



Vinyl Chemicals (India) Ltd.

**BOARD OF DIRECTORS**

Shri M.B. Parekh - Chairman & Managing Director

Shri N.K. Parekh

Shri R.M. Gandhi

Smt. Y.J. Mogrelia

Shri A.D. Mavinkurve

**PRESIDENT & SECRETARY**

Shri P.C. Patel

**AUDITORS**

Khanna & Panchmia

**SOLICITORS**

Wadia Ghandy & Co.

**REGISTERED OFFICE**

Regent Chambers, 7th Floor  
Jamnalal Bajaj Marg  
208, Nariman Point  
Mumbai 400 021

**CORPORATE OFFICE**

Ramkrishna Mandir Road  
Off. Mathuradas VasANJI Road  
Andheri (East)  
Mumbai 400 059

**BANKERS**

Indian Overseas Bank  
Corporation Bank

**REGISTRAR AND TRANSFER AGENTS**

TSR Darashaw Ltd.  
6-10, Haji Moosa Patrawala Indl. Estate  
20, Dr. E. Moses Road, Mahalaxmi  
Mumbai 400 011

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**DIRECTORS' REPORT**

Your Directors present the Twenty Ninth Annual Report and the Audited Financial Statements for the year ended 31st March, 2015.

**Financial Results:**

(₹ in lacs)

Particulars	Current Year	Previous Year
<b>Profit before Interest, Depreciation and Tax</b>	1879	1137
Less: Interest & Other Finance Costs	7	4
Depreciation	*	*
<b>Profit before Taxation</b>	1872	1133
Less: Provision for Current Taxation	638	385
Provision for Deferred Tax	*	*
<b>Profit for the year</b>	1234	748
Add: Profit brought forward from previous year	1400	946
<b>Profit available for appropriation</b>	<b>2634</b>	<b>1694</b>
<b>Appropriations:</b>		
Proposed Dividend on Equity Shares	275	183
Tax on Dividend	56	31
Transfer to General Reserve	125	80
<b>Total</b>	<b>456</b>	<b>294</b>
<b>Balance carried to Balance Sheet</b>	<b>2178</b>	<b>1400</b>

\* less than ₹1 lac

**Dividend:**

Out of Current Year's profit, the Directors recommend payment of dividend of ₹1.50 per equity share of ₹ 1 each (previous year ₹ 1 per share) amounting to ₹ 2,75,05,666 (previous year ₹ 1,83,37,111) on 1,83,37,111 equity shares of ₹ 1 each.

**Performance:**

- The company's current business is in Chemicals – which is trading mainly in Vinyl Acetate Monomer.
- During the year, the sales turnover from Trading activity was ₹ 42,574 lacs.
- During the year, the Company earned Net Profit of ₹ 1,234 lacs as against ₹ 748 lacs in the previous year.

**Outlook:**

The Company expects to perform reasonably well subject to prevailing market conditions and fluctuations in exchange rate.

**Directors:**

In accordance with the Articles of Association of the Company, Shri N.K. Parekh, a Director of the Company, retires by rotation and being eligible, offer himself for re-appointment.

The Company has received declarations from Shri R.M. Gandhi, Smt. Y.J. Mogrelia and Shri A.D. Mavinkurve, Independent Directors, that they meet with the criteria of independence as prescribed under Section 149(6) of the Companies Act, 2013.

**Extract of Annual Return:**

Extract of Annual Return for the Financial Year ended on 31<sup>st</sup> March, 2015, as required by Section 92(3) of the Companies Act, 2013, is annexed as Annexure 1 .

**No. of Board Meetings:**

During the year the Board of Directors met 5 times. The details of Board Meetings are provided in the Corporate Governance Report section of this Annual Report.

**Particulars of Loans, Guarantees or Investments:**

Particulars of Loans, Guarantees or Investments under Section 186 of the Companies Act, 2013 are given in the Notes forming part of the Financial Statements for the year ended 31<sup>st</sup> March, 2015.

**Related Party Transactions:**

All related party transactions that were entered into during the financial year were on an arm's length basis and in the ordinary course of business.

All Related Party Transactions were placed before the Audit Committee for approval.

Particulars of arrangements with related parties as referred to in Section 188(1) of the Companies Act, 2013 for the Financial Year 2014-2015 are given in prescribed Form AOC - 2, which is annexed as Annexure 2.

The policy on Related Party Transactions as recommended by Audit Committee and as approved by the Board is uploaded on the Company's Website [www.vinylchemicals.com](http://www.vinylchemicals.com).

**Risk Management Policy:**

The Company has a structured Risk Management Policy. The Risk Management process is designed to safeguard the organization from various risks through adequate and timely actions. It is designed to anticipate, evaluate and mitigate risks in order to minimize its impact on the Company's business.

**Corporate Social Responsibility:**

In terms of the provisions of Section 135 of the Companies Act, 2013 and the Rules framed thereunder, the company has formulated a policy on Corporate Social Responsibility (CSR) and has also constituted a CSR Committee to recommend and monitor expenditure on CSR. The CSR Committee comprises of Shri M.B. Parekh, Shri N.K. Parekh and Shri R.M. Gandhi, Directors, as the members. Shri N. K. Parekh is the Chairman of the Committee. The details of CSR Expenditure are given in the prescribed format as Annexure 3.

**Remuneration Policy:**

The Board on recommendation of the Nomination and Remuneration Committee has framed a Remuneration Policy. The salient features of the policy are given in the Corporate Governance Report section of this Annual Report.

**Auditors' Report:**

There are no qualifications, reservations, adverse remarks or disclaimers made in the Auditors' Report on the Financial Statements of the Company for the Financial Year ended 31<sup>st</sup> March, 2015.

At the 28<sup>th</sup> Annual General Meeting of the Company, the Members have appointed M/s. Khanna & Panchmia, Chartered Accountants, Mumbai as the Auditors of the Company for a period of five years upto the conclusion of 33<sup>rd</sup> Annual General Meeting, subject to ratification by shareholders at every Annual General Meeting.

The Board recommends ratification of the appointment of M/s. Khanna & Panchmia, Chartered Accountants, Mumbai as the Auditors of the Company at the ensuing Annual General Meeting.

**Subsidiaries and Joint Ventures:**

The Company has no Subsidiaries and Joint Venture Companies.

**Vigil Mechanism/Whistle Blower Policy:**

The Company has established a Vigil Mechanism for Directors & employees. The details of the policy are posted on the Company's Website [www.vinylchemicals.com](http://www.vinylchemicals.com).

**Secretarial Audit Report:**

Pursuant to Section 204 of the Companies Act, 2013, the Secretarial Audit Report for the year ended 31<sup>st</sup> March, 2015 given by M/s. M.M. Sheth & Co., Practising Company Secretaries, is annexed as Annexure 4.

**Deposits:**

The Company has not accepted any public deposit.

**Internal Financial Controls:**

Adequate internal controls, system and checks are in place commensurate with the size of the Company and nature of its business.

**Directors' Responsibility Statement:**

As required under the provisions of Section 134 of the Companies Act, 2013, your Directors state that:

- in the preparation of the annual accounts, the applicable accounting standards have been followed alongwith proper explanations relating to material departures, if any;



- the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31<sup>st</sup> March, 2015 and of the profits of the Company for the year ended on that date;
- the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- the Directors have prepared the annual accounts on a going concern basis;
- The Directors have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and are operating effectively and
- The Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and such systems are adequate and operating effectively.

**Corporate Governance:**

Reports on Corporate Governance and Management Discussion and Analysis in accordance with Clause 49 of the Listing Agreement with Stock Exchanges alongwith a certificate from the Auditors of the Company are given separately in this Annual Report.

**Disclosure under Companies (Appointment & Remuneration of Managerial Personnel ) Rules, 2014:**

The information pursuant to Section 197 of the Companies Act, 2013 read with Rules 5(1), 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 in respect of Directors, Key Managerial Personnel and employees of the Company are annexed to this Report as Annexure 5.

**Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo:**

The particulars under Section 134 of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014, to the extent applicable to the Company, is given in the prescribed format as Annexure 6.

**Annual Evaluation by the Board:**

The Board of Directors of the Company has initiated and put in place evaluation of its own performance, its committees and individual Directors. The result of the evaluation is satisfactory and adequate and meets with the requirements of the Company.

**Composition of Audit Committee:**

Details of Composition of Audit Committee, its terms of reference and meetings held during the year are given in the Corporate Governance Report section of this Annual Report.

**General:**

**a) Sweat Equity Shares, Equity with Differential Rights:**

None issued during the Financial Year 2014-2015.

**b) Employees Stock Option Scheme:**

The Company is not having Employees Stock Option Scheme.

**c) Significant and Material Orders passed by the Regulators:**

None passed during the Financial Year 2014-2015.

**c) Sexual Harassment Laws:**

No complaints under the Sexual Harassment of Women at Work Place (Prevention, Prohibition and Redressal) Act, 2013 were received during the Financial Year 2014-2015.

**Appreciation:**

The Directors wish to place on record their appreciation of the contribution made by the employees at all levels to the working of the Company. The Directors also wish to place on record their appreciation for the shareholders, dealers, consumers and banks for their continued support.

FOR AND ON BEHALF OF THE BOARD

Mumbai  
Date: 18<sup>th</sup> May, 2015

**M.B. PAREKH**  
CHAIRMAN & MANAGING DIRECTOR

**ANNEXURE 1**

**Form No. MGT-9**  
**EXTRACT OF ANNUAL RETURN**

as on the financial year ended on 31<sup>st</sup> March, 2015

[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]

**I. REGISTRATION AND OTHER DETAILS:**

i	CIN	L24100MH1986PLC039837
ii	Registration Date	15.5.1986
iii	Name of the Company	Vinyl Chemicals (India) Limited
iv	Category / Sub-Category of the Company	Public Company/ Limited by Shares
v	Address of the Registered office and contact details	Regent Chambers, 7 <sup>th</sup> Floor, Jamnalal Bajaj Marg, 208, Nariman Point, Mumbai-400 021  Mr. P.C.Patel Company Secretary Tel: 2282 2708
vi	Whether listed company	Yes
vii	Name, Address and Contact details of Registrar and Transfer Agent, if any	TSR Darashaw Limited 6-10, Haji Moosa Patrawala Indl. Estate, 20, Dr. E. Moses Road, Mahalaxmi, Mumbai-400 011. Tel : 6656 8484

**II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY**

All the business activities contributing 10% or more of the total turnover of the Company shall be stated:

Sr. No.	Name and Description of main products/services	NIC Code of the products/services	% to total turnover of the Company
1	Wholesale trade in Chemicals	46102	100%

**III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES:**

NIL



**IV SHAREHOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)**

**i) Category-wise Share Holding**

	Category of Shareholders	No. of Shares held at the beginning of the year 01.04.2014				No. of Shares held at the end of the year 31.03.2015				% Change during the year
		Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>A. Promoters</b>										
(1)	Indian									
(a)	Individuals / Hindu Undivided Family	667857	0	667857	3.65	712127	0	712127	3.88	0.23
(b)	Central Government / State Governments(s)	0	0	0	0.00	0	0	0	0.00	0.00
(c)	Bodies Corporate	8598335	0	8598335	46.89	8598335	0	8598335	46.89	0.00
(d)	Financial Institutions / Banks	0	0	0	0.00	0	0	0	0.00	0.00
(e)	Any Other (specify)	0	0	0	0.00	0	0	0	0.00	0.00
	<b>Sub-Total (A) (1)</b>	<b>9266192</b>	<b>0</b>	<b>9266192</b>	<b>50.54</b>	<b>9310462</b>	<b>0</b>	<b>9310462</b>	<b>50.77</b>	<b>0.23</b>
(2)	Foreign									0.00
(a)	Individuals (Non-Resident Individuals / Foreign Individuals)	42750	0	42750	0.23	0	0	0	0.00	-0.23
(b)	Bodies Corporate	0	0	0	0.00	0	0	0	0.00	0.00
(c)	Institutions	0	0	0	0.00	0	0	0	0.00	0.00
(d)	Qualified Foreign Investor	0	0	0	0.00	0	0	0	0.00	0.00
(e)	Any Other (specify)	0	0	0	0.00	0	0	0	0.00	0.00
	<b>Sub-Total (A) (2)</b>	<b>42750</b>	<b>0</b>	<b>42750</b>	<b>0.23</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00</b>	<b>-0.23</b>
	<b>Total Shareholding of Promoter and Promoter Group (A)</b>	<b>9308942</b>	<b>0</b>	<b>9308942</b>	<b>50.77</b>	<b>9310462</b>	<b>0</b>	<b>9310462</b>	<b>50.77</b>	<b>0.00</b>
<b>B. Public Shareholding</b>										
(1)	<b>Institutions</b>									
(a)	Mutual Funds / UTI	2100	600	2700	0.02	2100	600	2700	0.01	-0.01
(b)	Financial Institutions / Banks	300	460	760	0.00	300	460	760	0.00	0.00
(c)	Central Government / State Governments(s)	0	0	0	0.00	0	0	0	0.00	0.00
(d)	Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0.00
(e)	Insurance Companies	50000	0	50000	0.27	43674	0	43674	0.24	-0.03
(f)	Foreign Institutional Investors	0	0	0	0.00	65017	0	65017	0.35	0.35
(g)	Foreign Venture Capital Investors	0	0	0	0.00	0	0	0	0.00	0.00
(h)	Qualified Foreign Investor	0	0	0	0.00	0	0	0	0.00	0.00
(i)	Foreign Portfolio Investors (Corporate)	0	0	0	0.00	0	0	0	0.00	0.00
(j)	Any Other (specify)	0	0	0	0.00	0	0	0	0.00	0.00
	<b>Sub-Total (B) (1)</b>	<b>52400</b>	<b>1060</b>	<b>53460</b>	<b>0.29</b>	<b>111091</b>	<b>1060</b>	<b>112151</b>	<b>0.61</b>	<b>0.32</b>
(2)	<b>Non-Institutions</b>									
(a)	Bodies Corporate	847846	83382	931228	5.08	826496	83082	909578	4.96	-0.12
(b)	Individuals -									
i	Individual shareholders holding nominal share capital upto ₹ 1 lakh	6508530	1407321	7915851	43.16	6643431	1361489	8004920	43.66	0.50
ii	Individual shareholders holding nominal share capital in excess of ₹ 1 lakh	127630	0	127630	0.70	0	0	0	0.00	-0.70
(c)	Qualified Foreign Investor	0	0	0	0.00	0	0	0	0.00	0.00
(d)	Any Other	0	0	0	0.00	0	0	0	0.00	0.00
i	Trusts	0	0	0	0.00	0	0	0	0.00	0.00
ii	O C B	0	0	0	0.00	0	0	0	0.00	0.00
	<b>Sub-total (B) (2)</b>	<b>7484006</b>	<b>1490703</b>	<b>8974709</b>	<b>48.94</b>	<b>7469927</b>	<b>1444571</b>	<b>8914498</b>	<b>48.62</b>	<b>-0.32</b>
	<b>Total Public Shareholding (B) = (B)(1)+(B)(2)</b>	<b>7536406</b>	<b>1491763</b>	<b>9028169</b>	<b>49.23</b>	<b>7581018</b>	<b>1445631</b>	<b>9026649</b>	<b>49.23</b>	<b>0.00</b>
	<b>TOTAL (A)+(B)</b>	<b>16845348</b>	<b>1491763</b>	<b>18337111</b>	<b>100.00</b>	<b>16891480</b>	<b>1445631</b>	<b>18337111</b>	<b>100.00</b>	
(C)	Shares held by Custodians and against which Depository Receipts have been issued	0	0	0	0.00	0	0	0	0.00	0.00
	<b>GRAND TOTAL (A)+(B)+(C)</b>	<b>16845348</b>	<b>1491763</b>	<b>18337111</b>	<b>100.00</b>	<b>16891480</b>	<b>1445631</b>	<b>18337111</b>	<b>100.00</b>	

## ii) Shareholding of Promoters:

Sr. No.	Shareholder's Name	Shareholding at the beginning of the year 01.04.2014			Shareholding at the end of the year 31.03.2015			% change in shareholding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged/ encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged/ encumbered to total shares	
1	Pidilite Industries Limited	7451540	40.64	0.00	7451540	40.64	0.00	0.00
2	Parekh Marketing Limited	430200	2.35	0.00	430200	2.35	0.00	0.00
3	Kalva Marketing and Services Limited	393770	2.15	0.00	393770	2.15	0.00	0.00
4	Pidichem Private Limited	133175	0.73	0.00	133175	0.73	0.00	0.00
5	Madhukar Balvantray Parekh	124763	0.68	0.00	124763	0.68	0.00	0.00
6	Ajay Balvantray Parekh	93063	0.51	0.00	94583	0.52	0.00	0.01
7	Mala Madhukar Parekh	82750	0.45	0.00	125500	0.68	0.00	0.23
8	Narendrakumar Kalyanji Parekh	75951	0.41	0.00	75951	0.41	0.00	0.00
9	Ishijas Chemicals Private Limited	64550	0.35	0.00	64550	0.35	0.00	0.00
10	Kalpana Apurva Parekh	63688	0.35	0.00	63688	0.35	0.00	0.00
11	Harton Private Limited	47000	0.26	0.00	47000	0.26	0.00	0.00
12	Bharati Narendrakumar Parekh	42750	0.23	0.00	42750	0.23	0.00	0.00
13	Jasna Raoul Thackersey	42750	0.23	0.00	42750	0.23	0.00	0.00
14	The Vacuum Forming Company Private Limited	40000	0.22	0.00	40000	0.22	0.00	0.00
15	Parkem Dyes & Chemicals Private Limited	38100	0.21	0.00	38100	0.21	0.00	0.00
16	Ami Ajay Parekh	35650	0.19	0.00	35650	0.19	0.00	0.00
17	Apurva Narendrakumar Parekh	28500	0.16	0.00	28500	0.16	0.00	0.00
18	Darshana Bimal Mody	21575	0.12	0.00	21575	0.12	0.00	0.00
19	Kanta Balvantray Parekh	17814	0.10	0.00	17814	0.10	0.00	0.00
20	Sushilkumar Kalyanji Parekh	14401	0.08	0.00	14401	0.08	0.00	0.00
21	Himatlal Kalyanji Parekh	14101	0.08	0.00	14101	0.08	0.00	0.00
22	Gulabben Himatlal Parekh	7900	0.04	0.00	7900	0.04	0.00	0.00
23	Indumati Chimanlal Parekh	2201	0.01	0.00	2201	0.01	0.00	0.00
24	Ishita Rajiv Amersey	42750	0.23	0.00	0	0.00	0.00	-0.23

## iii) Change in Promoters' Shareholding:

Sr.No.	Date	Reason	Shareholding as at 01.04.2014		Cumulative Shareholding during F.Y. 2014-2015	
			No. of Shares	% of total Shares of the company	No. of Shares	% of total Shares of the company
At the Beginning of the year			9308942	50.77	9308942	50.77
1	30-Dec-2014	Inter-se transfer	42750	0.23	125500	0.68
2	30-Dec-2014	Inter-se transfer	-42750	-0.23	0	0.00
3	19-Sep-2014	Purchase	1520	0.01	62083	0.34
At the end of the year			9310462	50.77	9310462	50.77





## iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):

Sr. No	Name	No of shares as on 31.03.2014	No of shares as on 31.03.2015	Net Changes	% to Capital
1	Jitendrakumar Saraiya	96000	70000	-26000	-0.14
2	The Oriental Insurance Company Limited	50000	43674	-6326	-0.03
3	Parul Patel	41918	41918	0	0.00
4	Aryavrat Financial Services Ltd	36000	55000	19000	0.10
5	Pushpa S Agarwal	30000	30000	0	0.00
6	Juguna Gopalakrishnan Panikamparambil	27395	32695	5300	0.03
7	Anand Devendrakumar Gupta	25000	50000	25000	0.14
8	Shri Parasram Holdings Pvt.Ltd.	19645	36557	16912	0.09
9	R L Arora	10000	63100	53100	0.29
10	Ambalal Shankerlal Patel	10000	50000	40000	0.22
11	Madan Doulatram Bahal	0	94875	94875	0.52
12	Safir Anand	0	66583	66583	0.36
13	Pinebridge Investments Gf Mauritius Limited	0	65017	65017	0.35
14	Cyrus Shavak Patel	0	50000	50000	0.27
15	Siddha Vanijya Pvt Ltd	0	37100	37100	0.20
16	Rajnikanth Maganbhai Patel	0	30300	30300	0.17

## v) Shareholding of Directors and Key Managerial Personnel:

Sr. No	Name	No of shares as on 31.03.2014	No of shares as on 31.03.2015	Net Changes	% to Capital
1	Madhukar Balvantray Parekh	124763	124763	0	0.68
2	Narendrakumar Kalyanji Parekh	75951	75951	0	0.41
3	Ramdas Maneklal Gandhi	2,700	2,700	0	0.00
4	Yasmin Jehangir Mogrelia	300	300	0	0.00
5	A.D.Mavinkurve	0	0	0	0.00
6	Priykanth Chhotalal Patel	102	102	0	0.00
7	Mahendra Gayatonde	0	0	0	0.00

## V. INDEBTEDNESS:

(₹ in lacs)

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the financial year</b>				
i) Principal Amount	-	49.47	-	49.47
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
<b>Total (i+ii+iii)</b>	-	<b>49.47</b>		<b>49.47</b>
<b>Change in indebtedness at the end of the financial year</b>				
Addition	-	-	-	-
Reduction	-	-	-	-
<b>Indebtedness at the end of the financial year</b>				
i) Principal Amount	-	49.47	-	49.47
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
<b>Total (i+ii+iii)</b>	-	<b>49.47</b>	-	<b>49.47</b>

**VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL:****A. Remuneration to Managing Director:**

(₹ in lacs)

Sr. No.	Particulars	Name of Managing Director - Shri M.B. Parekh	Total Amount
1	Gross Salary		-
2	Stock Option		-
3	Sweat Equity		-
4	Commission		
	- as % of profit		92.41
	- others		-
5	Others		-
	<b>Total (A)</b>		<b>92.41</b>
	Ceiling as per the Act (5% of Net Profits)		92.41

**B. Remuneration to other Directors:**

(₹ in lacs)

Sr. No.	Particulars	Name of Directors				Total Amount
		Shri N.K. Parekh	Shri R.M. Gandhi	Smt. Y.J. Mogrelia	Shri A.D. Mavinkurve	
1	Independent Directors					
	Fee for attending Board/ Committee Meetings	-	1.24	0.79	0.66	2.69
	Commission	-	1.50	1.50	1.50	4.50
	Others	-	-	-	-	-
	<b>Total (1)</b>	-	<b>2.74</b>	<b>2.29</b>	<b>2.16</b>	<b>7.19</b>
2	Non-Executive Director					
	Fee for attending Board/ Committee Meetings	0.44	-	-	-	0.44
	Commission	1.50	-	-	-	1.50
	Others	-	-	-	-	-
	<b>Total (2)</b>	<b>1.94</b>	-	-	-	<b>1.94</b>
	<b>Total B=(1)+(2)</b>	<b>1.94</b>	<b>2.74</b>	<b>2.29</b>	<b>2.16</b>	<b>9.13</b>
	<b>Total Managerial Remuneration</b>					<b>101.54</b>
	Overall ceiling as per the Act (11% of Net Profits)					203.31

**C. Remuneration to Key Managerial Personnel other than MD/Manager/WTD:**

(₹ in lacs)

Sr. No.	Particulars	Name of Key Managerial Personnel - Shri Mahendra Gayatonde, CFO*	Total Amount
1	Gross Salary		2.86
	(a) Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961		-
	(b) Value of perquisites u/s 17(2) of Income Tax Act, 1961		-
	(c) Profits in lieu of salary under Section 17(3) of Income Tax Act, 1961		-
2	Stock Option		-
3	Sweat Equity		-
4	Commission		
	- as % of profit		-
	- others		-
5	Others		8.38
	<b>Total</b>		<b>11.24</b>

\* Appointed w.e.f. 1st August, 2014.

**VII. PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES:**

There were no penalties/punishment/compounding of offences against the Company, Directors and Officers in Default during the Financial Year ended 31<sup>st</sup> March, 2015.



**FORM AOC – 2**

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

Form for disclosure of particulars of contracts/ arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Act including certain arm's length transaction under third proviso thereto.

**1. Details of material contracts or arrangements or transactions not at arm's length basis:**

All contracts/arrangements/transactions entered into during the year ended 31<sup>st</sup> March, 2015 were at arm's length basis.

**2. Details of material contracts or arrangements or transactions at arm's length basis:**

**a. Name(s) of the related party and nature of relationship:**

Pidilite Industries Ltd. (Promoter Company).

**b. Nature of contracts/arrangements/transactions:**

Sale and supply of goods, products & materials viz. Chemicals.

**c. Duration of the contracts/arrangements/transactions:**

On ongoing basis.

**d. Salient terms of the contracts or arrangements or transactions including the value, if any:**

Sale of Chemicals viz. VAM on commercial terms as per prevailing market price as applicable to bulk industrial consumers with firm commitment for off-take of materials from time to time. For the Financial Year 2014-2015, the value of goods sold was ₹ 375.64 crores.

**e. Date (s) of approval by the Board, if any:**

Not Applicable

**f. Amount paid as advances, if any:**

Not Applicable

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

Place : Mumbai  
Date : 18<sup>th</sup> May, 2015

**M.B. PAREKH**  
CHAIRMAN & MANAGING DIRECTOR

**ANNEXURE 3****REPORT ON CORPORATE SOCIAL RESPONSIBILITY ACTIVITIES**

- 1. A brief outline of the Company's Corporate Social Responsibility (CSR) Policy, including overview of projects or programmes proposed to be undertaken and a reference to the web-link to the CSR Policy and projects or programmes:**

The key focus areas of the Company's CSR Policy are to support various bodies in carrying CSR activities in the areas of rural development, education, health care, general semantics etc. The full CSR Policy is displayed on the Company's Website [www.vinylchemicals.com](http://www.vinylchemicals.com).

- 2. The composition of CSR Committee:**

Shri N.K. Parekh, Director, is the Chairman of the CSR Committee. The other Members of the Committee are Shri M.B. Parekh and Shri R.M. Gandhi, Directors.

- 3. Average Net Profits of the Company for the last three financial years:**

₹ 918.66 lacs

- 4. Prescribed CSR expenditure for Financial Year 2014-2015:**

₹ 18.37 lacs

- 5. Details of CSR spent for the Financial Year:**

- (a) Total amount to be spent for the Financial Year 2014-2015:

₹ 18.37 lacs

- (b) Amount unspent, if any:

Nil

- (c) Manner in which the amount was spent during the financial year:

In March 2015, a contribution of ₹ 20 lacs was made to Trivenikalyan Foundation, a registered Public Charitable Trust carrying on activities in line with the CSR Policy of the Company in rural areas for over 3 decades.

The amount will be spent on rural development activities as outlined in the CSR Policy of the Company.

- 6. In case the Company has failed to spend the two percent of the average net profit of the last three financial years or any part thereof, the Company shall provide the reasons for not spending the amount in its Board Report:**

Not Applicable

- 7. A responsibility statement of the CSR Committee:**

The implementation and monitoring of CSR Policy is in compliance with CSR objectives and Policy of the Company.

**M.B. PAREKH**  
(CHAIRMAN & MANAGING DIRECTOR)

**N.K. PAREKH**  
(CHAIRMAN OF THE CSR COMMITTEE)

Date : 18<sup>th</sup> May, 2015

Place : Mumbai



**SECRETARIAL AUDIT REPORT  
FOR THE FINANCIAL YEAR ENDED 31<sup>st</sup> MARCH 2015**

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No.9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,

The Members,  
Vinyl Chemicals (India) Limited,  
Regent Chambers, 7<sup>th</sup> Floor,  
208, Nariman Point,  
Mumbai-400021

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Vinyl Chemicals (India) Limited (hereinafter called the company). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorised representatives during the conduct of secretarial audit, I hereby report that in my opinion, the company has during the audit period covering the financial year ended on 31<sup>st</sup> March 2015 (Audit Period) complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31<sup>st</sup> March 2015 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings **(Not applicable to the Company during the Audit Period)**;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):
  - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
  - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 **(Not applicable to the Company during the Audit Period)**;
  - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 **(Not applicable to the Company during the Audit Period)**;

- (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 **(Not applicable to the Company during the Audit Period)**;
  - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
  - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 **(Not applicable to the Company during the Audit Period)**; and
  - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 **(Not applicable to the Company during the Audit Period)**;
- (vi) There are no specific laws applicable to the Company.
- I have also examined compliance with the applicable clauses of the following:
- (i) Secretarial Standards (SS) issued by The Institute of Company Secretaries of India. **(SS-1 and SS-2 were notified on 23<sup>rd</sup> April 2015 and will be applicable with effect from 1<sup>st</sup> July 2015).**
  - (ii) The Listing Agreements entered into by the Company with Stock Exchanges.

During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

**I further report that**

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

All decisions at Board meetings and Committee meetings are carried out unanimously as recorded in the minutes of meetings of the Board of Directors or Committee of the Board, as the case may be.

**I further report that** there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

**I further report that** during the audit period the company has no specific events/ actions having a major bearing on the company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc.

**FOR M. M. SHETH & CO.**  
**(Company Secretaries)**

**M. M. SHETH**  
**(Prop.)**  
FCS No. 1455  
CP No. 729

Place : Mumbai  
Date : 18<sup>th</sup> May 2015



## ANNEXURE 5

**I. DISCLOSURE U/S 197(12) AND RULE 5(1) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014****1. Ratio of remuneration of each director to the median remuneration of the employees of the company for the financial year ended 31<sup>st</sup> March, 2015:**

Sr. No.	Name of Director	Total Remuneration (₹ in lacs)	Ratio of Remuneration of Director to the Median Remuneration
1	Shri M.B. Parekh	92.41	10.08
2	Shri N.K. Parekh	1.94	0.21
3	Shri R.M. Gandhi	2.74	0.30
4	Smt. Y.J. Mogrelia	2.29	0.25
5	Shri A.D. Mavinkurve	2.16	0.24

**2. The Percentage increase in remuneration of each Director and Key Managerial Personnel in the financial year:**

Sr. No.	Name of Director/KMP	Remuneration (₹ in lacs)		Increase (%)
		2014-2015	2013-2014	
1	Shri M.B. Parekh	92.41	55.00	68%
2	Shri N.K. Parekh	1.94	1.40	39%
3	Shri R.M. Gandhi	2.74	1.84	49%
4	Smt. Y.J. Mogrelia	2.29	1.60	43%
5	Shri A.D. Mavinkurve	2.16	1.42	52%
6	Shri Mahendra Gayatonde (CFO)*	11.24	-	NA

\*Appointed w.e.f. 1<sup>st</sup> August, 2014.

**3. Percentage increase in the median remuneration of employees in the financial year:**

Particulars	Median Remuneration (₹ in lacs)		Increase (%)
	2014-2015	2013-2014	
Median remuneration of all employees (per annum)	9.16	8.16	12%

4. The number of permanent employees on the rolls of the company as on 31<sup>st</sup> March, 2015 was 14.

**5. Explanation on the relationship between average increase in remuneration and company performance:**

The increase in the average remuneration of all employees in the Financial Year 2014-2015 as compared to Financial Year 2013-2014 was 31%.

The key indices of the Company's performance are:

Particulars	Amount (₹ in lacs)		Growth (%)
	2014-2015	2013-2014	
Revenue from operations	44,156	29,278	51%
Profit before tax	1,872	1,133	65%
Profit after tax	1,234	749	65%

The average increase in the remuneration of employees is in line with the current year's performance, market dynamics and as a measure to motivate the employees for a better future performance to achieve organisation's growth expectations.

**6. Comparison of remuneration of Key Managerial Personnel against the performance of the Company:**

The remuneration of Key Managerial Personnel increased by 68% whereas the Profit Before Tax increased by 65% in the Financial Year 2014-2015 as compared to Financial Year 2013-2014.

**7. Details of share price and market capitalisation as at the closing date of the current financial year and the previous financial year:**

- (i) The market capitalisation as on 31<sup>st</sup> March, 2015 and 31<sup>st</sup> March, 2014 were ₹ 120.02 crores and ₹ 30.62 crores respectively.
- (ii) The Price Earnings Ratio as on 31<sup>st</sup> March, 2015 and 31<sup>st</sup> March, 2014 were 9.71 and 4.09 respectively.
- (iii) The percentage increase in the market quotations of the shares of the company in comparison to the rate at which the company came out with the last public offer is 2,685% (after adjusting the face value of share at the time of IPO to the current face value).

**8. Comparison of average percentage increase in the salary of employees other than the Key Managerial Personnel (KMP) and the percentage increase in the KMP remuneration:**

Particulars	Amount (₹ in lacs)		Increase (%)
	2014-2015	2013-2014	
Average salary of all employees (other than KMP)	10.88	8.64	26%
Managing Director's remuneration	92.41	55.00	68%

**9. Key parameters for the variable component of remuneration paid to the Directors:**

Commission is paid to Non-Executive Directors within the ceiling of 1% of the net profit of the company and to Managing Director within the ceiling of 5% of the net profit of the company, as approved by the shareholders of the Company.

**10. The ratio of the remuneration of the highest paid Director to that of the employees who are not Directors but receive remuneration in excess of the highest paid directors during the year:**

Not Applicable

**11. Affirmation:**

It is affirmed that the remuneration paid to the Directors, Key Managerial Personnel and Senior Management is as per the remuneration policy of the Company.

**II. DISCLOSURE UNDER RULE 5(2) & 5(3) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014****1. List of employees employed throughout the Financial Year 2014-2015 and were paid remuneration not less than ₹ 60 lacs per annum:**

Name	Designation	Remuneration (₹)	Qualification	Experience (in years)	Date of Joining	Age (in years)	Last Employment
M.B. Parekh	Chairman & Managing Director	92,41,000	B.Chem Engg.; M.S. (Chem Engg.) (USA)	45	1.5.1989	68	Pidilite Industries Ltd. (M.D.)

**2. List of employees employed for part of the year and were paid remuneration during the Financial Year 2014-2015 at a rate which in aggregate was not less than ₹ 5 lacs per month:**

There were no employee who was employed for part of the year who was in receipt of remuneration at a rate which in the aggregate was not less than ₹ 5 lacs per month.





**CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO:**

During the Financial Year 2014–2015, the Company did not have manufacturing activity. The Company's current business activity is Trading in Chemicals. Hence, information as applicable to trading activity is only given.

**A. Conservation of Energy** - Not Applicable

Total energy consumption and energy consumption per unit of production - As per Form A

**Form A**

Disclosure of particulars with respect of Conservation of Energy

(a) **Power and Fuel Consumption** - Not Applicable

(b) **Consumption per unit of Production** - Not Applicable

**B. Technology Absorption** - Not Applicable

**C. Foreign Exchange Earnings & Outgo:**

Total Foreign Exchange used and earned:

	<b>2014-2015</b>	<b>2013-2014</b>
	₹	₹
1. Foreign Exchange used:		
i. Expenditure	-	-
ii. Imports (CIF basis)	3,78,44,31,361	2,61,63,71,527
2. Earnings on account of Export of Goods (FOB basis):		
i. In Foreign Exchange	1,86,84,748	-
ii. Deemed Export	-	-

## MANAGEMENT DISCUSSION AND ANALYSIS REPORT

The Company's current business activity is Trading in Chemicals.

### **Industry Structure and Developments:**

Large number of companies are active in trading of chemicals. About 10 - 11 importers are regularly importing Vinyl Acetate Monomer for trading.

### **Opportunities, Threats, Outlook, Risks and Concerns:**

The Company is currently engaged mainly in trading of Vinyl Acetate Monomer. The Company will weigh the opportunities and decide at an appropriate time whether to expand trading activity by trading in other chemicals.

The price and demand of various chemicals undergo fluctuations. Similarly, there are fluctuations in foreign currency rates. Hence, there is an inherent risk in trading activities.

### **Segment-wise Performance:**

The Company's current business activity has only one primary reportable segment, namely trading in chemicals.

### **Internal Control Systems and their Adequacy:**

The Company has adequate internal control procedures commensurate with size and nature of its business. The internal control systems provide for policies, guidelines, authorisations and approval procedures.

The Audit Committee of the Board of Directors periodically reviews the internal audit reports, significant risk area assessment and adequacy of internal controls for ensuring checks and balances. The Company has appointed Internal Auditors who regularly check the adequacy and effectiveness of all internal controls and suggest improvements.

### **Financial Performance:**

Financial results and performance for the year are elaborated in the Directors' Report.

### **Human Resources:**

Harmonious relations continued to prevail with the employees. The total number of employees as on 31<sup>st</sup> March, 2015 were 14.



## INDEPENDENT AUDITORS' REPORT

**To the Members of  
Vinyl Chemicals (India) Limited**

### **Report on the Financial Statements**

We have audited the accompanying financial statements of Vinyl Chemicals (India) Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2015, the Statement of Profit and Loss and Cash Flow Statement for the year then ended and a summary of significant accounting policies and other explanatory information.

### **Management's Responsibility for the Financial Statements**

The Management and Board of Directors of the Company are responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ('the Act') with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of Companies (Accounts) Rules, 2014. This responsibility includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; design, implementation and maintenance of adequate internal financial controls, that are operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

### **Auditor's Responsibility**

Our responsibility is to express an opinion on these financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. These Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial controls relevant to the Company's preparation of the financial statements, that give a true and fair view, in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial control system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Company's Management and Board of Directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### **Opinion**

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India of the state of affairs of the Company as at 31st March 2015, its profit and its cash flows for the year ended on that date.

### **Report on Other Legal and Regulatory Requirements**

1. As required by the Companies (Auditor's Report) Order, 2015 ("the Order") issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, we further report that:
  - a. we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
  - b. in our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
  - c. the Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account;
  - d. in our opinion, the aforesaid financial statements comply with the applicable Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules 2014;
  - e. on the basis of written representations received from the directors as on March 31, 2015 and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2015, from being appointed as a director in terms of Section 164(2) of the Act;
  - f. In our opinion and to the best of our information and according to the explanations given to us, we report as under with respect to other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014:
    - (i) The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note 24 to the financial statements;
    - (ii) The Company did not have any long-term contracts including derivative contracts; as such the question of commenting on any material foreseeable losses thereon does not arise;
    - (iii) There has been no delay in transferring amounts, as required to be transferred, to the investor education fund by the Company.

For **KHANNA & PANCHMIA**  
CHARTERED ACCOUNTANTS  
Firm's Registration No. 136041W

**Ketan Panchmia**  
Mem. No. 038985

Mumbai  
Dated: 18<sup>th</sup> May, 2015



**Annexure to Independent Auditors' Report**

**Referred to in Paragraph 1 under the heading "Report on Other Legal and Regulatory Requirements" of our report of even date**

1. The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
2. We are informed that the fixed assets have been physically verified by the Management during the year. There is a regular programme of verification, which, in our opinion, is reasonable having regard to size of the Company and nature of its assets. No material discrepancies were noticed on such verification.
3. The Management has physically verified the inventories of the Company during the year. In our opinion, the frequency of verification is reasonable.
4. In our opinion, the procedures for physical verification of inventories followed by Management are reasonable and adequate in relation to the size of the Company and the nature of its business.
5. On the basis of our examination of the records of the Company, we are of the opinion that the Company has maintained proper records of inventories. The discrepancies noticed on verification between the physical verification and book records, not being material, were appropriately dealt with.
6. The Company has not granted any loans, secured or unsecured, to the companies, firms or other parties listed in the register maintained under Section 189 of the Companies Act, 2013. In view of this, Clauses iii (a) and (b) are not applicable to the Company and hence, not reported upon.
7. There is adequate internal control system commensurate with the size of the Company and the nature of its business for the purchase of inventory and fixed assets and for the sale of goods and services. There is no continuing failure to correct weaknesses in internal control system.
8. The Company has not accepted any deposits from the public covered under Section 73 to 76 of the Companies Act, 2013.
9. We are informed that the Central Government has not prescribed the maintenance of cost records by the Company under Section 148(1) of the Act, for the product dealt with by the Company.
10. According to the books and records as produced and examined by us in accordance with generally accepted auditing practices in India and also based on Management representations, the Company is regular in depositing undisputed statutory dues including Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Wealth Tax, Service Tax, Customs Duty, Excise Duty, Cess and other material statutory dues with the appropriate authorities and there are no arrears of outstanding statutory dues as at the last day of the financial year for a period of more than six months from the date it became payable.
11. According to the information and explanations given to us and also based on the Management's Representation, there have been no dues of Income tax, Sales Tax, Wealth Tax, Service Tax, Customs Duty, Excise Duty and Cess that have not been deposited on account of any dispute as at the balance sheet date except as detailed below-

Name of Statute	Nature of Dues	Amount in ₹	Period to which the amount relates	Forum where dispute is pending
Income Tax Act	Assessment U/s 143(3)	4,27,420	A Y 2010-11	ITAT, Mumbai
Income Tax Act	Assessment U/s 143(3)	5,80,010	A Y 2011-12	CIT(Appeals), Mumbai
Income Tax Act	Assessment U/s 143(3)	2,75,260	A Y 2012-13	CIT(Appeals), Mumbai
Maharashtra Value Added Tax Act	Assessment Dues	81,77,742	A Y 2006-07	JC (Appeals V), Sales Tax Office, Mumbai
Central Sales Tax Act	Assessment Dues	42,78,179	A Y 2006-07	JC (Appeals V), Sales Tax Office, Mumbai
Maharashtra Value Added Tax Act	Assessment Dues	62,67,349	A Y 2009-10	JC (Appeals V), Mumbai
Maharashtra Value Added Tax Act	Assessment Dues	1,02,90,811	A Y 2005-06	JC (Appeals), RAI-F-001, Sales Tax Office, Navi Mumbai
Central Sales Tax Act	Assessment Dues	6,82,692	A Y 2005-06	JC (Appeals), RAI-F-001, Sales Tax Office, Navi Mumbai
Maharashtra Value Added Tax Act	Assessment Dues	3,78,84,795	A Y 2010-11	JC (Appeals I), Mumbai

12. According to information and explanations given to us the amounts which were required to be transferred to investor education and protection fund in accordance with the relevant provisions of the Companies Act 1956(1 of 1956) and rules there under have been transferred to such fund within time.
13. The Company has neither accumulated losses as at 31<sup>st</sup> March 2015 nor has it incurred any cash losses either in the financial year under audit or in the immediately preceding financial year.
14. According to the records of the Company, it has not defaulted in repayment of dues to financial institutions or banks or to debenture holders.
15. The Company has not given any guarantee for loans taken by others from banks or financial institutions, the terms and conditions whereof are prejudicial to the interest of the Company.
16. We are informed that the Company has not taken any term loans during the year.
17. As per the information and explanations given to us and on the basis of examination of records, no fraud on or by the Company has been noticed or reported during the year.

For **KHANNA & PANCHMIA**  
 CHARTERED ACCOUNTANTS  
 Firm's Registration No. 136041W

**Ketan Panchmia**  
 Mem. No. 038985

Mumbai  
 Dated: 18<sup>th</sup> May, 2015

**BALANCE SHEET AS AT 31ST MARCH, 2015**

	Notes		31st March, 2015	31st March, 2014
		₹	₹	₹
<b>I Equity &amp; liabilities</b>				
<b>1. Shareholders' funds</b>				
Share capital	3	1,83,43,984		1,83,43,984
Reserves and surplus	4	<u>32,80,15,088</u>		<u>23,76,95,087</u>
			34,63,59,072	<u>25,60,39,071</u>
<b>2. Non-current liabilities</b>				
Long-term borrowings	5	49,47,308		49,47,308
Deferred tax liability	30	71,857		73,702
Long-term provisions	6	<u>5,13,638</u>		<u>4,02,088</u>
			55,32,803	<u>54,23,098</u>
<b>3. Current liabilities</b>				
Trade payables	7	59,73,97,382		73,72,91,261
Other current liabilities	8	4,61,34,886		2,52,46,756
Short-term provisions	9	<u>4,11,20,840</u>		<u>3,21,41,135</u>
			68,46,53,108	<u>79,46,79,152</u>
<b>Total</b>			<b><u>1,03,65,44,983</u></b>	<b><u>1,05,61,41,321</u></b>
<b>II Assets</b>				
<b>1. Non-current assets</b>				
Fixed assets				
Tangible assets (Net)	10	23,21,328		23,78,900
Long-term loans and advances	11	<u>88,84,147</u>		<u>89,83,933</u>
			1,12,05,475	<u>1,13,62,833</u>
<b>2. Current assets</b>				
Current investments	12	8,91,41,854		5,09,87,741
Inventories	13	37,74,30,388		35,99,83,494
Trade receivables	14	48,04,01,663		52,54,97,223
Cash and bank balances	15	2,68,68,167		6,89,98,655
Short-term loans and advances	16	<u>5,14,97,436</u>		<u>3,93,11,375</u>
			1,02,53,39,508	<u>1,04,47,78,488</u>
<b>Total</b>			<b><u>1,03,65,44,983</u></b>	<b><u>1,05,61,41,321</u></b>
<b>Summary of significant accounting policies</b>	2			

The accompanying notes are an integral part of the financial statements

As per our report of even date

For and on behalf of the Board

**For Khanna & Panchmia**

Chartered Accountants  
Firm Reg. No.136041W

**P.C. Patel**  
President & Secretary

**M.B. Parekh**  
Chairman & Managing Director

**Ketan Panchmia**

Partner  
Mem.No. 038985

**N.K. Parekh**  
Director

Mumbai

Dated : 18<sup>th</sup> May, 2015

**STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2015**

	Notes	31st March, 2015	31st March, 2014
		₹	₹
<b>Income</b>			
Revenue from operations	17	4,41,55,95,415	2,92,78,28,956
Other income	18	1,28,52,606	1,03,63,985
<b>Total Revenue</b>		<b>4,42,84,48,021</b>	<b>2,93,81,92,941</b>
<b>Expenses</b>			
Purchase of traded goods	19	4,15,84,49,993	2,88,33,75,942
(Increase)/decrease in inventories of traded goods	20	(1,74,46,894)	(15,30,57,027)
Cost of traded goods sold		4,14,10,03,099	2,73,03,18,915
Employee benefits expenses	21	2,43,56,535	1,55,71,256
Finance costs	22	7,39,452	3,71,467
Depreciation expense	10	57,572	33,698
Other Expenses	23	7,50,67,937	7,85,89,809
<b>Total Expenses</b>		<b>4,24,12,24,595</b>	<b>2,82,48,85,145</b>
<b>Profit before tax</b>		<b>18,72,23,426</b>	<b>11,33,07,796</b>
<b>Tax expense</b>			
Current tax		6,38,00,000	3,84,50,000
Deferred tax	30	(1,845)	4,337
Total tax expenses		6,37,98,155	3,84,54,337
<b>Profit for the year</b>		<b>12,34,25,271</b>	<b>7,48,53,459</b>
<b>Earnings per share</b>			
Basic		6.73	4.08
Diluted		6.73	4.08

**Summary of significant accounting policies** 2

**The accompanying notes are an integral part of the financial statements**

As per our report of even date

For and on behalf of the Board

**For Khanna & Panchmia**

Chartered Accountants  
Firm Reg. No.136041W

**P.C. Patel**  
President & Secretary

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Chairman & Managing Director

**Ketan Panchmia**

Partner  
Mem.No. 038985

**N.K. Parekh**  
Director

Mumbai

Dated : 18<sup>th</sup> May, 2015



**CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2015**

	<b>31st March, 2015</b>	<b>31st March, 2014</b>
	₹	₹
<b>Cash flow from operating activities</b>		
<b>Profit/(loss) before tax</b>	<b>18,72,23,426</b>	<b>11,33,07,796</b>
Non-cash adjustments to reconcile profit before tax to net cash flows		
Depreciation	57,572	33,698
Interest and other finance expenses	7,39,452	3,71,467
Interest income	(1,20,000)	(1,20,000)
Net (gain)/loss on sale of current investments	(1,25,49,943)	(89,14,967)
<b>Operating profit/(loss) before working capital changes</b>	<b>17,53,50,507</b>	<b>10,46,77,994</b>
<b>Movements in working capital:</b>		
Decrease/(increase) in fixed assets	-	(32,950)
Increase/(decrease) in trade payables	(13,98,93,879)	30,73,68,917
Increase/(decrease) in long-term provisions	1,11,550	(8,28,569)
Increase/(decrease) in other current liabilities	2,08,88,130	26,53,737
Increase/(decrease) in short-term provisions	(2,41,25,565)	(64,75,171)
Decrease/(increase) in inventories	(1,74,46,894)	(15,30,57,030)
Decrease/(increase) in long-term loans and advances	99,786	(12,09,456)
Decrease/(increase) in trade receivables	4,50,95,560	(19,41,80,627)
Decrease/(increase) in short-term loans and advances	(1,21,86,061)	23,48,585
<b>Cash generated from Operations</b>	<b>4,78,93,134</b>	<b>6,12,65,430</b>
Interest and other finance expenses	(7,39,452)	(3,71,467)
Direct taxes paid	(6,38,00,000)	(3,84,50,000)
<b>Net Cash from Operating Activities (A)</b>	<b>(1,66,46,318)</b>	<b>2,24,43,963</b>
<b>Cash flows from investing activities</b>		
Sale/(Purchase) of current investments	(3,81,54,113)	2,40,12,259
Net gain from sale of current investments	1,25,49,943	89,14,967
Interest income	1,20,000	1,20,000
<b>Net cash flow from/(used in) investing activities (B)</b>	<b>(2,54,84,170)</b>	<b>3,30,47,226</b>
<b>Cash flow from financing activities</b>		
Proceeds from/(repayment of) long-term borrowings	-	-
<b>Net cash flow from/(used in) financing activities (C)</b>	<b>-</b>	<b>-</b>
<b>Net increase/(decrease) in cash and cash equivalents (A+B+C)</b>	<b>(4,21,30,488)</b>	<b>5,54,91,189</b>

	31st March, 2015	31st March, 2014
	₹	₹
Cash and cash equivalents at the beginning of the year	6,89,98,655	1,35,07,466
<b>Cash and cash equivalents at the end of the year</b>	<b>2,68,68,167</b>	<b>6,89,98,655</b>
<b>Components of cash and cash equivalents</b>		
Cash on hand	58,801	80,248
Balances with banks - in current accounts	2,42,41,510	6,71,20,540
- in unpaid dividend accounts *	25,67,856	17,97,867
<b>Total cash and cash equivalents (Note 15)</b>	<b>2,68,68,167</b>	<b>6,89,98,655</b>

\* The Company can utilize these balances only towards settlement of the respective unpaid dividend liabilities.

**Summary of significant accounting policies** 2

As per our report of even date

For and on behalf of the Board

**For Khanna & Panchmia**

Chartered Accountants  
Firm Reg. No.136041W

**P.C. Patel**  
President & Secretary

**M.B. Parekh**  
Chairman & Managing Director

**Ketan Panchmia**

Partner  
Mem.No. 038985

**N.K. Parekh**  
Director

Mumbai  
Dated : 18<sup>th</sup> May, 2015



**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2015**

**Note 1**

**Corporate Information**

The Company was incorporated in 1986 and is dealing in chemicals, mainly Vinyl Acetate Monomer (VAM). The equity shares of the Company are listed on BSE Ltd. (BSE) and National Stock Exchange of India Ltd. (NSE).

**Note 2**

**Significant Accounting Policies**

- 2.1 The financial statements of the Company have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting Standards specified under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014 and the relevant provisions of the Companies Act, 2013 ("the 2013 Act") / Companies Act, 1956 ("the 1956 Act"), as applicable. The financial statements have been prepared on accrual basis under the historical cost convention on a going concern basis. The accounting policies adopted in the preparation of financial statements are consistent with those followed in the previous year.
- 2.2 The preparation of financial statements in conformity with Indian GAAP requires the management to make estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities, at the end of the reporting period. Although these estimates are based on the Management's best knowledge of current events and actions, future results could differ due to these estimates and the differences between the actual results and the estimates are recognised in the periods in which the results are known/ materialised.
- 2.3.
  - i. Tangible assets are stated at cost.
  - ii. Depreciation has been provided on straight line method on fixed assets, as per the rates specified in Schedule II of the Companies Act, 2013.
- 2.4. Long-term investments are carried individually, at cost less provision for diminution, other than temporary, in the value of such investments. Current investments are carried individually, at the lower of cost and fair value. Cost of investments include acquisition charges such as brokerage, fees and duties.
- 2.5. Inventory of Traded Goods is valued at actual cost or net realisable value, whichever is lower.
- 2.6. Accounting for Taxes on Income:
  - i. Provision for current tax is made on the basis of taxable income for the current year in accordance with the provisions of the Income Tax Act, 1961.
  - ii. Deferred tax resulting from timing differences between book and tax profits is accounted for under the liability method at the current rate of tax to the extent that the timing differences are expected to crystallize. Deferred tax assets are recognized and carried forward only if there is a virtual /reasonable certainty that they will be realized and are reviewed for the appropriateness of their respective carrying values at each balance sheet date.
- 2.7. Foreign Currency transactions are recorded at the exchange rates prevailing on the date of transaction. Foreign currency designated assets and liabilities are restated at year end rates or at contract rates and the resultant gain or loss is taken to the Statement of Profit and Loss.
- 2.8. Employees' Benefits:
  - i. Contribution to Provident and Family Pension Fund are funded as a percentage of salary.
  - ii. Gratuity liability is funded as per group gratuity scheme of Life Insurance Corporation of India.
  - iii. Leave encashment liability is provided for on the basis of actuarial valuation as at the year end.
- 2.9. Revenue Recognition:
  - i. Income from sale of goods is recognised upon transfer of significant risk and rewards of ownership of the goods to the customer which generally coincides with delivery and acceptance of the goods sold. Sales are net of Sales tax/ VAT, returns, rebates and discounts.
  - ii. Claims which are not of material nature/insurance claims etc. are accounted for when no significant uncertainties are attached to their eventual receipt.
  - iii. Negotiated price reduction obtained from supplier is accounted for as a part of 'Other operating revenue'.
- 2.10. Provisions, Contingent Liabilities and Contingent Assets:
  - i. Provisions involving substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past events and it is probable that there will be outflow of resources.
  - ii. Disclosure for a contingent liability is made, without a provision in books, when there is an obligation that may, but probably will not, require outflow of resources.
  - iii. Contingent Assets are neither recognised nor disclosed in the financial statement.
- 2.11. Earnings Per Share:

In determining the earnings per share, the Company considers the net profit after tax and post tax effect of any extra-ordinary/exceptional item is shown separately. The number of shares considered in computing basic earnings per share is the number of shares outstanding at the end of the year.

	31st March, 2015	31st March, 2014
₹	₹	₹
<b>Note 3</b>		
<b>Share capital</b>		
<b>Authorised</b>		
3,49,66,001 equity shares of ₹ 1 each (Previous year 3,49,66,001 equity shares of ₹ 1 each)	3,49,66,001	3,49,66,001
<b>Issued</b>		
1,83,43,984 equity shares of ₹ 1 each (Previous year 1,83,43,984 equity shares of ₹ 1 each)	1,83,43,984	1,83,43,984
<b>Subscribed and paid-up</b>		
1,83,37,111 equity shares of ₹ 1 each (Previous year 1,83,37,111 equity shares of ₹ 1 each)	1,83,37,111	1,83,37,111
Add: Amount received on 6,873 (Previous year 6,873) forfeited equity shares	6,873	6,873
	<u>1,83,43,984</u>	<u>1,83,43,984</u>
	<b><u>1,83,43,984</u></b>	<b><u>1,83,43,984</u></b>
a. There was no change in number of shares at the beginning and at the end of the reporting period.		
<b>b. Details of shareholders holding more than 5% shares in the Company</b>		
Pidilite Industries Ltd.		
74,51,540 (previous year 74,51,540) shares of ₹ 1 each fully paid	74,51,540	74,51,540
Percentage of shareholding	40.64%	40.64%
<b>Note 4</b>		
<b>Reserves &amp; surplus</b>		
<b>Capital reserves</b>		
	54,46,752	54,46,752
<b>General reserve</b>		
Balance as per last financial statements	9,22,40,204	8,42,40,204
Add: Amount transferred from surplus balance in the statement of profit and loss	1,25,00,000	80,00,000
<b>Closing balance</b>	10,47,40,204	9,22,40,204
<b>Surplus/(deficit) in the statement of profit &amp; loss</b>		
Balance as per last financial statements	14,00,08,131	9,46,08,175
Add: Profit for the year	12,34,25,271	7,48,53,459
	<u>26,34,33,402</u>	<u>16,94,61,634</u>
Less: Appropriations		
Proposed equity dividend [amount ₹ 1.50 per share (previous year ₹ 1.00 per share)]	2,75,05,666	1,83,37,111
Tax on proposed equity dividend	55,99,604	31,16,392
Transfer to General Reserve	1,25,00,000	80,00,000
	<u>4,56,05,270</u>	<u>2,94,53,503</u>
<b>Net surplus/(deficit) in the statement of profit and loss</b>	<u>21,78,28,132</u>	<u>14,00,08,131</u>
	<b><u>32,80,15,088</u></b>	<b><u>23,76,95,087</u></b>



	31st March, 2015 ₹	31st March, 2014 ₹
<b>Note 5</b>		
<b>Long-term borrowings</b>		
<b>Unsecured borrowings</b>		
Deferred sales tax loan (Repayment due on 30th April, 2017)	49,47,308	49,47,308
	<u>49,47,308</u>	<u>49,47,308</u>
<b>Note 6</b>		
<b>Long-term provisions</b>		
<b>Provision for employee benefits</b>		
Provision for leave benefits	5,13,638	4,02,088
	<u>5,13,638</u>	<u>4,02,088</u>
<b>Note 7</b>		
<b>Trade Payables</b>		
Micro, Small and Medium Enterprises (Refer Note 25)	-	-
Others	59,73,97,382	73,72,91,261
	<u>59,73,97,382</u>	<u>73,72,91,261</u>
<b>Note 8</b>		
<b>Other current liabilities</b>		
(Investor Education and Protection Fund will be credited by following amount as and when due)		
Unpaid dividend	25,67,857	17,97,868
<b>Others</b>		
VAT/CST payable	86,34,824	85,59,360
TDS payable	3,86,078	2,47,289
Other Liabilities	3,45,46,127	1,46,42,239
	<u>4,61,34,886</u>	<u>2,52,46,756</u>
<b>Note 9</b>		
<b>Short-term provisions</b>		
<b>Others</b>		
Provision for taxation (net of advance income-tax)	80,15,570	1,06,87,632
Proposed dividend on equity share capital	2,75,05,666	1,83,37,111
Tax on proposed equity dividend	55,99,604	31,16,392
	<u>4,11,20,840</u>	<u>3,21,41,135</u>

**Note 10****Tangible assets**

Tangible assets	Gross block (At cost)			Accumulated depreciation			Net block		
	Balance as at 1.4.2014 ₹	Additions/ (disposal) ₹	Balance as at 31.3.2015 ₹	Balance as at 1.4.2014 ₹	Charge for the year ₹	On disposal ₹	Balance as at 31.3.2015 ₹	Balance as at 31.3.2015 ₹	Balance as at 31.3.2014 ₹
Land	18,57,310	-	18,57,310	-	-	-	-	18,57,310	18,57,310
Equipments	6,56,361	-	6,56,361	1,84,463	50,944	-	2,35,407	4,20,954	4,71,898
Furniture & fixtures	57,951	-	57,951	8,259	6,628	-	14,887	43,064	49,692
<b>Total</b>	<b>25,71,622</b>	<b>-</b>	<b>25,71,622</b>	<b>1,92,722</b>	<b>57,572</b>	<b>-</b>	<b>2,50,294</b>	<b>23,21,328</b>	<b>23,78,900</b>
Previous Year	25,38,671	32,951	25,71,622	1,59,024	33,698	-	1,92,722	23,78,900	

**31st March, 2015**  
₹

**31st March, 2014**  
₹

**Note 11****Long-term loans and advances****Other loans and advances****Advances recoverable in cash or in kind or for value to be received**

Unsecured, considered good 11,79,402 12,89,056

**Balances with statutory/government authorities**

VAT refund receivable (Net) 57,61,766 57,61,766

Advance income-tax (net of provision for taxation) 9,37,979 9,33,111

Deposits (Unsecured, considered good) 10,05,000 10,00,000

**88,84,147** **89,83,933**

**Note 12****Current Investments (valued at cost)****Unquoted mutual fund**

Birla Sun Life Savings Fund Growth Option  
[ 293154.419 units (previous year 209660.472 units)] 7,86,41,854 5,09,87,741

ICICI Prudential Liquid Plan (Growth)  
[50913.699 units (previous year Nil units)] 1,05,00,000 -

**8,91,41,854** **5,09,87,741**

**Note 13****Inventories (valued at cost or market value whichever is lower)**

Traded goods (including stock-in-transit ₹ 12,37,80,954)  
(previous year ₹ 35,10,13,292) 37,74,30,388 35,99,83,494

**37,74,30,388** **35,99,83,494**



	31st March, 2015 ₹	31st March, 2014 ₹
<b>Note 14</b>		
<b>Trade receivables</b>		
<b>Outstanding for a period exceeding six months from the date they are due for payment</b>		
Unsecured, considered good	54,02,648	4,41,473
<b>Other receivables</b>		
Unsecured, considered good	47,49,99,015	52,50,55,750
	<u>48,04,01,663</u>	<u>52,54,97,223</u>
<b>Note 15</b>		
<b>Cash and bank balances</b>		
<b>Cash &amp; cash equivalents</b>		
<b>Balances with banks</b>		
In current accounts	2,42,41,510	6,71,20,540
In unpaid dividend accounts	<u>25,67,856</u>	<u>17,97,867</u>
	2,68,09,366	6,89,18,407
Cash on hand	58,801	80,248
	<u>2,68,68,167</u>	<u>6,89,98,655</u>
<b>Note 16</b>		
<b>Short-term loans and advances</b>		
<b>Other loans and advances</b>		
<b>Advances recoverable in cash or in kind or for value to be received</b>		
Unsecured, considered good	24,91,598	14,24,160
<b>Balances with statutory/government authorities</b>		
SAD refund receivable	4,76,86,508	3,76,45,605
Prepaid expenses	2,90,030	1,78,845
Loans to employees	9,300	47,765
Deposits (Unsecured, considered good)	10,20,000	15,000
	<u>5,14,97,436</u>	<u>3,93,11,375</u>
<b>Note 17</b>		
<b>Revenue from operations</b>		
<b>Sale of products (traded goods)</b>		
Vinyl Acetate Monomer	4,25,74,11,867	2,84,95,54,610
<b>Other operating revenue</b>		
Discount received	15,61,42,888	7,81,75,393
Insurance claims received	20,40,660	98,953
	<u>4,41,55,95,415</u>	<u>2,92,78,28,956</u>

	31st March, 2015 ₹	31st March, 2014 ₹
<b>Note 18</b>		
<b>Other income</b>		
Interest income on Deposit	1,20,000	1,20,000
Net gain on sale of current investments	1,25,49,943	89,14,967
<b>Miscellaneous income</b>		
Miscellaneous receipts	1,82,663	13,29,018
	<u>1,28,52,606</u>	<u>1,03,63,985</u>
<b>Note 19</b>		
<b>Purchase of traded goods</b>		
Vinyl Acetate Monomer	4,15,84,49,993	2,88,33,75,942
	<u>4,15,84,49,993</u>	<u>2,88,33,75,942</u>
<b>Note 20</b>		
<b>(Increase)/Decrease in inventories of traded goods</b>		
Inventories at the beginning of the year	35,99,83,494	20,69,26,467
Less : Inventories at the end of the year	37,74,30,388	35,99,83,494
	<u>(1,74,46,894)</u>	<u>(15,30,57,027)</u>
<b>Note 21</b>		
<b>Employee benefits expenses</b>		
Salary,wages,allowances, bonus etc.	2,35,02,913	1,51,43,040
Contribution to provident and other funds	5,73,000	1,18,193
Staff welfare expenses	2,80,622	3,10,023
	<u>2,43,56,535</u>	<u>1,55,71,256</u>
<b>Note 22</b>		
<b>Finance costs</b>		
Interest expense	81,318	5
Interest under Income Tax Act	-	76,500
Bank charges	6,58,134	2,94,962
	<u>7,39,452</u>	<u>3,71,467</u>





	31st March, 2015 ₹	31st March, 2014 ₹
<b>Note 23</b>		
<b>Other expenses</b>		
Insurance	8,87,882	5,87,751
Rent	52,800	52,800
Rates & Taxes	9,165	4,845
Repairs to others	56,650	39,341
Printing and stationery	46,646	24,654
Postage and telephone	1,60,041	1,58,964
Travelling and conveyance	6,14,392	5,94,772
Motor car expenses	3,85,932	2,56,030
Selling expenses	24,47,116	35,36,910
Directors' sitting fees	3,13,000	2,26,000
Commission to non-executive directors	6,00,000	4,00,000
Payments to auditor (refer details below)	3,71,198	2,05,619
Exchange loss on foreign currency transactions and translation (net)	4,94,12,170	6,23,70,582
Contribution towards C.S.R.	20,00,000	-
Miscellaneous expenses	1,77,10,945	1,01,31,541
	<b>7,50,67,937</b>	<b>7,85,89,809</b>
<b>Payments to auditor</b>		
<b>As auditor</b>		
Audit fee	2,24,720	56,180
Tax audit fee	28,500	28,090
VAT audit fee	56,180	-
<b>In other capacity</b>		
For taxation matters	-	56,180
For other services (certification fees)	61,798	65,169
	<b>3,71,198</b>	<b>2,05,619</b>
<b>24. Contingent liabilities not provided for</b>		
1) Claims against the Company not acknowledged as debts comprise of :		
i) Income Tax demands against the Company not provided for & relating to issues of deductions in respect of which the Company is in appeal	12,82,690	10,07,430
ii) Sales Tax claims disputed by the Company relating to issue of declaration forms, set-off & classification of sales	6,75,81,568	1,87,23,270
2) Guarantees	1,10,85,000	1,10,85,000
<b>25. Details of dues to micro and small enterprises</b>		
The Company did not have any time during the year, amount due to small and medium enterprises (SME) which is outstanding for more than 45 days. Further, no interest is paid/payable to such SME creditors. The above information has been determined to the extent such parties have been identified on the basis of information available with the Company.		

	31st March, 2015 ₹	31st March, 2014 ₹
<b>26. Related party disclosure</b>		
<b>Names of related parties and relationship</b>		
i. Pidilite Industries Ltd.	- Holds 40.64 % of equity shares of the Company	
ii . Key Managerial Personnel	- Shri M.B. Parekh Chairman & Managing Director Shri P.C. Patel President & Company Secretary Shri M.S. Gayatonde Chief Financial Officer	
iii. Other Directors	- Sarva Shri N.K. Parekh, R.M. Gandhi, A.D. Mavinkurve & Smt.Y.J.Mogrelia	
<b>iv . Transactions with related party are as follows:</b>		
a. Sales and related income	3,75,63,80,013	2,37,00,72,199
b. Sitting fees to Directors	3,13,000	2,26,000
c. Commission to Directors	6,00,000	4,00,000
d. Commission to Managing Director	92,41,000	55,00,000
e. Payment to Chief Financial Officer	11,23,640	-
f. Reimbursements made	-	10,99,833
g. Outstanding balance :		
Debtors	35,47,99,038	34,44,43,749
Except 26(iv)(b),( c),(d) & (e), the rest of the above transactions are with Pidilite Industries Ltd.		
No amounts have been written off or written back during the year in respect of debts due from or to related parties.		
<b>27. Earnings per share (EPS)</b>		
<b>Computation for both basic and diluted earnings per share of ₹ 1 each (previous year ₹ 1 each):</b>		
a. Profit as per statement of profit & loss available for equity shareholders	12,34,25,271	7,48,53,459
b. Number of equity shares for basic and diluted earnings per share computation	1,83,37,111	1,83,37,111
c. Basic and diluted earnings per share (₹)	6.73	4.08
<b>28. Segment information</b>		
The Company's current business activity has only one primary reportable segment, namely trading in chemicals.		



	31st March, 2015 ₹	31st March, 2014 ₹
<b>29. Gratuity</b>		
The following table sets out the status of the Gratuity Plan as required under AS 15 (Revised)		
<b>Statement showing changes in present value of obligations</b>		
Present value of obligations as at the beginning of the year	16,35,082	17,23,907
Interest cost	1,52,880	1,42,222
Current service cost	98,059	1,14,882
Benefits paid	-	-
Actuarial (gain)/loss on obligations	1,22,405	(3,45,929)
Present value of obligations as at the end of the year	20,08,426	16,35,082
<b>Statement showing changes in the fair value of plan assets</b>		
Fair value of plan assets at the beginning of the year	29,24,138	26,88,853
Expected return on plan assets	2,54,400	2,33,930
Contribution	475	10
Actuarial gain/(loss) on plan assets	8,816	1,345
Fair value of plan assets at the end of the year	31,87,829	29,24,138
<b>Percentage of each category of Plan Assets to total fair value of plan assets.</b>		
Administered by Life Insurance Corporation of India	31,87,829	29,24,138
<b>Actuarial gain/(loss) recognized</b>		
Actuarial gain/(loss) for the year - obligation	(1,22,405)	3,45,929
Actuarial gain/(loss) for the year - plan assets	8,816	1,345
Total gain/(loss) for the year	(1,13,589)	3,47,274
Actuarial gain/(loss) recognized in the year	(1,13,589)	3,47,274
<b>The amounts to be recognized in the balance sheet</b>		
Present value of obligations as at the end of the year	20,08,426	16,35,082
Fair value of plan assets as at the end of the year	31,87,829	29,24,138
Funded status	11,79,403	12,89,056
Net Asset/(Liability) recognized in balance sheet	11,79,403	12,89,056
<b>Expenses recognised in statement of profit &amp; loss</b>		
Current service cost	98,059	1,14,882
Interest cost	1,52,880	1,42,222
Expected return on plan assets	2,54,400	2,33,930
Net Actuarial (gain)/loss recognised in the year	1,13,589	(3,47,274)
Expenses/(income) recognised in statement of profit & loss	1,10,128	(3,24,100)
<b>30. Deferred taxation</b>		
<b>Deferred tax liability</b>		
Fixed assets:		
Impact of difference between tax depreciation and depreciation charged for the financial reporting:		
Balance as per last financial statement	73,702	69,365
Charged during the year	(1,845)	4,337
<b>Closing balance</b>	<b>71,857</b>	<b>73,702</b>
The above working of deferred tax is based on assessment orders where assessments are completed and on return of income in other cases		

	31st March, 2015 ₹	31st March, 2014 ₹
<b>31. Details of Forward Contracts and Unhedged foreign currency exposure</b>		
a. Details of forward contracts outstanding as at the balance sheet date		
<b>Particulars</b>	<b>Purpose</b>	
US\$ 83,09,698 (previous year US\$ 81,97,818)	Import of trading goods	51,79,22,296      50,71,15,685
b. Details of unhedged foreign currency exposure as at the balance sheet date		
<b>Particulars</b>	<b>Purpose</b>	
US\$ 19,76,718 (previous year US\$ 40,57,816)	Import trade payables	12,37,80,954      22,26,12,658
<b>32. Expenditure in foreign currency</b>		
C.I.F. value of traded goods	3,78,44,31,361	2,61,63,71,527
<b>33. Earnings in foreign exchange</b>		
Export of goods on FOB basis	1,86,84,748	-
Insurance claims received	20,40,660	98,953
Rebate/Price adjustment received	15,61,42,888	7,81,75,393
	<u>17,68,68,296</u>	<u>7,82,74,346</u>

34. Previous year's figures have been regrouped wherever necessary.

As per our report of even date

For and on behalf of the Board

**For Khanna & Panchmia**

Chartered Accountants  
Firm Reg. No.136041W

**P.C. Patel**  
President & Secretary

**M.B. Parekh**  
Chairman & Managing Director

**Ketan Panchmia**

Partner  
Mem.No. 038985

**N.K. Parekh**  
Director

Mumbai

Dated : 18<sup>th</sup> May, 2015

**CORPORATE GOVERNANCE REPORT**

In compliance with Clause 49 of the Listing Agreement with Stock Exchanges, the Company submits the following report:

**1. Company's Philosophy on Code of Governance:**

The Company is committed to good Corporate Governance and has complied in all material respects with the requirements specified in the Listing Agreement with the Stock Exchanges.

**2. Board of Directors:**

During the financial year 2014-2015, 5 Board Meetings were held on 19<sup>th</sup> May, 2014, 28<sup>th</sup> July, 2014, 28<sup>th</sup> August, 2014, 3<sup>rd</sup> November, 2014 and 27<sup>th</sup> January, 2015.

Details of composition of the Board, category, attendance of Directors at Board Meetings and last Annual General Meeting (AGM), number of other Directorships and other Committee memberships are given below:

Sr. No.	Name	Category	No. of Board Meetings attended	Attendance at last AGM	No. of Directorships as on 31 <sup>st</sup> March, 2015 in other companies *	No. of Committee positions held in other companies @	
						Memberships	Chairmanships
1	Shri M.B. Parekh (Chairman & Managing Director)	ED (P)	5	Yes	9	1	-
2	Shri N.K. Parekh	NED (P)	2	Yes	10	1	-
3	Shri R.M. Gandhi	NED (I)	5	Yes	3	1	3
4	Smt. Y.J. Mogrelia	NED (I)	4	Yes	-	-	-
5	Shri A.D. Mavinkurve	NED (I)	5	Yes	1	-	-

\* Includes Directorships in Private Limited Companies and Section 8 Companies (as per Companies Act, 2013)

@ Includes position in Audit Committee and Stakeholders Relationship Committee only

ED(P) – Executive Director, Promoter; NED(P) – Non Executive Director, Promoter; NED (I) – Non Executive Director, Independent.

Independent Directors' Meeting:

In accordance with the provisions of Schedule IV (Code for Independent Directors) of the Companies Act, 2013 and Clause 49 of the Listing Agreement, a meeting of Independent Directors was held on 20<sup>th</sup> January, 2015 without the attendance of Non-Independent Directors and members of the Management.

**3. Audit Committee:**

During the financial year 2014-2015, 6 meetings of the Committee were held on 19<sup>th</sup> May, 2014; 28<sup>th</sup> July, 2014; 12<sup>th</sup> August, 2014, 28<sup>th</sup> August, 2014, 3<sup>rd</sup> November, 2014 and 27<sup>th</sup> January, 2015.

Details of composition of the Committee and attendance of the members at the meetings are given below:

Sr. No.	Name	Designation	Category	No. of Meetings attended
1	Shri R.M. Gandhi	Chairman	NED (I)	6
2	Smt. Y.J. Mogrelia	Member	NED (I)	5
3	Shri M.B. Parekh	Member	ED (P)	5

The Company Secretary is the Secretary of the Committee. Chief Financial Officer, Internal Auditors and Statutory Auditors are also invited to attend the Meetings.

The powers and terms of reference of the Committee are as mentioned in Clause 49 of the Listing Agreement with the Stock Exchanges and Section 177 of the Companies Act, 2013.

#### 4. Nomination & Remuneration Committee:

The Committee's constitution and terms of reference are in compliance with the provisions of Section 178 of the Companies Act, 2013 and Clause 49 of the Listing Agreement with the Stock Exchanges. During the financial year 2014-2015, 2 meetings of the Committee were held on 28<sup>th</sup> July, 2014 and 20<sup>th</sup> January, 2015.

Remuneration policy of the Company is directed towards time commitment and responsibilities of the Directors, desirability of performance-based remuneration and salaries paid by comparable companies.

Details of composition of the Committee are given below:

Sr. No.	Name	Designation	Category	No. of Meetings attended
1	Shri R.M. Gandhi	Chairman	NED (I)	2
2	Smt. Y.J. Mogrelia	Member	NED (I)	2
3	Shri A.D. Mavinkurve	Member	NED (I)	2
4	Shri N.K. Parekh *	Member	NED (P)	1

\* Appointed as a Member w.e.f. 19<sup>th</sup> May, 2014

Shri M.B. Parekh is the Managing Director having tenure of 5 years w.e.f. 1<sup>st</sup> April, 2012. The Commission payable to Shri M.B. Parekh for the financial year 2014-2015 is ₹ 92,41,000.

Notice period for the Managing Director is as applicable to the senior employees of the Company. No severance fee is payable to the Directors on termination of employment. The Company does not have a scheme for stock options for the Directors or the employees.

The details of sitting fees paid for attending the Board/Committee meetings and commission payable to the Non Executive Directors for the financial year ended 31<sup>st</sup> March, 2015 are as follows:

Sr. No.	Name	Sitting Fees (₹)	Commission (₹)	Total (₹)
1	Shri N.K. Parekh	44,000	1,50,000	1,94,000
2	Shri R.M. Gandhi	1,24,000	1,50,000	2,74,000
3	Smt. Y.J. Mogrelia	79,000	1,50,000	2,29,000
4	Shri A.D. Mavinkurve	66,000	1,50,000	2,16,000

The Non-Executive Directors did not have pecuniary relationships or transactions vis-s-vis the Company. The Company has not granted any Stock option to any of its Non-Executive Directors.

In terms of the Special Resolution passed by the Members at the Annual General Meeting held on 28<sup>th</sup> July, 2011, the Company has paid commission to Non-Executive Directors at a rate not exceeding 1% per annum of the net profit of the Company computed in accordance with Section 198 of the Companies Act, 2013 as determined by the Board of Directors based on consideration of time spent in attending Board Meetings, Committee meetings and advice given to the Company, whenever approached.

The number of equity shares of face value of ₹ 1 each of the Company held by Non Executive Directors as on 31<sup>st</sup> March, 2015 are as follows:

Shri N.K. Parekh - 75,951; Shri R.M. Gandhi - 2,700; Smt. Y.J. Mogrelia - 300 and Shri A.D. Mavinkurve - Nil.

#### 5. Stakeholders Relationship Committee:

During the financial year 2014-2015, 12 meetings of the Share Transfer Committee were held and 1 meeting of the Stakeholders Relationship Committee was held on 20<sup>th</sup> January, 2015, which was attended by all Members of the Committee.



Details of composition of the Stakeholders Relationship Committee are given below:

Sr. No.	Name	Designation	Category
1	Shri A.D. Mavinkurve	Chairman	NED (I)
2	Shri R.M. Gandhi	Member	NED (I)
3	Shri N.K. Parekh	Member	NED (P)

The Committee has the power to look into redressal of shareholders/investors complaints such as non-receipt of shares sent for transfer, non-receipt of dividends/Annual Reports etc.

The Secretarial Department of the Company, under the supervision of Shri P.C. Patel, President & Secretary and Shri K.S. Krishnan, Additional Secretary, who is nominated as the “Compliance Officer” as required by Securities & Exchange Board of India (SEBI)/ Listing Agreement and M/s. TSR Darashaw Ltd., Registrar & Transfer Agents, attend to all Shareholders/Investors Grievances received directly or through SEBI, Stock Exchanges, Ministry of Corporate Affairs and Registrar of Companies.

Barring certain cases pending with Courts, the Company/TSR Darashaw Ltd. have attended to all the Shareholders/Investors grievances/correspondence generally within a period of 15 days from the date of receipt.

The total number of letters received from the shareholders were 868 of which 41 were in the nature of complaints. All the letters have been replied to and all the complaints have been solved to the satisfaction of shareholders. 2 requests for transfer of shares and 4 requests for dematerialisation were pending for approval as on 31<sup>st</sup> March, 2015, which were dealt with by 6<sup>th</sup> April, 2015 and 10<sup>th</sup> April, 2015, respectively.

The Company has framed a Code of Internal Procedure and Conduct for Prevention of Insider Trading on the lines of the model code specified by SEBI. Shri P.C. Patel, President & Secretary is the Compliance Officer for the purpose of the said Code.

## 6. General Body Meetings:

Details of Location, Date and Time of the AGM held during the last three years are given below:

Financial Year	Venue	Date & Time	Details of Special Resolution passed with requisite majority
2013-2014	Kamalnayan Bajaj Hall, Bajaj Bhavan, Jamnalal Bajaj Marg, Nariman Point, Mumbai 400 021	24 <sup>th</sup> September, 2014 at 11.00 a.m.	(a) Authority to the Board of Directors for borrowing money upto ₹ 200 crores u/s 180(1)(c) and (b) Authority to the Board of Directors for creation of charges, mortgages and hypothecation u/s 180(1)(a)
2012-2013	M. C. Ghia Hall, Bhogilal Hargovindas Building, 18/20, K.Dubash Marg, Mumbai 400 001	26 <sup>th</sup> July, 2013 at 11.00 a.m.	Nil
2011-2012	Rangswar Hall, Y.B. Chavan Centre, Gen. J. Bhosale Marg, Mumbai 400 021	26 <sup>th</sup> July, 2012 at 12.00 noon	Nil

No Special Resolution was put through postal ballot during the last year. At the ensuing AGM, there is no resolution proposed to be passed through postal ballot.

## 7. Disclosures:

- There were no materially significant related party transactions, which had potential conflict with the interest of the Company at large. The details of related party transactions are set out in the Notes to Financial Statements forming part of this Annual Report.
- The Company has complied with all requirements of the Listing Agreement with the Stock Exchanges as well as the regulations and guidelines of SEBI. Consequently, no penalties were imposed or strictures passed against the Company by SEBI, Stock Exchanges or any other statutory authority on any matter related to capital markets during the last 3 years.

- The Company has a Vigil Mechanism and Whistle Blower Policy for employees to report violations of applicable laws and regulations and Code of Conduct. During the year no employee was denied access to the Audit Committee.
- The Company has complied with all applicable mandatory requirements of Clause 49.
- Out of non-mandatory requirements, the Company has adopted the following:  
During the year there was no audit qualification on the Company's financial statements.

**8. Means of Communication:**

The quarterly results of the Company are normally published in Free Press Journal (English) and Navshakti (Marathi). The results are also displayed on the Company's Website [www.vinylchemicals.com](http://www.vinylchemicals.com).

**9. Information for Shareholders:**

Detailed information in this regard is provided in the "Information for Shareholders" section, appearing in this Annual Report.

**10. Information relating to Directors:**

Information relating to Directors seeking re-appointment as required under Clause 49(VIII)(E)(1) of the Listing Agreement is given in the Notice of AGM.

**11. Declaration by the Managing Director:**

Declaration by the Managing Director of the Company under Clause 49(II)(E)(2) of the Listing Agreement with Stock Exchanges is given below:

"Pursuant to Clause 49(II)(E)(2) of the Listing Agreement with Stock Exchanges, I hereby declare that all Board Members and Senior Management Personnel of the Company have affirmed compliance with the Code of Conduct for the year ended 31<sup>st</sup> March, 2015."





## AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE

To

The Members of  
Vinyl Chemicals (India) Limited

We have examined the compliance of conditions of Corporate Governance by Vinyl Chemicals (India) Limited for the year ended 31<sup>st</sup> March, 2015, as stipulated in Clause 49 of the Listing Agreement of the said Company with the Stock Exchanges.

The compliance of the conditions of Corporate Governance is the responsibility of the management. Our examination was limited to procedures and implementation thereof adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in Clause 49 of the above mentioned Listing Agreement.

We state that no investor grievance is pending for a period exceeding one month against the Company as per the records maintained by the Shareholders/Investors Grievance Committee.

We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For and on behalf of

**KHANNA & PANCHMIA**  
Chartered Accountants  
Firm Reg. No.136041W

**KETAN PANCHMIA**  
PARTNER  
Mem.No. 038985

Mumbai  
Dated: 18<sup>th</sup> May, 2015

**INFORMATION FOR SHAREHOLDERS****1. Annual General Meeting:**

**Day, Date & Time** : Wednesday, 2nd September, 2015 at 11.00 a.m.

**Venue** : M.C. Ghia Hall, Bhogilal Hargovindas Building,  
18/20, K. Dubash Marg, Mumbai 400 001.

**2. Financial Year** : 1<sup>st</sup> April to 31<sup>st</sup> March

**3. Book Closure Dates** : 18<sup>th</sup> August, 2015 to 2<sup>nd</sup> September, 2015 (both days inclusive)

**4. Dividend Payment :**

Dividend will be paid on or after 4<sup>th</sup> September, 2015, subject to the approval of the shareholders at the Annual General Meeting, to those shareholders whose names appear in the Register of Members of the Company on the date of the Annual General Meeting i.e. 2<sup>nd</sup> September, 2015.

**5. Listing of shares on Stock Exchanges:**

The equity shares of the Company are listed on BSE Ltd (BSE) and National Stock Exchange of India Ltd (NSE). The Annual Listing fee for the financial year 2015-2016 has been paid to BSE & NSE.

**6. Stock Codes:**

Name of the Stock Exchange	Stock Code
BSE	524129
NSE	VINYLINDIA

**7. Market Price Data:**

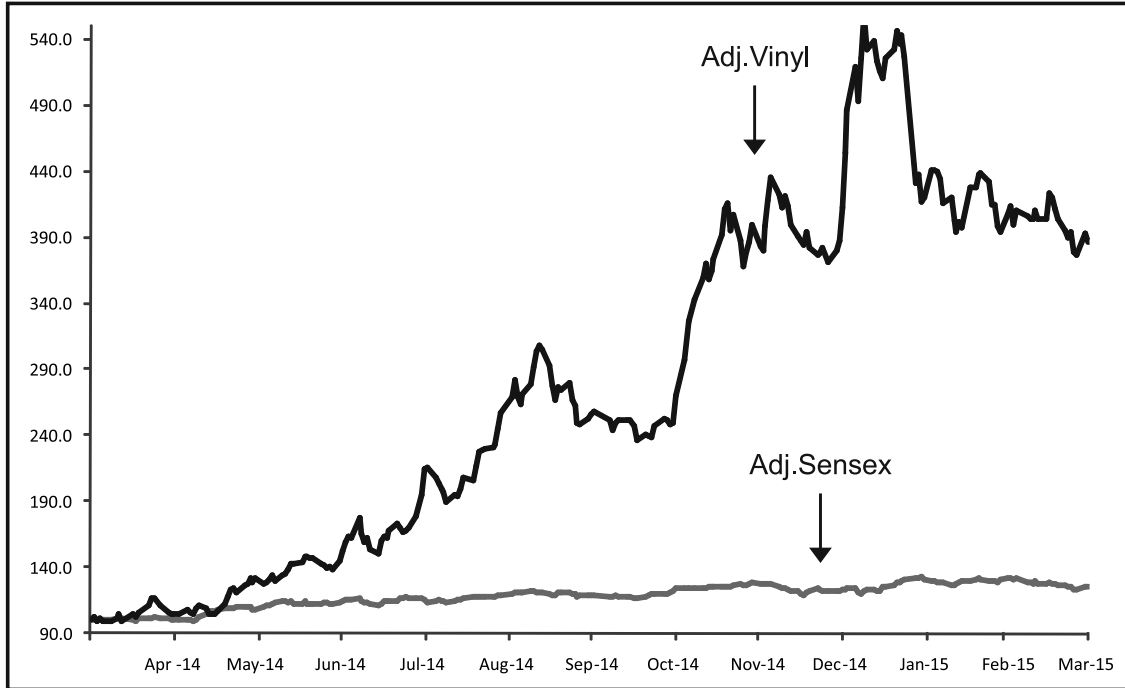
During the financial year 2014-2015, the share prices for one equity share of face value of ₹1 of the Company at BSE and NSE were as under:

Month & Year	BSE		NSE	
	High (₹)	Low (₹)	High (₹)	Low (₹)
April, 2014	19.90	16.35	19.95	16.20
May, 2014	22.70	16.75	22.50	16.70
June, 2014	26.00	21.05	26.00	21.05
July, 2014	35.85	25.00	35.90	24.05
August, 2014	42.75	31.50	42.95	31.50
September, 2014	53.15	39.75	53.25	39.70
October, 2014	45.65	39.20	46.00	38.00
November, 2014	72.05	45.80	72.25	45.80
December, 2014	77.00	59.55	74.65	58.65
January, 2015	95.90	67.05	96.95	66.40
February, 2015	78.00	64.00	79.70	56.00
March, 2015	72.15	62.65	72.50	63.00



**8. Stock Performance:**

During the financial year 2014-2015, the performance of the equity share of face value of ₹1 each of the Company in comparison to the BSE Sensex is given in the chart below:



**9. Registrar and Transfer Agents:**

TSR Darashaw Ltd.  
 Unit: Vinyl Chemicals (India) Ltd.  
 6-10, Haji Moosa Patrawala Indl. Estate,  
 20, Dr. E. Moses Road,  
 Mahalaxmi, Mumbai 400 011.  
 Tel: (022) 6656 8484  
 Fax: (022) 6656 8494  
 E-mail: csg-unit@tsrdarashaw.com  
 Website: www.tsrdarashaw.com

**10. Share Transfer System:**

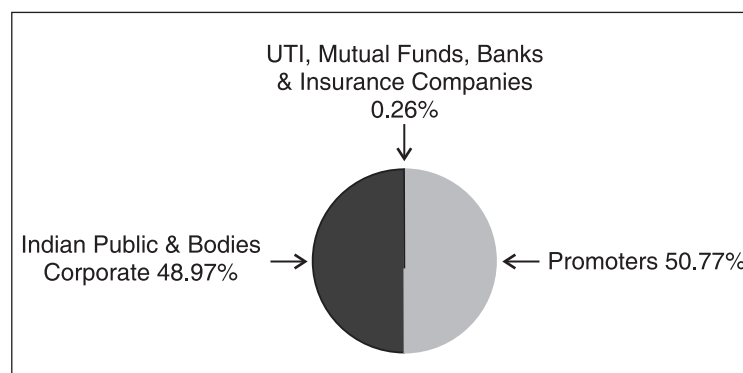
The Company has delegated the authority to approve shares received for transfer in physical form as under:

No. of shares	Authorisation given to
Upto 25000	TSR Darashaw Ltd.
Upto 50000	Shri M.B. Parekh, Managing Director or in his absence, the Company Secretary
Above 50000	Share Transfer Committee comprising of the Directors viz. Sarva Shri N.K. Parekh, R.M. Gandhi and M.B. Parekh

Presently the share transfers which are received in physical form are processed and the share certificates, duly transferred, are returned generally within a period of 15 days from the date of receipt, subject to the documents being valid and complete in all respects.

**11. Distribution of Shareholding as on 31<sup>st</sup> March, 2015:**

No. of Equity Shares held	No. of Folios	%	No. of Shares	%
Upto 5000	19432	98.93	6172745	33.66
5001 – 10000	109	0.55	802653	4.38
10001 – 20000	51	0.26	727418	3.97
20001 – 30000	17	0.09	419194	2.28
30001 – 40000	10	0.05	349452	1.90
40001 – 50000	8	0.04	368092	2.01
50001 – 100000	10	0.05	703808	3.84
100001 and above	6	0.03	8793749	47.96
<b>Total</b>	<b>19,643</b>	<b>100.00</b>	<b>18337111</b>	<b>100.00</b>
No. of shareholders and shares in physical mode	7829	39.86	1445631	7.88
No. of beneficial owners and shares in electronic mode	11814	60.14	16891480	92.12
<b>Total</b>	<b>19643</b>	<b>100.00</b>	<b>18337111</b>	<b>100.00</b>

**12. Shareholding Pattern as on 31<sup>st</sup> March, 2015:****13. Dematerialisation of shares & liquidity:**

As on 31<sup>st</sup> March, 2015, 1,68,91,480 (92.12%) equity shares of the Company were held in dematerialised form with National Securities Depository Ltd. (NSDL) and Central Depository Services (India) Ltd. (CDSL). The Company's equity shares are required to be compulsorily traded in the dematerialised form. The shares are available for dematerialisation under ISIN INE 250B01029. Requests for dematerialisation of shares are processed and generally confirmed within 15 days of receipt subject to the documents being valid and complete in all respects.

**14. Outstanding GDRs/ADRs/Warrants/Convertible Instruments:**

The Company has no outstanding GDRs/ADRs/Warrants or any Convertible instruments.

**15. Plant Locations: Nil**



**16. Address for Correspondence:**

Registered Office:  
Regent Chambers, 7<sup>th</sup> Floor,  
Jamnalal Bajaj Marg,  
208, Nariman Point,  
Mumbai 400 021.  
Tel: (022) 2282 2708  
Fax: (022) 2204 3969  
E-mail: cs.vinylchemicals@pidilite.com  
Website: www.vinylchemicals.com

**17. Corporate Secretarial/Investors' Assistance Department:**

The Company's Secretarial Department headed by Shri P.C. Patel, President & Secretary is situated at the Registered Office mentioned above. Investors may contact Shri P.C. Patel or Shri K.S. Krishnan, Additional Secretary at the Registered Office in Mumbai for any assistance they may need.

**18. Disclosure under Clause 5A (II) of the Listing Agreement:**

Details of shares lying in Unclaimed Suspense Account of the Company as on 31<sup>st</sup> March, 2015 are as under:

<b>Particulars</b>	<b>No. of shareholders</b>	<b>No. of equity shares</b>
No. of shareholders & outstanding shares in Unclaimed Suspense Account at the beginning of the year	1,725	2,61,349
No. of requests received from shareholders for transfer of shares from Unclaimed Suspense Account during the year	11	1,785
No. of shareholders & shares transferred from Unclaimed Suspense Account to shareholders during the year	11	1,785
No. of shareholders & outstanding shares in Unclaimed Suspense Account at the end of the year	1,714	2,59,564