



# VIPUL ORGANICS

VIPUL ORGANICS LIMITED

Interconnected Chemistry

**TRANSCRIPT OF THE 48<sup>TH</sup> ANNUAL GENERAL MEETING OF VIPUL ORGANICS LIMITED HELD AT 9:30 A.M. ON WEDNESDAY, SEPTEMBER 30, 2020 THROUGH VIDEO CONFERENCING/ OTHER AUDIO VISUAL MEANS:**

**Ms. Yogita Mundra, Company Secretary & Compliance Officer:**

Good Morning Ladies and Gentleman!

A very warm welcome to all the Shareholders, Directors, Auditors and Officers of the Company at the 48<sup>th</sup> Annual General Meeting (AGM) of Vipul Organics Limited, conducting for the very first time through Video Conferencing (VC) or Other Audio Visual Means (OAVM) due to Covid-19 pandemic.

Before I hand over the proceedings to the Chairman of the Meeting to declare the meeting open, I would like to highlight certain points here.

Members are encouraged to join the meeting through their laptops and head phones for a better experience and use internet with a good speed to avoid any disturbance during the meeting. Participants connecting from mobile devices or tablets or through laptops connecting via a mobile hotspot may experience audio/video loss due to fluctuation in their respective network. It is therefore recommended to use a stable wi-fi or LAN connection to mitigate any kind of aforesaid glitches.

As mentioned in the notice of this AGM, the facility for participation at the 48<sup>th</sup> AGM through video conferencing or other audio/visual means has been made available for 1000 members on first come first serve basis, except for large shareholders (i.e. Shareholders holding 2% or more shareholding), promoters, institutional investors, directors, key managerial personnel, the Chairmen of the Audit Committee, Nomination and Remuneration Committee, and Stakeholders Relationship Committee as well as the auditors who are allowed to attend the 48<sup>th</sup> AGM without any restrictions on account of first come first serve basis.

The registered office of the Company is situated at 102, Andheri Industrial Area, Off. Veera Desai Road, Andheri (West), Mumbai - 400053 and shall be deemed to be the venue for this 48<sup>th</sup> AGM and proceedings of the 48<sup>th</sup> AGM shall be deemed to be made here at.

We have received requests from one member for registering himself as a speaker shareholder in this 48<sup>th</sup> AGM today. Speaker will be allowed to speak once the Chairman directs the same. We request speakers to limit their speeches to 3-4 minutes for the benefit of other shareholders.



Let me first introduce to the Board members and Key Managerial personnel attending this meeting through VC/OAVM.

Mr. Vipul Shah, Managing Director;

Dr. Shiv Nath Sahai, Non-Executive Director;

Mr. Mihir V. Shah, Additional Whole-Time Director & CFO of the Company;

Mr. Prasannakumar Gawde, Independent Director, Chairmen of Audit Committee, Nomination and Remuneration Committee and Stakeholders' Relationship Committee, Corporate Social Responsibility Committee;

Mrs. Megha Bhatti, Independent Director;

Mr. Jagdeep Mehta, Independent Director;

Mr. Jagdeep Mehta, Independent Director of the Company could not attend the meeting due to unavoidable circumstances.

And myself

Ms. Yogita Mundhra, Company Secretary and Compliance Officer of the Company.

I would also like to inform and note the presence of:

- a. Mr. Kuvadia of M/s. R. A. Kuvadia & Co., Chartered Accountants, Statutory Auditors of the Company
- b. CS Manish Baldeva of M/s. M Baldeva Associates, Practicing Company Secretaries, Secretarial Auditors of the Company and Scrutinizer for the meeting.

All of them are attending the meeting through video conferencing from their respective locations.

The Register of Directors and Key Managerial Personnel and their Shareholding and Register of Contracts or Arrangements as maintained under Sections 170 and 189 of the Companies Act, 2013 respectively and other documents are available and will remain accessible to the members for inspection who had requested.

The Directors of the Company have proposed to appoint Mr. Vipul P. Shah, Managing Director of the Company as Chairman of this meeting, accordingly Mr. Vipul P. Shah will Chair the meeting.







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Now, I request Mr. Vipul P. Shah, Managing Director of the Company to take over the proceedings of this meeting.

Thank you.

Mr. Vipul P. Shah

Good Morning Ladies and Gentlemen!

I welcome you all to this 48<sup>TH</sup> ANNUAL GENERAL MEETING of the Company.

I hope all of you are fine, safe and keeping a good health in these tough times. We are amidst one of the biggest crises ever seen in our life time, the Covid-19 pandemic. I am confident that this crisis too will pass and we will emerge more stronger, Social distancing is a norm to be followed, and therefore, this AGM today has been convened through video conferencing as well as some other audio/visual options available under the provisions of the Companies Act 2013, and various circulars issued by the Ministry of Corporate Affairs.

Its 09:40 and we have 40 members who are attending this meeting virtually in person or through authorized representatives, and since the requisite quorum being present I call the meeting to be in order.

Ladies and Gentlemen!

I would like to brief something about the Company's performance for the year ended as well as some planning. We ended the year with the revenue of 93 Cr. The last 14 days of lockdown starting from 22<sup>nd</sup> March definitely has disturbed us a lot. We would have surpassed 105 cr, if lockdown not in place. It was unfortunate but the pandemic was definitely major concern for the government and we all followed the norms, the instructions by the government and following the lockdown certain logistics movement was absolutely on a standstill so we couldn't surpass the target of 104 and 105 cr what we had planned. Inspite of that, we posted a profit of almost like 94 cr in terms of revenue with the profitability upto 2.6 crore so we definitely did much better comparatively we planned and coming to this year 2021, it is the most challenging year for all of us. The first three months, there were almost no activities. We commenced the operation at factory somewhere in the mid of May, 2020 with the permission from the District Collector, Palgarh, but even when we started the operation there were lot of challenges in terms of logistics support, attendance of the few people because being a production house work from home concept was not very much effective for us to implement because we are in a continuous chemical manufacturing process and we need the presence of skilled people, the technician, the scientist at the factory and those chemistry and chemical reaction can never be conducted under the concept of work from home. But in any way I mean we started the activities almost through 50-60% from somewhere in the middle of August.





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We are very optimistic that in every lifestyle there is always ups and downs. Covid-19 pandemic has disturbed everyone but at the same time those who would survive will have a wonderful time and I am sure that with the strength and the inbuilt ethical approach what Company has in last two decades we make us absolutely perfect to come out of this pandemic situation.

The factory at Tarapur is very much in operation now. Initially, we started the operation from the mid Jan 2020. Any new factory would always have some challenges some daily problems we need to have the faith. By the time we could overcome, the lockdown was announced and again when we started the operations somewhere in May so it was, I would say Tarapur is in operations since only last three months. We came over lot of challenges as operations are very much smooth we are streamlining few hurdles and Q3 2021 definitely would be a most different productive for the Company because Tarapur operations we are considering as the backstone in terms of the performance and revenue for the Company and I am sure that we will bring the production to 85% capacity by the end of Quarter 3 to create a good revenue for the Company, profit margin would increase because manufacturing revenue would add to the bottom line of the Company.

The merger process of Efferchem Private Limited was completed so in that factory also we will be having lot of expansion for manufacturing forward backward integration which could support our existing unit and the forward backward integration would again create a good value addition for the Company so I am sure when we start the new activities at Ambernath, which was Efferchem Private Limited and now it is completely Vipul Organics Limited. At Ambernath, we are going to have a completely different goal, stronger bottom and top line.

So I am very much thankful to all my shareholders to understand us and be a part of the Company and I am personally wish you all once again a good luck and remain safe and I am sure when we come out of this pandemic situation we will have more stronger world to live in.

So I will now proceed on the agenda of the 48<sup>th</sup> AGM. The Company has made necessary arrangements for conducting this 48<sup>th</sup> AGM through video conferencing and for voting by the shareholders on the items being considered at this meeting through remote e-voting platform. The remote e-voting platform was open till 5.00 p.m. yesterday.

The Notice and the Annual Report containing the Standalone and Consolidated Audited Financial Statements of the Company for the financial year ended 31<sup>st</sup> March, 2020 along with Board of Directors' Report and Auditors' Report thereon along with relevant annexures have already been circulated to the members.

With your kind permission, I shall take the notice convening the meeting as read.

The Auditors' Report does not have any qualification, observation or comment on financial transactions or matters which have adverse impact on the functioning of the Company, so reading of Auditors' Report in the meeting is not required.



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The Secretarial Auditors have made few observations in their Report and I invite the attention of the members to the explanation provided on these observations in the Board of Directors' Report at page no. 22 item no. 27 of the Annual Report.

Now I would like to proceed with the agenda of the meeting.

First we will proceed with the agenda, thereafter will invite queries, if any, from the registered speaker members.

As per the requirements of provisions of the Companies Act, the Company had provided remote e-voting facility to its members to vote on resolutions to be placed in this 48<sup>th</sup> AGM. Remote e-voting has been commenced on 27<sup>th</sup> September, 2020 at 9.00 AM and concluded on 29<sup>th</sup> September, 2020 at 5.00 PM.

The shareholders, who could not cast their vote electronically through remote e-voting facility and who are participating in this meeting will have an option to cast their votes through the e-voting system provided by CDSL.

Practicing Company Secretary, Mr. Manish Baldeva, proprietor of M Baldeva Associates, Company Secretaries, Thane, have been appointed as Scrutinizer to scrutinize the e-voting in a fair and transparent manner.

Now, let me now turn on the business items, which are included in the notice convening the 48<sup>th</sup> AGM.

I shall now proceed with the agenda of this AGM.

#### ITEM NO.1 OF THE AGENDA

The first item of agenda is to receive, consider and adopt the Standalone Audited Financial Statements for the financial year ended 31<sup>st</sup> March, 2020 together with the Reports of the Board of Directors' and Auditors' thereon and Consolidated Audited Financial Statements for the financial year ended 31<sup>st</sup> March, 2020, together with the Report of the Auditors' thereon.

#### ITEM NO. 2 OF THE AGENDA

The second item of the agenda is relating to the declaration of dividend on Equity Shares @ 8% out of the current profits of the Company for the financial year ended 31<sup>st</sup> March, 2020 i.e. 0.80 paisa per share of the face value of Rs. 10 each.



Being interested in the Item Nos. 3, 4 & 5 of the agenda, I continue with the Agenda Item No. 6 before the item no. 3 and I request Mr. PrasannaKumar Gawde to take the chair to conduct the proceedings of item nos 3, 4 & 5 once I complete the Item No. 6.

**ITEM NO. 6 OF THE AGENDA**

The sixth item of agenda is to approve the continuation of directorship of Dr. Shiv Nath Sahai as Non-Executive Director of the Company, beyond the age of seventy-five years, liable to retire by rotation. This is a Special Resolution.

Now I ask Mr. Gawde to take over for the item 3, 4, and 5.

Mr. Prasannakumar Gawde

Hello.... Good Morning everyone.....Am I audible?

Mr. Vipul P. Shah

Yes

Mr. Prasannakumar Gawde

Ok.

**ITEM NO. 3 OF THE AGENDA**

The third item of the agenda is relating to the re-appointment of Mr. Vipul P. Shah, who retires by rotation and being eligible, has offered himself for the re-appointment as a Director of the Company. This is an Ordinary Resolution.

**ITEM NO. 4 OF THE AGENDA**

Item no. 4 of the agenda is relating to appointment of Mr. Mihir Shah as a Director of the Company who shall be liable to retire by rotation. This is an Ordinary Resolution.

**ITEM NO. 5 OF THE AGENDA**

5<sup>th</sup> item of the Agenda is for the appointment of Mr. Mihir V. Shah as a Whole-Time Director of the Company for a period of 5 years w.e.f. 1<sup>st</sup> April, 2020 to 31<sup>st</sup> March, 2025, who shall be liable to retire by rotation. This is a Special Resolution.

Continue Mr. Vipul Shah



Mr. Vipul P. Shah

And I will continue with the proceedings of the AGM.

The shareholders, who have sent their requests for speaking in the AGM can now speak and I request the host to announce their name and make necessary arrangements for the same.

Host

Sir the first speaker shareholder is Ganesh Shenoy.

Mr. Vipul P. Shah

What is his name?

Host

Ganesh Shenoy.

Ganesh Shenoy is not present who was only one speaker shareholder who registered with the Company.

Mr. Vipul P. Shah

Ok fine.

All right so I proceed further?

Host

Yes Sir.

Mr. Vipul P. Shah

Ok.

I would like to now thank all the shareholder once again for attending this AGM, for showing their support to the Company.

The result of the voting on each resolution will be announced within 48 hours from the conclusion of this meeting which will be disseminated on the Company's website [www.vipulorganics.com](http://www.vipulorganics.com) and the website of CDSL i.e. [www.evotingindia.com](http://www.evotingindia.com) and communicated to BSE Limited, where the shares of the company are listed.

Now I request all the shareholders who are attending this meeting and who have not cast their vote through remote e-voting can now exercise their vote on CDSL e-voting platform, using the same login credentials as are being used by them for attending this live 48<sup>th</sup> AGM. The e-voting window will remain open for another 15 minutes from now onwards and after that the voting window shall stand closed.





Thank you, very much.

I request Yogita to present the vote of thanks.

Ms. Yogita Mundra, Company Secretary & Compliance Officer:

I thank Mr. Vipul P. Shah, Chairman of the meeting for conducting the proceedings of this Annual General Meeting. I also thank all the members for participating and attending the meeting and the confidence reposed in us.

As we have dealt with all the items of agenda, I declare the meeting as concluded.

Thank You.

Mr. Prasannakumar Gawde

Thank You.

Mr. Vipul P. Shah

Thank You very much everyone! Thanks a lot and be safe.

