

VINYL CHEMICALS (INDIA) LTD.

Transcript of 39th Annual General Meeting held on 30th July, 2025 at 3.30 p.m. through Video Conferencing/Other Audio Visual Means

- **Mr. Madhukar B. Parekh – Chairman and Managing Director, Vinyl Chemicals (India) Ltd.:**

Welcome all of you at this 39th Annual General Meeting of our Company, which is held for the 6th consecutive year through Video Conferencing and Other Audio Visual Means facility. I am attending the meeting from London. I now ask Company Secretary, Ms. Aarti Falorh to elaborate on the applicable legal provisions for holding this AGM.

- **Ms. Aarti Falorh – Company Secretary, Vinyl Chemicals (India) Ltd.:**

Good afternoon dear Shareholders. This meeting is being conducted through Video Conferencing/Other Audio Visual Means (OVAM) facility without the physical presence of the members at a common venue. As permitted under the relevant Circulars issued by the Ministry of Corporate Affairs and SEBI the deemed venue of this meeting shall be the registered office of the Company. In terms of the provisions of Section 108 of Companies Act, 2013, Rules issued thereunder and Regulation 44 of the SEBI LODR, the Company has provided e-voting facility to the members to exercise their right to vote on all the resolutions as mentioned in the Notice dated 5th May 2025 convening this AGM through Electronic Voting system prior to the AGM that is also by remote e-voting, members who have not voted earlier, only such members can also vote during this AGM by e-voting. Chairman will announce the opening of the e-voting platform, and it will remain open until 15 minutes after the closure of this meeting. All efforts feasible under the circumstances have indeed been made by the Company to enable the members to participate and vote on the items being considered at this meeting. The detailed instructions for the speakers and the participants have been provided in the AGM Notice. To facilitate the smooth proceedings of the AGM, member's audio and video have been muted. We will unmute the respective speaker member at the time of their speaking. Members are requested to have proper internet connectivity as well as earphones for their effective participation. The facility for the appointment of proxy is not available at this meeting as per the MCA and SEBI Circulars. The Company has received certified copies of the resolutions from the bodies corporate, who are members under Section 113 of the Companies Act, 2013 authorizing their representatives to attend and vote at this meeting. Company has signed up with the National Securities Depository Ltd. (NSDL) to provide for facility for voting through remote e-voting, e-voting at this AGM and for participation of the members at the AGM. I now request once again Shri M. B. Parekh, Chairman of the Company, to take charge of the proceedings of this AGM.

- **Mr. Madhukar B. Parekh – Chairman and Managing Director, Vinyl Chemicals (India) Ltd.:**

Shareholders, since the requisite quorum is present, the meeting has now started. I now introduce the other board members.

- ❖ Shri N.K. Parekh is a Non-Executive Director, Member of the Nomination and Remuneration Committee and Chairman of the Corporate Social Responsibility Committee. He is attending the meeting from Mumbai.
- ❖ Shri A.B. Parekh is a Non-Executive Director and Member of the Stakeholders Relationship Committee. He is attending the meeting from Mumbai.
- ❖ Shri P.D. Shah is an Independent Director, Member of the Nomination and Remuneration Committee, Stakeholders Relationship Committee and Corporate Social Responsibility Committee and is attending the meeting from Mumbai.
- ❖ Shri L. Viswanathan is an Independent Director, Chairman of Audit Committee and Nomination and Remuneration Committee and Member of Stakeholders Relationship Committee. He is attending the meeting from Mumbai.
- ❖ Smt. Shailashri Bhaskar is an Independent Director, Chairperson of the Stakeholders Relationship Committee and Member of the Nomination and Remuneration Committee and Audit Committee. She is attending the meeting from Mumbai.
- ❖ Apart from the Directors and CFO, we also have our Statutory Auditors and Secretarial Auditors participating in this AGM through video conferencing.

I now announce the commencement of e-voting at this AGM. With your permission, I take the Notice convening the meeting, which contains 4 resolutions from Serial Numbers 1 to 4 and the Director's report as read. They have already been electronically circulated to all members. Since, there are no qualifications in the auditor's report and the secretarial auditor's report, with your permission, I will take them as read. Registers and documents as required under the provisions of Companies Act, 2013, have been made available for inspection on request from shareholders.

Again I welcome you to the 39th Annual General Meeting of our Company. The performance for the financial year 2024–25, you would have noted from the annual report that the company's current business activity is trading and chemicals. During the year, the sales turnover from trading activity was Rs. 596.87 crore against Rs. 570.26 crores in the previous year. During the year, the Company earned a net profit of Rs. 22.33 crores as against Rs. 21.84 crores in the previous year. The Company expects to perform reasonably well, subject to prevailing market conditions and fluctuations in the exchange

rate. The Directors have recommended payment of dividend of Rs. 7 per equity share of Re. 1 each, previous year Rs. 6.75 per equity share aggregating to Rs. 12.84 crores, previous year Rs. 12.38 crores out of the current year's profit on Rs. 1,83,37,111 equity shares of Rs. 1 each.

Today the Board of Directors have approved financial results of the first quarter 2025-26 which are as follows. The sales turnover of the trading activity is Rs. 145.29 crores as compared to Rs. 148.54 crores for the corresponding period of 2024. Profit before tax is Rs. 6.02 crores as compared to Rs. 6.73 crores and profit after tax is Rs. 4.45 crores as compared to Rs. 4.92 crores for the corresponding period of 2024.

In conclusion, I express my sincere thanks to our shareholders for their trust in the Company, our valued customers and suppliers and I also express my gratitude to each one of my colleagues on the Board for their valuable advice and support. I sincerely thank all employees of the company as well as our group companies for their valuable cooperation, dedication and devoted work. Lastly, I sincerely thank all of you for participating in this meeting.

The requirement of proposer and seconder for the resolution are not applicable since the meeting is held through Video Conferencing and Other Audio Visual Means. Now I place before the meeting the four resolutions that are mentioned in the notice dated 5th May 2025, convening this AGM. I request our Company Secretary to invite the members who have registered themselves as speakers. I request each speaker to be brief and to restrict themselves to a maximum of 3 minutes.

– **Ms. Aarti Falorh – Company Secretary, Vinyl Chemicals (India) Ltd.:**

Thank you, sir. I request Mrs. Lekha Shah to speak. You are requested to switch on your video and unmute yourself.

– **Ms. Lekha Shah – Shareholder:**

Hello. Good afternoon and regards to everyone. Myself from Mumbai. First of all, I would like to welcome our new Company Secretary Aarti Ma'am. I would like to thank your Company Secretary Aarti Ma'am and Aparna for giving me this opportunity where I am able to talk in front of you all in the AGM. I found the AGM notice and delighted to say it is so beautiful .

Your opening remarks were so insightful and comprehensive that you already addressed everything I had in mind. Sir, may all the upcoming festivals bring joy and blessings.

I am proud to be a shareholder of the Company. Chairman Sir, where there is trust, there is no questions. I hope the Company will continue Video Conference meeting in future.

I would like to say I strongly and wholeheartedly support all the resolutions for today's meeting. Thank you, Sir.

- **Ms. Aarti Falorh – Company Secretary, Vinyl Chemicals (India) Ltd.:**

Thank you Ma'am. I request Mr. Gautam Tiwari to speak next. You are requested to switch on your video and unmute yourself.

- **Mr. Gautam Tiwari – Shareholder:**

Okay.

- **Ms. Aarti Falorh – Company Secretary, Vinyl Chemicals (India) Ltd.:**

We can't hear you.

- **Mr. Gautam Tiwari – Shareholder:**

Please give me proper prompt. Now we can.

- **Ms. Aarti Falorh – Company Secretary, Vinyl Chemicals (India) Ltd.:**

Yes, we can see you now and we can hear you. Please go ahead.

- **Mr. Gautam Tiwari – Shareholder:**

Thank you very much. First of all very special Good afternoon. Our popular Chairman Mr. M.B. Parekh, eminent and distinguished Directors A.B. Parekh and N.K. Parekh, our Company Secretary Ms. Aarti, we really welcome.

I am very sure, in years to come you will also shine and take the Company to better heights. Our highly distinguished Directors on the Board and my fellow shareholders, I am participating at this meeting from Mumbai. It is very heartening to know that our is the only Company which has implemented vigilance mechanism and policies simultaneously and thus ranking our Company into being a top class Company at safety level. Sir, I am proud of this. It is really very good that our Company does not have any subsidiaries or joint ventures. Chairman Sir, ours is the only Company and our biggest customer is our promoter Company, which is Pidilite Industries Ltd. since inception of our Company. I am also here since inception for both. 96% of our sales of our products is of VAM i.e. Vinyl Acetate Monomer and Pidilite and promoters are holding 50% of our shareholding at present. If I am mistaken, please correct me. This year our sales turnover in trading was Rs. 59,700 crores despite such challenging and trying times, unstable geopolitical conditions and slow down in global economy. The Company paid Rs. 7/- per share that is 700% for which we are grateful to the Company. We welcome the new

Company Secretary, of course I greet her very well. I am very sure in the days to come she will also do the best work. At the same time, I should not forget to complement our popular jandaar, shandaar sadabahaar P.C. Patel Sir, who has nourished and nurtured the Company right from its initial days to this present position and very much fruitful, strong and robust Company he has made. Today we shareholders and investors are enjoying the fruits of what he has contributed at that time and nourished and nurtured them continuously and brought it to this level. I am really proud of being shareholder. I will tell P.C. Patel Sir and I am proud shareholder of your Company.

About queries, only 2-3 questions I would like to ask. What is the roadmap of our Company for this year and what next. How much the Company has paid during the financial year 2025-26 for CSR and what is our shareholder strength and market share. At present Promoters are holding 50%. Any plan to increase that.

Finally, I would like to say that I support all the resolutions and I have already voted for each one of them favourably. I also support appointments. I wish and pray from the depth of my heart a very happy, healthy, wealthy long life for each member of the management team and all employees, executives, officers. The bright future for the Company under our founder Chairman and his team superfine management. Thank you very much once again. With best regards and all the best of luck. Jaihind.

- **Ms. Aarti Falorh – Company Secretary, Vinyl Chemicals (India) Ltd.:**

Thank you so much Sir for your kind words. We move on to the next speaker Ms. Elizabeth. You are requested to switch on your video and unmute yourself.

- **Ms. Celestine Elizabeth Mascarenhas – Shareholder:**

Am I audible now?

- **Ms. Aarti Falorh – Company Secretary, Vinyl Chemicals (India) Ltd.:**

Yes, yes now you are audible and we can see you.

- **Ms. Celestine Elizabeth Mascarenhas – Shareholder:**

We have five meetings at one time and it is becoming a lot of hassle because we have prepared out stuff and we are struggling with finding our stuff. Okay, I have found it.

Respected Chairman M.B. Parekh, other members on the Board, my dear fellow shareholders. I am C.E. Mascarenhas speaking from Mumbai. I thank the Company Secretary Madam Aarti Falorh and her team for sending me annual report and also registering me as a speaker and also reminding me. Thank you so much. You are so shareholder friendly. Thank you once again. Our annual report is very simple but very

informative adhering to all the norms of corporate governance. Working is good. PBT & PAT is good. Dividend is 6.75%.

Now my queries. We are trading in chemicals, which is mainly Vinyl Acetate Monomer. Is our export to USA. If so, what will happen if that will affect future roadmap for the next five years and what will be the future growth. I would have asked still more but the balance sheet is very simple. With this, I wish you all the best and good health. Thank you so much. May God bless our Company and all and good wishes for the festival season. With this, thank you so much. Thank you once again.

- **Ms. Aarti Falorh – Company Secretary, Vinyl Chemicals (India) Ltd.:**

Thank You Ma'am. We move on to the next speaker Ms. Geeta Mehta. You are requested to switch on your video and unmute yourself. Hi Geeta.

- **Ms. Geeta Babubhai Mehta – Shareholder:**

Thanks to our Company Secretary.

Namaste, sir. Vande Mataram, Bharat mata ki Jai. Namaste sir. Namaste Sir! Chairman Sir, namaskar to you too. Remember me in your prayers Sir. I will pray that you stay healthy. I want you to stay healthy Sir. Thank you very much, sir. Jai Hind Vande Mataram.

- **Ms. Aarti Falorh – Company Secretary, Vinyl Chemicals (India) Ltd.:**

Thank you, Ma'am. You are audible now. We have lost your voice.

- **Ms. Geeta Babubhai Mehta – Shareholder:**

We request the Company to plan a plant visit for shareholders. Thanks to our Company Secretary.

- **Ms. Aarti Falorh – Company Secretary, Vinyl Chemicals (India) Ltd.:**

Thank you, Ma'am. We will move on to the next speaker since we are not able to hear her. Next speaker is Mr. Dinesh Bhatia. You are requested to switch on your video and unmute yourself Sir.

- **Ms. Aarti Falorh – Company Secretary, Vinyl Chemicals (India) Ltd.:**

Okay. Mr. Kishore Katchalia, next Speaker

- **Ms. Aati Falorh – Company Secretary, Vinyl Chemicals (India) Ltd.:**

Mr. Murlidhar Talreja. Okay.

- **Ms. Aati Falorh – Company Secretary, Vinyl Chemicals (India) Ltd.:**

Mr. Anil Mehta.

- **Mr. Anil Mehta – Shareholder:**

Hello, am I audible?

- **Ms. Aati Falorh – Company Secretary, Vinyl Chemicals (India) Ltd.:**

Thank you.

- **Mr. Anil Mehta – Shareholder:**

This is Anil Mehta attending this meeting from my residence with all the family members, all stakeholders of the Company. On behalf of us, we have only one question that looking to the trade war and the present situation with our neighbour country and also the present repo rate, how much the growth rate can we expect in FY 2025-26? As a shareholder of the Company, we support all the resolutions and thank the secretarial department for their co-operation and support. Thank you and all the best for the bright future of our Company.

- **Ms. Aati Falorh – Company Secretary, Vinyl Chemicals (India) Ltd.:**

Thank you so much Sir. I request Mr. Dinesh Bhatia to speak now. You are requested to switch on your video and unmute yourself.

- **Ms. Aati Falorh – Company Secretary, Vinyl Chemicals (India) Ltd.:**

So with this, we are done with the speaker shareholders

- **Mr. Madhukar B. Parekh – Chairman and Managing Director, Vinyl Chemicals (India) Ltd.:**

Thank you. Just one clarification that we have no trading activity or any kind of activity with United States. So, therefore, this particular aspect is not going to affect us. We are mostly dealing with, you know, countries which are in Asia.

- **Mr. Dinesh Bhatia – Shareholder:**

Hello.

- **Mr. Madhukar B. Parekh – Chairman and Managing Director, Vinyl Chemicals (India) Ltd.:**

Hello.

- **Mr. Dinesh Bhatia – Shareholder:**

First of all, I would like to thank the entire team that the management has taken the company to new heights and made the company profitable. The Company's share price has increased over the period. The last year's turnover was Rs. 601 crores and this year it has increased by 5% to Rs. 630.25 crores. The Company's net profit also increased to Rs. 22.33 crores in this year which was Rs. 21.84 crores in the last year, though it is a trading company but still the Company is maintaining its profits which is a good thing. If there is any group company's plant visit, then arrange for a plant visit.

Please keep physical meeting at the hall which is below your office. If you want other shareholders to participate from outside, then keep hybrid meeting so that all shareholders can attend the meeting. I am Dinesh Bhatia from Mumbai. Thank you and All the Best.

- **Ms. Aarti Falorh – Company Secretary, Vinyl Chemicals (India) Ltd.:**

Thank you Sir. Now we are done with all the speaker shareholders. Sir, you can answer the queries.

- **Mr. Madhukar B. Parekh – Chairman and Managing Director, Vinyl Chemicals (India) Ltd.:**

Yes. Okay. Thank you first of all. Of course, we do not have any plant. We have clarified earlier also. So plant visit is not applicable to our Company. I have also clarified that we have no dealings with USA. So that particular aspect is not really going to affect us. We are mostly dealing with countries in the Middle East and South East Asia. So this is something which is in stable situation. As far as the Company's outlook is concerned, we are reasonably certain that we are going to continue in the same mode as we have been in the last few years. Some price fluctuations do affect our sales turnover and margins. So these price fluctuations as well as exchange rate fluctuations are the key factors which sometimes are playing a role in our sales turnover as well as our margins. Otherwise, there is a stable situation about CSR expenses. I do not know anybody is there from the Accounts Department.

- **Ms. Aarti Falorh – Company Secretary, Vinyl Chemicals (India) Ltd.:**

During the last year we had contributed Rs. 78 lacs for FY 2024-25 and this year it is approximately will be the same amount.

- **Mr. Madhukar B. Parekh – Chairman and Managing Director, Vinyl Chemicals (India) Ltd.:**

Okay. Shri Mitesh Dhabliwala, Practicing Company Secretary is the scrutinizer and he will submit his consolidated report on remote e-voting and e-voting at this meeting within the stipulated time. Thereafter, I authorize Company Secretary to publish the results of the voting along with scrutinizer's report on the website of the company and NSDL and also intimate to the BSE and NSE.

- **Ms. Aarti Falorh – Company Secretary, Vinyl Chemicals (India) Ltd.:**

I propose a hearty vote of thanks to the Chairman, Directors and the members. Thank you.

- **Mr. Madhukar B. Parekh – Chairman and Managing Director, Vinyl Chemicals (India) Ltd.:**

I thank all the Directors, members and others for their participation and support. Now, I authorize Company Secretary to conduct the voting procedure and conclude the meeting. The e-voting facility will remain open for additional 15 minutes.

- **Ms. Aarti Falorh – Company Secretary, Vinyl Chemicals (India) Ltd.:**

Okay. Thank you Sir. Thank you all.

- **[E-voting]**
