

## Vishnu Chemicals Limited reports results for fourth quarter and annual FY21

May 19, 2021 | Hyderabad, India.

Vishnu Chemicals Limited (VCL), a global manufacturer and supplier of Specialty Chemicals, announced its audited consolidated and standalone results today for the quarter and year ending March 31, 2021.

### Introduction

The foundation of VCL was laid in 1989 and over the past three decades, the company has established itself as a pure play manufacturer of niche speciality chemicals with their products having applications in steel, glass, pharmaceutical, pigments and dyes, leather and allied industries. At a glance,

- 4 state-of-the-art manufacturing units in India.
- Greater portfolio coherence.
- Customers across 50+ countries.
- 1000+ workforce.
- Diversified customer base across industries.
- Lean management team.
- Local knowledge and global network to meet business requirements.
- Compliant with national and international regulations.

### Key financial highlights

#### **Quarter ended March 31, 2021**

- Consolidated Revenue from operations at ₹ 213.5 cr (+61% q-o-q / +37% y-o-y).
- Consolidated EBITDA at ₹ 24.6 cr (+ 63% q-o-q / +56% y-o-y).
- Consolidated PAT at ₹ 10.8 cr (+195% q-o-q / +115% y-o-y).
- PAT Margin at 5.0% compared to 3.2% in FY20.

#### **Year ended March 31, 2021**

- Consolidated revenues at ₹ 678.6 cr (+1% y-o-y)
- Consolidated EBITDA at ₹ 77.4 (-2% y-o-y)
- Consolidated PAT at ₹ 34.4 cr (+55% y-o-y)
- PAT Margin at 5.0% compared to 3.3% in FY20.

### Business Insights

The company's export business continues to remain resilient and contributes to 50% of consolidated revenues, an annual growth of 7%. We achieved a 27% reduction y-o-y in our overall finance costs on account of better rate negotiations and optimised utilisations. In Q3 we underwent a maintenance activity at our Visakhapatnam unit which impacted our revenues, one time in nature. In Q4 we saw a strong demand environment, coupled with efficient production leading to better, improved growth.

We value coherence at VCL to align with our product mix –primary and derivatives, capabilities and processes. Our top priority is and has been to protect the health and safety of our employees, while ensuring our business continuity to meet our customer’s requirements. Expected to be operational in H2FY22, our augmented capacities and backward integration will further fuel our positive traction on sales and improve our contribution margins.

Hopefully, the situation created due to second wave of COVID-19 will begin to plateau out sooner than later, both from individual well-being and an economic sustainability perspective, the drivers for the overall business environment. Though currently not significant, the company is vigilant of the restrictions imposed by states and countries.

### Management Perspective

“Our fourth quarter of 2020-21 has by far been the best performing quarter since inception backed by broad based consolidated revenue growth of 61% sequentially across our products driven by better capacity utilisation, efficient business processes and outstanding team efforts. We believe that there is no dearth of opportunities, both in terms of serving our existing customer base as well as growing our business with new and prospective customers. I am thankful to my team for their relentless dedication during these challenging times” **said Ch. Krishna Murthy, Chairman & Managing Director, Vishnu Chemicals Limited.**

“We feel good about our ability to deliver growth on our historical performance. Over the years, our product portfolio has expanded and so has our customer base. We are focused on the fundamentals of improving efficiencies and optimum utilization of capacities which should enable us to deliver robust performance going forward that will essentially make our initiatives ROI (Return on Investment) accretive and deliver the benefits of finest quality of specialty chemicals to our global customers.” **said Ch. Siddartha, Joint Managing Director, Vishnu Chemicals Limited.**

## About Vishnu Chemicals Limited

Established in 1989, Vishnu Chemicals Limited is a market leader in production and sale of speciality chemicals across the world. The company derives core competence from its world class manufacturing facilities backed by state-of-the-art research capabilities. Known for its environment and economically sustainable business model, Vishnu Chemicals Limited has markets in over 50 countries and maintains a robust value chain. At Vishnu Chemicals, excellence in chemistry is an outcome of incessantly bettering the best. To learn more about us, visit [www.vishnuchemicals.com](http://www.vishnuchemicals.com)

### **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.*

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