2986514	25.00	2731200	255314	2986514	25.00	--	--
C. Shares held by Custodian for GDRs & ADRs	--	--	--	--	--	--	--	--	--	--
Grand Total (A+B+C)	11682841	263179	11946020	100.00	11690706	255314	11946020	100.00	--	--

(ii) Shareholding of Promoters

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year
		No. of Shares	% of total Shares of the Company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the Company	% of Shares Pledged / encumbered to total shares	
1	Shri Ch. Krishna Murthy	6219790	52.07	82.30	6219790	52.07	82.30	--
2	Smt. Ch. Manjula	1614048	13.51	53.99	1614048	13.51	53.99	--
3	Shri Ch. Siddarth	1125668	9.42	--	1125668	9.42	--	--
	Total	8959506	75.00	66.86	8959506	75.00	66.86	--

(iii) Change in Promoters' Shareholding (please specify, if there is no change)

Sl. No.	Promoters	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
	At the beginning of the year	No Change			
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):				
	At the End of the year				

(iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs)

Sl. No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Shareholding at the end of the year	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
1	Mukesh Vijay Vargiya	121303	1.02	--	--
2	R B Jaju Securities India Pvt Ltd	117848	0.99	--	--
3	Kaza Venkata Rao	117514	0.98	117514	0.98
4	Martin and Harris Private Limited	92500	0.77	92500	0.77
5	Shweta Shah	90900	0.76	--	--
6	Rajesh Vijay Vargiya	81065	0.68	81065	0.68
7	Prakash Chand	76000	0.64	76000	0.64
8	Satesh Dayaram	75441	0.63	--	--
9	Vijayalakshmi Adusumalli	75242	0.63	75242	0.63
10	M R Rajeev	70690	0.59	--	--
11	Harry Hassomal Mohinani	70000	0.59	70000	0.59
12	Angel Fincap Private Limited	64768	0.54	--	--
13	Adusumilli S Chandrabose	55000	0.46	55000	0.46
14	Taro Vazirani	45000	0.38	--	--
15	Reshma Vazirani	41900	0.35	--	--
16	Om Prakash Agarwal	36845	0.31	--	--
17	Padma Attal	36700	0.31	75738	0.63
18	Radhika Soni	--	--	69915	0.59
19	Anuj Shah	--	--	90900	0.76

(v) Shareholding of Directors and Key Managerial Personnel

Sl. No.	For Each of the Directors and KMP	Shareholding at the beginning of the year		Shareholding at the end of the year	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
1	Shri T. Rama Krishna - CFO	19117	0.16%	19117	0.16%
2	Shri B S Hari Krishna - CS	10	0.00%	450	0.00%

V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment (Rs. in Lakhs)

Description	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	13206.86	1627.47	NIL	14834.33
ii) Interest due but not paid	53.56	NIL	NIL	53.56
iii) Interest accrued but not due	NIL	NIL	NIL	NIL
Total (i+ii+iii)	13260.42	1627.47	NIL	14887.89
Change in Indebtedness during the financial year				
· Addition	3048.50	0.00	NIL	3048.50
· Reduction	1549.82	310.25	NIL	1860.07
Net Change	1498.68	(310.25)	NIL	1188.43
Indebtedness at the end of the financial year				
i) Principal Amount	14759.10	1317.22	NIL	16076.32
ii) Interest due but not paid				
iii) Interest accrued but not due				
Total (i+ii+iii)	14759.10	1317.22	NIL	16076.32

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole-time Directors and/or Manager (In Rupees)

Sl. No.	Particulars of Remuneration	Name of MD/WTD/Manager		Total Amount
		Shri Ch. Krishna Murthy, Chairman & Managing Director	Shri Ch. Siddartha, Whole-time Director	
1.	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	6000000	4200000	10200000
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	NIL	NIL	NIL
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	NIL	NIL	NIL
2.	Stock Option	--	--	--
3.	Sweat Equity	--	--	--
4.	Commission			
	- as % of profit	--	--	--
	- others, specify	--	--	--
5.	Others, please specify	--	--	--
	Total (A)	6000000	4200000	10200000
	Ceiling as per the Act			Rs. 342 Lakhs

B. Remuneration to other directors

(In Rupees)

Sl. No.	Particulars of Remuneration	Name of Directors				Total Amount
		Sri U. Dileep Kumar	Sri V. Vimalanand	Dr. S. Chandrasekhar	Sri T.S. Appa Rao	
1.	Independent Directors • Fee for attending board committee meetings • Commission • Others, please specify	162000	200000	160000	--	522000
		--	--		--	--
		--	--		--	--
	Total (1)	162000	200000	160000	--	522000
2.	Other Non-Executive Directors • Fee for attending board committee meetings • Commission • Others, please specify	--	--	--	--	--
		--	--	--	--	--
		--	--	--	--	--
	Total (2)	--	--	--	--	--
	Total (B)=(1+2)	162000	200000	160000	--	522000
	Total Managerial Remuneration					522000
	Overall Ceiling as per the Act					Rs.34 Lakhs

C. Remuneration to Key Managerial Personnel other than MD/Manager/WTG

(In Rupees)

Sl. No.	Particulars of Remuneration	Key Managerial Personnel		
		CFO	Company Secretary	Total
1.	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 (b) Value of perquisites u/s 17(2) Income-tax Act, 1961 (c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	2700000	375000	3075000
2.	Stock Option	--	--	--
3.	Sweat Equity	--	--	--
4.	Commission - as % of profit - others, specify...	--	--	--
		--	--	--
5.	Others, please specify	--	--	--
	Total	2700000	375000	3075000

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES

Type	Section of the Companies Act	Brief description	Details of penalty/ Punishment/ Compounding fees imposed	Authority [RD/NCLT/ COURT)	Appeal made, if any (give details)
A. Company					
Penalty	Nil				
Punishment					
Compounding					
B. DIRECTORS					
Penalty	Nil				
Punishment					
Compounding					
C. OTHER OFFICERS IN DEFAULT					
Penalty	Nil				
Punishment					
Compounding					

FORM NO. AOC -2

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014.

Form for Disclosure of particulars of contracts/arrangements entered into by the Company with related parties referred to in sub section (1) of section 188 of the Companies Act, 2013 including certain arm's length transaction under third proviso thereto.

1. Details of contracts or arrangements or transactions not at arm's length basis

SL. No.	Particulars	Details
a)	Name (s) of the related party & nature of relationship	NIL
b)	Nature of contracts/arrangements/transaction	
c)	Duration of the contracts/arrangements/transaction	
d)	Salient terms of the contracts or arrangements or transaction including the value, if any	
e)	Justification for entering into such contracts or arrangements or transactions'	
f)	Date of approval by the Board	
g)	Amount paid as advances, if any	
h)	Date on which the special resolution was passed in General meeting as required under first proviso to section 188	

2. Details of contracts or arrangements or transactions at Arm's length basis.

SL. No.	Particulars	Details
a)	Name (s) of the related party & nature of relationship	Vasantha Transport Corporation Chairman & Managing Director of the Company is a Proprietor of the said firm.
b)	Nature of contracts/arrangements/transaction	Availing transport services and to take on contract the trucks of the said firm.
c)	Duration of the contracts/arrangements/transaction	Five years w.e.f. 01.10.2014
d)	Salient terms of the contracts or arrangements or transaction including the value, if any	Availing transport Services and to take on contract the trucks at prevailing market prices for five years for a total contract value not exceeding Rs. 14.00 Crores p.a.
e)	Date of approval by the Board	9th August 2014
f)	Amount paid as advances, if any	Nil

3. Details of contracts or arrangements or transactions at Arm's length basis.

SL. No.	Particulars	Details
a)	Name (s) of the related party & nature of relationship	Vishnu Life Sciences Limited Promoter and Executive Director of the Company are major Shareholder (99%) of the above said Company.
b)	Nature of contracts/arrangements/transaction	Taking of factory premises including furniture and fittings on lease basis.
c)	Duration of the contracts/arrangements/transaction	Five years w.e.f. 01.10.2014
d)	Salient terms of the contracts or arrangements or transaction including the value, if any	Taking of factory premises including furniture and fittings on lease basis for a period of five years @ Rs. 6.00 Lacs p.a.
e)	Date of approval by the Board	9 th August 2014
f)	Amount paid as advances, if any	Nil

4. Details of contracts or arrangements or transactions at Arm's length basis.

SL. No.	Particulars	Details
a)	Name (s) of the related party & nature of relationship	K.M.S. Infrastructure Limited Chairman & Managing Director and Promoter Director of the Company are the majority Directors and Shareholders (80%) of the above said Company.
b)	Nature of contracts/arrangements/transaction	Availing services relating to civil constructions and related services.
c)	Duration of the contracts/arrangements/transaction	Five years w.e.f. 01.10.2014
d)	Salient terms of the contracts or arrangements or transaction including the value, if any	Availing services relating to civil constructions and related services from time to time on prevailing market prices for a period of five years.
e)	Date of approval by the Board	9 th August 2014
f)	Amount paid as advances, if any	Nil

By Order of the Board

Ch. Manjula
DirectorCh. Krishna Murthy
Chairman & Managing DirectorPlace: Hyderabad
Date : 20th May, 2015

Secretarial Audit Report

For the Financial Year Ended 31-03-2015

[Pursuant to Section 204(1) of the Companies Act, 2013 and
Rule No. 9 of the Companies
(Appointment and Remuneration of Managerial Personnel)
Rules, 2014]

To,
The Board of Directors
M/s. Vishnu Chemicals Limited
6/3/662/B/4, IIInd Floor,
Sri Sai Nilayam Sangeet
Nagar Colony, Somajiguda,
Hyderabad, Telangana -500082

We have conducted the secretarial audit on the compliance of applicable statutory provisions and the adherence to good corporate practices by M/s. Vishnu Chemicals Limited (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, We hereby report that in our opinion, the Company has, during the audit period ended on 31-03-2015, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

1. We have examined the books, papers, minute books, forms and returns filed and other records maintained by M/s. Vishnu Chemicals Limited ("The Company") for the financial year ended on 31-03-2015 according to the provisions of :

- i) The Companies Act, 2013 (the Act) and the Rules made there under;
- ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made thereunder;
- iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- iv) Foreign Exchange Management Act, 1999 and the Rules and Regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') :
 - a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;

- c. The Securities and Exchange Board of India (Issue of capital and Disclosure Requirements) Regulations, 2009;
- d. The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;
- e. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
- f. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
- g. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2008;
- h. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2008;
- vi) The Factories Act, 1948
- vii) The Payment of Wages Act, 1936
- viii) The Minimum Wages Act, 1948
- ix) Employees Provident Fund And Misc. Provisions Act, 1952
- x) Employers State Insurance Act, 1948
- xi) The Payment of Bonus Act, 1965
- xii) The Environment (Protection) Act, 1986
- xiii) Electricity Act 2003
- xiv) Indian Stamp Act, 1999
- xv) Income Tax Act 1961 and Indirect Tax Law
- xvi) Negotiable Instrument Act 1881
- xvii) The Payment of Gratuity Act, 1972
- xviii) The Apprentices Act 1961
- xix) Service tax
- xx) Value Added Tax Act, 2005
- xxi) Water (Prevention & Control of Pollution) Act 1974 and rules there under
- xxii) Air (Prevention & Control of Pollution) Act 1981 and rules there under
- xxiii) Customs Act, 1962
- xxiv) Weekly Holidays Act, 1942
- xxv) Hazardous Wastes (Management, Handling and Transboundary Movement) Rules, 2008.
- xxvi) Andhra Pradesh Shops and Establishments Act, 1988
- xxvii) Newspaper Publications
- xxviii) Central Excise Act, 1944
- xxix) The Boilers Act, 1923 and Indian Boilers Regulations - 1950
- xxx) The Petroleum Act, 1934
- xxxi) The Insurance Act, 1938 [AS AMENDED BY INSURANCE (AMENDMENT) ACT, 2002]
- xxxii) Andhra Pradesh Factories Rules 1980
- xxxiii) The Industrial employment (Standing orders) Act 1946
- xxxiv) Registration act 1908 and Andhra Pradesh Rules under the Registration Act, 1908

We have also examined compliance with the applicable clauses of the following:

- xxxv) The Listing Agreements entered into by the Company with the Bombay Stock Exchange Limited, Ahmadabad Stock Exchange Limited and National Stock Exchange of India Limited.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, and Standards etc., mentioned above subject to the following observations:

- We noticed that there were delays in the payment of wages to the employees before the due date as per Payment of Wages Act, 1936.
 - All Statutory Payments like Service tax, Income Tax, Professional Tax, Entry tax, PF, ESI, VAT, TDS, Self assessment tax, Excise Duty etc., are paid with delay as per the provisions of the relevant Acts.
 - A separate meeting of Independent Director was not held during the year as per the provisions of companies act 2013.
2. **We further report that** the Company has, in our opinion, complied with the provisions of the Companies Act, 1956 and the Rules made under that Act and the provisions of Companies Act, 2013 as notified by Ministry of Corporate Affairs and the Memorandum and Articles of Association of the Company, with regard to:
- Closure of the Register of Members.
 - Forms, returns, documents and resolutions required to be filed with the Registrar of Companies and the Central Government;
 - Service of documents by the Company on its Members, Auditors and the Registrar of Companies;
 - Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.
 - The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act
 - The meetings of Directors and Committees of Directors including passing of resolutions by circulation;
 - The 21st Annual General Meeting held on 30th September, 2014;
 - Minutes of proceedings of General Meetings and of the Board and its Committee meetings;
 - Approvals of the Members, the Board of Directors, the Committees of Directors and the government authorities, wherever required;
 - Constitution of the Board of Directors / Committee(s) of Directors, appointment, retirement and reappointment of Directors including the Managing Director and Whole-time Directors;
 - Payment of remuneration to Directors including the Managing Director and Whole-time Directors,
 - Appointment and remuneration of Auditors and Cost Auditors;
 - Transfers and transmissions of the Company's shares and issue and dispatch of duplicate certificates of shares;
 - Declaration and payment of dividends;
 - Transfer of certain amounts as required under the Act to the Investor Education and Protection Fund and uploading of details of unpaid and unclaimed dividends on the websites of the Company and the Ministry of Corporate Affairs;
 - Borrowings and registration, modification and satisfaction of charges wherever applicable;
 - Investment of the Company's funds including investments and loans to others;
 - Format of Balance Sheet and statement of profit and loss is as per Schedule VI to the Income tax Act
 - Report of the Board of Directors;
 - Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.
 - The Directors have complied with the disclosure requirements in respect of their eligibility of appointment, their being independent and compliance with the Code of Business Conduct & Ethics for Directors and Management Personnel;
3. **We further report that:**
- The Company has complied with the requirements under the Equity Listing Agreements entered into with BSE Limited, National Stock Exchange of India Limited;
 - There was no prosecution initiated and no fines or penalties were imposed during the year under review under the Act, SEBI Act, SCRA, Depositories Act, Listing Agreement and Rules, Regulations and Guidelines framed under these Acts against / on the Company, its Directors and Officers.
4. **We further report that** based on the information received and records maintained there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.
5. **We further Report that** during the audit Period the Company has
- Faced major cyclone by name "hudhud" at Vishakhapatnam causing major damages in the Vizag city and also to the factory premises of the Company.
 - Obtained the approval from NSE for listing of its securities with National Stock Exchange Limited, Mumbai
 - Opened a Wholly Owned Subsidiary Company in Hong Kong named "Vishnu Hong Kong Limited"

For L.D.Reddy & Co.,
Company Secretaries
L. Dhanamjay Reddy
(Proprietor)

Date : 20.05.2015
Place : Hyderabad

CP. No.3752, M.NO.13104

MANAGEMENT DISCUSSION AND ANALYSIS REPORT**a. Industry structure and developments.**

India, with its skilled manpower and flourishing end-user industries, has the right ingredients to emerge as the global hub for chemical manufacturing provided the government undertakes tax & labour reforms and facility land availability for the industry.

At present, India is the net importer of chemicals as the availability to feedstock is a major challenge. Add to this woe is the inverted duty structure as a result of which raw materials (inputs) are taxed at higher rate than the end product. This discourages local manufacturing.

India is highly import dependent for most of its chemical needs. However, it is placed at a point of inflection for rapid growth. India can explore many alternative feedstock options such as coal gasification, syngas, pet coke, etc. If right technologies are used, the challenge of feedstock can be solved, provided the government encourages investment in new technologies.

Finance Minister has taken a few steps towards removing anomalies in the duty structures in this year's budget. "The government is also aiming to improve business environment by adopting transparent policy changes and facilitating processes to solve some of the problems faced by the industry.

'Make in India' will play a pivotal role in driving some of the key initiatives to stimulate growth in the chemical industry. With GST planned to be rolled out in April 2016, the chemical industry will gain immensely. The government is committed to its 'Make in India' initiative and chemical industry can play a major role in this campaign by making India a manufacturing hub for chemicals, especially knowledge and specialty chemicals. The industry strive hard to adopt eco-friendly technologies for sustainable development and to increase its spend on research and development.

(source : www.business-standard.com)

b. Opportunities and Threats.

India is a potential market for various chemicals and raw materials in view of increasing manufacturing base. For our chemicals the Indian market is growing at 4 % average. The potential threat is cheap imports from Russia and Kazakhstan, in view of Foreign Exchange fluctuations.

c. Segment-wise or product-wise performance. (In MTs)

Particulars	2013-2014	2014-2015
Sodium Dichromate	11676	14188
Basic Chromium Sulphate	19732	21914

d. Outlook

Your Company is one of the competitive manufacturing facilities in the world, therefore, there is no risk in short-term or long-term. We are always upgrading our technologies and product mix in accordance with market requirements. If the Company utilise full capacity, I can reach Rs.1000 Cr. Swales by 2016 end.

e. Risks and concerns.

Environmental management is one of the challenges and not a risk.

f. Internal control systems and their adequacy.

The Company has an Internal Control System, commensurate with the size, scale and complexity of its operations. The scope and authority of the Internal Audit (IA) function is defined in the Internal Audit Charter. To maintain its objectivity and independence, the Internal Audit function reports to the Chairman of the Audit Committee of the Board.

The Internal Audit Department monitors and evaluates the efficacy and adequacy of internal control system in the Company, its compliance with operating systems, accounting procedures and policies at all locations of the Company and its subsidiaries. Based on the report of internal audit function, process owners undertake corrective action in their respective areas and thereby strengthen the controls. Significant audit observations and corrective actions thereon are presented to the Audit Committee of the Board.

The Company has in place adequate internal financial controls with reference to financial statements. During the year, such controls were tested and no reportable material weakness in the design or operation were observed.

g. Discussion on financial performance with respect to operational performance.

The operational performance is important for an industry on material cost surplus, co-efficiency will make all changes in financial nos. There is always areas and scope in operational performance improvement. For example, the one grade and quality sources energy utilisation and process parameter will make direct proportion to profitabilities.

During the year under review, we have increased production 24.14 % and profit increased by 67% compared to previous year. The other areas such as operating expenses, interest, sales expenses, there will not be much scope for reduction. Therefore, entire matrix is in raw material consumption and quantity and minimisation of waste.

h. Material developments in Human Resources / Industrial Relations front, including number of people employed.

There is no increase in number of people except replacement of any resignation/retirements. During the year no strikes or lock-outs and the industrial relations are being maintained cordial. Your Company announced a loyalty bonus for every year of completion of service.

i. Cautionary Statement

Statements in the Board's Report and the Management Discussion & Analysis describing the Company's objectives, expectations or forecasts may be forward-looking within the meaning of applicable securities laws and regulations. Actual results may differ materially from those expressed in the statement. Important factors that could influence the Company's operations include global and domestic demand and supply conditions affecting selling prices of finished goods, input availability and prices, changes in government regulations, tax laws, economic developments within the country and other factors such as litigation and industrial relations.

REPORT ON CORPORATE GOVERNANCE

Brief statement on Company's philosophy on Corporate Governance

The Company's philosophy on Corporate Governance is to conduct its business in a manner, which is ethical and transparent with all stakeholders in the Company, including shareholders, lenders, creditors and employees. This objective is achieved by adopting corporate practices based on principles of transparency, accountability, fairness and integrity to create long term sustainable value for all its stakeholders.

During the period under review, the Company is in compliance with the requirements stipulated under Clause 49 of the Listing Agreement entered into with the Stock Exchanges with regard to Corporate Governance.

1. BOARD OF DIRECTORS

The Company has an Executive Chairman. The Chairman along with the Whole time Director manages the day-to-day affairs of the Company. The Board of the Company has a combination of Two Executive Directors comprising 33 % of the Board and Four Non-Executive Directors comprising 67 % of the Board as on 31st March 2015.

a. Composition and category of directors as on 31st March 2015.

Category	Name of Directors
Promoter Directors	Sri Ch. Krishna Murthy, Chairman & Managing Director
	Smt. Ch. Manjula, Non-Executive Director
	Sri Ch. Siddartha, Whole-time Director
Independent Directors	Sri U. Dileep Kumar
	Dr. S. Chandrasekhar
	Sri T.S. Appa Rao

Smt. Ch. Manjula is the spouse of Sri Ch. Krishna Murthy and Shri Ch. Siddartha is his son. None of the other Directors are related to any other Director on the Board.

All the Directors on the Board of the Company have made necessary declarations / disclosures regarding their other directorships along with Committee positions held by them in other Companies.

b. Attendance of each Director at the Board Meetings held during the year 2014-15 and at the last Annual General Meeting.

Name of the Director	Designation	Meetings held during the tenure	Meetings Attended	Last AGM 30.09.2014.
Sri. Ch. Krishna Murthy	Chairman & Managing Director	5	4	Yes
Smt. Ch. Manjula	Director	5	3	No
Sri. Ch. Siddartha	Whole-time Director	5	4	Yes
Sri. U. Dileep Kumar	Director	5	4	Yes
Sri. V. Vimalanand*	Director	5	4	No
Dr. S. Chandrasekhar*	Director	5	4	No
Sri T.S. Appa Rao*	Director	5	1	No

* Sri V. Vimalanand, Resigned from the Board and Sri T.S. Appa Rao appointed as Additional Director and the same were approved by the Board at their meeting held on 19.03.2015. Dr. S. Chandrasekhar resigned from the Board and the same was approved by the Board at their meeting held on 20.05.2015.

- c. No. of other Boards / Board Committees in which the Directors are either Member or Chairman during the year 2014-15.

Name of the Director	Boards		Committees	
	Chairman	Member	Chairman	Member
Sri Ch Krishna Murthy	Nil	1	Nil	Nil
Smt. Ch. Manjula	Nil	1	Nil	Nil
Sri Ch Siddartha	Nil	1	Nil	Nil
Sri. U. Dileep Kumar	Nil	Nil	Nil	Nil
Sri. V. Vimalanand	Nil	Nil	Nil	Nil
Dr. S. Chandrasekhar	Nil	Nil	Nil	Nil
Sri T.S. Appa Rao	Nil	2	Nil	Nil

None of the Directors on the Board is a member in more than ten committees and they do not act as Chairman of more than five committees across all companies in which they are Directors.

The Board meets at regular intervals to discuss and decide on Company / business policy and strategy apart from other Board business. However, in case of a special and urgent business need, the Board's approval is taken by passing resolutions by circulation, as permitted by law, which is confirmed in the subsequent Board meeting. The Chairman & Managing Director is assisted by the Executive Director/Senior Managerial Personnel in overseeing the functional matters of the Company.

The Board has constituted Seven Standing Committees, namely Audit Committee, Banking Committee, Share Transfer Committee, Stakeholders' Relationship Committee, Nomination and Remuneration Committee, Corporate Social Responsibility Committee and Risk Management Committee. The Board constitutes additional functional committees, from time to time, depending on the business needs.

A minimum of four Board Meetings are held every year and they are usually held at the Registered Office of the Company. Dates for the Board Meetings in the ensuing quarter are decided well in advance and communicated to the Directors. Notices of Board Meetings were sent to the Directors as required under Section 173 of the Companies Act, 2013 well in advance. The Agenda along with the explanatory notes are sent in advance to the Directors. In special and exceptional circumstances, additional or supplementary item(s) on the agenda are permitted. Additional meetings of the Board are held when deemed necessary to address the specific needs of the Company.

Five Board Meetings were held since 31.03.2014 (closure of last financial year) up to 31.03.2015 (closure of this financial period under review) and the gap between two meetings did not exceed one hundred and twenty days. The dates on which the Board Meetings were held were as follows:

Quarter	No. of Meetings	Dates on which held
Apr-Jun	1	30.05.2014
Jul-Sep	1	09.08.2014
Oct-Dec	1	14.11.2014
Jan-Mar	2	09.02.2015 & 19.03.2015

The Company Secretary, while preparing the agenda, notes on agenda and minutes of the meeting(s), is responsible for and is required to ensure adherence to all applicable laws and regulations, including the Companies Act, 1956/ Companies Act, 2013 read with rules issued thereunder, as applicable and the Secretarial Standards recommended by the Institute of Company Secretaries of India. The Company Secretary records minutes of proceedings of each Board and Committee meeting. Draft minutes are circulated to Board/ Board Committee members for their comments. The minutes are entered in the Minutes Book within 30 days from the conclusion of the meeting. The Company Secretary attends all the meetings of the Board and its Committees, advises / assures the Board on Compliance and Governance principles and ensures appropriate recording of minutes of the meetings.

2. AUDIT COMMITTEE

The Audit Committee was formed with qualified and independent and executive members of the Board of the Company.

a. Brief description of terms of reference

The terms of reference of the Audit Committee is in conformity with the provisions of paragraphs C & D in Sub-Clause II of clause 49 of the Listing Agreements entered with the Bombay Stock Exchange Ltd., National Stock Exchange of India Limited and The Ahmedabad Stock Exchange Ltd., which inter alia, includes the following.

- Overview of the Company's financial reporting process and disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible.
- Reviewing with management the annual financial statements before submission to the Board.
- Reviewing with management, external and internal auditors, the adequacy of internal control systems.
- Reviewing the adequacy of internal audit function.
- Reviewing the findings of any internal investigations by the internal auditors into matters where there are suspected frauds or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board.
- Discussion with the auditors before commencement of audit, nature and scope of audit as well as to have post audit discussion to ascertain any area of concern.
- Reviewing the Company's financial and risk management policies.
- All recommendations made by the Audit Committee were accepted by the Board.

b. Composition, name of members and Chairman and attendance

During the year the audit committee met 4 (Four) times and following is the attendance of the members.

Name of the Director	Position Held	No. of Meetings attended
Sri. U. Dileep Kumar	Chairman	3
Sri. V. Vimalanand**	Member	3
Dr. S. Chandrasekhar**	Member	3
Sri Ch. Siddartha*	Member	1
Sri T.S. Appa Rao**	Member	-

* During the period under review, the Audit Committee was reconstituted by the Board at their meeting held on 09.08.2014 by inducting Sri Ch. Siddartha, Whole-time Director of the Company.

** The Audit Committee was reconstituted by the Board at their meeting held on 20.05.2015 by coopting Sri T.S. Appa Rao, as Member and also noted the resignations of Sri V. Vimalanand and Dr. S. Chandrasekhar, Directors of the Company.

The following business was conducted during the year.

- Review of quarterly financial statements.
- Review of internal control systems with reference to the audits conducted by the internal auditors.
- Review of annual financial statements for the year 2014 -15.
- Review of related party disclosures by the Directors.
- Review of Business performance of the Company.

During the period under review, the Board has accepted all the recommendations of the Audit Committee.

3. NOMINATION & REMUNERATION COMMITTEE

a. Terms of Reference

The Company specifically looks into the remuneration payable to Executive Directors, Key Managerial Personnel (KMP) of the Company.

b. Composition, Name of Members and Chair Person

- i) Sri. U. Dileep Kumar - Chairman
- ii) Dr. S. Chandrasekhar* - Member
- iii) Sri. V. Vimalanand* - Member
- iv) Sri T.S. Appa Rao* - Member

* The Nomination and Remuneration Committee was reconstituted by the Board at their meeting held on 20.05.2015 by coopting Sri T.S. Appa Rao, as Members and also noted the resignations of Sri V. Vimalanand and Dr. S. Chandrasekhar, Directors of the Company.

Two Meetings were held on 14.11.2014 and 20.05.2015. The Directors present at the meeting held were as follows:

Name of the Director	Designation	Meetings held during the tenure	Meetings Attended
U. Dillep Kumar	Chairman	2	2
Sri. T.S. Appa Rao	Member	1	1
Dr. S.Chandrasekhar	Member	2	2
Sri. V.Vimalanand	Member	1	1

c. Remuneration Policy

The Remuneration Committee of Board of Directors of the Company generally decides and makes recommendations to the Board of Directors about the remuneration to be paid to the Directors and other Key Managerial Persons of the Company. The Remuneration recommendations about the remuneration of Directors are subject to the approval of the Members of the Company and the remuneration of the Key Managerial Persons is to be recommended by the remuneration committee to the Board.

Details of remuneration to all the Directors, as per format in main report.

d. Remuneration of Executive Directors

The remuneration packages paid to the Executive Directors are fixed by the Board of Directors and approved by the Shareholders in the General Meetings. The remuneration was paid to the Executive directors out of the profits of the Company U/s 198, 309, 310 read with Schedule XIII of Companies Act 1956. The details of remuneration paid to the Directors are as under:

Sl. No.	Name	Designation	Salary P.A. (in Rs.)	Sitting Fee
1.	Sri Ch Krishna Murthy	Managing Director	6000000	Nil
2.	Sri Ch Siddartha	Whole-time Director	4200000	Nil

4. STAKEHOLDERS' RELATIONSHIP COMMITTEE**a. Terms of reference**

The Committee shall specifically look into the redressing of shareholder and investor complaints like transfer of shares, non-receipt of balance sheet, non-receipt of declared dividend etc.

b. Composition, Name of Members and Chair Person

- i) Sri. U. Dileep Kumar - Chairman
- ii) Dr. S. Chandrasekhar* - Member
- iii) Sri. V. Vimalanand* - Member
- iv) Sri T.S. Appa Rao* - Member

*The Committee was re-designated as 'Stakeholders Relationship Committee' and re-constituted by the Board at their meeting held on 20.05.2015 by coopting Sri T.S. Appa Rao, as Members and also noted the resignations of Sri V. Vimalaland and Dr. S. Chandrasekhar, Directors of the Company.

No Stakeholders Relationship Committee Meeting was held during the financial year 2014-15 and all the grievances received by the Company from the Members of the Company has been resolved by the Share Transfer Committee.

c. Name and Designation of compliance officer

Sri L. Narasimha Rao, Company Secretary and Compliance Officer (appointed w.e.f. 27.04.2015 and the same was approved by the Board at their meeting held on 20.05.2015), is the Compliance Officer for complying with requirements of Securities Laws and Listing Agreements with Stock Exchanges.

Sri B.S. Harikrishna, Company Secretary, Resigned and the same was approved by the Board at their meeting held on 20.05.2015.

d. Prohibition of Insider Trading

With a view to regulate trading in securities by the Directors and designated employees, the Company has adopted a Code of Conduct for Prohibition of Insider Trading.

e. Details of Shareholders Complaints

Number of shareholders' complaints received so far during the year - 21 (twenty one) and all the complaints were resolved.

Nature of queries/complaints	Received	Resolved	Un-Resolved
Non-receipt of new share certificate	12	12	0
Non-receipt of annual report	6	6	0
Non-receipt of exchange share certificate	2	2	0
Non-receipt of share certificate after transfer	1	1	0
Total	21	21	0

f. No. of pending share transfer

All shares for which applications were received for transfer during the year, were transferred and no transfer was pending as on the date of 31.03.2015.

g. Reconciliation of Share Capital Audit

As required by the Securities & Exchange Board of India (SEBI) quarterly audit of the Company's share capital is being carried out by a Practicing Company Secretary with a view to reconcile the total share capital admitted with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) and held in physical form, with the issued and listed capital. The said Certificate with regard to the same is submitted to BSE Limited, The National Stock Exchange of India Limited and Ahmedabad Stock Exchange, where the Company's shares are listed..

5. SHARE TRANSFER COMMITTEE

The members of Share Transfer Committee are as below:

1. Sri Ch. Krishna Murthy
2. Smt. Ch. Manjula

The role, terms of reference, the authority and powers of the Share Transfer Committee are in conformity with the provisions of the Companies Act, 2013.

6. BANKING COMMITTEE

The members of Banking Committee are as below:

1. Sri Ch. Krishna Murthy
2. Sri Ch. Siddartha
3. Smt. Ch. Manjula

The role and responsibilities of the Committee are to take decisions relating to banking matters i.e., proposals of opening, closing, change of authorized signatories etc., of Banks Accounts, availing of credit facilities from Banks and Financial Institutions. The minutes of Banking Committee will be confirmed by the Board at their immediate next Meeting.

7. CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

The members of Banking Committee are as below:

1. Sri U. Dileep Kumar
2. Sri Ch. Siddartha
3. Smt. Ch. Manjula

The Committee formulated and recommended the Board, a CSR Policy, amount of expenditure and monitored the Corporate Social Responsibility Policy. The Board at their meeting held on 19th March, 2015 considered the recommendations of the Committee.

8. RISK MANAGEMENT COMMITTEE

The members of Risk Management Committee are as below:

1. Sri Ch. Krishna Murthy
2. Sri Ch. Siddartha
3. Smt. Ch. Manjula

The role and responsibilities of the Committee are to formulate and recommend to the Board, a risk management plan, recommend the amount of expenditure to be incurred on the activities referred to in clause and implementing and monitoring the risk management plan of the company from time to time.

9. ANNUAL GENERAL MEETINGS

a. The Details of Annual General Meetings of the Company held during the last three years are under:

No. of Annual General Meeting	Venue	Day & Date	Time	Details of Special Resolutions passed
19th	Hotel I K London, 6-3-656, Somajiguda, Hyderabad - 500082	Friday 28.09.2012	10.00 A.M.	Nil
20th	Hotel I K London, 6-3-656, Somajiguda, Hyderabad - 500082	Saturday 27.07.2013	10.00 A.M.	Nil
21st	Hotel I K London, 6-3-656, Somajiguda, Hyderabad - 500082	Tuesday 30.09.2014	10.30 A.M.	Increase of remuneration of Shri Ch. Krishna Murthy, Chairman & Managing Director of the Company. Appointment of Shri Ch. Siddartha, as a Whole-time Director of the Company. Agreement with M/s Vasantha Transport Corporation for a period of 5 years. Agreement with M/s Vishnu Life Sciences Limited for a period of 5 years. Availing of civil construction and related services from M/s K.M.S. Infrastructure Limited for a period of 5 years.

- b. The Company has not passed any resolution through postal ballot during the financial year 2014-15.

No special resolution is proposed to be conducted through postal ballot.

10. DISCLOSURES

- i. Disclosures on materially significant related party transactions that may have potential conflict with the interests of Company at large.

Name of the Party	Description of Relationship	Name of the Interested Director	Nature of Transaction	Business (in Rs.)	Outstanding as on 31.03.2015 (in Rs.)
Vasanth Transport Corporation	Proprietor	Ch Krishna Murthy	Transport, hire charges, Purchases	150668257	(37824724)
Vishnu Life Sciences Ltd	Member	Ch. Siddartha	Lease Rentals	420000	1624001
K.M.S. Infrastructure Ltd	Directors	Ch. Krishna Murthy and Ch Manjula	Contract Services	7980369	NIL

- ii. Details of non-compliance by the Company, penalties and strictures imposed on the Company by Stock Exchange or SEBI or any statutory authority, on any matter related to capital markets, during the last three years.

There have not been any non-compliance by the Company and no penalties or strictures imposed on the Company by the Stock Exchanges or SEBI or any Statutory Authority, on any material related to capital markets, during the period under review.

- iii. Whistle Blower policy and affirmation that, no personnel have been denied access to the audit committee.

The Company has a Vigil mechanism and Whistle blower policy under which the employees are free to report violations of applicable laws and regulations and the Code of Conduct. During the year under review, no employee was denied access to the Audit Committee.

- iv. Details of compliance with mandatory requirements and adoption of the non-mandatory requirements of this clause

The Company has complied with all the mandatory requirements of the Clause 49 of the Listing Agreement during the period under review and the details are furnished wherever necessary in this annual report. The Company comply with the non-mandatory requirements.

11. MEANS OF COMMUNICATION

- i. Quarterly results

The Company's quarterly results are published in one English and one vernacular (Telugu) languages and are displayed on its website (www.vishnuchemicals.com).

- ii. Newspapers wherein results normally published

The Company's results are published normally in the vernacular dailies like Andhra Prabha, Andhra Jyothi, and Andhra Bhoomi and also in the leading English dailies like the Financial Express and the Business Standard, as per the availability of the space at the time of publishing.

- iii. Any website, where displayed

The Company's website (www.vishnuchemicals.com) contains a separate dedicated section 'Investors' where shareholders' information is available. The Company's Annual Report is also available in a user-friendly and downloadable form.

- iv. Whether it also displays official news releases;

During the period under review, the Company has no official news release.

- v. The presentations made to institutional investors or to the analysts.

During the period under review, the Company has not made any presentations to institutional investors or analysts.

- vi. Annual Report

Annual Report containing, inter alia, Audited Annual Accounts, Consolidated Financial Statements, Directors' Report, Auditors' Report and other important information is circulated to members and others entitled thereto. The Management Discussion and Analysis (MD&A) Report forms part of the Annual Report.

- vii. Chairman's Communiqué

Printed copy of the Chairman's Speech is distributed to all the shareholders at the Annual General Meetings.

- viii. NSE Electronic Application Processing System (NEAPS) & BSE Corporate Compliance & Listing Centre (the 'Listing Centre').

NEAPS and BSE Listing Centre are web based applications designed by NSE and BSE, respectively, for corporates. The Shareholding pattern, Corporate Governance Report are also filed electronically on NEAPS and BSE Listing Centre in addition to the intimation of the meetings, outcomes of the meetings, postal ballot results, etc.

- ix. SEBI Complaints Redress System (SCORES)

SCORES is a system implemented by SEBI which enables investors to lodge their complaints electronically on the SEBI website. The investor complaints are processed in a centralized web based complaints redressal system. The salient features of this system are Centralised database of all complaints, online uploading of Action Taken Reports (ATRs) by the concerned companies and online viewing by investors of actions taken on the complaint and its current status. No complaints were received during the period under review.

12. GENERAL SHAREHOLDERS INFORMATION

- | | |
|------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| i. Annual General Meeting date, time and venue | : Monday, the 29th day of June, 2015, 10.30 A.M., Hotel I K London 6-3-656, Somajiguda, Hyderabad - 500082 |
| ii. Financial year | : 2014-15 (consisting of 12 months) |
| iii. Date of Book closure | : 22.06.2015 to 29.06.2015 (both days inclusive) |
| iv. Dividend payment date | : Credit/dispatch between 30 th June, 2015 and 4 th July, 2015 |
| v. Listing on Stock Exchanges | : Bombay Stock Exchange Limited
Phiroze Jeejeebhoy Towers, Dalal Street
Mumbai 400 001

National Stock Exchange of India Limited (NSE)
Exchange Plaza, Plot No. C/1, G Block
Bandra-kurla Complex Bandra (E)
Mumbai - 400 051

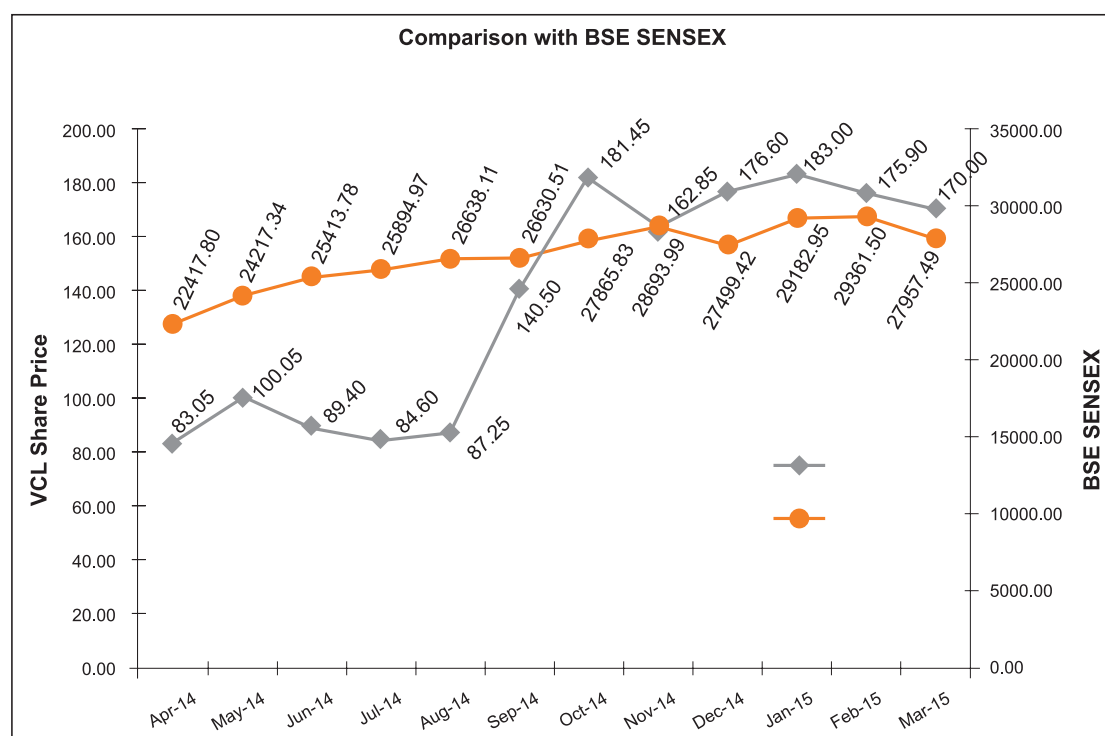
Ahmedabad Stock Exchange Ltd., Kamadhenu
complex, Opp. Sahajanand College, Panjara Bole
Ahmedabad - 380 015 |
| vi. Stock Codes | : BSE Scrip Code : VISHNU (516072)
NSE Scrip Code : VISHNU
Ahmedabad Stock Exchange Code : 29091
Demat ISIN : INE270I01014
CIN : L85200TG1993PLC046359 |

vii. Market price data; High, Low during each month in the last financial year

Month	Open (Rs.)	High (Rs.)	Low (Rs.)	Close (Rs.)	Volume (No.)	BSE SENSEX (Closing)
Apr 14	90.00	97.30	81.50	83.05	270315	22417.80
May 14	80.05	105.80	77.00	100.05	524245	24217.34
Jun 14	97.65	110.00	83.25	89.40	400225	25413.78
Jul 14	89.85	94.00	80.00	84.60	309577	25894.97
Aug 14	84.00	90.00	80.20	87.25	264499	26638.11
Sep 14	86.50	147.70	86.25	140.50	1059718	26630.51
Oct 14	140.00	186.00	130.00	181.45	366872	27865.83
Nov 14	181.00	206.00	158.00	162.85	409881	28693.99
Dec 14	161.00	198.30	161.00	176.60	240096	27499.42
Jan 15	176.00	208.50	170.00	183.00	169992	29182.95
Feb 15	188.00	200.00	169.20	175.90	128744	29361.50
Mar 15	175.00	190.00	156.00	170.00	68931	27957.49

NSE details - The Company's equity shares have been listed on National Stock Exchange with effect from 3 March, 2015.

viii. Performance in comparison to broad-based indices such as BSE SENSEX.



- ix. Registrar and Transfer Agents : Bigshare Services Pvt. Ltd.
306, Right Wing, Amrutha Ville
Opp. Yasodha Hospital
Somajiguda, Raj Bhavan Road
Hyderabad - 500 082.
Ph : 040 - 23374967, 23370295
Fax : 040 - 23370295
Email : bsshyd@bigshareonline.com
- x. Share transfer system : Your Company has appointed M/s. Bigshare Services Private Limited for dealing in with the shares of the Company in physical and electronic mode. Presently, they are completing the process of transfers within a period of 10 to 12 days from the date of receipt, subject to the documents being valid and complete in all respects.
- xi. Distribution of shareholding

Category	No. of Shares held		Total Shares	% of Holding
	Physical	Demat		
A. Promoters' Holding				
1. Promoters				
a. Indian Promoters	Nil	8959506	8959506	75.00
b. Foreign Promoters	-	-	-	-
c. Persons acting in concert	-	-	-	-
SUB-TOTAL	Nil	8959506	8959506	75.00
2. Non-Promoters Holding				
3. Institutional Investors	-	-	-	-
a. Mutual Funds and UTI	-	-	-	-
b. Banks, Financial Institutions.	-	200	200	-
c. Insurance Companies	-	-	-	-
d. Central / State Govt. Institutions / Non - Government institutions	-	-	-	-
e. FII's*	-	-	-	-
SUB-TOTAL	-	200	200	-
4. Others				
a. Private Corporate Bodies	6875	366667	373542	3.13
b. Indian Public	206199	2120897	2327096	19.48
c. NRIs / OCBs	42240	198679	240919	2.02
d. Any other -Clearing Members	-	44757	44757	0.37
SUB-TOTAL	255314	2731000	2986314	25.00
GRAND TOTAL	255314	11690706	11946020	100.00

Distribution schedule of shareholding was as below:

Range (in Rs.)	No. of shareholders	% of shareholders	Total shares	Amount (in Rs.)	% of Amount
1 - 5000	2109	78.23	359379	3593790	3.01
5001 - 10000	237	8.79	180513	1805130	1.51
10001 - 20000	131	4.86	192036	1920360	1.61
20001 - 30000	53	1.97	139417	1394170	1.17
30001 - 40000	41	1.52	149571	1495710	1.25
40001 - 50000	24	0.89	112543	1125430	0.94
50001 - 100000	43	1.59	301986	3019860	2.53
100001 - 500000	42	1.56	794345	7943450	6.65
500001 - 1000000	9	0.33	686360	6863600	5.74
1000001 - 5000000	1	0.04	117514	1175140	0.98
5000001 - 10000000	1	0.04	703250	7032500	5.89
10000001 and above	5	0.18	8209106	82091060	68.72
Total	2696	100.00	11946020	119460200	100.00

- xii. Dematerialization of Shares and liquidity : 97.86% of the Company's Paid-up capital has been dematerialized up to 31.03.2015 as per the following details. The Company's Equity Shares are actively traded shares on the Indian Stock Exchanges.

Particulars	No. of shares	% of share capital
NSDL	7727680	64.69
CDSL	3963026	33.17
Physical	255314	2.14
Total	11946020	100.00

- xiii. Outstanding GDRs/ADRs/Warrants or any Convertible instruments, conversion date and likely impact on equity

The Company has not issued any GDRs/ADRs/Warrants. However, the Company has issued 7% Redeemable Preference Shares and the details of conversion are as below:

No. of 7% Redeemable Preference Shares	Date of issue	Liable to be redeemed after the expiry of 10 (ten) years from the date of issue.
40000000	31.03.2008	
7500000	30.09.2009	

- xiv. Annual listing fee for the year 2015-16 has been paid by the Company to BSE, NSE and Ahmedabad Stock Exchange.

Annual Custody/Issuer fee for the year 2015-16 will be paid by the Company to NSDL and CDSL on receipt of the invoices.

13. Plant Locations (Factory)

- | | |
|---------------------------------------------------------------------------|------------------------------------------------------------------------------------------|
| 1. Survey No.15, Gaddapotharam
Medak District - 502319, Telangana | 2. Survey No.18-26, Nandini Road
Bhilai- 490026, Chattishgarh |
| 3. Plot No.57, Phase III, IDA
Jeedimetla, Hyderabad -500055, Telangana | 4. Plot No.29, J.N.Pharma City, IOCL Road
Visakhapatnam Dist - 531019, Andhra Pradesh |

14. Address for Correspondence

Registered Office : 6-3-662/B/4, Sri Sai Nilayam, II Floor, Sangeethnagar Colony, Somajiguda, Hyderabad - 500 082
Ph : 040-6662 6680-83; Fax : 040-2331 4158; vishnu@vishnuchemicals.net; www.vishnuchemicals.com

Declaration for Compliance with Code of Conduct

Pursuant to Clause 49(I)(D) of the Listing Agreement, I hereby declare that the Company has adopted a Code of Conduct for Directors and Senior Management Personnel of the Company at the meeting of the Board of Directors.

A Statement of allegiance to the Code of Conduct has been obtained from all the senior management personnel and functional heads and such statement of allegiance will be obtained on an annual basis from all the Directors, senior management personnel and functional heads.

For VISHNU CHEMICALS LIMITED

Place : Hyderabad
Date : 20th May, 2015

Ch. Krishna Murthy
Chairman & Managing Director

**CERTIFICATE ON COMPLIANCE WITH THE CONDITION OF CORPORATE GOVERNANCE
UNDER CLAUSE 49 OF THE LISTING AGREEMENT.**

To

The Members,
VISHNU CHEMICALS LIMITED,
Hyderabad.

We have examined the compliance of conditions of Corporate Governance by M/s VISHNU CHEMICALS LIMITED (“the Company”) for the year ended on March 31, 2015 as stipulated in clause 49 of the Listing Agreement of the said Company with the stock exchange(s).

The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company. In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above-mentioned listing agreement.

We state that no investor grievances are pending for a period exceeding one month against the Company as per the records maintained by the Stakeholders’ Relationship Committee.

We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For L.D.Reddy & Co.,
Company Secretaries

Date : 20.05.2015
Place : Hyderabad

L. Dhanamjay Reddy
(Proprietor)
CP. No.3752, M.NO.13104

CERTIFICATION BY THE CHAIRMAN & MANAGING DIRECTOR AND CHIEF FINANCIAL OFFICER

The undersigned hereby certify the following under Clause 49 of Listing Agreement which forms part of the report on Corporate Governance.

- a. We have reviewed financial statements and the Cash Flow Statement for the year and that to the best of our knowledge and belief:
 - i. These statements do not contain any materially untrue statement or omit any material fact nor do they contain statements that might be misleading;
 - ii. These statements together present a true and fair view of the Company and are in compliance with existing accounting standards and/or applicable laws/regulations.
- b. We state to the best of our knowledge and belief, no transactions are entered into by the Company during the year which are fraudulent, illegal or violative of the Company's code of conduct.
- c. We are responsible for establishing and maintaining internal controls and have evaluated the effectiveness of internal control systems of the Company; and have also disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of internal controls, if any, and what we have done or propose to do to rectify these;
- d. We have also disclosed to the auditors as well as the Audit committee:
 - i) Significant changes in accounting policies during the year;
 - ii) Significant changes in accounting policies during the year have been disclosed in the notes to the financial statements; and
 - iii) Instances of significant fraud of which we have become aware and the involvement therein, by any of the management or an employee having a significant role in the Company's control system over financial reporting.

T. Rama Krishna
Asst. Vice-President (F&A)
Chief Financial Officer

Ch. Krishna Murthy
Chairman & Managing Director

Place: Hyderabad
Date: 20th May, 2015

INDEPENDENT AUDITOR'S REPORT

To the Members of
VISHNU CHEMICALS LIMITED

Report on the Standalone Financial Statements

We have audited the accompanying standalone financial statements of VISHNU CHEMICALS LIMITED ("the Company"), which comprise the Balance Sheet as at March 31, 2015, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor

considers internal financial controls relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial control system over financial reporting and the operating effectiveness of such controls.. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified audit opinion on the standalone financial statements.

Basis for qualified opinion

The brought forward reserves are overstated due to capitalisation of interest of ₹ 312.82 lakhs on Term Loans during the year 2007-08 in contravention of AS-16 issued by the ICAI, which also resulted in overstatement of fixed assets by ₹ 312.82 lakhs, depreciation for the period by ₹ 11.13 lakhs and total accumulated depreciation till March 31, 2015 by ₹ 96.87 lakhs. As a result, the profit for the year is understated by ₹ 11.13 lakhs.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, *except for the effect of the matter described in the Basis for Qualified Opinion Paragraph*, the financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2015;
- in the case of Statement of Profit and Loss, of the profit for the year ended on that date; and
- in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

- As required by the Companies (Auditor's Report) Order, 2015 issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act (hereinafter referred to the "Order"), and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order.

2. As required by section 143(3) of the Act, we report that:

- a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit.
- b. In our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
- c. The Balance Sheet, Statement of Profit and Loss and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
- d. Except for the effect of the matter described in the Basis for Qualified Opinion Paragraph, in our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- e. In our opinion, the matter described in the Basis for Qualified Opinion paragraph above, does not have any adverse effect on the functioning of the Company.
- f. On the basis of written representations received from the Directors as on March 31, 2015, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2015, from being appointed as a director in terms of Section 164(2) of the Act.
- g. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors), 2014, in our opinion and to the best of our information and according to the explanations given to us;
 - i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements (refer Note 27);
 - ii. In our opinion and as per the information and explanations provides to us, the Company has not entered into any long-term contracts including derivative contracts, requiring provision under applicable laws or accounting standards, for material foreseeable losses, and
 - iii. As per the information and explanations provides to us, there has been no delay in transferring the amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

For C K S ASSOCIATES
Chartered Accountants

(F.R.No. 007390S)	P. GANAPATI RAO
Place : HYDERABAD	Partner
Date : May 20, 2015	M.No. 024113

ANNEXURE TO THE INDEPENDENT AUDITORS' REPORT:

(Referred to in Paragraph 1 under section 'Report on Other Legal and Regulatory Requirements' of our report of even date)

- 1.1. The Company is maintaining proper records showing full particulars including quantitative details and situation of fixed assets.
- 1.2. All the fixed assets have been physically verified by the management at reasonable intervals and no material discrepancies were noticed on such verification.
- 2.1. The inventories have been physically verified at reasonable intervals by the management.
- 2.2. In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
- 2.3. In our opinion and according to the information and explanations given to us, the Company is maintaining proper records of its inventories and no material discrepancies were noticed on such physical verification.
- 3.1 In our opinion and according to the information and explanations given to us, the Company has granted unsecured loan to its wholly owned subsidiary Company covered in the register maintained under section 189 of the Companies Act, 2013.
- 3.2 As the terms and conditions with regard to repayment of principal or interest are not specified, we are unable to comment on the regularity of receipt of the same.
- 3.3 As the total amount outstanding at the end of the year ₹ 73,068 is less than the specified amount of one lakh rupees, comment on the steps taken for recovery of principal/interest is not warranted.
4. In our opinion and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the Company and the nature of its business for the purchase of inventory, fixed assets and for the sale of goods and services. During the course of our audit, we have not observed any continuing failure to correct major weaknesses in internal control system.
5. According to the information and explanations given to us, the Company has not accepted any deposits in terms of directives issued by Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Companies Act and the rules framed there under.

6. We have broadly reviewed the books of account maintained by the Company pursuant to sub-section (1) of Section 148 of the Companies Act, and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained.
- 7.1 The Company is generally regular in depositing undisputed statutory dues including provident fund, employees state insurance, income tax, sales tax, wealth tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues, as are applicable, with the appropriate authorities. According to the information and explanations given to us, the arrears of outstanding statutory dues as at the last day of the financial year under audit for a period of more than six months from the date they became payable are entry tax of ₹ 267.92 lakhs pertaining to the financial years 2009-10 to 2012-13.
- 7.2 According to the information and explanations given to us, the disputed statutory dues that have not been deposited on account of matters pending before the appropriate authorities are as follows:

Nature of Dues	Amount (₹ in lakhs)	Period to which the amount relates	Forum where the dispute is pending
Central Excise	46.82	1998-1999	CESTAT, Bengaluru
Central Excise	121.28	2006-2007	CESTAT, New Delhi
Sales Tax	5.81	1998-1999	Sales Tax Appellate Tribunal, Hyderabad
Sales Tax	8.96	2008-2010	Addl. Commissioner (Appeal), Sales Tax, Cuttack
Sales Tax	43.08	2008-2009	Commissioner of Commercial Taxes, Raipur, Bhilai

- 7.3 In our opinion and according to the information and explanations given to us, amounts required to be transferred to investor education and protection fund in accordance with the relevant provisions of the Companies Act, 1956 (1 of 1956) and Rules made thereunder have been transferred to such fund within time.
8. The Company has no accumulated losses at the end of the financial year under audit. The Company has not incurred cash losses during the financial year covered by audit and in the immediately preceding financial year.
9. According to the information and explanations given to us, the Company has not defaulted in repayment of dues to a financial institution or bank.
10. According to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from banks or financial institutions.
11. According to the information and explanations given to us, the term loans obtained during the year were applied for the purpose for which the loans were obtained.
12. Based upon the audit procedures performed and according to the information and explanations given to us, no fraud on or by the Company has been noticed or reported during the year of our audit.

For C K S ASSOCIATES
Chartered Accountants
(F.R.No. 007390S)

P. GANAPATI RAO
Partner
M.No. 024113

Place : HYDERABAD
Date : May 20, 2015

BALANCE SHEET AS AT MARCH 31, 2015

(In Rupees)

Particulars	Note No.	31-Mar-15	31-Mar-14
I EQUITY AND LIABILITIES			
1. SHAREHOLDERS' FUNDS			
a. Share Capital	1	594,460,200	594,460,200
b. Reserves and Surplus	2	790,589,661	601,729,450
		1,385,049,861	1,196,189,650
2. NON-CURRENT LIABILITIES			
a. Long Term Borrowings	3	561,096,600	436,775,311
b. Deferred Tax Liabilities (Net)	4	289,159,308	272,357,111
c. Other Long Term Liabilities	5	699,227,923	535,399,946
d. Long Term Provisions	6	6,711,535	-
		1,556,195,366	1,244,532,368
3. CURRENT LIABILITIES			
a. Short Term Borrowings	7	1,046,534,558	1,052,013,709
b. Trade Payables	8	587,294,726	452,199,305
c. Other Current Liabilities	9	262,128,614	257,327,102
d. Short Term Provisions	10	87,512,461	52,304,841
		1,983,470,359	1,813,844,957
TOTAL		4,924,715,586	4,254,566,975
II. ASSETS			
1. NON-CURRENT ASSETS			
a. Fixed Assets	11		
i. Tangible Assets		1,860,057,570	1,964,266,409
ii. Intangible Assets		-	268,205
iii. Capital Works-in-progress		440,914,155	363,477,228
		2,300,971,725	2,328,011,842
b. Non-Current Investments	12	3,120,925	3,040,000
c. Long Term Loans and Advances	13	62,774,764	88,070,850
d. Other Non-Current Assets	14	-	72,078
		2,366,867,414	2,419,194,770
2. CURRENT ASSETS			
a. Inventories	15	1,156,133,253	860,514,475
b. Trade Receivables	16	893,858,870	624,677,289
c. Cash and Bank Balances	17	117,529,210	67,482,354
d. Short Term Loans and Advances	18	347,628,801	251,737,378
e. Other Current Assets	19	42,698,038	30,960,709
		2,557,848,172	1,835,372,205
TOTAL		4,924,715,586	4,254,566,975

Refer to accompanying Notes to Financial Statements

Per our Report of even date

For and on behalf of the Board of Directors

For C K S ASSOCIATES
Chartered Accountants
FRN: 007390S

Ch. Manjula
Director

Ch. Krishna Murthy
Chairman & Managing Director

P. Ganapati Rao
M.No: 024113

T. Rama Krishna
Asst. Vice President (F&A)
(Chief Financial Officer)

L. Narasimha Rao
Company Secretary

Place : Hyderabad
Date : May 20, 2015

Place : Hyderabad
Date : May 20, 2015

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31.03.2015

(In Rupees)

Particulars	Note No.	31-Mar-15	31-Mar-14
1. REVENUE			
a. Revenue from Operations	20		
i) Sale of Products		4,461,057,893	3,752,385,432
ii) Other Operating Revenues		40,602,445	43,573,157
		4,501,660,338	3,795,958,589
Less: Excise Duty		320,950,126	274,270,776
Total Revenue from Operations		4,180,710,212	3,521,687,813
b. Other Income	21	26,060,306	7,555,284
Total Revenue		4,206,770,518	3,529,243,097
2. EXPENSES			
a. Cost of Materials Consumed		1,948,468,054	1,528,995,994
b. Purchases of Stock-in-Trade		-	10,000,000
c. Changes in Inventories of Finished Goods & Work-in-Progress	22	(110,061,440)	(7,489,985)
d. Employee Benefit Expense	23	163,924,066	120,814,388
e. Finance Costs	24	314,770,801	293,483,269
f. Depreciation and Amortisation Expense	11	122,180,645	130,259,104
g. Corporate Social Responsibility Expenses	25	936,227	-
h. Other Expenses	26	1,421,886,868	1,242,638,677
Total Expenses		3,862,105,220	3,318,701,447
3. Profit before Prior Period Items		344,665,298	210,541,650
Prior Period adjustment (Net)		2,888,153	(360,385)
4. PROFIT BEFORE TAX		341,777,145	210,902,035
5. Tax Expense			
a. Current Tax		107,986,451	56,950,196
b. Tax Pertaining to Earlier Years		(2,082,560)	1,656,131
c. Deferred Tax	4	16,802,197	21,079,483
Total		122,706,089	79,685,810
6. PROFIT FOR THE YEAR		219,071,057	131,216,224
EARNINGS PER SHARE			
Par Value Per Share Rs.10/-			
Basic & Diluted		14.97	7.73

Refer to accompanying Notes to Financial Statements

Per our Report of even date

For and on behalf of the Board of Directors

For C K S ASSOCIATES
Chartered Accountants
FRN: 007390S

Ch. Manjula
Director

Ch. Krishna Murthy
Chairman & Managing Director

P. Ganapati Rao
M.No: 024113

T. Rama Krishna
Asst. Vice President (F&A)
(Chief Financial Officer)

L. Narasimha Rao
Company Secretary

Place : Hyderabad
Date : May 20, 2015

Place : Hyderabad
Date : May 20, 2015

CASH FLOW STATEMENT FOR THE YEAR 2014-15

(In Rupees)

Particulars	2014-15	2013-14
A. CASH FLOWS FROM OPERATING ACTIVITIES		
Net Profit after Tax and Extraordinary items	219,071,057	131,216,224
Adjustments for :		
Depreciation	122,180,645	130,259,104
Deferred Tax	16,802,197	21,079,483
Income Tax (Provision)	107,986,451	56,950,196
Income Tax (Prior Period Taxes)	(2,082,560)	1,656,131
Interest Paid	314,770,801	293,483,269
Interest Earnings	(8,013,908)	(7,555,284)
Operating profit before working Capital changes	770,714,683	627,089,123
Adjustments for :		
(Increase)/Decrease in Trade and Other Receivables	(269,181,581)	(206,579,502)
(Increase)/Decrease in Inventories	(295,618,778)	(52,340,121)
Increase/(Decrease) in Trade Payables& Other Current Liabilities	99,385,838	(383,445,225)
(Increase)/Decrease on Loans & Advances & Other Current Assets	(116,630,139)	42,064,862
Cash deficit from Operations	(582,044,660)	(600,299,986)
Direct Tax paid	(47,632,448)	(56,421,705)
Dividend paid	(14,391,928)	
Cash generated from operations	(644,069,036)	(656,721,691)
Net Cash Flow from operating activities	126,645,647	(29,632,568)
B. CASH FLOWS FROM INVESTING ACTIVITIES :		
Purchase of Fixed Assets	(19,076,812)	(30,492,442)
Sale Proceeds from Fixed Assets	-	-
Purchase of Investments	(80,925)	-
Capital Work-in-progress	(77,436,927)	(42,760,627)
Increase / Decrease in Share Capital	-	-
Interest Received	8,013,908	7,555,284
Net Cash used in investing activities	(88,580,756)	(65,697,785)
C. CASH FLOWS FROM FINANCING ACTIVITIES :		
Proceeds from long-term borrowings	300,000,000	200,000,000
Repayment of term liabilities	(107,570,363)	(298,895,625)
Increase in Bank Borrowings Working Capital	9,108,174	174,751,368
Other Un Secured Loans	125,214,955	286,488,880
Interest Paid	(314,770,801)	(293,483,269)
Net Cash used in financing activities	11,981,965	68,861,354
Net increase / Decrease in cash and cash equivalents	50,046,856	(26,468,999)
Cash and cash equivalents as at 01-04-2014	67,482,354	93,951,353
Cash and Cash equivalents as at 31.03.2015	117,529,210	67,482,354

Per our Report of even date

For and on behalf of the Board of Directors

For C K S ASSOCIATES
Chartered Accountants
FRN: 0073905

Ch. Manjula
Director

Ch. Krishna Murthy
Chairman & Managing Director

P. Ganapati Rao
M.No: 024113

T. Rama Krishna
Asst. Vice President (F&A)
(Chief Financial Officer)

L. Narasimha Rao
Company Secretary

Place : Hyderabad
Date : May 20, 2015

Place : Hyderabad
Date : May 20, 2015

Notes Forming Part of the Financial Statements

Significant Accounting Policies:

a) Accounting Convention and Basis:

The financial statements are prepared under the historical cost convention as a going concern in accordance with the generally accepted accounting principles and are based on accrual concept of accounting.

b) Use of Estimates:

The preparation of financial statements in conformity with the generally accepted accounting principles requires the Management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities as on the date of the financial statements and the income and expenditure for the reporting year. Though these estimates and assumptions are based on the information available at that point in time, the actual results could differ from these estimates.

c) Fixed Assets and Capital Work-in-Progress:

Fixed assets are stated at cost (net of Cenvat credit & Vat) less accumulated depreciation and inclusive of all costs including financial expenses incurred till the asset is put to use. Indirect & Pre-operative expenses related or attributable to the Capital works up to commencement of commercial production are added to the cost of fixed assets in the year of commencement of commercial Production.

d) Depreciation:

Depreciation is provided on Straight Line Method in respect of assets situated at Bhilai, Jeedimetla (API), Corporate Office and Vizag Units and on Written down value Method in respect of assets situated at Kazipalli Unit, by considering the useful life of the assets as specified in Schedule II of the Companies Act, 2013.

e) Impairment of Assets:

At the end of each accounting period, the Company determines whether a provision should be made for impairment loss on fixed assets by considering the indications that an impairment loss may have occurred in accordance with accounting standard 28 on "Impairment of Assets" issued by ICAI. An impairment loss is charged to the Statement of Profit and Loss in the period in which an asset is identified as impaired, when the carrying value of the asset exceeds its recoverable value. The impairment loss recognized is reversed if there has been a change in the estimate of recoverable amount.

f) Inventories:

Inventories are valued at lower of cost or net realizable

value on FIFO basis. Inventories comprise of raw materials, stores, spares & consumables and finished goods. Cost of Inventories comprises all cost of purchase, cost of conversion and other cost incurred in bringing the inventories to their present location and condition.

g) Sales:

Gross Sales comprise of Sale Value net of returns, internal transfers, Sales Tax & rebates and are inclusive of excise duty and Freight.

h) Revenue recognition:

Revenue is recognized on the transfer of property of goods as per contractual terms.

i) Borrowing Costs:

Borrowing costs attributable to a qualifying asset are capitalized as a part of the cost of assets/ and other borrowing costs are recognized as an expense in the year of incurrence.

j) Excise duty and Sales Tax:

The liability of excise duty on finished goods lying in stock at the close of the year is provided for in the accounts and included in the valuation of Inventory as per the guidance note issued by ICAI.

k) Employee Benefits:

- i) Contribution to Provident and pension Funds are funded with appropriate authorities and charged to the profit and loss account.
- ii) Liability for gratuity and leave encashment is provided on the basis of actuarial valuation based on the projected unit credit method. Actuarial gains or losses are recognized in the Statement of Profit and Loss.

l) Investments:

Long term investments are stated at cost net of provision for diminution in value other than temporary, if any. Current investments are carried at lower of cost or fair market value.

m) Research & Development Expenditure:

Capital Expenditure incurred is disclosed separately in schedule of fixed assets and revenue expenditure incurred during the Research phase is charged to the Profit and Loss in the year of incurrence.

Notes Forming Part of the Financial Statements**n) Foreign Currency Transactions:**

Foreign currency transactions are accounted at the exchange rates prevailing on the date of the transaction. Foreign currency monetary items outstanding as at the Balance Sheet date are recognized using the exchange rate as on that date. Gains/ Losses arising from the settlement of such transactions and translation of monetary assets and liabilities denominated in foreign currencies are accounted for in the Statement of Profit and Loss.

o) Taxes on Income:

Tax on income for the current period is determined on the basis of taxable income computed in accordance with the provisions of the Income Tax Act, 1961.

Deferred tax is recognized, subject to consideration of prudence, on timing differences between the accounting income and the taxable income for the year and quantified using the tax rates and laws enacted or substantively enacted as on the balance sheet date. Deferred tax assets are recognized and carried forward to the extent that there is a reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized.

1. SHARE CAPITAL

(In Rupees)

Particulars	31-Mar-15	31-Mar-14
Authorised Share Capital		
150,00,000 Equity Shares of ₹10/- par value	150,000,000	150,000,000
600,00,000 7% Redeemable Preference Shares of ₹ 10/- par value	600,000,000	600,000,000
Total	750,000,000	750,000,000
Issued,Subscribed and Fully Paid-up Capital		
EQUITY SHARES		
<i>At the beginning and close of the year</i>		
119,46,020 Equity Shares of ₹10/- par value	119,460,200	119,460,200
PREFERENCE SHARES		
<i>At the beginning and close of the year</i>		
475,00,000 7% Redeemable Preference Shares of ₹ 10/- par value	475,000,000	475,000,000
Total	594,460,200	594,460,200

Disclosures:

1. All the equity shares carry equal rights and obligations including for dividend and with respect to voting rights.
2. 7% Redeemable Preference Shares which are cumulative in nature are liable to be redeemed at par after the expiry of ten years ending with March, 2018 (Rs. 4000 Lakhs) and September, 2019 (Rs. 750 Lakhs).
3. **Dividend on Redeemable Preference Share Capital:**Dividends on the 7% Redeemable Preference Share Capital of Rs. 4750 Lakhs has not been provided for the year 2014-15. However, as the Preference Shares are cumulative in nature, the amount payable as dividend for the year of Rs. 332.50 Lakhs (Rs.332.50 Lakhs) is being shown as a Contingent liability.
4. Names of shareholders holding more than 5% of the Share capital and their shareholding.

EQUITY SHARES

S.No.	Name of shareholder		31.03.2015	31.03.2014
1	Ch. Krishna Murthy	- No of Shares	6,219,790	6,219,790
		- % held	52.07	52.07
2	Ch. Manjula	- No of Shares	1,614,048	1,614,048
		- % held	13.51	13.51
3	Ch. Sidhartha	- No of Shares	1,125,668	1,125,668
		- % held	9.42	9.42

Notes Forming Part of the Financial Statements

PREFERENCE SHARES

S.No.	Name of shareholder	31.03.2015	31.03.2014
1	Ch. Krishna Murthy - No of Shares - % held	44,100,000 92.84	44,100,000 92.84
2	Ch. Manjula - No of Shares - % held	3,250,000 6.84	3,250,000 6.84
3	Ch. Sidhartha - No of Shares - % held	150,000 0.32	150,000 0.32

2. RESERVES & SURPLUS

(In Rupees)

Particulars	31-Mar-15	31-Mar-14
1. Capital Reserve		
Balance at the beginning of the year	86,040	86,040
Addition during the year	-	-
Balance at the closing of the year	86,040	86,040
2. General Reserve		
Balance at the beginning of the year	29,000,000	29,000,000
Addition during the year	21,907,106	-
Balance at the closing of the year	50,907,106	29,000,000
3. Surplus		
Balance brought forward from previous year	572,643,410	441,427,186
Less: Depreciation in respect of assets whose useful life expired	1,373,212	-
Balance available	571,270,198	441,427,186
Add: Transfer from Statement of Profit and Loss for the year	219,071,057	131,216,224
Balance available for Appropriations	790,341,254	572,643,410
Appropriations:		
a Interim Dividend	11,946,020	-
b Tax on Dividend	2,445,908	-
c Proposed Final Dividend	11,946,020	-
d Tax on Final Dividend	2,499,685	-
e Transfer to General Reserve	21,907,106	-
Balance carried forward to next year	739,596,516	572,643,410
Total	790,589,661	601,729,450

3. LONG TERM BORROWINGS

(In Rupees)

Particulars	31-Mar-15	31-Mar-14
A. Secured:		
1. Term Loans:		
From Banks	444,291,868	299,655,615
2. Long Term Maturities of Finance Lease Obligations:		
From Banks	7,205,713	11,082,957
B. Unsecured:		
1. Deferred Payment Liabilities :		
Sales tax deferment	-	13,37,720
2. Loans and Advances from Related Parties:		
Loans from directors	109,599,019	124,699,019
Total	561,096,600	436,775,311

Notes Forming Part of the Financial Statements**Disclosures:**

Terms & Conditions of the above Loans are given below:

A) Secured Loans:

1. Term Loans from banks represents loans from Consortium of Bankers - State Bank of Hyderabad, Andhra Bank, Indian Overseas Bank and Union Bank of India. Term Loans are secured by charge on the assets acquired out of the term loan including mortgage of building constructed and charge on entire existing movable/immovable assets of the Company. The above loans are further secured by personal guarantee of Directors and others. All the above securities rank in all respects pari passu amongst the consortium of bankers.
2. The term loans are repayable in equated periodic instalments outstanding up to 5 years period from the date of respective loan. These are repayable by 2019-20 and carry an average interest of 15.37% p.a. The aggregate amount of instalments outstanding as on March 31, 2015 is Rs. 5994.92 Lakhs.
3. The hire purchase loans are secured against the assets purchased out of those loans. The net carrying amount of assets acquired on hire purchase as on 31st March 2015 is Rs. 2,87,62,648/- (Rs. 2,61,96,181/-). The Company had capitalized the assets at their fair value considering that the hire purchase agreements are in the nature of Finance Lease as defined in Accounting Standard 19 on "Leases". Installment payment are apportioned between Finance charge and Principal which is disclosed under secured loans. The details are as follows:-

(In Rupees)

Particulars	Minimum Lease Payments outstanding	Future Interest on outstanding Lease payments	Present Value of Minimum Lease Payments
Within one Year	9,688,413 (8,375,052)	1,581,344 (2,074,279)	8,107,069 (6,300,773)
Later than one year and not later than 5 years	7,786,950 (12,884,053)	581,237 (1,501,096)	7,205,713 (11,382,957)

Figures in the brackets relate to Previous Financial Year

B) Unsecured Loans:

Terms and Conditions:

- | | |
|------------------------------------------------|---------------------------------------------------|
| a. Sales Tax Deferment | : Repayable with in one year (shown under Note 9) |
| b. Loans from Directors (Non-interest bearing) | : No terms specified |

4. DEFERRED TAX LIABILITIES (NET)

(In Rupees)

Particulars	31-Mar-15	31-Mar-14
1. Deferred Tax Liability		
- On account of Timing differences in Depreciation of Fixed Assets	291,774,384	272,357,111
2. Deferred Tax Assets		
- Provisions allowable on payment	2,615,076	-
Net Deferred Tax Liabilities / (Assets) for the Year	16,802,197	21,079,483
Deferred Tax Liability / (Asset) - Total	289,159,308	272,357,111

Disclosures:

The Company has provided for Deferred Tax in accordance with the Accounting Standard on "Accounting for Taxes on Income" (AS 22) issued by the institute of Chartered Accountants of India. The details of deferred tax assets and liabilities of the Company as on the date of Balance Sheet are as given above:

Notes Forming Part of the Financial Statements

5. OTHER LONG TERM LIABILITIES

(In Rupees)

Particulars	31-Mar-15	31-Mar-14
Creditors for Capital Expenditure	37,487,923	29,899,946
Long Term Security Deposits from Customers & Suppliers	412,500,000	505,500,000
Long Term Advance from Customers secured against Bank Guarantee	249,240,000	-
Total	699,227,923	535,399,946

Disclosure:

- 1) The Company has no information as to whether any of its vendors constitute a "Supplier" within the meaning of Section 2 (n) of the Micro, Small and Medium Enterprises Development Act, 2006 as no declarations were received under the said Act from them.
- 2) During the year, the Company has received advances against sales from two overseas parties which is secured by bank guarantee for which sales are to be made by the Company in the Financial Year 2016-17 as per the terms of agreement.

6. LONG TERM PROVISIONS

(In Rupees)

Particulars	31-Mar-15	31-Mar-14
Provision for Employee Benefits (Funded)	6,711,535	-
Total	6,711,535	-

7. SHORT TERM BORROWINGS

(In Rupees)

Particulars	31-Mar-15	31-Mar-14
A. Secured:		
Loans repayable on demand from Banks :	1,024,411,587	1,015,303,413
B. Unsecured:		
From Others : Inter Corporate Loans	22,122,971	36,710,296
Total	1,046,534,558	1,052,013,709

*Disclosures:***A) Secured Loans:**

1. The Rate of Interest for Loans repayable on demand from Banks ranges from respective Banks Base Rate +3.75% to +7.00%
2. **Security:**
Working Capital Loans from Consortium Bankers consisting of State Bank of Hyderabad, State Bank of India, Union Bank of India, Indian Overseas Bank, Andhra Bank and Punjab National Bank are secured by first pari passu charge by way of hypothecation of inventories, book debts and other current assets of the Company, and second pari passu charge on the fixed assets of the Company. The directors have extended their personal security i.e Land, Plots, Buildings & Shares etc.
3. **Guarantees:**
All the above loans are guaranteed by the Promoter Directors.

B) Unsecured Loans:**1. Inter Corporate Loans:**

These loans carry Interest rate of 15.5% and are repayable on demand

Notes Forming Part of the Financial Statements

8. TRADE PAYABLES

(In Rupees)

Particulars	31-Mar-15	31-Mar-14
Trade payables	587,294,726	452,199,305
Total	587,294,726	452,199,305

Disclosure:

The Company has no information as to whether any of its vendors constitute a “Supplier” within the meaning of Section 2 (n) of the Micro, Small and Medium Enterprises Development Act, 2006 as no declarations were received under the said Act from them.

9. OTHER CURRENT LIABILITIES

(In Rupees)

Particulars	31-Mar-15	31-Mar-14
Current maturities of long term debt (Refer Note 3)	155,200,000	100,000,000
Current maturities of finance lease obligations (Refer Note 3)	8,107,069	6,300,773
Interest accrued and due on borrowings	-	5,335,668
Book Overdraft	-	75,561
Advance from Customers	6,680,652	35,311,167
Advance from Contractors	392,847	398,818
Unpaid dividends	458,904	406,420
Other payables		
a. Sales Tax Deferment	6,066,313	9,729,388
b. Statutory dues Payable	85,222,830	99,769,306
Total	262,128,614	257,327,102

10. SHORT TERM PROVISIONS

(In Rupees)

Particulars	31-Mar-15	31-Mar-14
1. Provision for Employee Benefits(Net)	982,127	4,122,103
2. Others		
a. Provision for Final Dividend	11,946,020	-
b. Provision for Tax on Final Dividend	2,499,685	-
c. Provision for Tax (Net of TDS)	106,928,166	60,926,813
Less : MAT Credit Utilisation	34,843,537	12,744,075
Net Provision for Tax	72,084,629	48,182,738
Total	87,512,461	52,304,841

Notes Forming Part of the Financial Statements

11. STATEMENT OF FIXED ASSETS & DEPRECIATION AS ON MAR 31, 2015

(In Rupees)

SL. No.	DESCRIPTION OF THE PROPERTY	GROSS BLOCK			DEPRECIATION AND AMORTISATION EXPENSES				NET BLOCK	
		As on 01.04.2014	Additions during the Year	Deletions/ Adjustments during the Year	As on 31.03.2015	As on 01.04.2014	Depreciation for the Year	Depreciation in respect of assets whose useful life has expired	As on 31.03.2015	As on 31.03.2014
A	Tangible Assets									
1	Land	76,168,278	207,594	-	76,375,872	-	-	-	76,375,872	761,68,278
2	Buildings	652,523,494	3,377,220	-	655,900,714	130,856,841	30,004,863	-	160,861,704	521,666,653
3	Plant & Machinery	1,917,068,221	7,148,633	-	1,924,216,854	610,235,737	74,243,110	-	684,478,847	1,306,832,485
4	Lab Equipments	5,381,135	-	-	5,381,135	2,361,424	2,207,032	-	4,568,456	3,019,711
5	R & D Equipment	39,282,883	-	-	39,282,883	12,824,498	7,855,807	-	20,680,305	26,458,385
6	Data Process Equipment	6,415,363	403,108	-	6,818,471	5,759,994	407,303	223,786	6,391,083	655,369
7	Office Equipment	4,919,818	1,351,602	-	6,271,420	2,240,400	1,076,241	996,407	4,313,047	2,679,418
8	Furniture & Fixtures	9,804,053	1,036,905	-	10,840,958	4,438,931	1,410,236	-	5,849,168	5,365,121
9	Vehicles	33,709,669	5,551,750	-	39,261,419	12,288,678	4,707,848	153,020	17,149,546	21,420,991
	Total (A)	2,745,272,915	19,076,812	-	2,764,349,727	781,006,502	121,912,440	1,373,212	904,292,155	1,964,266,410
B	Intangible Assets									
10	Computer Software	1,341,026	-	-	1,341,026	1,072,821	268,205	-	1,341,026	268,205
	Total (B)	1,341,026	-	-	1,341,026	1,072,821	268,205	-	1,341,026	268,205
C	Capital Works in Progress:									
11	Civil Works Under Construction	77,282,429	21,232,716	3,377,220	95,137,925	-	-	-	95,137,925	77,282,428
12	Plant & Machinery under erection	270,527,687	66,179,593	6,598,162	330,109,118	-	-	-	330,109,118	270,527,687
13	Pre-Operative Exp., Pending Capitalisation	15,667,113	-	-	15,667,113	-	-	-	15,667,113	15,667,113
	Total (C)	363,477,228	87,412,309	9,975,382	440,914,155	-	-	-	440,914,155	363,477,228
	TOTAL (A+B+C)	3,110,091,168	106,489,121	9,975,382	3,206,604,907	782,079,323	122,180,645	1,373,212	905,633,181	2,328,011,843
	Previous Year	3,036,838,099	73,253,069	-	3,110,091,168	651,820,219	130,259,104	-	782,079,323	2,385,017,877

Disclosure: In accordance with the provisions of Schedule II of the Companies Act, 2013, the fixed assets of which the useful life has expired have been identified and the depreciation on the same has been charged to the opening balance of Profit and Loss Account (refer Note 2)

Notes Forming Part of the Financial Statements

12. NON-CURRENT INVESTMENTS

(In Rupees)

Particulars	31-Mar-15	31-Mar-14
1. Trade Investments - Unquoted (At Cost)		
i. Investment in Equity Instruments of Subsidiary		
a. 10,000 Equity Shares of HKD 1 each in Vishnu Hong Kong Limited	80,925	-
2. Non Trade Investments - Unquoted (At Cost)		
i. Investment in Equity Instruments		
a. Equity Shares in Koganti Power Ltd (60,000 Nos each Rs.10/- Fully paid up)	600,000	600,000
b. Equity Shares in Sireen Drugs P Ltd (1,000 Nos each Rs.10/- Fully paid up)	10,000	10,000
ii. Investment in Bonds		
a. IDBI Bonds - 6 Bonds of Rs. 5000/- each	30,000	30,000
3. Non Trade Investments - Quoted (At Cost)		
a. PNB Mutual Fund - 39138.943 units of Rs.25.55 each	1,000,000	1,000,000
b. UBI Mutual Fund - 89990 Units each Rs. 10/- each	900,000	900,000
c. SBI Mutual Funds - 12136.374 Units of Rs. 41.20/- each	500,000	500,000
Total	3,120,925	3,040,000
Disclosures:		
1. Investment in Equity instruments of Subsidiary		
a. No of Equity Shares of HKD 1 each in Vishnu Hong Kong Limited	10,000	-
b. % of Share Holding	100%	-
2. Quoted Investments:		
1. Aggregate Value	2,400,000	2,400,000
2. Market Value	3,912,441	3,023,086
3. Unquoted Investment - Aggregate Value	710,925	640,000

13. LONG TERM LOANS & ADVANCES

(In Rupees)

Particulars	31-Mar-15	31-Mar-14
Unsecured, Considered Good:		
1. Capital Advances	36,379,629	22,246,444
2. Deposits	26,395,136	24,631,099
3. Other Loans & Advances		
MAT Credit Entitlement	-	41,193,307
Total	62,774,764	88,070,850

14. OTHER NON-CURRENT ASSETS

(In Rupees)

Particulars	31-Mar-15	31-Mar-14
Fair Value of Plan Asset (Funded)	-	72,078
Total	-	72,078

Notes Forming Part of the Financial Statements

15. INVENTORIES

(In Rupees)

Valued at Cost or Realisable Value, whichever is lower

Particulars	31-Mar-15	31-Mar-14
Raw Materials	341,175,750	196,702,078
Work-in-progress	241,469,608	231,563,308
Finished Goods	417,598,960	317,443,819
Stores, Spares & Packing	141,855,499	111,298,771
Stock in Transit	14,033,436	3,506,499
Total	1,156,133,253	860,514,475

16. TRADE RECEIVABLES

(In Rupees)

Particulars	31-Mar-15	31-Mar-14
<i>Unsecured, Considered Good</i>		
1. Outstanding for a Period Exceeding Six Months	145,198,944	14,293,985
2. Other Receivables	748,659,926	610,383,304
Total	893,858,870	624,677,289

17. CASH AND BANK BALANCES

(In Rupees)

Particulars	31-Mar-15	31-Mar-14
1. Cash & Cash Equivalents:		
1. Balances with Banks	18,342,907	741,477
2. Cash on Hand	2,539,317	2,589,275
2. Other Bank Balances		
a. Margin Money Deposit in Banks against LCs & BGs	96,188,082	63,745,182
b. Unpaid Dividend Accounts	458,904	406,420
Total	117,529,210	67,482,354

18. SHORT TERM LOANS AND ADVANCES

(In Rupees)

Particulars	31-Mar-15	31-Mar-14
<i>Unsecured, Considered Good</i>		
1. Loans and Advances to Related Parties		
a. Advances against Services to an interested concern	37,824,724	8,360,393
b. Advances to Subsidiary	73,068	-
2. Others		
a. Advances to Suppliers	131,914,639	80,216,490
b. Other Advances	7,930,448	7,354,941
c. Balances with Central Excise, Service Tax & Sales Tax	107,128,550	103,107,321
d. Prepaid Expenses	3,970,225	3,824,115
e. Prepaid Taxes	3,563,259	-
f. MAT Credit Entitlement	55,223,888	48,874,118
Total	347,628,801	251,737,378

Notes Forming Part of the Financial Statements

19. OTHER CURRENT ASSETS

(In Rupees)

Particulars	31-Mar-15	31-Mar-14
Interest Receivable	3,579,138	3,276,169
Export / Power Incentives Receivable	26,068,949	27,684,540
Insurance Claim Receivable	13,049,951	-
Total	42,698,038	30,960,709

20. REVENUE FROM OPERATIONS

(In Rupees)

Particulars	31-Mar-15	31-Mar-14
1. Sale of Products	4,461,057,893	3,752,385,432
2. Other Operating Revenues		
a. Sale of Scrap	5,730,165	3,980,606
b. Testing Charges	6,921,833	6,583,178
c. Income from Trading	-	10,050,000
d. Export Incentives	27,950,447	22,959,373
	40,602,445	43,573,157
Less: Excise Duty	320,950,126	274,270,776
Total	4,180,710,212	3,521,687,813

21 OTHER INCOME

(In Rupees)

Particulars	31-Mar-15	31-Mar-14
1. Interest Income Earned	8,013,908	7,555,284
2. Other Non-Operating Income		
a. Insurance Claim Received	335,999	-
b. Net Gain on Foreign Currency Translation and Transactions	17,376,375	-
c. Balances Written Back (Net)	334,024	-
Total	26,060,306	7,555,284

22 CHANGES IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS AND STOCK-IN-TRADE

(In Rupees)

Particulars	31-Mar-15	31-Mar-14
1. Finished Goods		
a. Opening Stock:	317,443,819	337,840,556
b. Closing Stock:	417,598,960	317,443,819
	(100,155,141)	20,396,737
2. Work-in-progress		
a. Opening Stock:	231,563,308	203,676,587
b. Closing Stock:	241,469,608	231,563,308
	(9,906,300)	(27,886,722)
Total Decrease / (Increase)	(110,061,440)	(7,489,985)

Notes Forming Part of the Financial Statements

23 EMPLOYEE BENEFITS EXPENSE

(In Rupees)

Particulars	31-Mar-15	31-Mar-14
Salaries & Wages	143,865,477	111,877,569
Contribution to Provident and Other Funds	6,056,757	4,266,677
Staff Welfare Expenses	14,001,832	4,670,142
Total	163,924,066	120,814,388

24 FINANCE COSTS

(In Rupees)

Particulars	31-Mar-15	31-Mar-14
Interest Expense	261,246,432	232,780,512
Interest on Others	17,945,934	21,551,111
Interest on Income Tax	3,843,791	7,449,814
Other Borrowing Costs	31,734,645	31,701,832
Total	314,770,801	293,483,269

25. CORPORATE SOCIAL RESPONSIBILITY EXPENSES

(In Rupees)

Particulars	31-Mar-15	31-Mar-14
Construction of Class Room in a School	452,276	-
Purchase of Water Tanker for a Village	194,251	-
Plantation Expenses	262,500	-
Distribution of books to School Children	27,200	-
Total	936,227	-
Disclosures		
a. Gross amount required to be spent by the Company during the year	2,330,710	-
b. Amount Spent during the year on:	936,227	
	Paid in Cash/Bank	Yet to be paid
i. Construction/ acquisition of asset	646,527	-
ii. on other purposes	289,700	-
Total	936,227	-

26. OTHER EXPENSES

(In Rupees)

Particulars	31-Mar-15	31-Mar-14
Consumables - Furnace Oil , Diesel & Pet Coke	329,062,513	326,604,302
Consumables - Husk & Coal	107,536,037	111,071,783
Power	197,401,759	195,227,287
Rent	27,490,312	29,947,938
Equipment Hire Charges	33,664,454	24,145,895
Repairs & Maintenance - Buildings	3,210,074	115,264
Repairs & Maintenance - Machinery	109,489,168	48,739,220
Insurance	9,690,697	10,566,754
Rates & Taxes	20,369,632	12,999,203
Labour costs	43,177,978	36,377,176

Notes Forming Part of the Financial Statements

Packing Charges	94,476,154	68,978,943
Shipping & forwarding Charges	203,014,438	164,332,026
Other Selling Cost	38,888,882	25,142,647
Bank charges	21,350,596	16,071,507
Transportation Charges	45,877,072	32,788,260
Effluent Disposal Expenses	52,212,603	49,763,784
Net Loss on Foreign Currency Transaction & Translation	-	17,649,612
Factory/Godown Maintenance	22,739,557	18,655,161
Travelling, Vehicle Maintenance & Conveyance	25,667,939	21,229,166
Professional & Consultancy Charges	8,920,983	5,109,490
Security Charges	4,962,774	4,450,078
Excise Duty Adjustment on Closing Stock	9,086,775	1,726,296
Miscellaneous Expenses	13,596,470	20,946,886
Total	1,421,886,868	1,242,638,677

27. CONTINGENT LIABILITIES AND COMMITMENTS (To the Extent Not Provided For)

(In Rupees)

	As on 31.03.2015.	As on 31.03.2014
1. Contingent Liabilities:		
a. Claims against Company not acknowledged as debt.	22,595,226	21,379,526
b. Indemnity given by Company to the banks for Bank guarantees and Letters of Credit	434,581,250	163,242,000
2. Commitments:		
a. Dividend on 7% Cumulative Redeemable Preference Shares including Dividend Tax	262,918,872	222,711,365

28. Segment Reporting

Geographic Segment:

The Company has two (2) geographical segments, i.e., (1) Domestic: (2) External
Revenue attributable to location of customers is as follows:

(Rupees in Lakhs)

Geographic Location	2014-15 Revenue	2013-14 Revenue	2014-15 %	2013-14 %
Domestic	29074.88	24827.99	65.17	66.17
Overseas	15535.70	12695.86	34.83	33.83

Sundry Debtors based on geographical location:

(Rupees in Lakhs)

Geographic Location	As on 31.03.2015	As on 31.03.2014	31.03.2015 %	31.03.2014 %
Domestic	5280.35	4361.17	59.07	69.81
Overseas	3658.24	1885.60	40.93	30.19

There are no units / assets outside India except overseas debtors.

(Rupees in Lakhs)

Geographic location	Carrying amount of Segment Assets		Additions to Fixed Assets.	
	2014-15	2013 - 14	2014-15	2013 - 14
India	455 88.91	40660.07	190.77	304.92

Notes Forming Part of the Financial Statements

29. Related Party Disclosures:

Key Management Personnel:

1. Sri. Ch. Krishna Murthy, CMD
2. Smt. Ch. Manjula, Director
3. Sri Ch. Siddartha, Director
4. Sri T. Rama Krishna, CFO
5. Sri B.S. Harikrishna, Company Secretary

Concerns in which key management personnel are proprietors/directors:

1. Vasantha Transport Corporation
2. KMS Infrastructure Limited
3. Vishnu Life Sciences Limited
4. Vishnu Hong Kong Limited

Details of Transactions:

(Rupees in Lakhs)

Nature of Transaction	Key Management Personnel		Concerns in which Key Management is interested	
	2014-15	2013-14	2014-15	2013-14
Conversion Charges	--	--	--	--
Remuneration	132.75	78.00	--	--
Rent	--	--	4.20	2.40
Transportation Charges	--	--	1441.75	1001.34
Purchases	--	--	63.73	--
Hire Charges	0.90	--	1.20	--
Contract Service	--	--	79.80	18.64
Advances to Interested Concerns	--	--	378.25	83.60
Advances to Subsidiary	--	--	0.73	--
Payables as on 31 st March	--	--	16.24	41.93

30. Earnings per share

(Rupees in Lakhs)

	2014-15	2013-14
Profit after Tax	2190.71	1312.16
Less: Preference Dividend for the year and Dividend Tax thereon	402.07	389.01
Profit available to Equity Share holders (a)	1788.64	923.15
Weighted Average no of Shares Basic & Diluted (b)	11,946,020	11,946,020
Earnings per Share Basic & Diluted (a)/(b)(₹)	14.97	7.73

31. Auditors' Remuneration

(Rupees in Lakhs)

Particulars	2014-15	2013-14
1. Statutory Audit Fee	6.00	6.00
2. For Taxation Matters	2.00	2.25
3. For Other Services	0.79	0.68

Notes Forming Part of the Financial Statements

32. Employee Benefits:

Defined benefit plans as per actuarial valuation on 31st March, 2015

(Rupees in Lakhs)

		Gratuity (Funded) 2014-15	Gratuity (Funded) 2013-14	Leave Encashment (Funded) 2014-15	Leave Encashment (Funded) 2013-14
1	Assumptions:				
	Discount Rate	7.77%	9.00%	7.77%	9%
	Escalation	3%	3%	3%	3%
2	Changes in present value of obligations:				
	Present value of obligations at beginning of year	81.14	93.52	41.58	41.10
	Interest Cost	6.81	6.95	3.64	3.23
	Current Service Cost	11.36	9.08	14.22	11.05
	Benefits Paid	(10.91)	(13.38)	(2.32)	(1.40)
	Actuarial (gain)/ loss on obligation	23.23	(15.02)	2.64	(12.41)
	Present Value of obligation at end of year	111.64	81.14	59.76	41.58
3	Changes in fair value of plan assets:				
	Fair value of plan assets at beginning of year	39.92	49.18	42.30	40.20
	Adjustment to Opening balance	--	--	--	--
	Expected return on plan assets	3.28	3.82	4.44	3.61
	Contributions	3.93	--	14.68	-
	Benefits paid	(10.91)	(13.38)	(2.32)	(1.40)
	Actuarial gain /(loss) on plan assets	(0.18)	0.29	(0.69)	(0.12)
	Fair value of plan assets at the end of year	36.05	39.92	58.41	42.30
4	Fair value of plan assets:				
	Fair value of plan assets at beginning of year	39.92	49.18	42.30	40.20
	Adjustment to Opening balance	--	--	--	--
	Actual return on plan assets	3.11	4.12	3.74	3.49
	Contributions	3.93	--	14.68	-
	Benefits paid	(10.91)	(13.38)	(2.32)	(1.40)
	Fair value of plan assets at the end of year	36.05	39.92	58.41	42.30
	Funded status	75.59	(41.22)	(1.35)	0.72
	Excess of Actual over estimated return on plan assets (actual rate of return = Estimated rate of return as ARD falls on 31 st march)	(0.18)	0.29	(0.69)	(0.12)
5	Actuarial gain/(loss) for the year - Recognized				
	Actuarial gain/(loss) for the year - Obligation	(23.23)	15.02	(2.63)	12.41
	Actuarial gain/(loss) for the year - plan assets	(0.18)	0.29	(0.69)	(0.12)
	Total (gain)/ loss for the year	(23.40)	15.31	3.33	12.29
	Actuarial (gain)/loss recognized in the year	(23.40)	15.31	3.33	12.29
6	The amounts to be recognized in the balance sheet and Statements of Profit and Loss				
	Present value of obligations as at the end of year	(111.64)	81.14	59.75	41.58
	Fair value of plan assets as at the end of the year	(36.05)	39.92	58.41	42.30
	Funded status	(75.59)	(41.22)	(1.35)	0.72
	Net assets / (liabilities) recognized in balance sheet	(75.59)	(41.22)	(1.35)	0.72
7	Expenses recognized in statement of profit & loss				
	Current service cost	11.36	9.08	14.22	11.05
	Interest Cost	6.81	6.95	3.64	3.23
	Expected return on plan assets	3.28	(3.82)	(4.44)	(3.61)
	Net actuarial (gain)/ loss recognized in the year	23.40	(15.31)	3.33	(12.29)
	Expenses recognized in statement of Profit & loss	38.30	(3.12)	16.75	(1.62)

Notes Forming Part of the Financial Statements

33. There is No change in Equity Share Capital. The Public Shareholding as on 31.03.2015 is 25%.

34. Additional information pursuant to note 5 of Part II of the revised Schedule VI of the Companies Act, 1956.

(Rupees in Lakhs)

Production Details		2014-15		2013-2014	
A	Sales				
	Sodium Bichromate		14187.89		11675.69
	Basic Chromium Sulphate		21914.08		19732.36
	Others		8508.61		6115.80
	Total		44610.58		37523.85
B	Raw Materials Consumption				
	Soda Ash		7084.41		5638.43
	Chrome Ore		8227.48		6771.15
	Others		4172.79		2880.38
	Total Consumption		19484.68		15289.96
C	VALUE OF RAW MATERIALS CONSUMED				
	a. Imported (₹ in Lakhs)	13616.29	69.88%	7465.04	48.82%
	b. Indigenous (₹ in Lakhs)	5868.39	30.12%	7824.92	51.18%
	Total	19484.68	100.00%	15289.96	100.00%
D	Value of Imports on CIF Basis				
	Raw Material(Including High Sea Purchases)		14628.78		7737.45
	Packing Material		391.43		142.65
	Capital Goods		25.44		--
E	EARNINGS IN FOREIGN EXCHANGE Exports on FOB basis		14506.11		11837.51
	EXPENDITURE IN FOREIGN CURRENCY				
	Foreign Travel & Sales Expenses		91.82		76.55
	Professional Services		83.56		55.87
	Sales Commission		17.95		3.99
	Exhibitions		20.34		10.88
	Others		15.14		7.87

35. Figures for the previous year have been regrouped, rearranged and reclassified wherever considered necessary to conform to the classification/ presentation of the current year.

Per our Report of even date

For and on behalf of the Board of Directors

For C K S ASSOCIATES
Chartered Accountants
FRN: 0073905

Ch. Manjula
Director

Ch. Krishna Murthy
Chairman & Managing Director

P. Ganapati Rao
M.No: 024113

T. Rama Krishna
Chief Financial Officer

L. Narasimha Rao
Company Secretary

Place : Hyderabad
Date : May 20, 2015

Place : Hyderabad
Date : May 20, 2015

INDEPENDENT AUDITOR'S REPORT**TO THE MEMBERS OF VISHNU CHEMICALS LIMITED**
Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of VISHNU CHEMICALS LIMITED (hereinafter referred to as "the Holding Company") and its subsidiary (the Holding Company and its subsidiary together referred to as "the Group"), comprising the Consolidated Balance Sheet as at 31st March, 2015, the Consolidated Statement of Profit and Loss, the Consolidated Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

Management's Responsibility for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the preparation of these consolidated financial statements in terms of the requirements of the Companies Act, 2013 (hereinafter referred to as "The Act") that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. While conducting the audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the Provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Holding Company's preparation of the consolidated financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on whether the Holding Company has an adequate internal financial controls system over financial reporting in place and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Holding Company's Board of Directors, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors in terms of their reports referred to in Other Matters paragraph below, is sufficient and appropriate to provide a basis for our qualified audit opinion on the consolidated financial statements.

Basis for Qualified Opinion

The brought forward reserves are overstated due to capitalization of interest of Rs. 312.82 lakhs on Term Loans during the year 2007-08 in contravention of AS-16 issued by the ICAI, which also resulted in overstatement of fixed assets by Rs. 312.82 lakhs, depreciation for the period by Rs. 11.13 lakhs and total accumulated depreciation till March 31, 2015 by Rs. 96.87 lakhs. As a result, the profit for the year is understated by Rs. 11.13 lakhs.

Qualified Opinion

In our opinion and to the best of our information and according to the explanations given to us, except for the effects of the matter described in the Basis for Qualified Opinion paragraph above, the aforesaid consolidated financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at 31st March, 2015, and their consolidated profit and their consolidated cash flows for the year ended on that date.

Other Matters

We did not audit the financial statements of the subsidiary, whose financial statements reflect total assets of Rs. 138,863 as at 31st March, 2015, and Net Loss of Rs.247,140 for the year ended on that date, as considered in the consolidated financial statements.

These financial statements have been audited by other auditor whose report has been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of the subsidiary and our report in terms of sub-sections (3) and (11) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiary is based solely on the reports of the other auditor.

Our opinion is not modified in respect of the other matters.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143 (3) of the Act, we report, to the extent applicable, that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.
 - b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those Books and the reports of the other auditors.
 - c) The report on the accounts of the subsidiary which have been audited by the auditor outside India has been sent to us and has been properly dealt with in preparing this report.
 - d) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant Books of account maintained for the purpose of preparation of the consolidated financial statements.
 - e) In our opinion, except for the effect of the matters described in the Basis for Qualified Opinion paragraph above, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

- f) The matters described in the Basis for Qualified Opinion paragraph above, in our opinion, does not have an adverse effect on the functioning of the Group.
- g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. Except for the possible effect of the matter described in Note 27, the consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group
 - ii. the Group, does not have any material foreseeable losses on long-term contracts including derivative contracts.
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company, and the subsidiary has no amounts which are required to be transferred to the Investor Education and Protection Fund.

For C K S ASSOCIATES
Chartered Accountants

(F.R.No. 007390S)
Place : HYDERABAD
Date : May 20, 2015

P. GANAPATI RAO
Partner
M.No. 024113

CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2015

(In Rupees)

Particulars	Note No.	31-Mar-15
I EQUITY AND LIABILITIES		
1. SHAREHOLDERS' FUNDS		
a. Share Capital	1	594,460,200
b. Reserves and Surplus	2	790,339,369
		1,384,799,569
2. NON-CURRENT LIABILITIES		
a. Long Term Borrowings	3	561,096,600
b. Deferred Tax Liabilities (Net)	4	289,159,308
c. Other Long Term Liabilities	5	699,227,922
d. Long Term Provisions	6	6,711,535
		1,556,195,365
3. CURRENT LIABILITIES		
a. Short Term Borrowings	7	1,046,534,558
b. Trade Payables	8	587,529,888
c. Other Current Liabilities	9	262,128,614
d. Short Term Provisions	10	87,512,461
		1,983,705,521
TOTAL		4,924,700,455
II. ASSETS		
1. NON-CURRENT ASSETS		
a. Fixed Assets	11	
i. Tangible Assets		1,860,057,570
ii. Intangible Assets		-
iii. Capital Works-in-progress		440,914,155
		2,300,971,725
b. Non-Current Investments	12	3,040,000
c. Long Term Loans and Advances	13	62,774,764
d. Other Non-Current Assets		-
		2,366,786,489
2. CURRENT ASSETS		
a. Inventories	14	1,156,133,253
b. Trade Receivables	15	893,858,870
c. Cash and Bank Balances	16	117,668,073
d. Short Term Loans and Advances	17	347,555,733
e. Other Current Assets	18	42,698,037
		2,557,913,966
TOTAL		4,924,700,455

Refer to accompanying Notes to Consolidated Financial Statements

Per our Report of even date

For and on behalf of the Board of Directors

For C K S ASSOCIATES
Chartered Accountants
FRN: 0073905

Ch. Manjula
Director

Ch. Krishna Murthy
Chairman & Managing Director

P. Ganapati Rao
M.No: 024113

T. Rama Krishna
Asst. Vice President (F&A)
(Chief Financial Officer)

L. Narasimha Rao
Company Secretary

Place : Hyderabad
Date : May 20, 2015

Place : Hyderabad
Date : May 20, 2015

CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31.03.2015

(In Rupees)

Particulars	Note No.	31-Mar-15
1. REVENUE		
a. Revenue from Operations	19	
i) Sale of Products		4,461,057,893
ii) Other Operating Revenues		40,602,445
		4,501,660,338
Less: Excise Duty		320,950,126
Total Revenue from Operations		4,180,710,212
b. Other Income	20	26,059,340
Total Revenue		4,206,769,552
2. EXPENSES		
a. Cost of Materials Consumed		1,948,468,053
b. Purchases of Stock-in-Trade		-
c. Changes in Inventories of Finished Goods & Work-in-Progress	21	(110,061,440)
d. Employee Benefit Expense	22	163,924,066
e. Finance Costs	23	314,770,801
f. Depreciation and Amortisation Expense	11	122,180,645
g. Corporate Social Responsibility Expenses	24	936,227
h. Other Expenses	25	1,422,133,042
Total Expenses		3,862,351,394
3. Profit before Prior Period Items		344,418,158
Prior Period adjustment (Net)		2,888,153
4. PROFIT BEFORE TAX		341,530,005
5. Tax Expense		
a. Current Tax		107,986,451
b. Tax Pertaining to Earlier Years		(2,082,560)
c. Deferred Tax	4	16,802,197
Total		122,706,088
6. PROFIT FOR THE YEAR		218,823,917
EARNINGS PER SHARE		
Par Value Per Share Rs.10/-		
Basic & Diluted		14.97

Refer to accompanying Notes to Consolidated Financial Statements

Per our Report of even date

For and on behalf of the Board of Directors

For C K S ASSOCIATES
Chartered Accountants
FRN: 0073905

Ch. Manjula
Director

Ch. Krishna Murthy
Chairman & Managing Director

P. Ganapati Rao
M.No: 024113

T. Rama Krishna
Asst. Vice President (F&A)
(Chief Financial Officer)

L. Narasimha Rao
Company Secretary

Place : Hyderabad
Date : May 20, 2015

Place : Hyderabad
Date : May 20, 2015

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR 2014-15

(In Rupees)

Particulars	2014-15
A. CASH FLOWS FROM OPERATING ACTIVITIES	
Net Profit after Tax and Extraordinary items	218,823,917
Adjustments for :	
Depreciation	122,180,645
Deferred Tax	16,802,197
Income Tax (Provision)	107,986,451
Income Tax (Prior Period Taxes)	(2,082,560)
Interest Paid	314,770,801
Interest Earnings	(8,013,908)
Foreign Currency Translation Reserve	(3153)
Operating profit before working Capital changes	770,464,390
Adjustments for :	
(Increase)/Decrease in Trade and Other Receivables	(269,181,581)
(Increase)/Decrease in Inventories	(295,618,778)
Increase/(Decrease) in Trade Payables & Other Current Liabilities	99,621,001
(Increase)/Decrease on Loans & Advances & Other Current Assets	(116,557,071)
Cash deficit from Operations	(581,736,429)
Direct Tax paid	(47,632,448)
Dividend paid	(14,391,928)
Cash generated from operations	(643,760,805)
Net Cash Flow from operating activities	126,703,585
B. CASH FLOWS FROM INVESTING ACTIVITIES :	
Purchase of Fixed Assets	(19,076,812)
Sale Proceeds from Fixed Assets	-
Capital Work-in-progress	(77,436,927)
Increase / Decrease in Share Capital	-
Interest Received	8,013,908
Net Cash used in investing activities	(88,499,831)
C. CASH FLOWS FROM FINANCING ACTIVITIES :	
Proceeds from long-term borrowings	300,000,000
Repayment of term liabilities	(107,570,363)
Increase in Bank Borrowings Working Capital	9,108,174
Other Un Secured Loans	125,214,955
Interest Paid	(314,770,801)
Net Cash used in financing activities	11,981,965
Net increase / Decrease in cash and cash equivalents	50,185,719
Cash and cash equivalents as at 01-04-2014	67,482,354
Cash and Cash equivalents as at 31.03.2015	117,668,073

Per our Report of even date

For and on behalf of the Board of Directors

For C K S ASSOCIATES
Chartered Accountants
FRN: 0073905

Ch. Manjula
Director

Ch. Krishna Murthy
Chairman & Managing Director

P. Ganapati Rao
M.No: 024113

T. Rama Krishna
Asst. Vice President (F&A)
(Chief Financial Officer)

L. Narasimha Rao
Company Secretary

Place : Hyderabad
Date : May 20, 2015

Place : Hyderabad
Date : May 20, 2015

Notes Forming Part of the Consolidated Financial Statements

Significant Accounting Policies:

a) Accounting Convention and Basis:

The financial statements are prepared under the historical cost convention as a going concern in accordance with the generally accepted accounting principles and are based on accrual concept of accounting.

b) Basis of Consolidation:

The Consolidated Financial Statements relate to Vishnu Chemicals Limited (the Holding Company) and its foreign subsidiary, Vishnu Hong Kong Limited ("the group").

The financial statements are prepared in accordance with Accounting Standard 21 (AS 21), Consolidated Financial Statements, issued by the Institute of Chartered Accountants of India.

All intercompany transactions, balances and unrealized surplus and deficit on transactions between the companies are eliminated. Consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances as stipulated in the provisions of AS 21.

As the Subsidiary is Wholly Owned by Vishnu Chemicals Limited, there is no minority interest involved.

c) Use of Estimates:

The preparation of financial statements in conformity with the generally accepted accounting principles requires the Management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities as on the date of the financial statements and the income and expenditure for the reporting year. Though these estimates and assumptions are based on the information available at that point in time, the actual results could differ from these estimates.

d) Fixed Assets and Capital Work-in-Progress:

Fixed assets are stated at cost (net of Cenvat credit & Vat) less accumulated depreciation and inclusive of all costs including financial expenses incurred till the asset is put to use. Indirect & Pre-operative expenses related or attributable to the Capital works up to commencement of commercial production are added to the cost of fixed assets in the year of commencement of commercial Production.

e) Depreciation:

Depreciation is provided on Straight Line Method in respect of assets situated at Bhilai, Jeedimetla (API), Corporate Office and Vizag Units and on Written down value Method in respect of assets situated at Kazipalli Unit, by considering the useful life of the assets as specified in the Schedule II of the Companies Act, 2013. The Subsidiary Company has no assets.

f) Impairment of Assets:

At the end of each accounting period, the Company determines whether a provision should be made for impairment loss on fixed assets by considering the indications that an impairment loss may have occurred in accordance with accounting standard 28 on "Impairment of Assets" issued by ICAI. An impairment loss is charged to the Statement of Profit and Loss in the period in which an asset is identified as impaired, when the carrying value of the asset exceeds its recoverable value. The impairment loss recognized is reversed if there has been a change in the estimate of recoverable amount.

g) Inventories:

Inventories are valued at lower of cost or net realizable value on FIFO basis. Inventories comprise of raw materials, stores, spares & consumables and finished goods. Cost of Inventories comprises all cost of purchase, cost of conversion and other cost incurred in bringing the inventories to their present location and condition.

h) Sales:

Gross Sales comprise of Sale Value net of returns, internal transfers, Sales Tax & rebates and are inclusive of excise duty and Freight.

i) Revenue recognition:

Revenue is recognized on the transfer of property of goods as per contractual terms.

j) Borrowing Costs:

Borrowing costs attributable to a qualifying asset are capitalized as a part of the cost of assets/ and other borrowing costs are recognized as an expense in the year of incurrence.

Notes Forming Part of the Consolidated Financial Statements**k) Excise duty and Sales Tax:**

The liability of excise duty on finished goods lying in stock at the close of the year is provided for in the accounts and included in the valuation of Inventory as per the guidance note issued by ICAI.

l) Employee Benefits:

- i) Contribution to Provident and pension Funds are funded with appropriate authorities and charged to the profit and loss account.
- ii) Liability for gratuity and leave encashment is provided on the basis of actuarial valuation based on the projected unit credit method. Actuarial gains or losses are recognized in the Statement of Profit and Loss.

m) Investments:

Long term investments are stated at cost net of provision for diminution in value other than temporary, if any. Current investments are carried at lower of cost or fair market value.

n) Research & Development Expenditure:

Capital Expenditure incurred is disclosed separately in schedule of fixed assets and revenue expenditure incurred during the Research phase is charged to the Profit and Loss in the year of incurrence.

o) Foreign Currency Transactions:

Foreign currency transactions are accounted at the exchange rates prevailing on the date of the transaction. Foreign currency monetary items outstanding as at the

Balance Sheet date are recognized using the exchange rate as on that date. Gains/Losses arising from the settlement of such transactions and translation of monetary assets and liabilities denominated in foreign currencies are accounted for in the Statement of Profit and Loss.

The assets and liabilities, both monetary and non-monetary, of the subsidiary company (being non-integral foreign operation) are translated at the closing rate and items of income & expense are translated at the average rate for the period and the resulting exchange differences are accumulated in the foreign currency translation reserve until the disposal of net investment as per the provisions of AS 11, issued by ICAI.

p) Taxes on Income:**Holding Company:**

Tax on income for the current period is determined on the basis of taxable income computed in accordance with the provisions of the Income Tax Act, 1961.

Deferred tax is recognized, subject to consideration of prudence, on timing differences between the accounting income and the taxable income for the year and quantified using the tax rates and laws enacted or substantively enacted as on the balance sheet date. Deferred tax assets are recognized and carried forward to the extent that there is a reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized.

Foreign Subsidiary:

The foreign subsidiary recognizes the tax liability as per the tax rates and tax laws of that Country.

1. SHARE CAPITAL

(In Rupees)

Particulars	31-Mar-15
Authorised Share Capital	
15000000 Equity Shares of ₹ 10/- par value	150,000,000
60000000 7% Redeemable Preference Shares of ₹ 10/- par value	600,000,000
Total	750,000,000
Issued,Subscribed and Fully Paid-up Capital	
EQUITY SHARES	
<i>At the beginning and close of the year</i>	
11946020 Equity Shares of ₹ 10/- par value	119,460,200
PREFERENCE SHARES	
<i>At the beginning and close of the year</i>	
47500000 7% Redeemable Preference Shares of ₹ 10/- par value	475,000,000
Total	594,460,200

Notes Forming Part of the Consolidated Financial Statements**Disclosures:**

1. All the equity shares carry equal rights and obligations including for dividend and with respect to voting rights.
2. 7% Redeemable Preference Shares which are cumulative in nature are liable to be redeemed at par after the expiry of ten years ending with March, 2018 (Rs. 4000 Lakhs) and September, 2019 (Rs. 750 Lakhs).
3. **Dividend on Redeemable Preference Share Capital:**Dividends on the 7% Redeemable Preference Share Capital of Rs. 4750 Lakhs has not been provided for the year 2014-15. However, as the Preference Shares are cumulative in nature, the amount payable as dividend for the year of Rs. 332.50 Lakhs (Rs.332.50 Lakhs) is being shown as a Contingent liability.
4. Names of shareholders holding more than 5% of the Share capital and their shareholding.

EQUITY SHARES

S.No.	Name of shareholder	31.03.2015
1	Ch. Krishna Murthy - No of Shares - % held	6,219,790 52.07
2	Ch. Manjula - No of Shares - % held	1,614,048 13.51
3	Ch. Sidhartha - No of Shares - % held	1,125,668 9.42

PREFERENCE SHARES

S.No.	Name of shareholder	31.03.2015
1	Ch. Krishna Murthy - No of Shares - % held	44,100,000 92.84
2	Ch. Manjula - No of Shares - % held	3,250,000 6.84
3	Ch. Sidhartha - No of Shares - % held	150,000 0.32

2. RESERVES & SURPLUS

(In Rupees)

Particulars	31-Mar-15
1. Capital Reserve	
Balance at the beginning of the year	86,040
Addition during the year	-
Balance at the closing of the year	86,040
2. Foreign Currency Translation Reserve	
Balance at the beginning of the year	-
Addition during the year	(3,153)
Balance at the closing of the year	(3,153)
3. General Reserve	
Balance at the beginning of the year	29,000,000
Addition during the year	21,907,106
Balance at the closing of the year	50,907,106
4. Surplus	
Balance brought forward from previous year	572,643,410
Less: Depreciation in respect of assets whose useful life expired	1,373,212
Balance available	571,270,198
Add: Transfer from Statement of Profit and Loss for the year	218,823,917

Notes Forming Part of the Consolidated Financial Statements

Balance available for Appropriations	790,094,115
Appropriations:	
a Interim Dividend	11,946,020
b Tax on Dividend	2,445,908
c Proposed Final Dividend	11,946,020
d Tax on Final Dividend	2,499,685
e Transfer to General Reserve	21,907,106
Balance carried forward to next year	739,349,376
Total	790,339,369

3. LONG TERM BORROWINGS

(In Rupees)

Particulars	31-Mar-15
A. Secured:	
1. Term Loans:	
From Banks	444,291,868
2. Long Term Maturities of Finance Lease Obligations:	
From Banks	7,205,713
B. Unsecured:	
1. Deferred Payment Liabilities :	
Sales tax deferment	-
2. Loans and Advances from Related Parties:	
Loans from directors	109,599,019
Total	561,096,600

Disclosures:

Terms & Conditions of the above Loans are given below:

A) Secured Loans:

- Term Loans from banks represents loans from Consortium of Bankers - State Bank of Hyderabad, Andhra Bank, Indian Overseas Bank and Union Bank of India. Term Loans are secured by charge on the assets acquired out of the term loan including mortgage of building constructed and charge on entire existing movable/immovable assets of the Company. The above loans are further secured by personal guarantee of Directors and others. All the above securities rank in all respects pari passu amongst the consortium of bankers.
- The term loans are repayable in equated periodic instalments outstanding up to 5 years period from the date of respective loan. These are repayable by 2019-20 and carry an average interest of 15.37% p.a. The aggregate amount of instalments outstanding as on March 31, 2015 is Rs. 5994.92 Lakhs.
- The hire purchase loans are secured against the assets purchased out of those loans. The net carrying amount of assets acquired on hire purchase as on 31st March 2015 is Rs. 2,87,62,648/- (Rs. 2,61,96,181/-). The Company had capitalized the assets at their fair value considering that the hire purchase agreements are in the nature of Finance Lease as defined in Accounting Standard 19 on "Leases". Installment payment are apportioned between Finance charge and Principal which is disclosed under secured loans. The details are as follows:-

Particulars	Minimum Lease Payments outstanding	Future Interest on outstanding Lease payments	Present Value of Minimum Lease Payments
Within one Year	9,688,413	1,581,344	8,107,069
Later than one year and not later than 5 years	7,786,950	581,237	7,205,713

Notes Forming Part of the Consolidated Financial Statements**B) Unsecured Loans:**

Terms and Conditions:

- | | |
|------------------------------------------------|--------------------------------------------------|
| a. Sales Tax Deferment | : Repayable with in one year(shown under Note 9) |
| b. Loans from Directors (Non-interest bearing) | : No terms specified |

4. DEFERRED TAX LIABILITIES (NET)

(In Rupees)

Particulars	31-Mar-15
1. Deferred Tax Liability	
- On account of Timing differences in Depreciation of Fixed Assets	
	291,774,384
2. Deferred Tax Assets	
- Provisions allowable on payment	
	2,615,076
Net Deferred Tax Liabilities / (Assets) for the Year	16,802,197
Deferred Tax Liability / (Asset) - Total	289,159,308

Disclosures:

The Company has provided for Deferred Tax in accordance with the Accounting Standard on "Accounting for Taxes on Income" (AS 22) issued by the institute of Chartered Accountants of India. The details of deferred tax assets and liabilities of the Company as on the date of Balance Sheet are as given above:

5. OTHER LONG TERM LIABILITIES

(In Rupees)

Particulars	31-Mar-15
Creditors for Capital Expenditure	37,487,923
Long Term Security Deposits from Customers & Suppliers	412,500,000
Long Term Advance from Customers secured against Bank Guarantee	249,240,000
Total	699,227,923

Disclosure:

- 1) The Company has no information as to whether any of its vendors constitute a "Supplier" within the meaning of Section 2 (n) of the Micro, Small and Medium Enterprises Development Act, 2006 as no declarations were received under the said Act from them.
- 2) During the year, the Company has received advances against sales from two overseas parties which is secured by bank guarantee for which sales are to be made by the Company in the Financial Year 2016-17 as per the terms of agreement.

6. LONG TERM PROVISIONS

(In Rupees)

Particulars	31-Mar-15
Provision for Employee Benefits (Funded)	6,711,535
Total	6,711,535

7. SHORT TERM BORROWINGS

(In Rupees)

Particulars	31-Mar-15
A. Secured:	
Loans repayable on demand from Banks :	1,024,411,587
B. Unsecured:	
From Others : Inter Corporate Loans	22,122,971
Total	1,046,534,558

Notes Forming Part of the Consolidated Financial Statements**Disclosures:****A) Secured Loans:**

1. The Rate of Interest for Loans repayable on demand from Banks ranges from respective Banks Base Rate +3.75% to +7.00%
2. **Security:**
Working Capital Loans from Consortium Bankers consisting of State Bank of Hyderabad, State Bank of India, Union Bank of India, Indian Overseas Bank, Andhra Bank and Punjab National Bank are secured by first pari passu charge by way of hypothecation of inventories, book debts and other current assets of the Company, and second pari passu charge on the fixed assets of the Company. The directors have extended their personal security i.e Land, Plots, Buildings & Shares etc.
3. **Guarantees:**
All the above loans are guaranteed by the Promoter Directors.

B) Unsecured Loans:**1. Inter Corporate Loans:**

These loans carry Interest rate of 15.5% and are repayable on demand

8. TRADE PAYABLES

(In Rupees)

Particulars	31-Mar-15
Trade payables	587,529,888
Total	587,529,888

Disclosure:

The Company has no information as to whether any of its vendors constitute a "Supplier" within the meaning of Section 2 (n) of the Micro, Small and Medium Enterprises Development Act, 2006 as no declarations were received under the said Act from them.

9. OTHER CURRENT LIABILITIES

(In Rupees)

Particulars	31-Mar-15
Current maturities of long term debt (Refer Note 3)	155,200,000
Current maturities of finance lease obligations (Refer Note 3)	8,107,069
Advance from Customers	6,680,652
Advance from Contractors	392,847
Unpaid dividends	458,904
Other payables	
a. Sales Tax Deferment	6,066,313
b. Statutory dues Payable	85,222,830
Total	262,128,614

10. SHORT TERM PROVISIONS

(In Rupees)

Particulars	31-Mar-15
1. Provision for Employee Benefits(Net)	982,127
2. Others	
a. Provision for Final Dividend	11,946,020
b. Provision for Tax on Final Dividend	2,499,685
c. Provision for Tax (Net of TDS)	106,928,166
Less : MAT Credit Utilisation	34,843,537
Net Provision for Tax	72,084,629
Total	87,512,461

Notes Forming Part of the Consolidated Financial Statements

11. STATEMENT OF FIXED ASSETS & DEPRECIATION AS ON MAR 31, 2015

(In Rupees)

SL. No.	DESCRIPTION OF THE PROPERTY	GROSS BLOCK			DEPRECIATION AND AMORTISATION EXPENSES				NET BLOCK	
		As on 01.04.2014	Additions during the Year	Deletions/ Adjustments during the Year	As on 31.03.2015	As on 01.04.2014	Depreciation for the Year	Depreciation in respect of assets whose useful life has expired	As on 31.03.2015	As on 31.03.2014
A	Tangible Assets									
1	Land	76,168,278	207,594	-	76,375,872	-	-	-	76,375,872	76,168,278
2	Buildings	652,523,494	3,377,220	-	655,900,714	130,856,841	30,004,863	-	495,039,010	521,666,653
3	Plant & Machinery	1,917,068,221	7,148,633	-	1,924,216,854	610,235,737	74,243,110	-	1,239,738,007	1,306,832,485
4	Lab Equipments	5,381,135	-	-	5,381,135	2,361,424	2,207,032	-	812,679	3,019,711
5	R & D Equipment	39,282,883	-	-	39,282,883	12,824,498	7,855,807	-	20,680,305	26,458,385
6	Data Process Equipment	6,415,363	403,108	-	6,818,471	5,759,994	407,303	223,786	427,388	655,369
7	Office Equipment	4,919,818	1,351,602	-	6,271,420	2,240,400	1,076,241	996,407	1,958,372	2,679,418
8	Furniture & Fixtures	9,804,053	1,036,905	-	10,840,958	4,438,931	1,410,236	-	4,991,790	5,365,121
9	Vehicles	33,709,669	5,551,750	-	39,261,419	12,288,678	4,707,848	153,020	22,111,873	21,420,991
	Total (A)	2,745,272,915	19,076,812	-	2,764,349,727	781,006,502	121,912,440	1,373,212	1,860,057,570	1,964,266,410
B	Intangible Assets									
10	Computer Software	1,341,026	-	-	1,341,026	1,072,821	268,205	-	1,341,026	268,205
	Total (B)	1,341,026	-	-	1,341,026	1,072,821	268,205	-	1,341,026	268,205
C	Capital Works in Progress:									
11	Civil Works Under Construction	77,282,429	21,232,716	3,377,220	95,137,925	-	-	-	95,137,925	77,282,428
12	Plant & Machinery under erection	270,527,687	66,179,593	6,598,162	330,109,118	-	-	-	330,109,118	270,527,687
13	Pre-Operative Exp., Pending Capitalisation	15,667,113	-	-	15,667,113	-	-	-	15,667,113	15,667,113
	Total (C)	363,477,228	87,412,309	9,975,382	440,914,155	-	-	-	440,914,155	363,477,228
	TOTAL (A+B+C)	3,110,091,168	106,489,121	9,975,382	3,206,604,907	782,079,323	122,180,645	1,373,212	2,300,971,725	2,328,011,843
	Previous Year	3,036,838,099	73,253,069	-	3,110,091,168	651,820,219	130,259,104	-	2,328,011,843	2,385,017,877

Disclosure: In accordance with the provisions of Schedule II of the Companies Act, 2013, the fixed assets of which the useful life has expired have been identified and the depreciation on the same has been charged to the opening balance of Profit and Loss Account (refer Note 2)

Notes Forming Part of the Consolidated Financial Statements

12. NON-CURRENT INVESTMENTS

(In Rupees)

Particulars	31-Mar-15
1. Non Trade Investments - Unquoted (At Cost)	
i. Investment in Equity Instruments	
a. Equity Shares in Koganti Power Ltd (60,000 Nos each Rs.10/- Fully paid up)	600,000
b. Equity Shares in Sireen Drugs P Ltd (1,000 Nos each Rs.10/- Fully paid up)	10,000
ii. Investment in Bonds	
a. IDBI Bonds - 6 Bonds of Rs. 5000/- each	30,000
2. Non Trade Investments - Quoted (At Cost)	
a. PNB Mutual Fund - 39138.943 units of Rs.25.55 each	1,000,000
b. UBI Mutual Fund - 89990 Units each Rs. 10/- each	900,000
c. SBI Mutual Funds - 12136.374 Units of Rs. 41.20/- each	500,000
Total	3,040,000
Disclosures:	
1. Quoted Investments:	
1. Aggregate Value	2,400,000
2. Market Value	3,912,441
2. Unquoted Investment - Aggregate Value	710,925

13. LONG TERM LOANS & ADVANCES

(In Rupees)

Particulars	31-Mar-15
Unsecured, Considered Good:	
1. Capital Advances	36,379,629
2. Deposits	26,395,136
3. Other Loans & Advances	
MAT Credit Entitlement	-
Total	62,774,764

14. INVENTORIES

(In Rupees)

Valued at Cost or Realisable Value, whichever is lower

Particulars	31-Mar-15
Raw Materials	341,175,750
Work-in-progress	241,469,608
Finished Goods	417,598,960
Stores, Spares & Packing	141,855,499
Stock in Transit	14,033,436
Total	1,156,133,253

15. TRADE RECEIVABLES

(In Rupees)

Particulars	31-Mar-15
Unsecured, Considered Good	
1. Outstanding for a Period Exceeding Six Months	145,198,944
2. Other Receivables	748,659,926
Total	893,858,870

Notes Forming Part of the Consolidated Financial Statements

16. CASH AND BANK BALANCES

(In Rupees)

Particulars	31-Mar-15
1. Cash & Cash Equivalents:	
1. Balances with Banks	18,481,770
2. Cash on Hand	2,539,317
2. Other Bank Balances	
a. Margin Money Deposit in Banks against LCs & BGs	96,188,082
b. Unpaid Dividend Accounts	458,904
Total	117,668,073

17. SHORT TERM LOANS AND ADVANCES

(In Rupees)

Particulars	31-Mar-15
<i>Unsecured, Considered Good</i>	
1. Loans and Advances to Related Parties	
a. Advances against Services to an interested concern	37,824,724
2. Others	
a. Advances to Suppliers	131,914,639
b. Other Advances	7,930,448
c. Balances with Central Excise, Service Tax & Sales Tax	107,128,550
d. Prepaid Expenses	3,970,225
e. Prepaid Taxes	3,563,259
f. MAT Credit Entitlement	55,223,888
Total	347,555,733

18. OTHER CURRENT ASSETS

(In Rupees)

Particulars	31-Mar-15
Interest Receivable	3,579,138
Export / Power Incentives Receivable	26,068,949
Insurance Claim Receivable	13,049,951
Total	42,698,038

19. REVENUE FROM OPERATIONS

(In Rupees)

Particulars	31-Mar-15
1. Sale of Products	4,461,057,893
2. Other Operating Revenues	
a. Sale of Scrap	5,730,165
b. Testing Charges	6,921,833
c. Income from Trading	-
d. Export Incentives	27,950,447
	40,602,445
Less: Excise Duty	320,950,126
Total	4,180,710,212

Notes Forming Part of the Consolidated Financial Statements

20 OTHER INCOME

(In Rupees)

Particulars	31-Mar-15
1. Interest Income Earned	8,013,908
2. Other Non-Operating Income	
a. Insurance Claim Received	335,999
b. Net Gain on Foreign Currency Translation and Transactions	17,375,410
c. Balances Written Back (Net)	334,024
Total	26,059,340

21 CHANGES IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS AND STOCK-IN-TRADE

(In Rupees)

Particulars	31-Mar-15
1. Finished Goods	
a. Opening Stock:	317,443,819
b. Closing Stock:	417,598,960
	(100,155,141)
2. Work-in-progress	
a. Opening Stock:	231,563,308
b. Closing Stock:	241,469,608
	(9,906,300)
Total Decrease / (Increase)	(110,061,440)

22 EMPLOYEE BENEFITS EXPENSE

(In Rupees)

Particulars	31-Mar-15
Salaries & Wages	143,865,477
Contribution to Provident and Other Funds	6,056,757
Staff Welfare Expenses	14,001,832
Total	163,924,066

23 FINANCE COSTS

(In Rupees)

Particulars	31-Mar-15
Interest Expense	261,246,432
Interest on Others	17,945,934
Interest on Income Tax	3,843,791
Other Borrowing Costs	31,734,645
Total	314,770,801

24. CORPORATE SOCIAL RESPONSIBILITY EXPENSES

(In Rupees)

Particulars	31-Mar-15
Construction of Class Room in a School	452,276
Purchase of Water Tanker for a Village	194,251
Plantation Expenses	262,500
Distribution of books to School Children	27,200
Total	936,227

Notes Forming Part of the Consolidated Financial Statements

Disclosures	
a. Gross amount required to be spent by the Company during the year	2,330,710
b. Amount Spent during the year on:	936,227
	Paid in Cash/Bank
i. Construction/ acquisition of asset	646,527
ii. on other purposes	289,700
Total	936,227

25. OTHER EXPENSES

(In Rupees)

Particulars	31-Mar-15
Consumables - Furnace Oil , Diesel & Pet Coke	329,062,513
Consumables - Husk & Coal	107,536,037
Power	197,401,759
Rent	27,518,484
Equipment Hire Charges	33,664,454
Repairs & Maintenance - Buildings	3,210,074
Repairs & Maintenance - Machinery	109,489,168
Insurance	9,690,697
Rates & Taxes	20,417,887
Labour costs	43,177,978
Packing Charges	94,476,154
Shipping & forwarding Charges	203,014,438
Other Selling Cost	38,888,882
Bank charges	21,361,607
Transportation Charges	45,877,072
Effluent Disposal Expenses	52,212,603
Net Loss on Foreign Currency Transaction & Translation	-
Factory/Godown Maintenance	22,739,557
Travelling, Vehicle Maintenance & Conveyance	25,667,939
Professional & Consultancy Charges	8,920,983
Security Charges	4,962,774
Excise Duty Adjustment on Closing Stock	9,086,775
Miscellaneous Expenses	13,755,206
Total	1,422,133,042

26. As the Company has invested in the wholly owned Subsidiary during the year under review, the Consolidated Financial Statements are prepared for the first time for the Financial Year 2014-15. Hence, there are no comparable previous year figures.

Notes Forming Part of the Consolidated Financial Statements

27. CONTINGENT LIABILITIES AND COMMITMENTS (To the Extent Not Provided For)

(In Rupees)

	As on 31.03.2015.
1. Contingent Liabilities:	
a. Claims against Company not acknowledged as debt.	22,595,226
b. Indemnity given by Company to the banks for Bank guarantees and of Credit Letters	434,581,250
2. Commitments:	
a. Dividend on 7% Cumulative Redeemable Preference Shares including Dividend Tax	262,918,872

28. Segment Reporting

Geographic Segment:

The Company has two (2) geographical segments, i.e., (1) Domestic: (2) External
Revenue attributable to location of customers is as follows:

(Rupees in Lakhs)

Geographic Location	2014-15 Revenue	2014-15 %
Domestic	29074.88	65.17
Overseas	15535.70	34.83

Sundry Debtors based on geographical location:

(Rupees in Lakhs)

Geographic Location	As on 31.03.2015	31.03.2015 %
Domestic	5280.35	59.07
Overseas	3658.24	40.93

There are no units / assets outside India except overseas debtors.

(Rupees in Lakhs)

Geographic location	Carrying amount of Segment Assets	Additions to Fixed Assets.
	2014-15	2014-15
India	455 88.91	190.77

29. Related Party Disclosures:

Key Management Personnel:

1. Sri. Ch. Krishna Murthy, CMD
2. Smt. Ch. Manjula, Director
3. Sri Ch. Siddartha, Director
4. Sri T. Rama Krishna, CFO
5. Sri B.S. Harikrishna, Company Secretary

Concerns in which key management personnel are proprietors/directors:

1. Vasantha Transport Corporation
2. KMS Infrastructure Limited
3. Vishnu Life Sciences Limited
4. Vishnu Hong Kong Limited

Notes Forming Part of the Consolidated Financial Statements

Details of Transactions:

(Rupees in Lakhs)

Nature of Transaction	Key Management Personnel	Concerns in which Key Management is interested
	2014-15	2014-15
Conversion Charges	--	--
Remuneration	132.75	--
Rent	--	4.20
Transportation Charges	--	1441.75
Purchases	--	63.73
Hire Charges	0.90	1.20
Contract Service	--	79.80
Advances to Interested Concerns	--	378.25
Advances to Subsidiary	--	0.73
Payables as on 31 st March	--	16.24

30. Earnings per share

(Rupees in Lakhs)

	2014-15
Profit after Tax	2188.24
Less: Preference Dividend for the year and Dividend Tax thereon	402.07
Profit available to Equity Share holders (a)	1786.16
Weighted Average no of Shares Basic & Diluted (b)	11,946,020
Earnings per Share Basic & Diluted (a)/(b)(₹)	14.95

Notes Forming Part of the Consolidated Financial Statements

31. Employee Benefits:

Defined benefit plans as per actuarial valuation on 31st March, 2015

(Rupees in Lakhs)

Sl.No	Particulars	Gratuity (Funded) 2014-15	Leave Encashment (Funded) 2014-15
1	Assumptions: Discount Rate Escalation	7.77% 3%	7.77% 3%
2	Changes in present value of obligations: Present value of obligations at beginning of year Interest Cost Current Service Cost Benefits Paid Actuarial (gain)/ loss on obligation Present Value of obligation at end of year	81.14 6.81 11.36 (10.91) 23.23 111.64	41.58 3.64 14.22 (2.32) 2.64 59.76
3	Changes in fair value of plan assets: Fair value of plan assets at beginning of year Adjustment to Opening balance Expected return on plan assets Contributions Benefits paid Actuarial gain / (loss) on plan assets Fair value of plan assets at the end of year	39.92 -- 3.28 3.93 (10.91) (0.18) 36.05	42.30 -- 4.44 14.68 (2.32) (0.69) 58.41
4	Fair value of plan assets: Fair value of plan assets at beginning of year Adjustment to Opening balance Actual return on plan assets Contributions Benefits paid Fair value of plan assets at the end of year Funded status Excess of Actual over estimated return on plan assets (actual rate of return = Estimated rate of return as ARD falls on 31 st march)	39.92 -- 3.11 3.93 (10.91) 36.05 75.59 (0.18)	42.30 -- 3.74 14.68 (2.32) 58.41 (1.35) (0.69)
5	Actuarial gain/(loss) for the year - Recognized Actuarial gain/(loss) for the year - Obligation Actuarial gain/(loss) for the year - plan assets Total (gain)/ loss for the year Actuarial (gain)/loss recognized in the year	(23.23) (0.18) (23.40) (23.40)	(2.63) (0.69) 3.33 3.33
6	The amounts to be recognized in the balance sheet and Statements of Profit and Loss Present value of obligations as at the end of year Fair value of plan assets as at the end of the year Funded status Net assets / (liabilities) recognized in balance sheet Expenses recognized in statement of profit & loss Current service cost Interest Cost Expected return on plan assets Net actuarial (gain)/ loss recognized in the year Expenses recognized in statement of Profit & loss	(111.64) (36.05) (75.59) (75.59) 11.36 6.81 3.28 23.40 38.30	59.75 58.41 (1.35) (1.35) 14.22 3.64 (4.44) 3.33 16.75

Notes Forming Part of the Consolidated Financial Statements

32. Additional information pursuant to section 129 of the Companies Act, 2013 pertaining to the salient features of the financial statements of the Subsidiary:

Sl.No	Particulars		
1.	Name of the Subsidiary	Vishnu Hong Kong Limited	
2.	Percentage of Shareholding	100%	
3.	Reporting Currency of the Subsidiary	HKD	
Summary of the Financial Information:		HKD	INR
1.	Share Capital	10,000	80,491
2.	Reserves & Surplus	(30,704)	(247,140)
3.	Total Assets	17,252	138,863
4.	Total Liabilities	37,956	305,512
5.	Total Revenue for the Year	Nil	Nil
6.	Net Profit / (Loss) for the Year	(30,704)	(247,140)

Note: Exchange Rate of Rs. 8.0491 per HKD as on 31.03.2015 is adopted for translation.

33. Additional information pursuant to the provisions of Schedule III of the Companies Act, 2013:

Sl.No	Name of the Entity	Net Assets		Share in Profit / (Loss)	
		Amount in Lakhs	As % of Consolidated Net Assets	Amount in Lakhs	As % of Consolidated Net Profit
1.	Holding Company				
	Vishnu Chemicals Limited	13848.96	100.00	2190.71	100.00
2.	Subsidiaries:				
	Foreign Subsidiary				
	Vishnu Hong Kong Limited	(0.96)	Negligible	(2.47)	Negligible
	TOTAL	13848.00	100.00	2188.24	100.00

34. Figures for the previous year have been regrouped, rearranged and reclassified wherever considered necessary to conform to the classification/ presentation of the current year.

Per our Report of even date

For and on behalf of the Board of Directors

For C K S ASSOCIATES
Chartered Accountants
FRN: 0073905

Ch. Manjula
Director

Ch. Krishna Murthy
Chairman & Managing Director

P. Ganapati Rao
M.No: 024113

T. Rama Krishna
Asst. Vice President (F&A)
(Chief Financial Officer)

L. Narasimha Rao
Company Secretary

Place : Hyderabad
Date : May 20, 2015

Place : Hyderabad
Date : May 20, 2015

VISHNU CHEMICALS LIMITED
CIN: L85200TG1993PLC046359

Reg. Office: 6-3-662/B/4, II Floor, Sri Sai Nilayam, Sangeetnagar Colony, Somajiguda, Hyderabad - 500082

ATTENDANCE SLIP**22ND ANNUAL GENERAL MEETING, 29th JUNE, 2015**

Regd Folio./DP Id. - Client Id.	
Name of the Shareholder in Block Letters	
No. of shares held	
Name of the Proxy (if any) in Block Letters	

I Certify that, I am a member / proxy for the member of the Company

I hereby record my presence at the 22nd Annual General Meeting of the Company being held on Monday, the 29th day of June, 2015, at 10.30 A.M at Hotel I.K. London, 6-3-656, Kapadia lane, Somajiguda, Hyderabad-500082.

Member / Proxy's signature**Note: Please complete the form and handover at the entrance of the hall.**



VISHNU CHEMICALS LIMITED
CIN: L85200TG1993PLC046359

Reg. Office: 6-3-662/B/4, II Floor, Sri Sai Nilayam, Sangeetnagar Colony, Somajiguda, Hyderabad - 500082

PROXY FORM

(Pursuant to Section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and administration) Rules, 2014)

Name of the members(s)		
Registered Address:		
E-mail Id:		
Folio No. / Client Id:	DP ID	

I / We, being the member(s) ofShares of Vishnu Chemicals Limited hereby appoint:

1.	Name	Address	
	E-mail ID	Signature	

Or failing him

2.	Name	Address	
	E-mail ID	Signature	

Or failing him

3.	Name	Address	
	E-mail ID	Signature	

As my/our proxy to attend and vote (on a poll) for me/us and on my / our behalf at the 22nd Annual General Meeting of the Company to be held on Monday, the 29th day of June, 2015 at 10.30 A.M at Hotel I.K. London, 6-3-656, Kapadia lane, Somajiguda, Hyderabad-500082 and at any adjournment thereof in respect of such resolutions as are indicated below:

Sl.No.	Resolutions	Optional*	
ORDINARY BUSINESS		For	Against
1	Adoption of Financial Statement for the year ended 31 st March, 2015.		
2.	Re-appointment of Sri Ch. Siddartha as Director who retires by rotation.		
3.	To declare Equity Dividend		
4.	To ratify the appointment of Statutory Auditors of the Company and to fix remuneration.		
SPECIAL BUSINESS			
5.	To appointment of Sri T.S. Appa Rao as Director of the Company.		
6.	To invest in Equity Share Capital of Solvay Vishnu Barium Private Limited.		
7.	To consider the Borrowing Limits along with guarantee or counter-guarantee.		
8.	To mortgage and / or creation of charge on the property of the Company.		
9.	To ratify the remuneration of the Cost Auditor of the Company.		

Signed this Day of2015.

Signature of shareholder :

Signature of Proxy holder(s) :

Affix Re.1
Revenue
Stamp

Note:

1. This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.
2. * It is optional to put a 'x' in the appropriate column against the resolutions indicated in the Box. If you leave the 'For' or 'Against' column blank against any or all Resolutions, your proxy will be entitled to vote in the manner as he/she thinks appropriate.
3. Please complete all details including details of member(s) in above box before submission.



VISHNU CHEMICALS LIMITED.

6-3-662/B/4, Sri Sai Nilayam, 2nd Floor
Sangeethnagar Colony, Somajiguda, Hyderabad-500 082
Telangana, India.

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Email: vishnu@vishnuchemicals.com