

12th August, 2021

BSE Limited
Email
corp.relations@bseindia.com

Through: BSE Listing Center
Scrip Code: 516072

National Stock Exchange of India Limited
**: Email : compliance@nse.co.in,
takeover@nse.co.in**

Through: NEAPS
Scrip Symbol: VISHNU

Dear Sir,

Q1F22 Earnings Release - Regulation 30 of SEBI LODR Regulations, 2015

Further to outcome of today's Board Meeting, please find the enclosed Earnings Release with regard to Un-Audited Standalone & Consolidated Financial Results for the quarter ended June 30, 2021.

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



Kishore Kathri
Company Secretary &
AGM-Legal

Encl: As above



Q1FY2021-22 Earnings Release

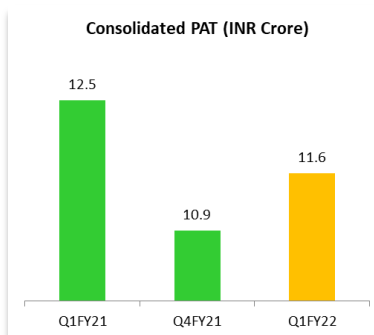
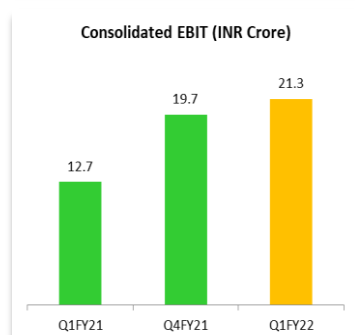
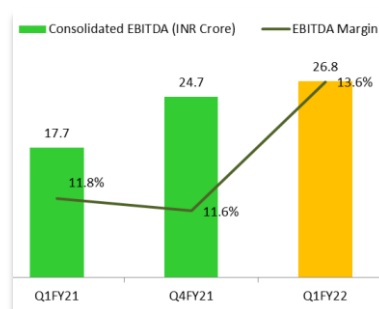
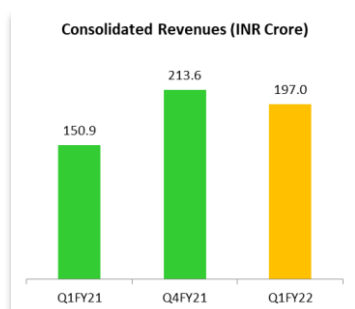
August 12, 2021

Consolidated Revenues up 31% y-o-y, EBITDA up 51% y-o-y
Consolidated EBITDA Margin at 13.6%, up 186 bps y-o-y
Consolidated EBIT up 67% y-o-y
Consolidated PBT up 132% y-o-y

Vishnu Chemicals Limited (BSE: 516072, NSE: VISHNU), a pure play manufacturer of niche specialty chemicals, reported its financial results for the quarter ended 30th June 2021.

Consolidated Financial Highlights for Q1FY2021-22

- Revenue from operations was up 31% to INR 197.0 crore as compared to INR 150.9 crore in Q1FY21.
- EBITDA was up 51% to INR 26.8 crore as compared to INR 17.7 crore in Q1FY21.
- EBITDA margin expanded by 186 basis points to 13.6% compared to 11.8% in Q1FY21.
- PBT was up 132% to INR 16.3 crore as compared to INR 7.0 crore in Q1FY21.
- PAT was down 7% to INR 11.6 crore as compared to INR 12.5 crore in Q1FY21 due to tax expense of INR 4.8 crore in Q1FY22 compared to INR -5.4 crore in Q1FY21.



Key Operational Highlights

- **Backward Integration:** The major capital expenditure towards the Sodium Carbonate plant in Visakhapatnam is completed and the trial runs are scheduled to begin in Q3FY22. Post stabilisation, the facility is expected to operate from Q4FY22.
- As a backward integration measure, this plant will help meet upto 60% of company's current requirement of a vital raw material i.e. Sodium Carbonate, resulting into significant cost savings and reduce dependency.
- **Barium Chemicals expansion:** Our Barium chemicals business is also witnessing robust growth over the years. The company is on track to complete its capacity expansion by Q3FY22 and expected to run at full impact from Q4FY22. This will enhance the production of Barium chemicals by 50 percent.
- **Order visibility:** All of our plants are operating and we are continuing to meet our customer needs.
- We are witnessing good order visibility for the next two quarters and are working hard to meet the demand in our local and international markets.
- **Mitigating global supply chain disruptions:** Globally, supply chain has been under severe pressure since the beginning of the pandemic. Asia outbound freight rates have risen sharply since late 2020 due to container shortage and non-availability of vessels. For example: The cost of sending a 20-foot container to the USA has soared to \$10,000, which is more than four times the pre-pandemic rate of \$2,000. The average rate for Europe has jumped to \$5,500 from \$1,200-1500. Similarly, the freight rates for shipments to West Africa and other many destinations have also gone up by five to six times in the past 18 months.
- Mitigating supply chain issues has become a focal area of the business. In this quarter, the company mitigated the risk by shifting the responsibility of Shipping & Forwarding costs to its export customers.

Management Comments

"Our operational performance during Q1FY2021-22 is a reflection of the demand across sectors, most of which are showing positive trend. We are pleased to register margin expansion, improved efficiency and optimisation of fixed costs in this quarter and working diligently to continue this positive trend in the quarters to follow assuming that the pandemic stays under control globally." **said Mr. Ch. Krishna Murthy, CMD, Vishnu Chemicals Limited.**

"Despite the headwinds from higher raw material costs and supply chain disruptions, we are optimistic about delivering a stronger H1 compared to last year. We are focused on servicing our customers, meeting their needs and successfully continuing with our integration execution." **said Mr. Ch. Siddartha, JMD, Vishnu Chemicals Limited.**

About Vishnu Chemicals Limited

Vishnu Chemicals Limited is a pure play manufacturer of niche speciality chemicals. Our products touches and enhances the lives of millions directly or indirectly through applications in pigments and dyes, plating, pharmaceutical, construction, glass, wood preservative, automobiles and more. The company derives core competence from its four world class manufacturing facilities backed by state-of-the-art research capabilities for quality and manufacturing excellence. The products of Vishnu Chemicals Limited are sold in 60+ countries including all the major geographies Asia, Europe, North, South and Central America, Africa among others.

For further details, visit www.vishnuchemicals.com

Or, contact:

Kishore Kathri

Company Secretary

cs@vishnuchemicals.net

Safe harbour

Certain statements in this release concerning our future growth prospects are forward-looking statements, which involve a number of risks, and uncertainties that could cause our actual results to differ materially from those in such forward-looking statements. The conditions caused by the COVID-19 pandemic could decrease customer's spending, affecting demand for our services, delaying prospective customer's purchasing decisions, and impact of pandemic on health of people; all of which could adversely affect our future revenue, margin and overall financial performance. Our operations may also be negatively affected by a range of external factors related to the COVID-19 pandemic that are not within our control. We do not undertake to update any forward-looking statement that may be made from time to time by us or on our behalf.