



Press Release

Vishnu Chemicals Limited

May 03, 2023

Ratings

Instrument / Facility	Amount (Rs. Crore)	Ratings	Rating Action	Complexity Indicator
Long term Bank Facilities – Term Loan	50.27	IVR BB+; ISSUER NOT COOPERATING/ Stable (IVR Double B Plus; ISSUER NOT COOPERATING with stable outlook) (Withdrawn)	Revised; continues to be under Issuer Not Co Operating and withdrawn	Simple
Long term Bank Facilities – CECL/GECL 2.0	35.59	IVR BB+; ISSUER NOT COOPERATING/ Stable (IVR Double B Plus; ISSUER NOT COOPERATING with stable outlook) (Withdrawn)	Revised; continues to be under Issuer Not Co Operating and withdrawn	Simple
Long term Bank Facilities – Cash Credit	100.00	IVR BB+; ISSUER NOT COOPERATING/ Stable (IVR Double B Plus; ISSUER NOT COOPERATING with stable outlook) (Withdrawn)	Revised; continues to be under Issuer Not Co Operating and withdrawn	Simple
Short term Bank Facilities – Standby Line of Credit	8.45	IVR A4+; ISSUER NOT COOPERATING (IVR A Four Plus; ISSUER NOT COOPERATING*) (Withdrawn)	Revised; continues to be under Issuer Not Co Operating and withdrawn	Simple
Short term Bank Facilities – LC/BGs	70.00	IVR A4+; ISSUER NOT COOPERATING (IVR A Four Plus; ISSUER NOT COOPERATING*) (Withdrawn)	Revised; continues to be under Issuer Not Co Operating and withdrawn	Simple
Long Term//Short term Bank Facilities (Proposed)	4.56	IVR BB+; ISSUER NOT COOPERATING/ Stable IVR A4+ (IVR Double B Plus; ISSUER NOT COOPERATING with Stable Outlook/ IVR A Four Plus) (Withdrawn)	Revised; continues to be under Issuer Not Co Operating and withdrawn	Simple
Total	268.87			

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

Details of Facilities are in Annexure 1



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Detailed Rationale

Infomerics has been regularly following up with the company to provide some of the required data to monitor its assigned ratings to the bank facilities. However, despite repeated requests by Infomerics, the company's management has not submitted the essential details/information for surveillance exercise. Availability of information is very critical in rating exercise. In the absence of the requisite information, in consonance with SEBI guidelines, Infomerics has to review the ratings based on the best available information.

Subsequently, the company has submitted withdrawal request and 'No Objection Certificate' from the bank that has extended the facilities rated by Infomerics. Accordingly, Infomerics has revised the rating to 'IVR BB+' under 'ISSUER NOT COOPERATING' category to the bank facilities of Vishnu Chemicals Limited and withdrawn the same with immediate effect. The rating is withdrawn in accordance with Infomerics' policy on withdrawal.

The Company has not provided the essential documents/information to assess its credit risk, accordingly, the key rating factors, liquidity position and rating sensitivities have not been commented upon.

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](#)

[Policy on Withdrawal of Rating](#)

About the Company

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



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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
	Audited	Audited
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
Ratios		
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
	Audited	Audited
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
Ratios		
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

Rating History for last three years:



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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 2022-23 (Feb 08, 2023)	Date(s) & Rating(s) assigned in 2021-22 (Dec 01, 2021)	Date(s) & Rating(s) assigned in 2020-21 (Oct. 06, 2020)
1.	Fund Based Facility – Term Loan	Long Term	50.27	IVR BB+ ISSUER NOT COOPERATING / Stable (Withdrawn)	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 BB+ ISSUER NOT COOPERATING / Stable (Withdrawn)	IVR BBB- ISSUER NOT COOPERATING / Stable	IVR BBB/ Stable	IVR BBB-/ Stable
2.	Fund Based Facility – Cash Credit	Long Term	100.00	IVR BB+ ISSUER NOT COOPERATING / Stable (Withdrawn)	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 A4+ ISSUER NOT COOPERATING (Withdrawn)	IVR A3 ISSUER NOT COOPERATING	IVR A3+	IVR A3
4.	Non-Fund Based Facility – LC/BGS	Short Term	70.00	IVR A4+ ISSUER NOT COOPERATING (Withdrawn)	IVR A3 ISSUER NOT COOPERATING	IVR A3+	IVR A3
5.	Fund Based Facility – Proposed	Long Term/ Short Term	4.56	IVR BB+ ISSUER NOT COOPERATING / Stable; IVR A4+ ISSUER NOT COOPERATING (Withdrawn)	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:



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Name: Hardik Gala

Tel: (022) 62396023

Email: hardik.gala@infomerics.com

Name: Prakash Kabra

Tel: (022) 62396023

Email: prakash.kabra@infomerics.com

About Infomerics:

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

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



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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