

12<sup>th</sup> January, 2024

To,  
The Manager,  
Department of Corporate Services,  
BSE Limited,  
Pheeroze Jeejeebhoy Towers,  
Dalal Street, Fort,  
Mumbai-400 001

**Scrip Code: 530627**

Dear Sir/Madam,

**Subject: CHEMICAL ENGINEERING WORLD has published interview of Mr. Vipul P Shah, Managing Director of Vipul Organics Limited on "Pigmenting a Rosy Future - Scripting Expansion Plans and Optimism for the Indian Chemical Industry"**

We are happy to announce that your Company Vipul Organics Limited ("the Company") and Mr. Vipul P. Shah, Managing Director of the Company have been featured in Chemical Engineering World. Enclosed herewith the article of the interview for your reference.

The copy of article shall be uploaded on the website of the Company viz. [www.vipulorganics.com](http://www.vipulorganics.com)

You are requested to take the same on record.

Thanking You,

Yours Faithfully,

**For Vipul Organics Limited**

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**Priya Shadija**  
**Company Secretary & Compliance Officer**  
**Membership No. A72549**

Encl: As above

**Vipul Organics Limited**

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## Pigmenting a Rosy Future: Scripting Expansion Plans and Optimism for the Indian Chemical Industry

**Vipul Shah, CMD of Vipul Organics Limited**, is a visionary leader navigating the shifting sands of the global chemical industry. He sees opportunity amidst Europe's woes, capitalizing on the "Europe Plus" strategy with strategic R&D and a focus on sustainable practices. His organisation champion's eco-conscious manufacturing, boasting ZLD plants and biofuel initiatives, earning him environmental accolades. In a world grappling with economic slowdown, Vipul Shah paints a picture of resilience and resourcefulness through an interview to unlock concerns and move ahead for a global scale.



**Vipul P Shah**  
Chairman & Managing Director  
Vipul Organics Limited.

**How do you anticipate the Europe Plus strategy to pan out, and how are you preparing to address this opportunity?**

Europe, especially Germany, has been a hub of manufacturing excellence and front runners in innovation in the Chemical sector especially in the Pigments/ Colorants business. Since last two years, we are seeing that the European manufacturing has taken a big hit due to various reasons such as energy crisis, increased labour cost, inflation, and overall demand slowdown in the European region. This directly brings the opportunity to India for covering up the production which used to come out of these European plants. The plants in Europe were massive in terms of the production quantities they used to produce, especially

in the Pigment sector and were always known for their high quality.

We were closely following the developments and we foresaw the unique opportunity that this presents to dyes and pigments companies like us. We have been very bullish on the Europe Plus strategy and have been preparing for the same since the last two years.

Global customers who are in the business of manufacturing essentials such as food packaging, textiles, paper etc. would need to look beyond Europe for colorants for their needs and we are uniquely poised to fill that gap.

We have geared up our R&D to work on these chemistries which used to come primarily from the

European plants, in order to replace these products by providing the right quality and better pricing.

**Please share insights into the roadmap for Decarbonisation /Climate action and the steps your organization is taking in this direction?**

Vipul Organics Limited has been very mindful about adopting sustainable manufacturing practices by taking direct action in reducing the use of natural resources such as water, coal, etc. We started having our plants ZLD: Zero Liquid Discharge since 2017 by converting one plant after another to ZLD, wherein we reuse and recycle 98% of water used. This has drastically reduced our consumption of fresh water and has helped us achieve our target of being self-sustainable in handling effluent.

For the chemical industry, water is an essential resource and we understand that it's going to be more and more challenging to get pure water. Therefore, as a policy we have decided that going forward, we will be adopting all manufacturing processes in such a way that we recycle and reuse the maximum amount of water.

We have also started using clean, green, biofuel in our plants wherein we use Briquettes, which is a by-product of agricultural waste, and have therefore reduced the use of coal drastically. With these practices we have also attained ISO 14001:2015 certification that focuses on Environmental management systems and also ISO 45001:2018 certification, for Occupational Health and Safety.

**In your view, what will be the implications of slowdown in China's economy as most of the capacities are operating at less than 50% utilization?**

**What will your strategy be to tackle this eventuality?**

China is a giant in terms of the capacities and the output, which contribute significantly to global consumption. It is also true that the plants in China are operating at 50% utilization, which is a matter of concern. But we also understand the challenges faced in the world which has resulted into this. There has been a big slowdown in the consumption of China which is also a big factor in reduction of output for the Chinese manufacturers.

Another important aspect is that China is known for manufacturing for the masses. We need to focus on products which are specialty and tailor made for our customers' needs. This then becomes our USP and adds value to our business.

Chemical Engineering World

Also, India is growing in terms of consumption and we are much better placed in terms of growth opportunity vis a vis the world. We are focusing significantly on taking care of the growing demand within India wherein the Government is looking at promoting locally made products.

In addition, China's challenges in political, health and environmental segments benefit India since customers are willing to pay a premium on Indian goods for the peace of mind and surety of supply chain.

**In the backdrop of current slowdown in the global market, do you expect to start investing in new capacities in the next 2-3 years?**

Vipul Organics Limited has a well-defined expansion plan in place and we are seeing extensive opportunities in India as well as globally for the color business.

We are planning to triple our capacities in the next two years of time frame both in Pigments as well as Pigment intermediates, and have commenced construction at our Greenfield facility at Sayakha in Gujarat recently. The first phase should be functional towards the end of the next financial year.

The goal is not to chase to be the "Biggest" but to be the "Best". We are growing steadily in Pigment Dispersion business which allows us to aggressively use our own pigments and makes our product line stronger in both backward and forward integration.

We are working broadly to develop newer chemistries which used to primarily be dominated by the German companies so that we fill in the vacuum which is created by the issues faced by some European color companies.

We are seeing good potential in newer applications such as Paper, Cosmetics and seed coloring which would help us create value for the company.

We are also working out plans to set up our own stock points outside of India for faster delivery and to be in close proximity to our customers to serve them better.

All in all, we see a rosy future ahead and we hope to capitalize on the space being created with Europe + and China + categories as well as focus on newer dimensions and categories opening up both in the domestic market and globally. ■