

6<sup>th</sup> May, 2023

VCL/SE/17/2023-24

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

To  
**National Stock Exchange of India Limited**  
Exchange Plaza, C-1, Block G  
Bandra Kurla Complex, Bandra (East),  
Mumbai 400 051  
**NSE Symbol: VISHNU**  
**Through: NEAPS**

**Sub: Investor Presentation on Q4 & FY23 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 fourth quarter and financial year ended 31<sup>st</sup> March, 2023.

A copy of this disclosure is uploaded on the website of the Company [www.vishnuchemicals.com](http://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**

Encl: As Above



WHERE

**PERSEVERANCE**

AND

**COMMITMENT**

COME TOGETHER



FY23 Annual Investor Presentation

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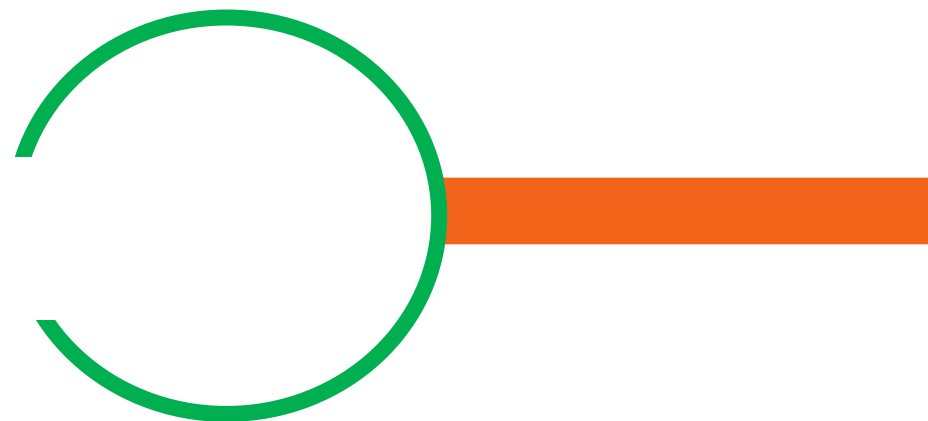
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# Q4 & FY23 Highlights

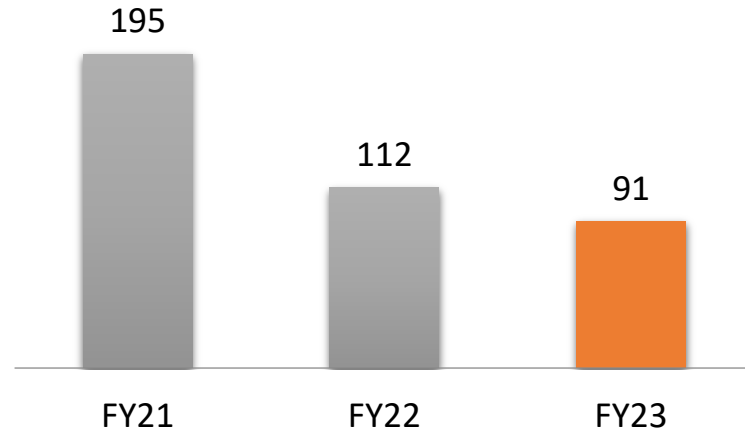


## Continuous improvement in fundamentals

- ✓ Consolidated EBITDA Margin expanded by **over 500 bps** since FY21.
- ✓ Consolidated Debt to Equity **less than 1**.
- ✓ Inventory Days reduced from 195 days in FY21 to **91 days** at FY23 end.
- ✓ Return on Equity **~40%**.
- ✓ Return on Capital Employed **~36%**.
- ✓ Release of promoter pledge by lenders.

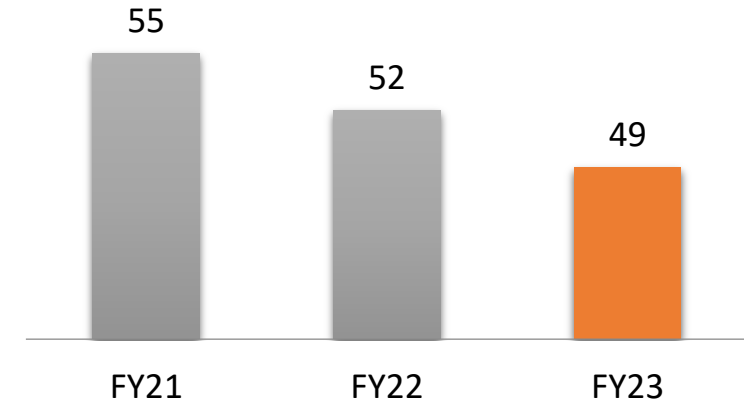
# Improvement in working capital cycle

Consistent decline in inventory days



Our flexible product mix allows us to manufacture depending on where the demand is coming from, keeping our finished goods inventory in check. Also, our process reengineering has led to lower procurement of select key raw materials, thereby reducing the stock.

Reduced receivable days



Our **receivable days** is a reflection of our credit worthy clientele and robust demand for our chemicals across geographies.

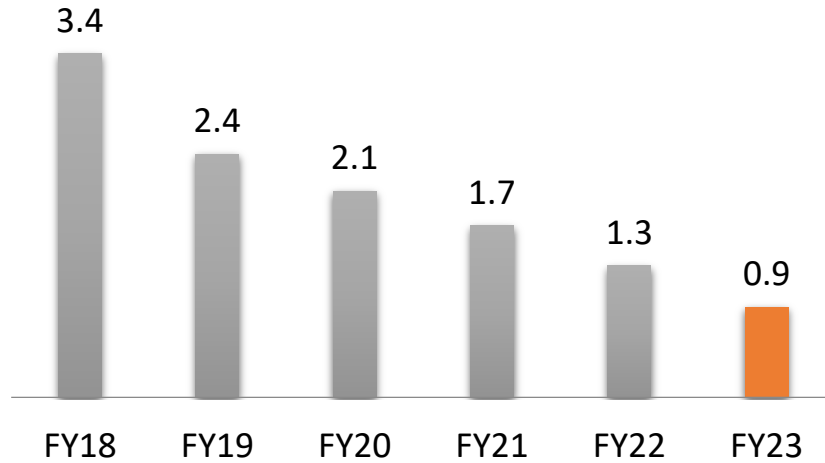
*Inventory Days = Average Inventory/COGS \* 365*

*Receivable Days = Average Debtors/Sales \* 365*

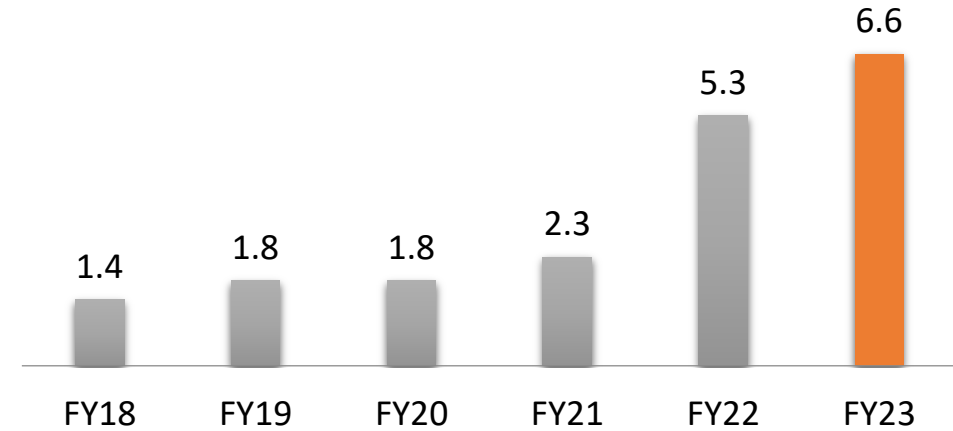
*All figures are on a consolidated basis*

# Strong balance sheet with debt to equity at 0.9

Reduced D/E consistently since last 5 years



Rising Interest Coverage Ratio



Company's balance sheet is healthy with debt-equity of 0.9x at end of FY23.

Further, the company is scheduled to repay ~Rs 37 cr of principal in FY24, which will result in sustenance of a healthy balance sheet.

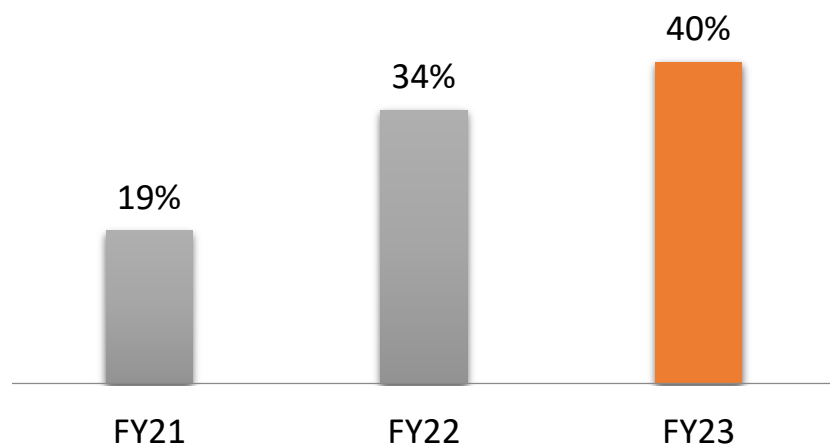
*All figures are on a consolidated basis*

# Focus on cash generation and creation of long term value

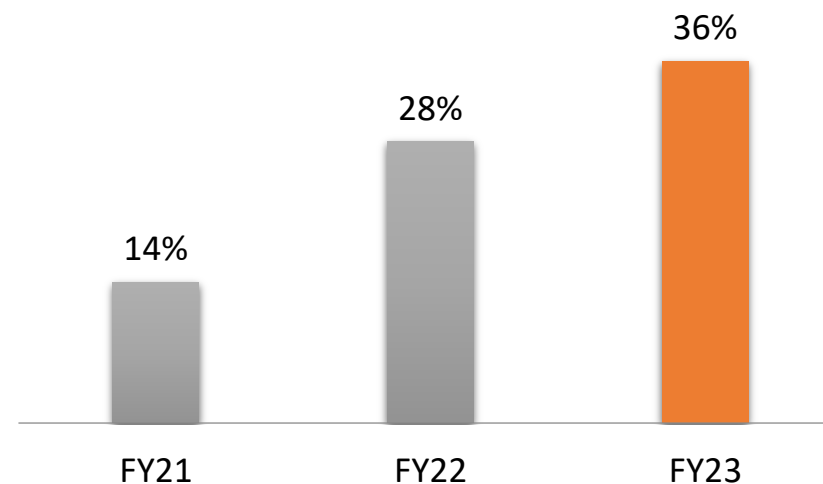
Cash generating assets with positive free cash since FY18 shows

In ₹ cr	FY20	FY21	FY22	FY23
Cash Flow from Operations	49	67	90	137
Free Cash Flow	26	13	10	20

Return on equity



Return on capital employed



*ROCE = EBIT / Average (Total Assets – Current Liabilities)*

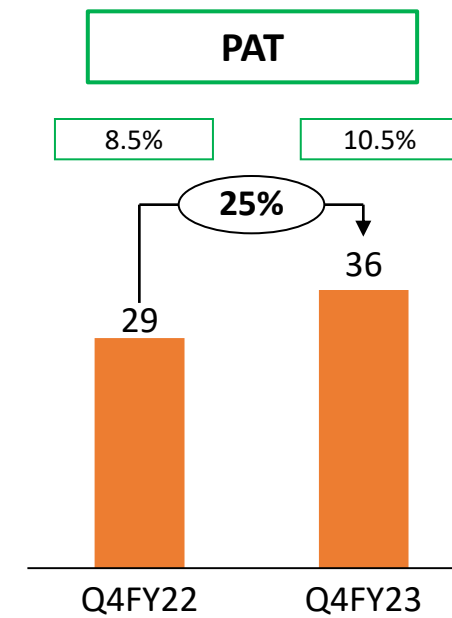
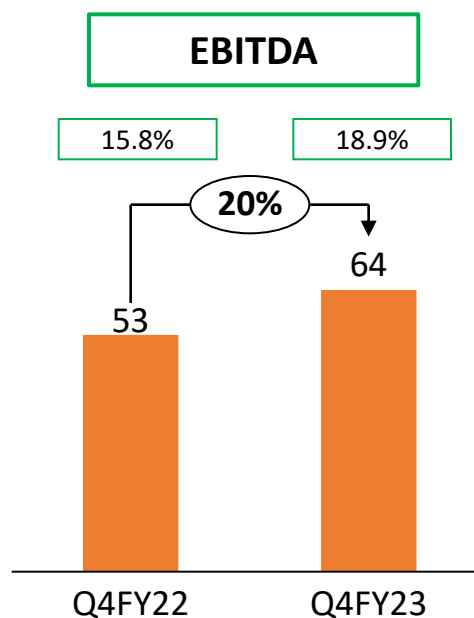
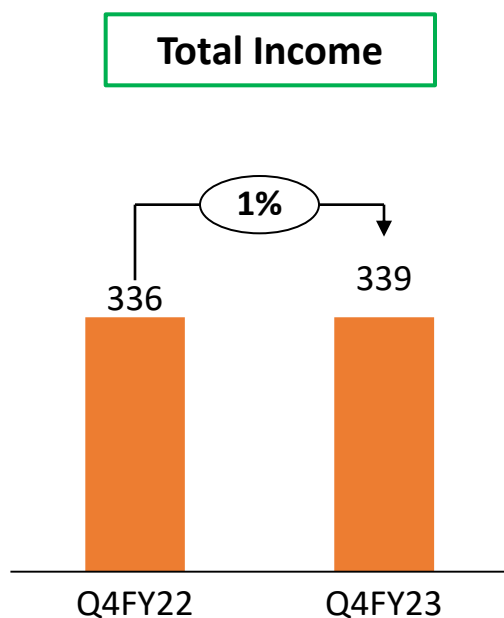
*ROE = PAT / Average Networth*

*All figures are on a consolidated basis*



# Consolidated Financial Highlights

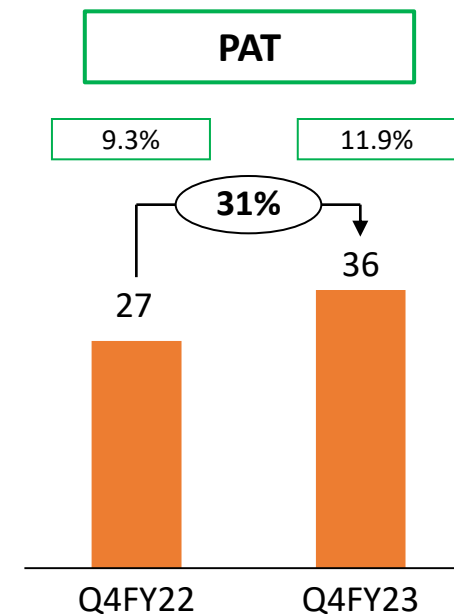
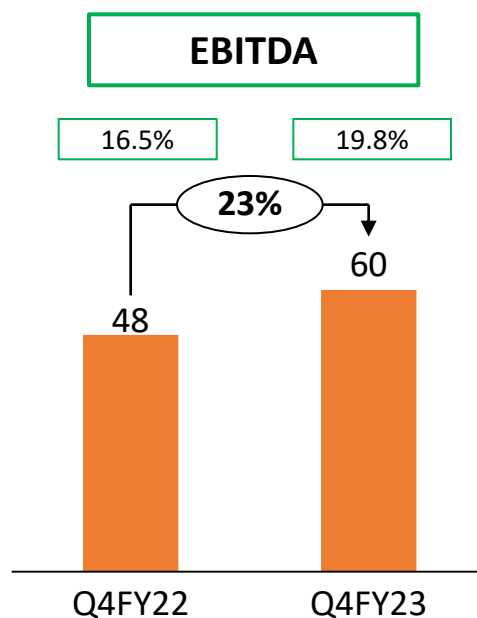
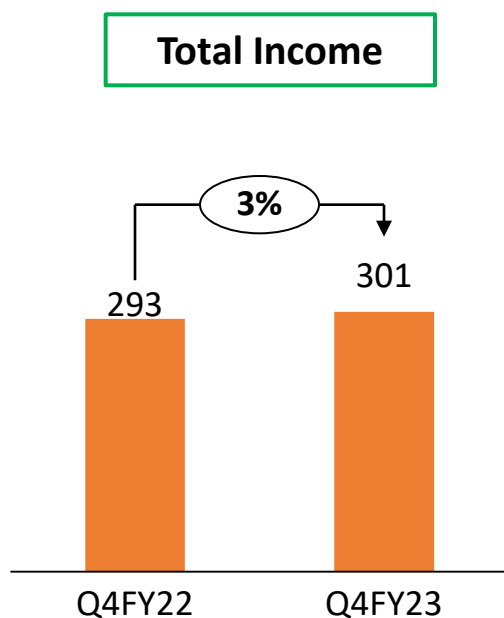
(₹ in crs)



Particulars in ₹ cr	Q4FY23	Q4FY22	Y-o-Y	Q3FY23	Q-o-Q	FY23	FY22	Y-o-Y
Total Income	339	336	1%	331	2%	1406	1075	31%
EBITDA	64	53	20%	58	10%	245	161	52%
EBITDA Margin %	18.9%	15.8%		17.5%		17.4%	15.0%	
PAT	36	29	25%	32	12%	137	81	68%
PAT Margin %	10.5%	8.5%		9.6%		9.7%	7.6%	

# Standalone Financial Highlights

(₹ in crs)



Particulars in ₹ cr	Q4FY23	Q4FY22	Y-o-Y	Q3FY23	Q-o-Q	FY23	FY22	Y-o-Y
Total Income	301	293	3%	304	(1)%	1237	913	35%
EBITDA	60	48	23%	55	8%	223	133	68%
EBITDA Margin %	19.8%	16.5%		18.1%		18.1%	14.5%	
PAT	36	27	31%	32	12%	129	65	98%
PAT Margin %	11.9%	9.3%		10.4%		10.5%	7.1%	

# Key Annual Highlights

## Consolidated Highlights

- Crosses ₹ 100 cr of PAT for the first time since inception.
- Highest ever PAT margin in a decade.
- Reduced dependency on raw materials and improved coherent portfolio.
- Domestic and exports sales grew by 36% and 26% YoY respectively.
- Average international shipping costs have decreased by ~70% in the last 12 months. In line, our FY23 shipping costs declined by 50% YoY, the benefits of which were passed on to our customers by adjusting realisations accordingly.
- Recognized as the 'Company of the year' in the Chemicals sector at the prestigious Dare to Dream Awards 2022.
- Promoters pledge released by lenders.
- Board has recommended a dividend of 20% of FV i.e. ₹ 0.4 per equity share subject to approval of shareholders.

## Chromium Chemistry Highlights

- In FY23, a debottlenecking exercise resulted in capacity expansion by 10,000 TPA. The full benefits of the expanded capacity are expected in FY24.
- One of its kind backward integration plant, driven by process improvements, provides a sustainable and long-term competitive advantage.

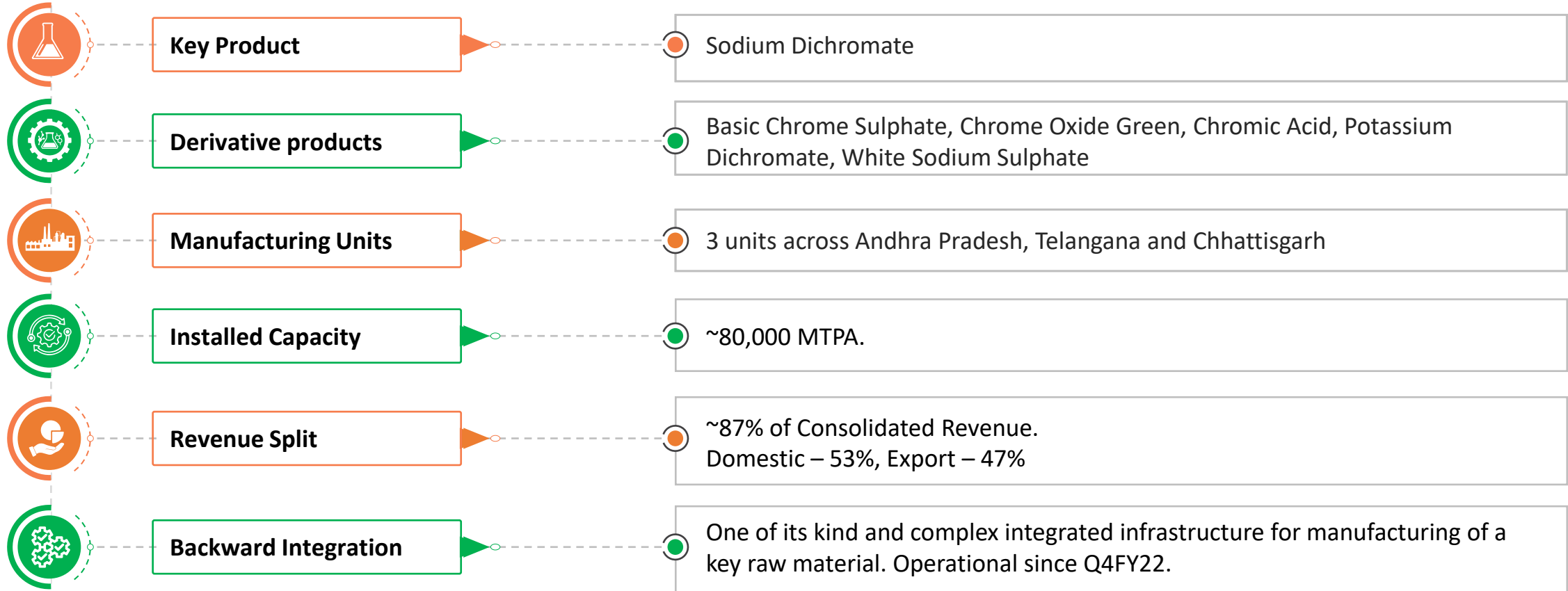
## Barium Chemistry Highlights

- Q4FY23 was the second best quarter in FY23 in terms of volumes. Demand is expected to return to normalcy gradually.
- In progress:
  - Brownfield expansion to introduce a new speciality chemical to aid Barium portfolio diversification.
  - To be commissioned by H1FY24.
- Overall, total installed capacity in Barium Chemicals to be over 90,000 TPA in FY24 compared to 40,000 TPA in January 2022.

# Business Overview



Chromium chemistry is proven to be of high value as it possesses properties of high corrosion resistance, colours, and uniformity, thereby improving the performance and life of industrial components, timber treatment, pharmaceuticals, pigments and dyes.



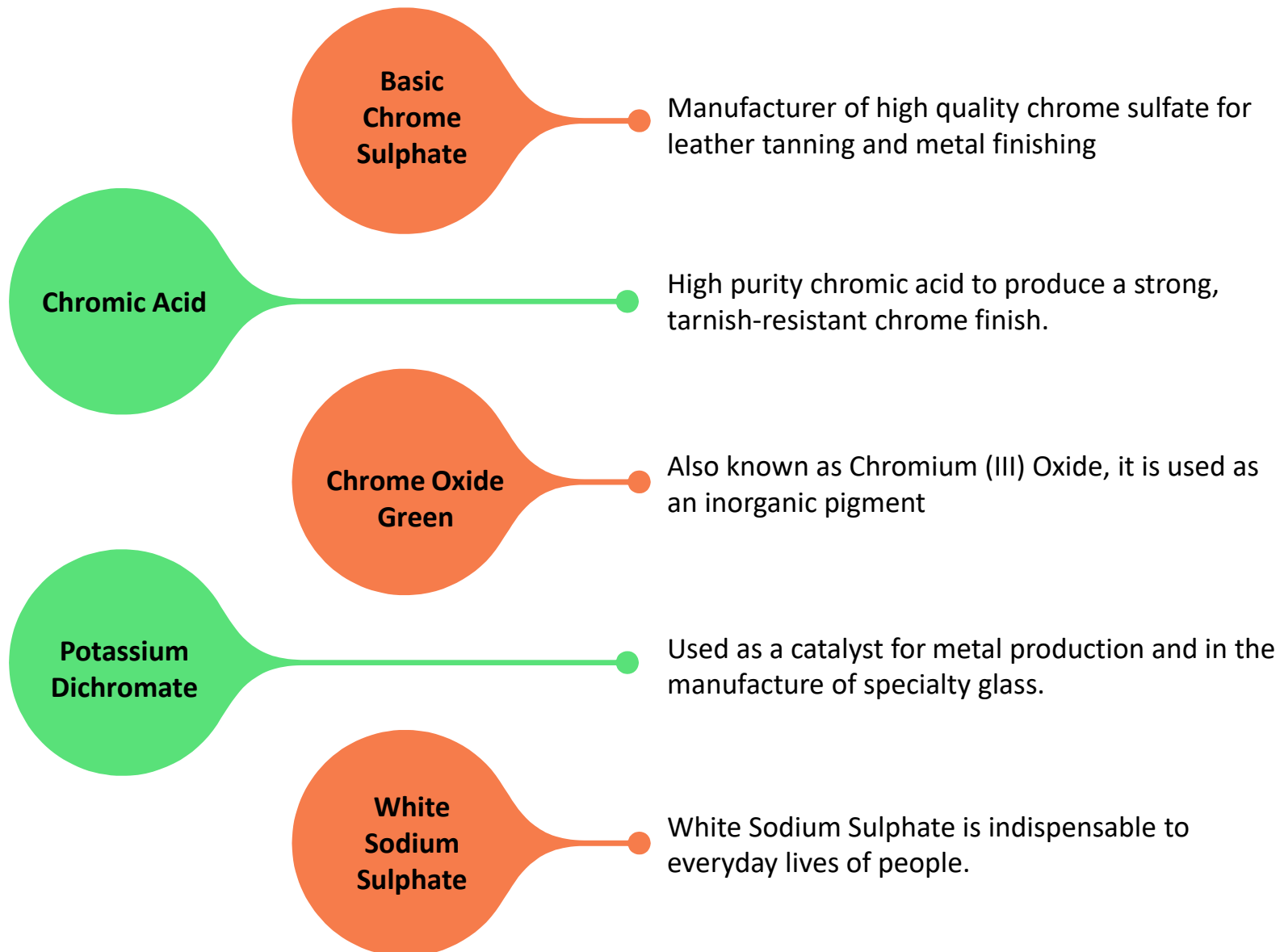
Unique capabilities created over the years makes us an efficient producer.

## SODIUM DICHROMATE

Sodium Dichromate is a strong oxidising agent and a source in preparing chromium based derivatives. It is used in metal passivation and finds applications across industries like pharmaceuticals, textiles, constructions to name a few.

## KEY APPLICATIONS FOR CHROMIUM CHEMISTRY

- Pharmaceuticals
- Electroplating
- Leather
- Pigments & Dyes
- Ceramic Glazes
- Tiles
- Refractories
- Plastic
- Wood Preservative
- Paper Pulping
- Detergents



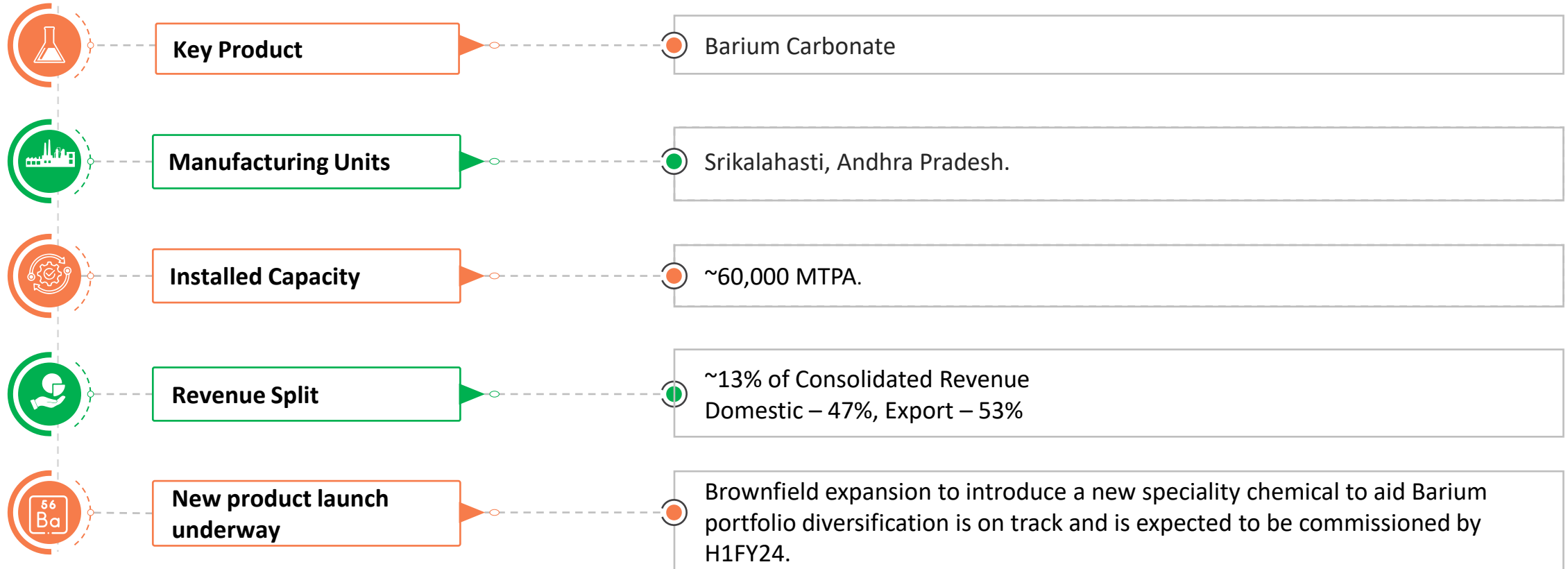
## EARLIER

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

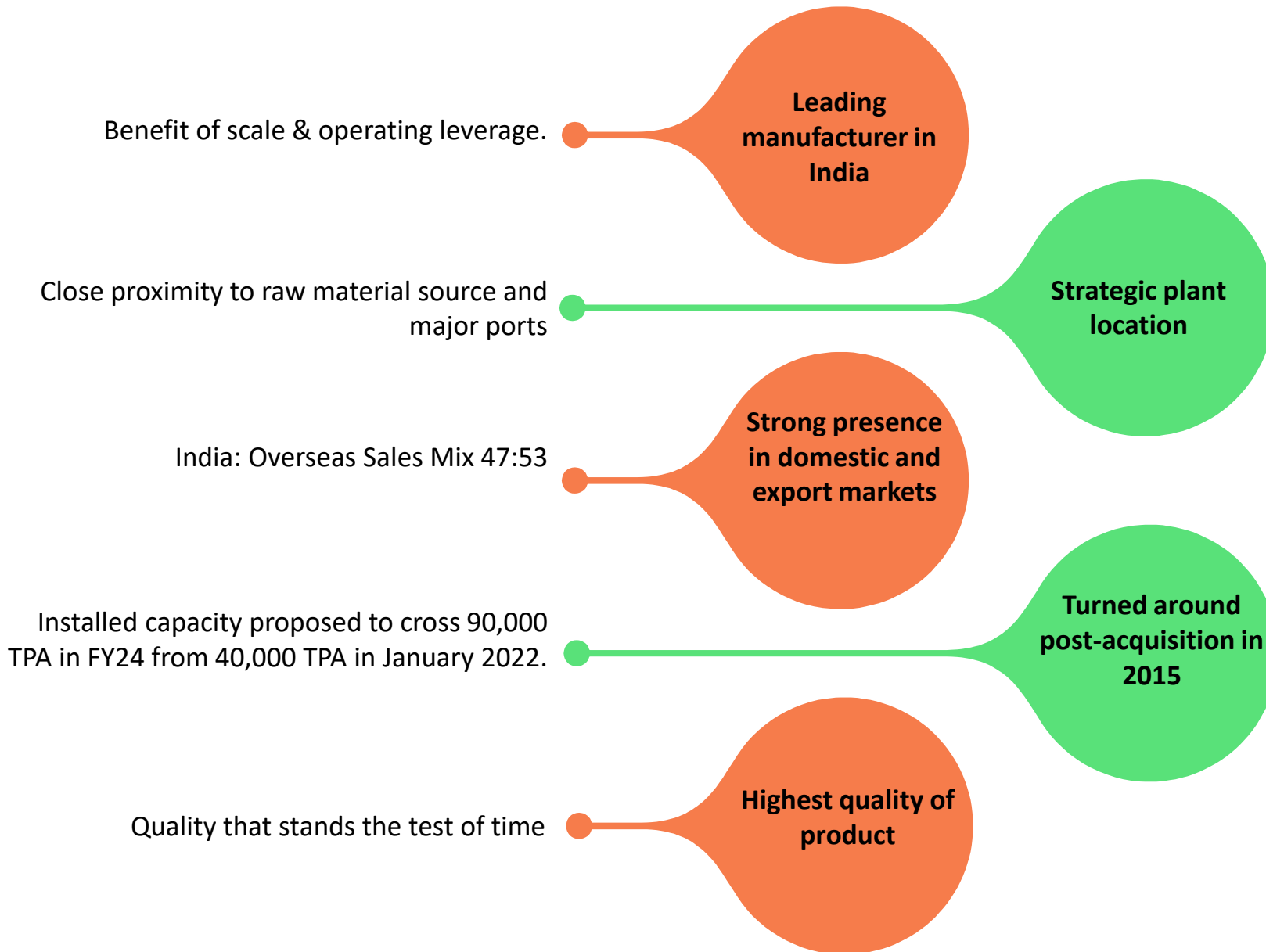
1. PIVOTED TO **FLEXIBLE** PRODUCT MIX MITIGATING CYCLICALITY, CURRENCY RISK & GEOGRAPHY RISK.
2. ONE OF ITS KIND BACKWARD INTEGRATION RESULTING IN **LOWER EXTERNAL PROCUREMENT** OF A KEY RAW MATERIAL.
3. AVERAGE OPERATING LEVELS **~80%** BETWEEN FY19-FY23.
4. PRODUCES ESSENTIAL CHEMICALS FOR **12+**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

The Company manufactures industry grade Barium Carbonate that finds applications in the manufacture of a plethora of ceramic, tiles, glass, enamel products and caustic lye brine purification process.



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





## CHARACTERISTICS

Barium Carbonate is available in several grades with different chemical purities, shapes and granulometry. It is characterized by high reactivity and tightly controlled narrow particle size distribution. It acts as a flux, a matting and crystallizing agent and combines with certain colouring oxides to produce unique colours not easily attainable by other means.

## KEY APPLICATIONS

- Ceramics
- Tiles
- Glazes
- Bricks
- Refractories
- Caustic Soda Industry
- Speciality Glass
- Luminescent Compounds

## 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

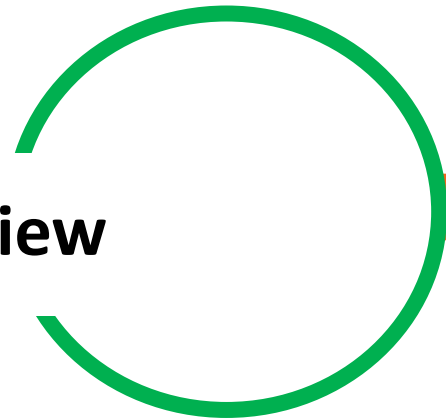
## NOW

1. TURNED AROUND POST ACQUISITION AND HAS BEEN A PROFIT MAKING COMPANY SINCE FY17.
2. AVERAGE CAPACITY UTILISATION SINCE FY20 IS ~75%.
3. ONGOING CAPEX TO LAUNCH A NEW SPECIALITY CHEMICAL.
4. 90,000 TPA OF INSTALLED CAPACITY BY FY24.

## PRECIPITATED BARIUM SULPHATE

- Inorganic Chemical.
- High purity, synthetic additive.
- Produced in carefully controlled manufacturing process.
- Import substitute in India.
- Used in Automotive Paints, Powder Coating, High Gloss Applications, Battery.
- 30,000 TPA to be operational by H1FY24.

# Company Overview



Vishnu Chemicals epitomises manufacturing of high-performance speciality chemicals, with an intelligent symphony of forward and backward integration to produce products that are focused on diverse needs and aspirations of its customers.

Vishnu Chemicals has long standing relationships with over 100 customers across Pharmaceuticals, Electroplating, Wood Preservative, Leather, Pigments & Dyes, Ceramics, Refractory, Detergents among others. The Company's products and processes conform to global standards, which is a testimony of product quality and reliability.



**30+**  
Years expertise



**4**  
Manufacturing  
units



**12+**  
User Application  
Industries



**50+**  
Export  
Destinations



**100+**  
Customers



**1000+**  
Workforce

# Our Differentiators



Established track record of over **30** years. Principled and ethical leadership committed to the highest level of corporate governance and creation of long-term value.



Our **Scale and technology is hard to replicate**. Complex manufacturing creates multiple entry barriers in this industry.



Our Product Mix gives us the flexibility to switch between derivatives and products as per industry demand, thus **mitigating cyclicity**.



One of its kind **backward integration** plant, a strong asset and it implies that we will be healthy and profitable while focusing on sustainability.



**Differentiated asset** with backward and forward integration reduces uncertainty and dependence on raw material supply.



Long standing customer relationships. Access to a growing consumption market in **India** an advantage.

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

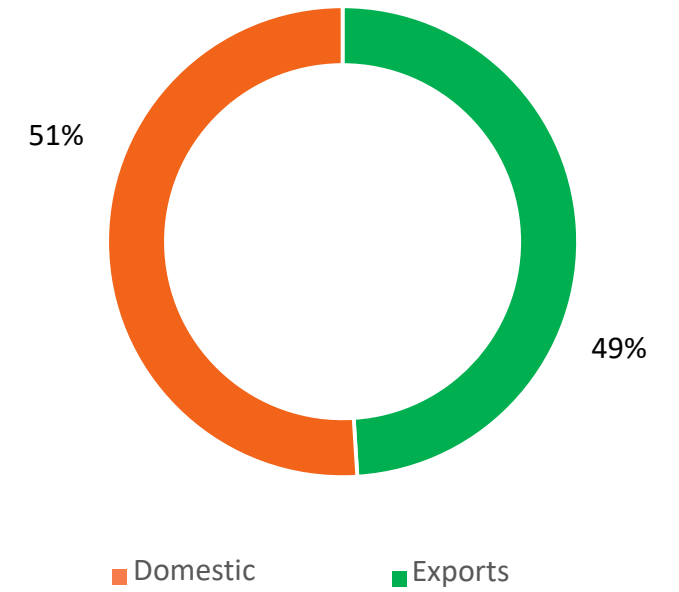
Mr. V. Vimalanand

Independent Director

Dr. Sita Vanka

Independent Director

## Customer Centric Approach





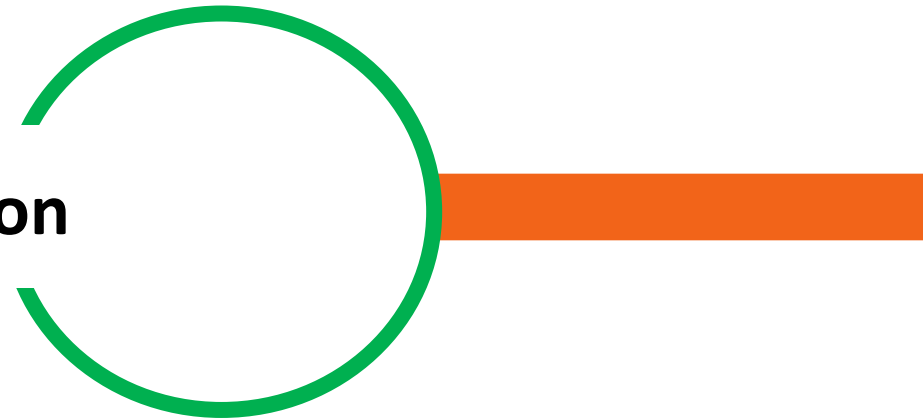
## Four dedicated facilities across India



- 1** **Visakhapatnam, Andhra Pradesh**  
Manufactures Chromium Chemicals
- 2** **Hyderabad, Telangana**  
Manufactures Chromium Chemicals
- 3** **Bhilai, Chhattisgarh**  
Manufactures Chromium Chemicals
- 4** **Srikalahasti, Andhra Pradesh**  
Manufactures Barium Chemicals

Vishnu's manufacturing facilities are strategically located close to ports. Proximity to ports is key to on-time delivery commitment.

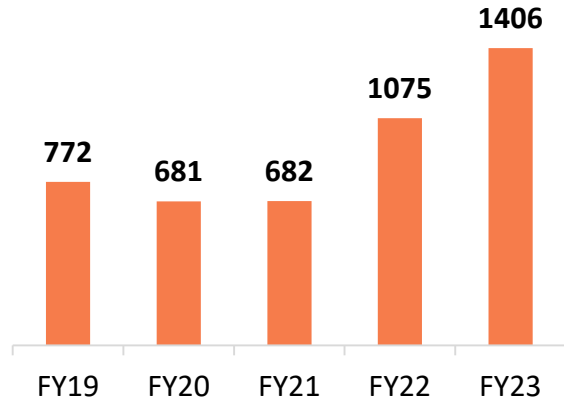
# **Financial Overview & Shareholder's Information**



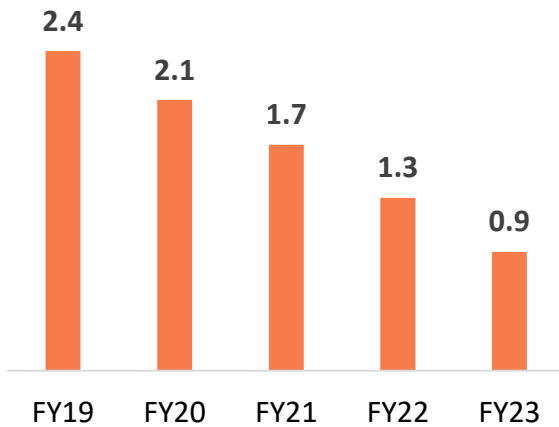
# Consolidated Key Metrics

(₹ in crs)

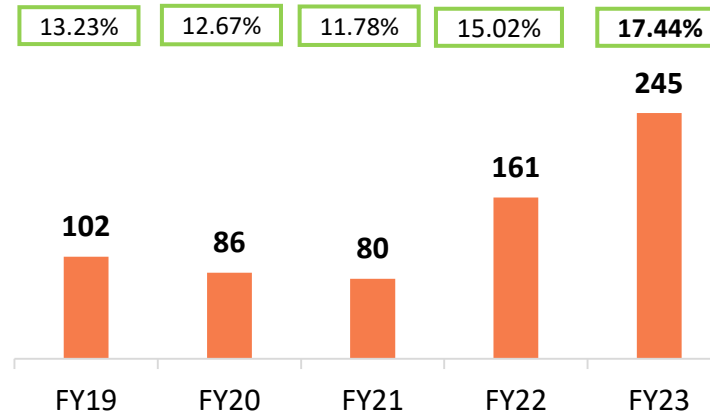
### Total Income



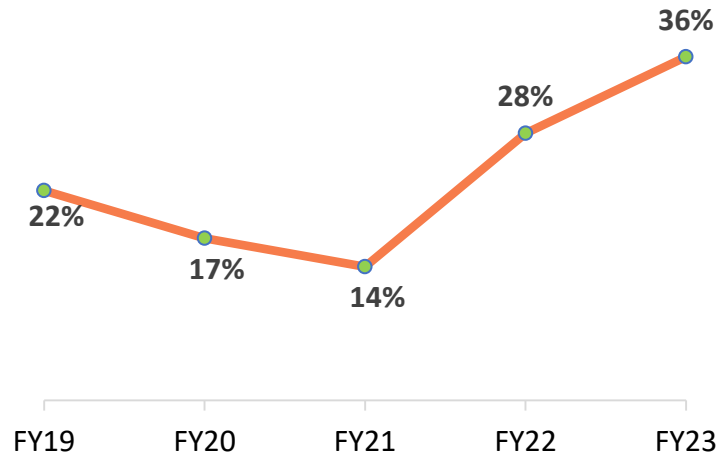
### Debt to Equity



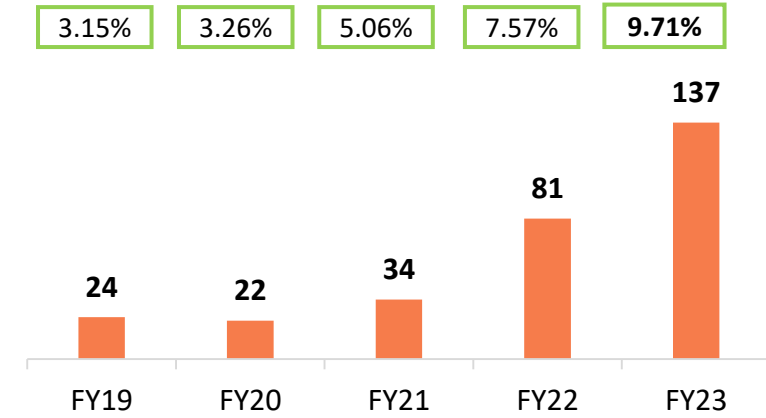
### EBITDA & EBITDA Margin



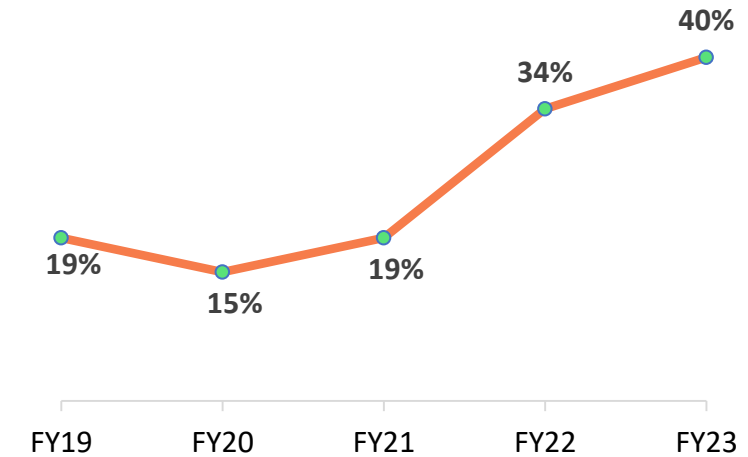
### ROCE






### PAT & PAT Margin



### ROE



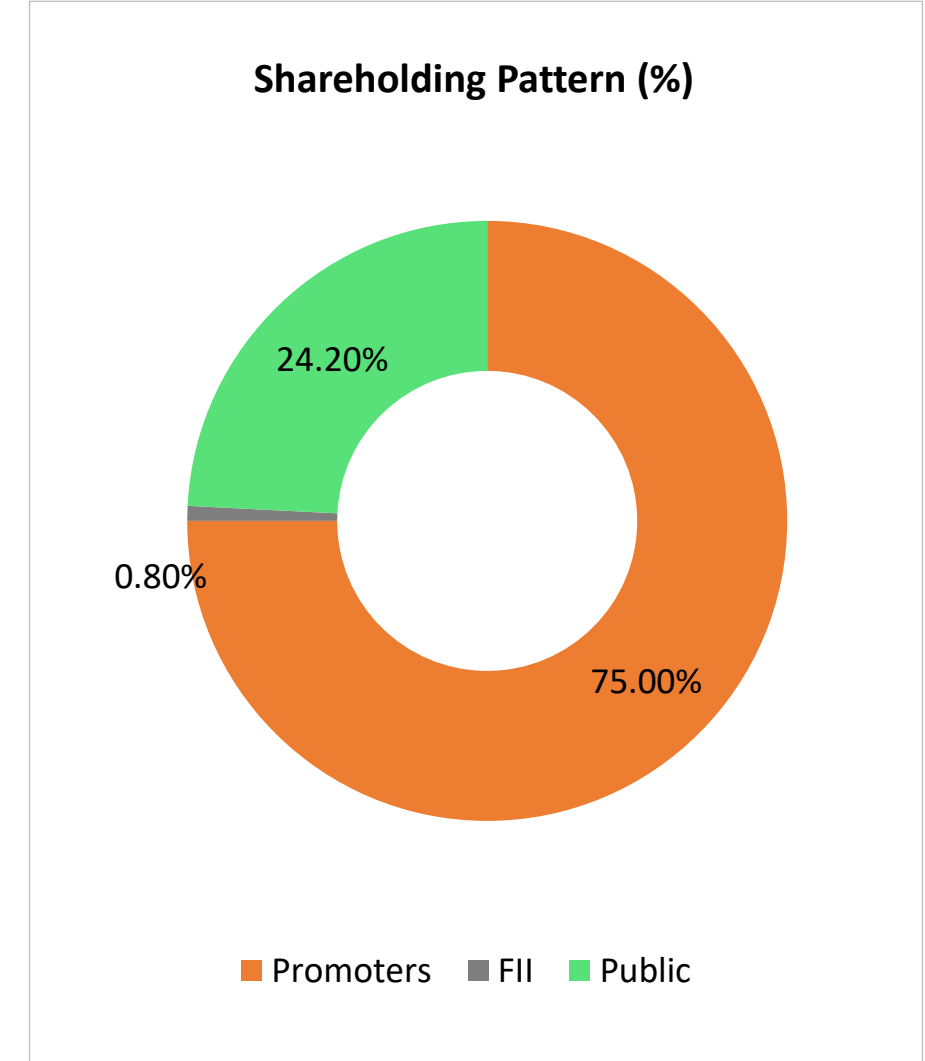
## Stock Information (as on 04<sup>th</sup> May 2023)

 Market Capitalization (₹ in crs)	1,905.99
 Shares Outstanding (In crs)	5.97
 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	₹0.4

(As on 31<sup>st</sup> March 2023)





# THANK YOU

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**CONTACT US:**  
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**VISHNU CHEMICALS LIMITED**  
[investors@vishnuchemicals.com](mailto:investors@vishnuchemicals.com)