

14th August, 2023

VCL/SE/72/2023-24

To
BSE Limited
Phiroze Jeejeebhoy Towers,
Dalal Street, Mumbai – 400 001
Scrip Code: 516072
Through: BSE Listing Centre

To
National Stock Exchange of India Limited
Exchange Plaza, Bandra-Kurla Complex
Bandra (East), Mumbai 400 051
Symbol: VISHNU
Through: NEAPS

Sub: Investor Presentation on Q1FY24 Financial Results- Regulation 30 of SEBI (LODR) Regulations, 2015

Dear Sir/Madam,

Please find attached the Investor Presentation on the financial results of the Company for the first quarter ended 30th June, 2023.

A copy of this disclosure is uploaded on the website of the Company www.vishnuchemicals.com.

Kindly take the same on record and disseminate on your website.

Thanking You.

Yours faithfully,

For Vishnu Chemicals Limited

Vibha Shinde
Company Secretary & Compliance Officer



WHERE

PERSEVERANCE

AND

COMMITMENT

COME TOGETHER



Q1FY24 Investor Presentation

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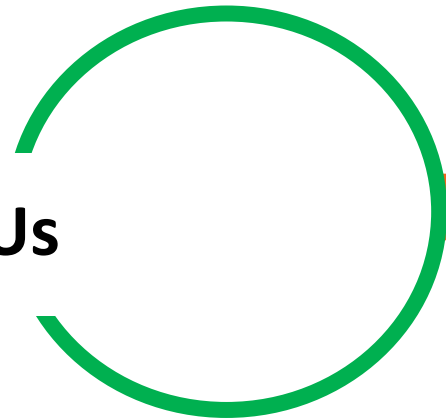
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About Us



Our Identity



Established track record of over 30 years.

Principled leadership. Manufacturing is our focus.



Scale & Technology of our company is not easy to replicate.

Complex manufacturing creates multiple entry barriers in this industry.



Differentiated asset.

A strong asset and it implies that we will be healthy and profitable while focusing on sustainability.



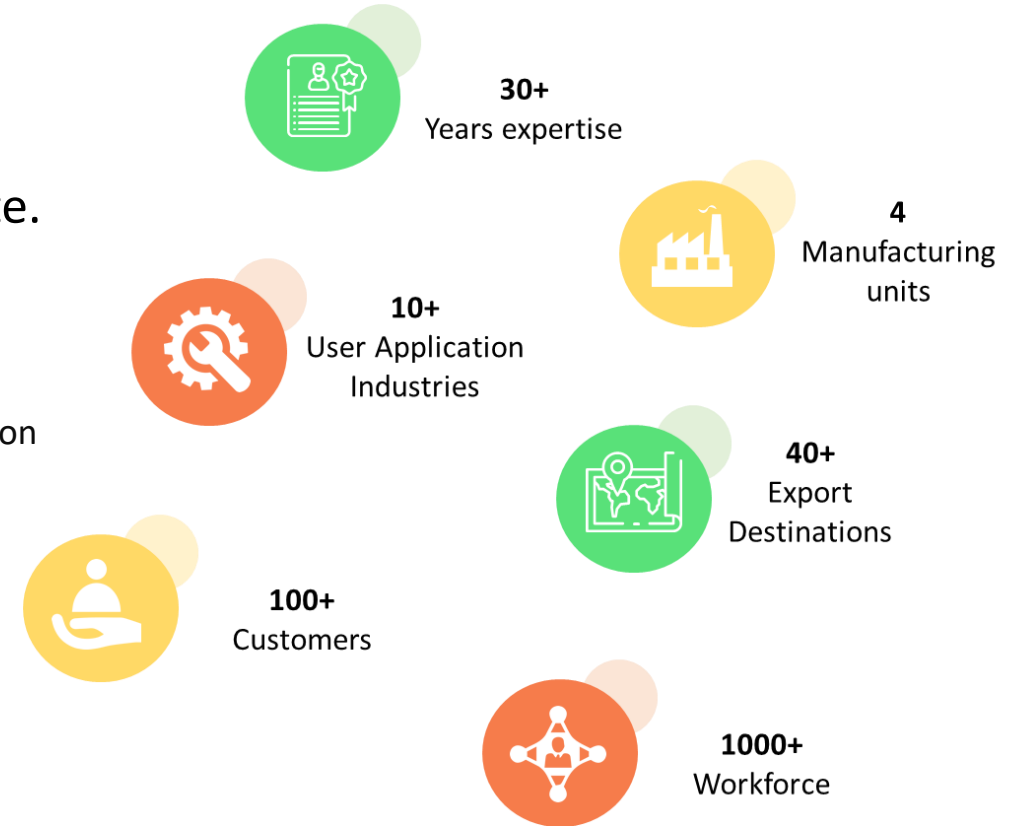
Flexible Product Mix

Provides the flexibility to manufacture as per industry demand.



Balanced Geography Mix

Customers served in all major continents of the world.



**DEDICATED FACILITIES FOR
CHROMIUM & BARIUM.**

**IMPLEMENTED
COMPLEX TECHNOLOGY
SUCCESSFULLY AT SCALE.
HIGHEST LEVELS OF TECH KNOW
HOW.**

**AUTOMATED
MANUFACTURING FACILITIES
WITH FOCUS ON
ENVIRONMENT, HEALTH &
SAFETY MEASURES**

**CONSISTENT PROCESS &
PRODUCT INNOVATION
THROUGH TEAM OF PhDs,
CHEMICAL & MECHANICAL
ENGINEERS**

Strategically located close to ports. Proximity to ports is key to on-time delivery commitment.

DEMOGRAPHY	PREMIUMISATION	PERFORMANCE
<p>Trends</p> <ul style="list-style-type: none"> Expanding middle class 	<p>Trends</p> <ul style="list-style-type: none"> Premium is not just about price. It is the promise of exceptional quality and experience. Bridging the gap between luxury and mass market. 	<p>Trends</p> <ul style="list-style-type: none"> Rise in manufacturing.
<p>Leads to demand for:</p> <ul style="list-style-type: none"> Longer lasting products Construction & Infrastructure related solutions 	<p>Leads to demand for:</p> <ul style="list-style-type: none"> Products that make consumers' lives better. Products with feel good and premium characteristics. 	<p>Leads to demand for:</p> <ul style="list-style-type: none"> Performance chemicals
<p>Example for India: Passenger traffic in India will grow at 6.2% p.a. by 2040, the fastest among the major economies and well above the global average of 3.9%. (Airbus)</p>	<p>Example for India:</p> <ul style="list-style-type: none"> Bath Fittings Industry in India is poised to grow at a CAGR of 9% by 2027. Automotive chromium market to grow at 5.51% between 2022-26. Indian leather industry to grow three-fold by 2025 <p><i>Source: Mordor Intelligence, Technavio, IFLMEA.</i></p>	<p>Example for India:</p> <ul style="list-style-type: none"> Growing industrialization and urbanization has paved the way for new use cases for performance enhancing speciality chemicals.
<p>Industries we serve that will benefit from this</p> <ul style="list-style-type: none"> Pharmaceuticals Aerospace Automobiles Construction Wood Preservatives 	<p>Industries we serve that will benefit from this</p> <ul style="list-style-type: none"> Bath Fittings Automotive accessories Decorative Plating Furniture Ceramics, Tiles Sports Surfaces, Paints 	<p>Industries we serve that will benefit from this</p> <ul style="list-style-type: none"> Hard Plating Refractory Hydraulic Cylinders, Valves & Pistons Automotive & Mechanical Components Infrastructure Rollers and Bearings

Dedicated Management and Board of Directors

The Board and leadership at Vishnu conduct itself with integrity and honesty, setting the tone for an ethical organisational culture.



Mr. Ch. Krishna Murthy

Chairman & Managing Director

Mr. Ch. Krishna Murthy is a first-generation entrepreneur and one of the key architects in developing & transforming the organisation from single product to multi products manufacturing unit through his commitment over last 30 years.



Mr. Ch. Siddartha

Joint Managing Director

Mr. Ch. Siddartha being at helm of the Company for more than a decade, is playing a vital role in Marketing & Procurement, formulating & executing business strategies, and spearheading expansion.

Mrs. Ch. Manjula

Non-Executive Director

Mr. Tirthankar Mitra

Independent Director

Mr. Chetan Navinchandra Shah

Independent Director

Mr. V. Vimalanand

Independent Director

Dr. Sita Vanka

Independent Director

Serving global diversified clientele from India



EXPORT TO
40+
countries



- ✓ Philosophy of Recycle and Reuse.
- ✓ Approval for to use residue in the cement manufacturing processes.
- ✓ CO2 recovery and use as raw material reducing carbon footprint
- ✓ Solar initiatives undertaken.
- ✓ Research in progress to convert residue into finished goods.
- ✓ No residues in Barium

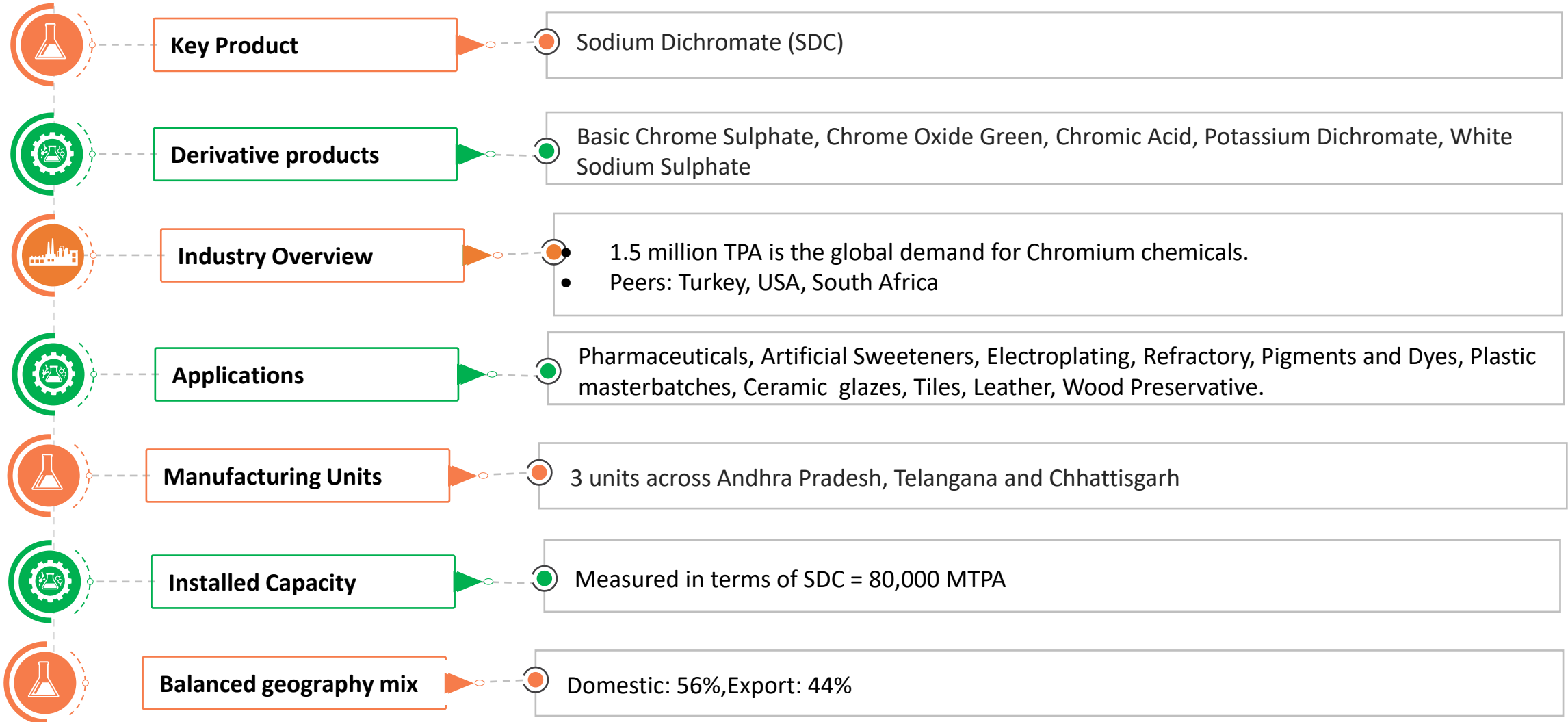
Competent Research Team

- Innovation led company with a team of PhDs, chemical and mechanical engineers.
- Track record of succeeding in complex chemistries.
- Our research is focused on:
 - A. new product development
 - B. process innovation and to serve the niche requirements of our customers
 - C. improvement of our productivity and yields and
 - D. reduction of our resource consumption.

Business Overview



Chromium Chemicals: Largest integrated manufacturer in India



Unique capabilities created over the years makes us an efficient producer.

- ✓ Largest integrated manufacturer of chromium chemicals in India.
- ✓ Better product mix to drive volumes.
- ✓ Unique capabilities created over the years makes us the most efficient producer in the world
 - Scale
 - Self-sufficiency
 - Sustainability focus
 - Asset sweat

- Vishnu is the largest integrated producers of Chromium & Barium Chemicals in India.
- Leading producers globally.
- Largest exporters from India.
- **China** is not a competition. It is a net importer.

Source: Imarc Industry Report

Industry Growth	Volumes (In `000 Tons)	2022 \$ Mn	2028 \$ Mn	CAGR (2022-2028)
Sodium Dichromate	745	912	1,295	6.0%
Chromic Acid	163	476	614	4.3%
Chrome Oxide	118	379	509	5.0%
Basic Chrome Sulphate	450	425	539	4.0%
Chrome Metal	50	709	1175	7.5%
Total	1,526	2,900	4,130	

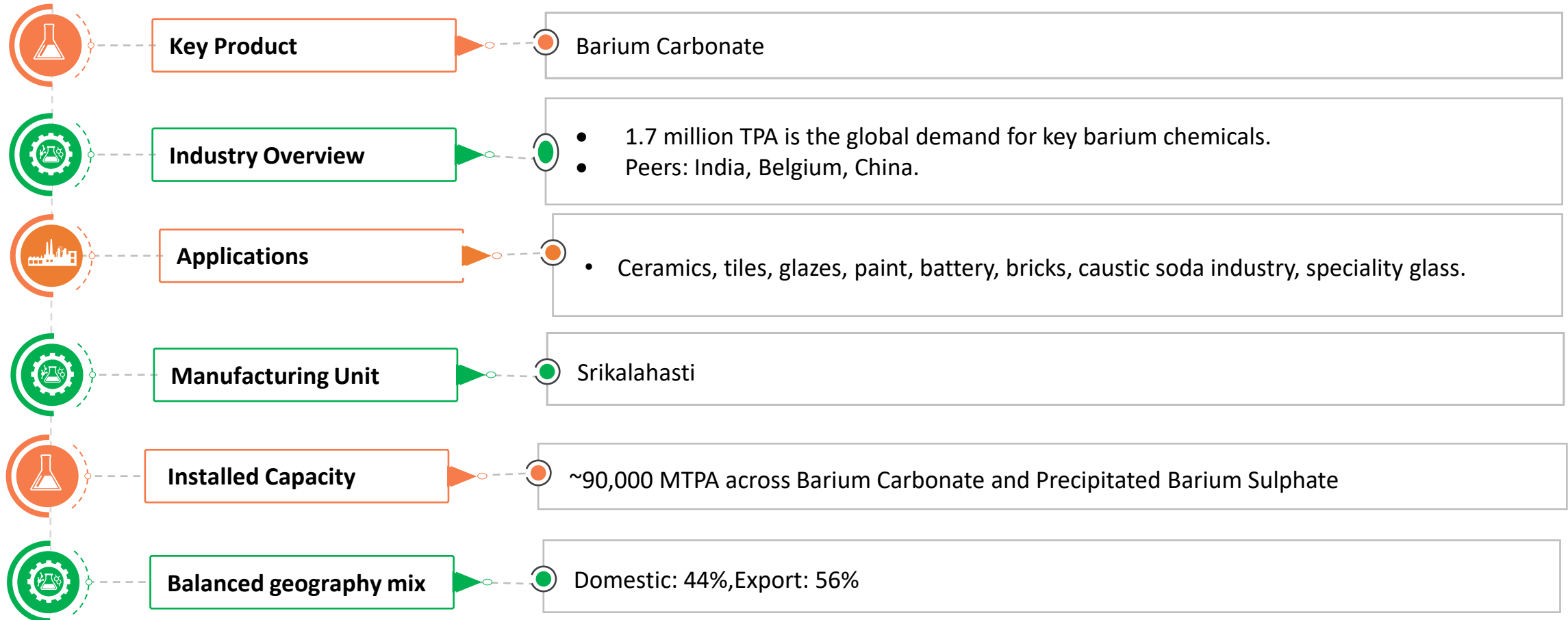
Source: Imarc Industry Report, Industry Arc

EARLIER

1. CONCENTRATED PRODUCT **PORTFOLIO**.
2. **100%** RAW MATERIALS PROCURED TILL FY21.
3. LOW CAPACITY UTILISATION OF **~60%** BETWEEN FY15-FY18.
4. MAJORITY OF SALES ACROSS **3 SECTORS** TILL FY18.
5. INSTALLED CAPACITY OF **~70000 TPA** TILL FY22.

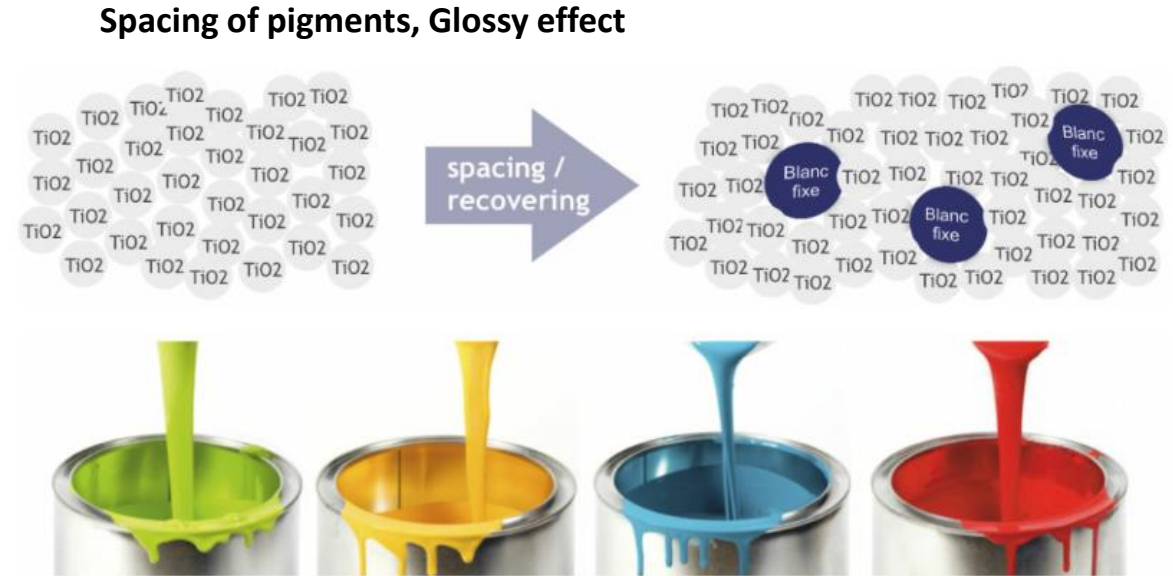
NOW

1. PIVOTED TO **FLEXIBLE** PRODUCT MIX.
2. ONE OF ITS KIND PROCESS IMPROVEMENT RESULTING IN **LOWER EXTERNAL PROCUREMENT** OF A KEY RAW MATERIAL.
3. AVERAGE OPERATING LEVELS **~80%** BETWEEN FY19-FY23.
4. PRODUCES ESSENTIAL CHEMICALS FOR **12+** SECTORS.
5. INSTALLED CAPACITY OF **~80,000 TPA**.



Focus is to grow our market share with higher volumes which would lead to operating leverage and better profitability

- Brownfield expansion completed in Q2FY24.
- Technical product.
- **Import substitute.**
- Installed Capacity: 30,000 TPA
- Fast growing demand in applications such as Paints & Powder Coating, Battery applications.
- Properties:
 - ✓ Low oil absorption
 - ✓ Easy dispersion
 - ✓ Excellent Gloss
 - ✓ Better tinting strength



Barium Chemical Highlights

- ✓ Largest organised manufacturer in India.
- ✓ Turned around ailing business segment post acquisition in 2015.
- ✓ Strategic plant location with close proximity to ports and raw material source
- ✓ Strong presence in domestic and export markets.

Market by Value In USD Mn	Volumes (In `000 Tons)	2022 \$ Mn	2028 \$ Mn	CAGR
Barium Carbonate	1,043	503	712	6.0%
Precipitated Barium Sulphate	721	429	567	4.7%
Total	1,767	932	1289	

Source: Imarc Industry Report

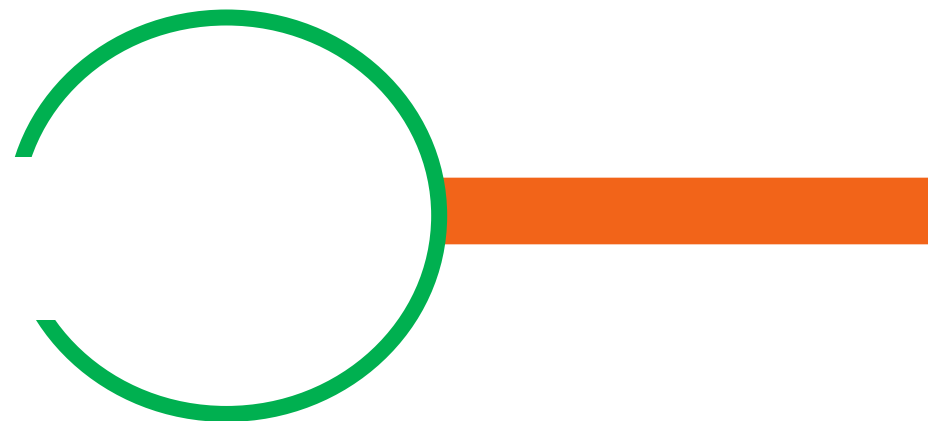
EARLIER

1. LOSS MAKING PRIOR TO ACQUISITION IN 2015.
2. LOW CAPACITY UTILISATION OF 58% BETWEEN FY16-FY19.
3. SINGLE PRODUCT.
4. FY21 INSTALLED CAPACITY 40,000 TPA

NOW

1. TURNED AROUND POST ACQUISITION AND HAS BEEN A **PROFIT MAKING** COMPANY SINCE FY17.
2. AVERAGE CAPACITY UTILISATION SINCE FY20 IS **~75%**.
3. DIVERSIFIED PRODUCT MIX WITH THE LAUNCH OF PRECIPITATED BARIUM SULPHATE IN Q2FY24.
4. **~90,000 TPA** OF INSTALLED CAPACITY.

Q1FY24 Highlights



Consolidated Gross Margin
46.3%



Consolidated EBITDA Margin
17.6%



Consolidated PAT Margin
9.4%

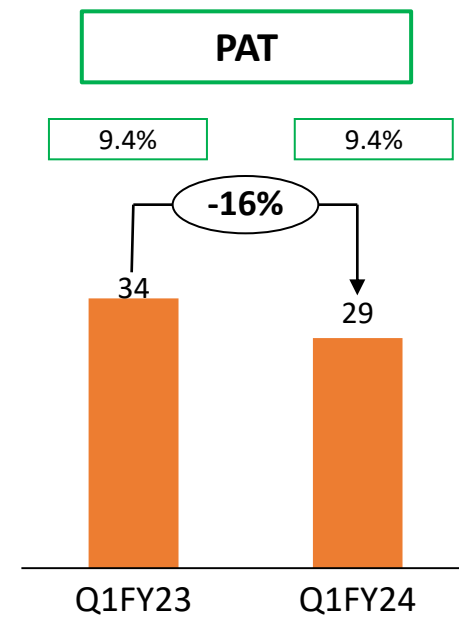
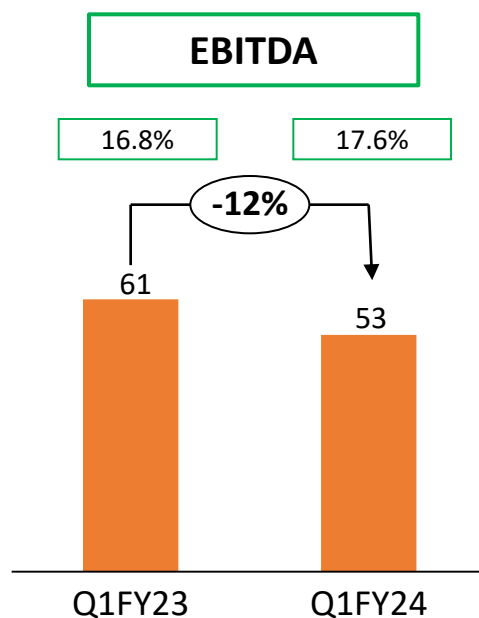
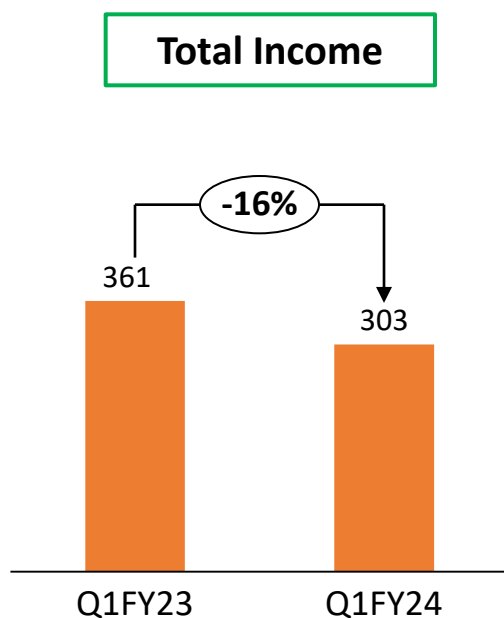


Gross Margin	FY19	FY20	FY21	FY22	FY23	Q1FY24
STANDALONE	42%	41%	44%	43%	45%	47%
CONSOLIDATED	43%	43%	45%	45%	46%	46%

- Emphasis on cost control & value added mix.
- No major variation in absolute spreads at unit level as the company delivered resilient EBITDA Margin 17.7% on standalone basis and 17.6% on consolidated basis.

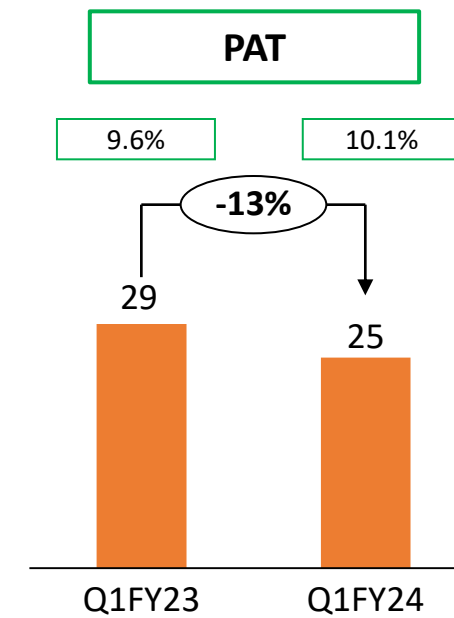
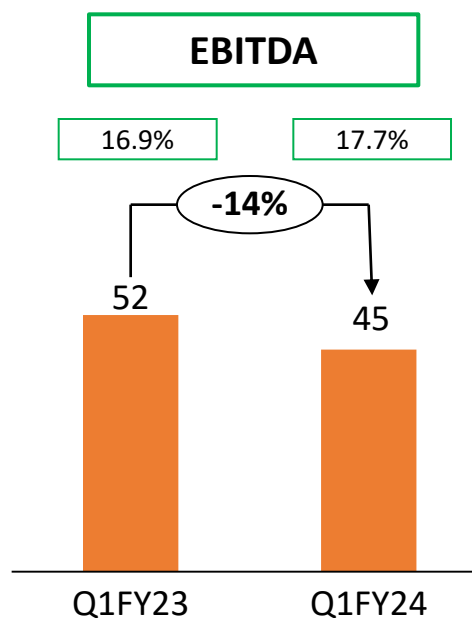
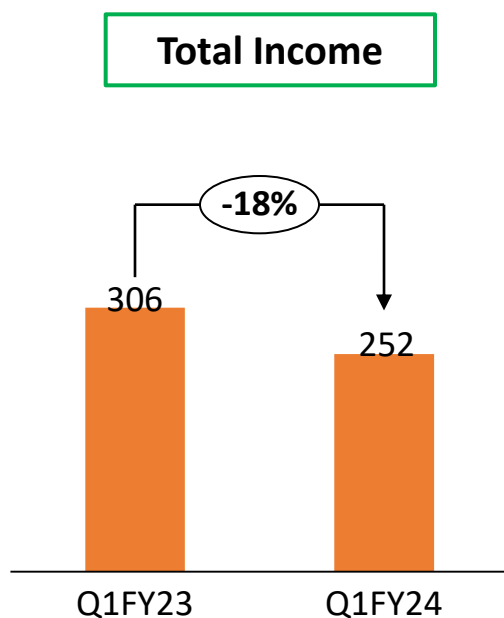
Consolidated Financial Highlights

(₹ in crs)



Particulars in ₹ cr	Q1FY24	Q1FY23	Y-o-Y	Q4FY23	Q-o-Q	FY23
Total Income	303	361	-16%	339	-11%	1406
EBITDA	53	61	-12%	64	-17%	245
EBITDA Margin %	17.6%	16.8%		18.9%		17.4%
PAT	29	34	-16%	36	-20%	137
PAT Margin %	9.4%	9.4%		10.5%		9.7%

(₹ in crs)



Particulars in ₹ cr	Q1FY24	Q1FY23	Y-o-Y	Q4FY23	Q-o-Q	FY23
Total Income	252	306	-18%	301	-16%	1237
EBITDA	45	52	-14%	60	-25%	223
EBITDA Margin %	17.7%	16.9%		19.8%		18.1%
PAT	25	29	-13%	36	-29%	129
PAT Margin %	10.1%	9.6%		11.9%		10.5%

Key Highlights

Consolidated Highlights

- Q1 has been a very good quarter if we factor-in the maintenance in Chromium Chemicals and integration of new plant in Barium Chemicals.
- The company announced its asset optimisation and maintenance schedule shutdown in June 2023 which led to lower production in Chromium Chemicals in Q1FY24.
- Emphasis on cost control and process improvements led to 14.7% reduction in consolidated conversion costs from ₹ 103.3 cr in Q4FY23 to ₹ 88.0 cr in Q1FY24.
- Release of 32.2% promoter pledge by our lenders a positive.
- Successful completion of fund raise of ₹200 cr through QIP in Q2FY24.

Barium Chemistry Highlights

- Highest ever quarterly production (in tonnage) achieved.
- EBITDA Margin in Barium at 17.1%, highest in last six quarters.
- Successful commencement of production of Precipitated Barium Sulphate plant in Q2FY24. Sales from this product is expected to boost the business going forward.
- Completed acquisition of baryte beneficiation company Ramadas Minerals Private Limited in Q2FY24.

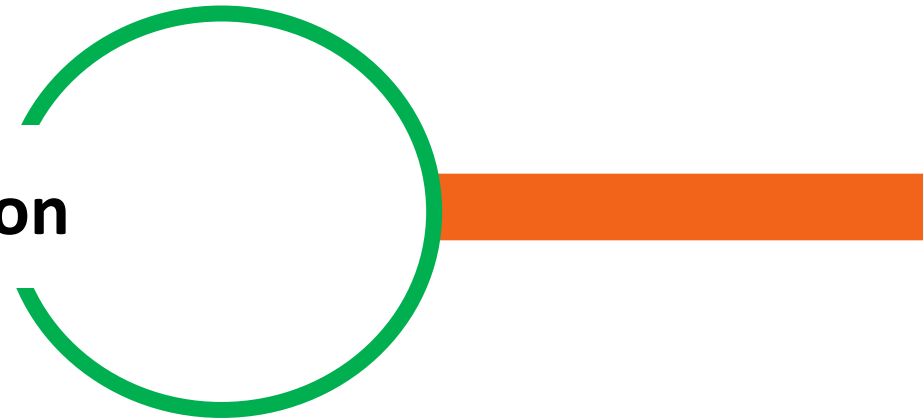
Despite global volatility and inflationary pressures across markets, the company was able to cater to healthy demand.

The company has a strong foundation in place to serve its customers and we are enhancing our ability to capitalise on latest trends.

The company is in a phase to make the next investments in capital expenditure and the plans will be shared with the investor community in the quarters to follow.

Our market share continues to expand due to our multi-site capabilities, reach, procurement strategies and customer centric approach.

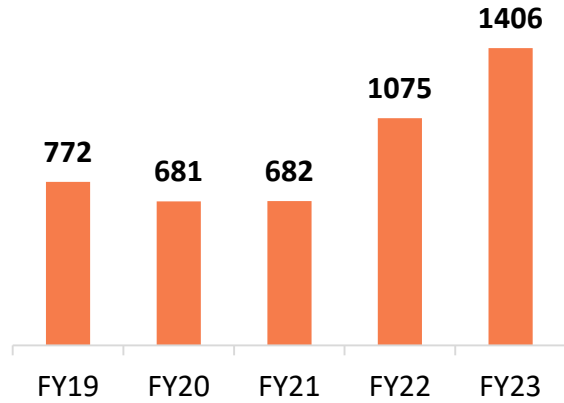
Financial Overview & Shareholder's Information



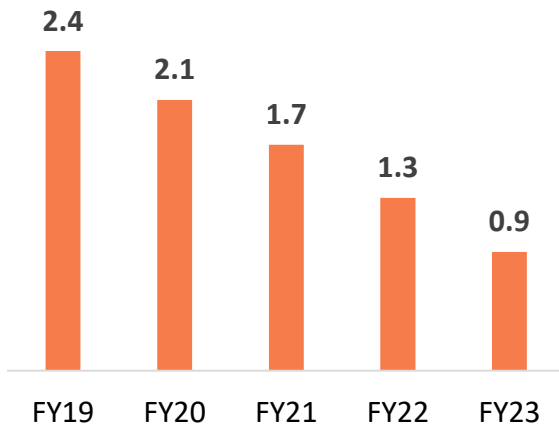
Consolidated Key Metrics

(₹ in crs)

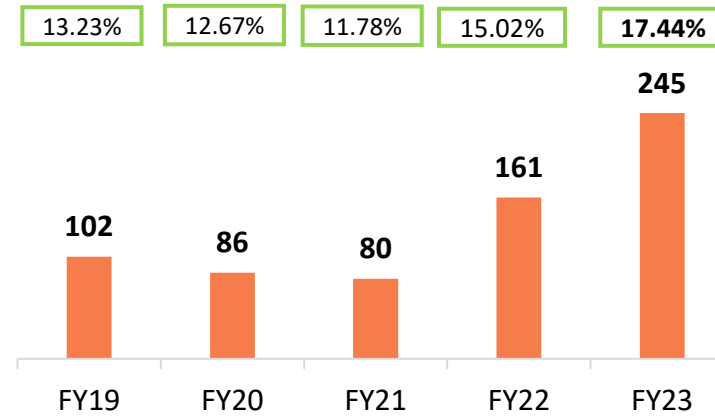
Total Income



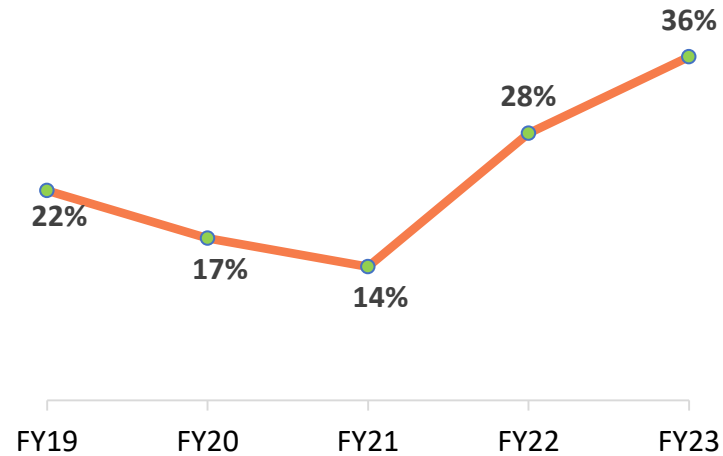
Debt to Equity



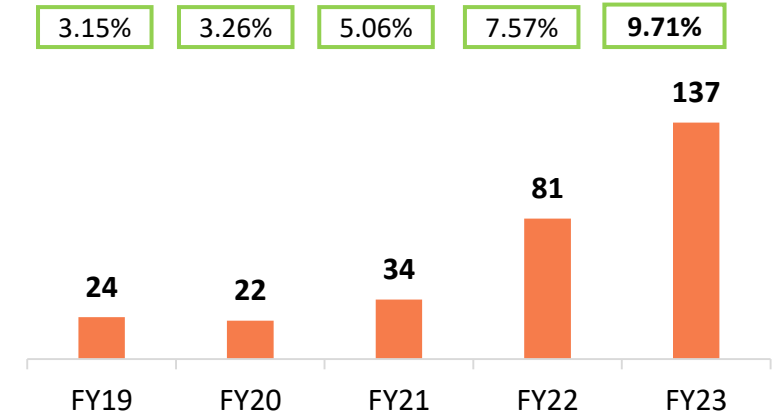
EBITDA & EBITDA Margin



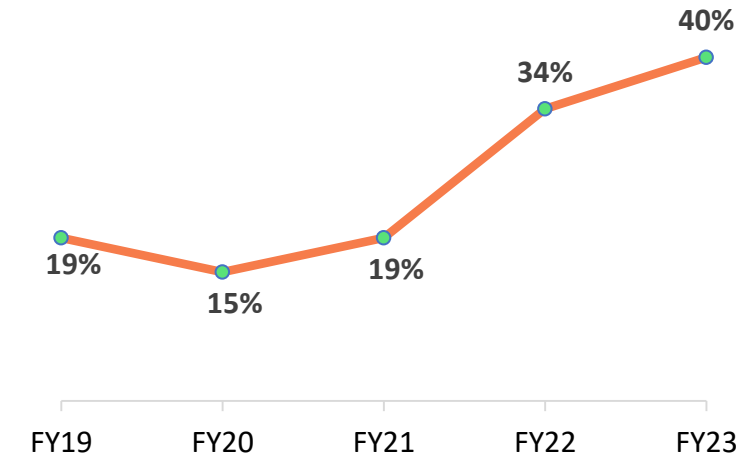
ROCE






PAT & PAT Margin



ROE



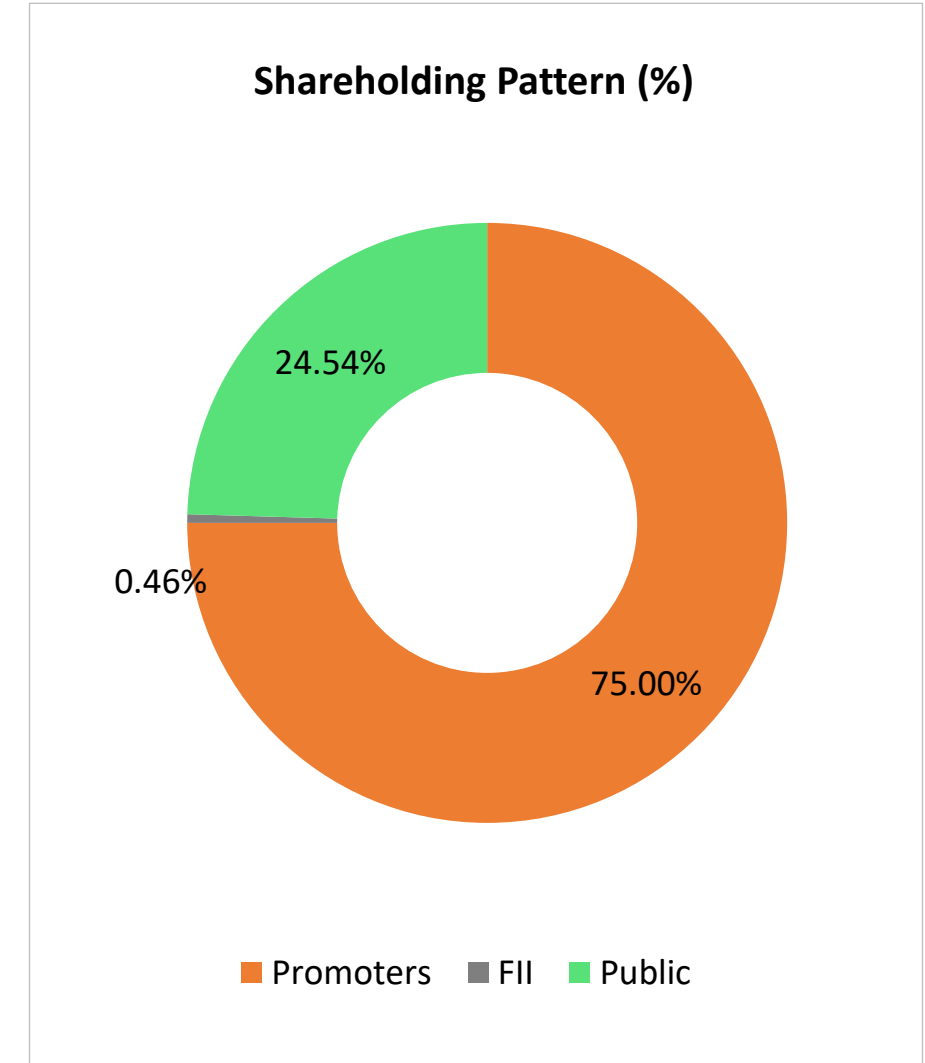
Stock Information (as on 14th Aug 2023)

 Market Capitalization (₹ in crs)	2,079.18
 Shares Outstanding (In crs)	6.55
 Symbol (BSE) / (NSE)	516072 / VISHNU

Consistent Dividend Track Record

Year	Dividend (%)	Face Value	Dividend
2018	10	₹10.00	₹1.00
2019	10	₹10.00	₹1.00
2020	10	₹10.00	₹1.00
2021	10	₹10.00	₹1.00
2022	20	₹10.00	₹2.00
2023	20	₹2.00	₹0.40

(As on 30th June 2023)





THANK YOU



CONTACT US:

Mr. Hanumant Bhansali

Vishnu Chemicals Limited

investors@vishnuchemicals.com