



## Press Release

**Vishnu Chemicals Limited**

**February 08, 2023**

### Ratings

Instrument / Facility	Amount (Rs. Crore)	Ratings	Rating Action	Complexity Indicator (Simple/ High/ Complex)
Long term Bank Facilities – Term Loan	50.27	IVR BBB- ISSUER NOT COOPERATING / Stable (IVR Triple B Minus under ISSUER NOT COOPERATING with Stable Outlook)	Downgraded and moved to ISSUER NOT COOPERATING category	<a href="#">Simple</a>
Long term Bank Facilities – CECL/GECL 2.0	35.59	IVR BBB- ISSUER NOT COOPERATING / Stable (IVR Triple B Minus under ISSUER NOT COOPERATING with Stable Outlook)	Downgraded and moved to ISSUER NOT COOPERATING category	<a href="#">Simple</a>
Long term Bank Facilities – Cash Credit	100.00	IVR BBB- ISSUER NOT COOPERATING / Stable (IVR Triple B Minus under ISSUER NOT COOPERATING with Stable Outlook)	Downgraded and moved to ISSUER NOT COOPERATING category	<a href="#">Simple</a>
Short term Bank Facilities – Standby Line of Credit	8.45	IVR A3 ISSUER NOT COOPERATING (IVR A Three under ISSUER NOT COOPERATING)	Downgraded and moved to ISSUER NOT COOPERATING category	<a href="#">Simple</a>
Short term Bank Facilities – LC/BGs	70.00	IVR A3 ISSUER NOT COOPERATING (IVR A Three under ISSUER NOT COOPERATING)	Downgraded and moved to ISSUER NOT COOPERATING category	<a href="#">Simple</a>
Long Term//Short term Bank Facilities (Proposed)	4.56	IVR BBB- ISSUER NOT COOPERATING / Stable; IVR A3 ISSUER NOT COOPERATING (IVR Triple B Minus under ISSUER NOT COOPERATING with Stable Outlook; IVR A Three ISSUER NOT COOPERATING)	Downgraded and moved to ISSUER NOT COOPERATING category	<a href="#">Simple</a>
<b>Total</b>	<b>268.87</b>			

***\*Issuer did not cooperate; based on best available information***



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### **Details of Facilities are in Annexure 1**

#### **Detailed Rationale**

The revision in the ratings assigned to the bank facilities of Vishnu Chemicals Limited reflects lack of adequate information available about the performance of the company and the uncertainty around its credit risk. Infomerics assesses whether the information available about the entity is commensurate with its rating and reviews the same as per its policy.

The lenders, investors and other market participants are thus advised to exercise appropriate caution while using this rating as the rating may not adequately reflect the credit risk profile of the entity, despite the rating revision.

#### **Note on non-cooperation:**

Infomerics has repeatedly followed up with the company to provide information to monitor the ratings vide emails January 04, 2023, January 06, 2022, January 11, 2022, and January 19, 2023, along with telephonic conversations. However, despite repeated requests, the company has failed to submit data for review.

Availability of information is very critical in rating exercise. In the absence of the relevant information, in consonance with SEBI guidelines, Infomerics has moved the ratings assigned to the bank loan facilities of Vishnu Chemicals Limited aggregating to INR 268.87 crore to the 'ISSUER NOT COOPERATING' category. The rating is now denoted as IVR BBB- ISSUER NOT COOPERATING / Stable; (IVR Triple B Minus under ISSUER NOT COOPERATING with Stable Outlook); for the long-term bank facilities and IVR A3 ISSUER NOT COOPERATING (IVR A Three ISSUER NOT COOPERATING); for the short-term bank facilities.

**Analytical Approach:** Consolidated Approach

#### **Applicable Criteria:**

[Rating Methodology for Manufacturing Companies](#)

[Financial Ratios & Interpretation \(Non-Financial Sector\)](#)

[Policy on Issuer not cooperating and surveillance/review of existing rating](#)

[About the Company](#)



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Vishnu Chemicals Ltd (VCL) was established in 1989; since inception the company has grown with the help of many greenfield and brownfield projects with their reach in over 57 countries (spanning 4 continents including Asia, Europe, America and Africa) as a pure play specialty chemical manufacturer with their products having applications in steel, glass, pharmaceutical, pigments and dyes, leather and allied industries. Over the years the Company has changed the perception on Specialty Chemical manufacturing as a hazardous – environment unfriendly manufacturing to sustainable and safe manufacturing. The company has an installed capacity of 231100 MTPA.

### Financial (Consolidated):

For the year ended / INR. Crore	31-03-2021	31-03-2022
	<b>Audited</b>	<b>Audited</b>
Total Operating Income	678.68	1069.00
EBITDA	77.45	157.58
PAT	34.49	81.39
Total Debt	232.40	259.72
Tangible Net Worth	272.78	353.51
<b>Ratios</b>		
EBITDA Margin (%)	11.41	14.74
PAT Margin (%)	5.06	7.57
Overall Gearing Ratio (x)	0.94	0.73

\* Classification as per Infomerics' standards

### Financial (Standalone):

For the year ended / INR. Crore	31-03-2021	31-03-2022
	<b>Audited</b>	<b>Audited</b>
Total Operating Income	573.10	906.69
EBITDA	60.16	127.49
PAT	22.75	65.24
Total Debt	227.75	209.22
Tangible Net Worth	228.07	292.80
<b>Ratios</b>		
EBITDA Margin (%)	10.50	14.06
PAT Margin (%)	3.94	7.14
Overall Gearing Ratio (x)	1.11	0.71

\* Classification as per Infomerics' standards

Status of non-cooperation with previous CRA: None

Any other information: None



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### Rating History for last three years:

Sr. No.	Name of Instrument/Facilities	Current Ratings (Year 2023-24)			Rating History for the past 3 years		
		Type	Amount outstanding (Rs. Crore)	Rating	Date(s) & Rating(s) assigned in 2021-22 (Dec 01, 2021)	Date(s) & Rating(s) assigned in 2020-21 (Oct. 06, 2020)	Date(s) & Rating(s) assigned in 2019-20
1.	Fund Based Facility – Term Loan	Long Term	50.27	IVR BBB-ISSUER NOT COOPERATING / Stable	IVR BBB/Stable	IVR BBB-/Stable	-
2.	Fund Based Facility – CECL/GECL 2.0	Long Term	35.59	IVR BBB-ISSUER NOT COOPERATING / Stable	IVR BBB/Stable	IVR BBB-/Stable	-
2.	Fund Based Facility – Cash Credit	Long Term	100.00	IVR BBB-ISSUER NOT COOPERATING / Stable	IVR BBB/Stable	IVR BBB-/Stable	-
3.	Fund Based Facility – Standby Line of Credit	Short Term	8.45	IVR A3 ISSUER NOT COOPERATING	IVR A3+	IVR A3	-
4.	Non-Fund Based Facility – LC/BGS	Short Term	70.00	IVR A3 ISSUER NOT COOPERATING	IVR A3+	IVR A3	-
5.	Fund Based Facility – Proposed	Long Term/Short Term	4.56	IVR BBB-ISSUER NOT COOPERATING / Stable; IVR A3 ISSUER NOT COOPERATING	IVR BBB/Stable; IVR A3+	IVR BBB-/Stable; IVR A3	-

*\*Issuer did not cooperate; based on best available information*

### Name and Contact Details of the Rating Analyst:

Name: Sejal Patil	Name: Prakash Kabra
Tel: (022) 62396023	Tel: (022) 62396023
Email: <a href="mailto:sejal.patil@infomerics.com">sejal.patil@infomerics.com</a>	Email: <a href="mailto:prakash.kabra@infomerics.com">prakash.kabra@infomerics.com</a>

### About Infomerics:



## Press Release

Infomerics was founded in the year 1986 by a team of highly experienced and knowledgeable finance professionals. Subsequently, after obtaining Securities Exchange Board of India registration and RBI accreditation and the activities of the company are extended to External Credit Assessment Institution (ECAI).

Adhering to best International Practices and maintaining high degree of ethics, the team of knowledgeable analytical professionals deliver credible evaluation of rating.

Infomerics evaluates wide range of debt instruments which helps corporates open horizons to raise capital and provides investors enlightened investment opportunities. The transparent, robust and credible rating has gained the confidence of Investors and Banks.

Infomerics has a pan India presence with Head Office in Delhi, branches in major cities and representatives in several locations. For more information visit [www.infomerics.com](http://www.infomerics.com)

**Disclaimer:** Infomerics ratings are based on information provided by the issuer on an 'as is where is' basis. Infomerics credit ratings are an opinion on the credit risk of the issue / issuer and not a recommendation to buy, hold or sell securities. Infomerics reserves the right to change, suspend or withdraw the credit ratings at any point in time. Infomerics ratings are opinions on financial statements based on information provided by the management and information obtained from sources believed by it to be accurate and reliable. The credit quality ratings are not recommendations to sanction, renew, disburse or recall the concerned bank facilities or to buy, sell or hold any security. We, however, do not guarantee the accuracy, adequacy or completeness of any information, which we accepted and presumed to be free from misstatement, whether due to error or fraud. We are not responsible for any errors or omissions or for the results obtained from the use of such information. Most entities whose bank facilities/instruments are rated by us have paid a credit rating fee, based on the amount and type of bank facilities/instruments. In case of partnership/proprietary concerns/Association of Persons (AOPs), the rating assigned by Infomerics is based on the capital deployed by the partners/proprietor/ AOPs and the financial strength of the firm at present. The rating may undergo change in case of withdrawal of capital or the unsecured loans brought in by the partners/proprietor/ AOPs in addition to the financial performance and other relevant factors.

### **Annexure 1: Details of Facilities: Not Applicable**

### **Annexure 2: List of companies considered for consolidated analysis:**

Name of the company	Ownership	Consolidation Approach
Vishnu Chemicals Limited (VCL)	100%	Full Consolidation
Vishnu Barium Private Limited (VBPL)	100%	Full Consolidation

### **Annexure 3: Facility wise lender details: Not Applicable**

### **Annexure 4: Detailed explanation of covenants of the rated instrument/ facilities: Not Applicable**

**Note on complexity levels of the rated instrument:** Infomerics has classified instruments rated by it on the basis of complexity and a note thereon is available at [www.infomerics.com](http://www.infomerics.com)