

**TRANSCRIPT OF THE 28<sup>th</sup> ANNUAL GENERAL MEETING OF  
PONDY OXIDES AND CHEMICALS LIMITED HELD AT 3.00 P.M. IST ON  
FRIDAY, SEPTEMBER 22, 2023 THROUGH VIDEO CONFERENCING/OTHER  
AUDIO VISUAL MEANS**

**Mr. Anil Kumar Bansal:**

Good afternoon to each and every one of you. On behalf of the Board of Directors of POCL, I am happy to welcome you to the 28th Annual General Meeting of your Company. Similar to the previous year, this AGM too is being hosted on a digital platform, which enables more Shareholders joining us from different parts of India. The Quorum being present, I call the 28th Annual General Meeting of Equity Shareholders of the Company to order. Before we start the main proceedings of the meeting, I would request the Directors and Key Managerial Personnel's to introduce themselves from their respective places.

Myself Anil Kumar Bansal, Chairman and Whole Time Director and I'm attending the AGM from the registered office of the company in Chennai.

**Mr. Ashish Bansal:**

I am Ashish Bansal, Managing Director and I'm attending the AGM from the registered office of the company in Chennai.

**Mr. Vijay Anand:**

I am Vijay Anand, Independent Director and Chairman of the Audit Committee, Nomination and Remuneration Committee and Stakeholder Relationship Committee. I'm attending the AGM from my Residence in Bangalore.

**Mr. K Kumaravel:**

I am K. Kumaravel, Director - Finance and Company Secretary and I'm attending the AGM from the registered office of the Company in Chennai.

**Dr. Shoba Ramakrishnan:**

I am Shoba Ramakrishnan, Independent Director and I'm attending the AGM from my Residence in Chennai.

**Dr. M Ramasubramani:**

I am Ramasubramani, Independent Director and I'm attending the AGM from my Residence in Chennai.

**Mr. B Vijay:**

I am Vijay Balakrishnan, Chief Financial Officer of the Company and I am attending the AGM from the registered office of the company in Chennai



**Mr. Anil Kumar Bansal:**

We wish to inform the presence of the Auditors of the Company Mr. L. Mukundan representing M/s. L. Mukundan & Associates, Chartered Accountants, the Statutory Auditor and Mr. Krishna Sharan Mishra, Partner, M/s. KSM Associates, the Secretarial Auditor and Scrutinizer for this meeting and remote e-voting process.

I request Mr. K Kumaravel to continue the proceedings of the meeting.

**Mr. K Kumaravel:**

Thank you Sir.

Good Morning Ladies and Gentlemen!

At the outset, let me welcome you all to the 28th Annual General Meeting of your Company which is being held through Video Conferencing in view of the circulars issued by the Ministry of Corporate Affairs and SEBI. Due to this, there is no requirement of proxy.

The Company has received requests from a few Shareholders to register themselves as speakers at the meeting. Accordingly, the floor will be open for those Shareholders to ask questions or express their views. The moderator will facilitate this session once the Chairman opens the floor for questions and answers.

Coming to the proceedings of the meeting, I draw the attention of the Shareholders that relevant registers and documents as per the Companies Act, 2013 are available for inspection by the Shareholders in electronic mode at the website of the Company.

The Company had provided the facility to cast the votes electronically, on all resolutions set forth in the Notice. Shareholders who have not cast their votes electronically and who are participating in this meeting will have an opportunity to cast their votes during the meeting through the e-voting system provided by CDSL. Shareholders can click on EVSN of the Company to vote.

Shareholders are requested to refer to the Instructions provided in the AGM Notice for a seamless participation through video conference. In case Shareholders face any difficulty, they may reach out on the helpline numbers mentioned in AGM Notice.

Thank you.

Now, I request the Chairman to address our Shareholders.



**Mr. Anil Kumar Bansal:**

Dear Shareholders,

It is my pleasure and privilege to be speaking to you at the 28<sup>th</sup> Annual General Meeting of your company. First and foremost, I hope you are in good health. I would like to take this opportunity to share the insights of the Company during the previous financial year, the outlook for your company and an update on our path ahead.

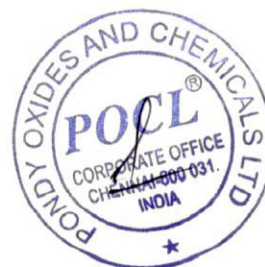
**ECONOMIC OVERVIEW:**

The global environment in general went through considerable changes. Unprecedented Geopolitical events, spike in inflation rate, elevated interest rates and volatile commodity prices have caused slow down of global growth and created turmoil in the overall macro economic environment which in-turn has also affected sector specific Indian markets. At the same time, the world is navigating several transitions. Undoubtedly, these transitions would require significant investments in technology and innovation, and offer a huge growth opportunity for the manufacturing industry in general.

In addition to the above, sustainability, compliance and reporting requirements are fast evolving as new standards and regulations. Companies are rebalancing their supply chains for resilience and efficiency. New global supply chain ecosystems are being created with India playing an important role. This is being led by significant capital investments in technology to set-up digitally supportive manufacturing and supply chain operations as well as to build a proper ecosystem with partners.

We see the current industry landscape as extremely positive. Recycling is now an integral part of every economy. As per the International Lead Association, almost 75% to 80% of the global lead demand is sourced from recycled lead. We feel that other non-ferrous metals like copper and aluminum will also hold an important place when it comes to raw material substitution and their technological advancements would play a key role in the inherent growth of the metal recycling industry. The key trends affecting the industry positively will be:

- (a) increase in recycled raw material percentage in the manufacturing process, in line with global EPR norms and circular economy;
- (b) technological advancement which is going to be an important influencer in changing the applications of raw material either through substitution or manufacturing value-added or specialized products



### **COMPANY PERFORMANCE:**

Your Company's performance showcased a sustained resilience despite the macroeconomic uncertainties across the globe throughout FY 2023. Our Revenue from Operations for the year ended 31st March 2023 was Rs. 1,471.67 Crore which sustained at similar levels as compared with the previous year. Despite reduction in growth in profitability during 1st Half Year of FY 2022-23, POCL was able to comeback with healthy performance on Revenue from Operations for Q3 FY 2022-23 at 24% and Q4 FY 2022-23 at 17% which has resulted in a increase in the net profit by 22% of Q4 FY 2022-23 in comparison with previous quarter In relation to ratios, our EBITDA, net profit margin are relatively same as previous Financial Year. With respect to the current ratio, we are at the optimum level of 1.6. Our sales composition is 55% export and 45% domestic and with respect to procurement, we are around 75% imports and 25% domestic proportion.

Manufacture of Lead and Lead Alloys continue to remain as our core products which contributes majority to our top-line numbers. POCL has a current Lead capacity of about 1,32,000 metric tonnes per annum, and we have been consistently increasing utilization rate year-on-year. This capacity has been built up over the years to cater to the market demand. We will see an improvement in volumes in this financial year, in line with global CAGR of 4% to 6%. The future outlook of the industry remains relatively positive, as POCL is bullish about recycling and its future. We also firmly believe that India will continue to be an emerging market.

Despite increase in overheads, there is increase in the gross margin levels to 12% with similar volume compared to the previous year. This puts the company in a strong position to expand into other non-ferrous metals like aluminum, copper, etc.

Further, POCL has recommended a final dividend of 50% this year and it continues to be a consistent dividend-paying company since its inception. We are also happy to share that we have crossed a turnover of 100 million in exports during the FY 2022-23. The Management is working on viable business opportunities in both short-term and long-term, which will yield in positive strategic growth in correlation with our existing portfolio.

### **KEY DEVELOPMENTS UNDERTAKEN DURING THE YEAR:**

- We have made some changes in our raw material, in terms of scrap, the types of scrap we concentrate more on battery scrap and our efficiency on the plants have also increased considerably from the past couple of years and further we are doing by technology addition which would help in terms of fuel consumption for achieving better margins;



- The Company was facilitated with a Certificate of recognition on 23<sup>rd</sup> November 2022 as "Three Star Export House" from Directorate General of Foreign Trade, Ministry of Commerce & Industry, Govt. of India based on an exceptional performance in international trade and successful achievement of desired export performance;
- The Company had completed setting up of Aluminum Recycling/ melting facility at the factory located at Sriperumbudur, Tamil Nadu and obtained necessary regulatory approvals and thereby commenced its commercial production;
- To factor in an accelerated entry into associated verticals, we had incorporated a subsidiary of our company, that is, POCL Future Tech Private Limited which will enter into Plastics and other segments in recycling.
- The Company has acquired M/s. Harsha Exito Engineering Private Limited through a Resolution Plan which was approved by the Hon'ble National Company Law Tribunal Order dated 12th January 2023 and became a subsidiary of your Company. Post this acquisition, the management of POCL is planning to recycle various other non-ferrous metals to effectively utilize the available infrastructure facilities in the unit.
- On 6th March 2023, the Equity Shares of the Company was listed and traded in NSE (Capital Market Segment) in addition to the existing listing of Equity Shares of the Company in BSE.

**OUTLOOK IN FORTHCOMING YEARS:**

Our focus will be on four verticals, which we have already gone live:  
LEAD, which remains our primary product;

ALUMINUM, which has gone live in Q4 of Financial Year 2022-23;

PLASTICS, where we are looking to scale up and add value-added products;

We have great expectations and see a positive development in the market penetration for getting value-added products under the brand name of POCL. Our objective in creation of strategic business units is a positive approach to demonstrate valuable results and enhance shareholders value.



Our sole intent is to take advantage of both the investment and time value to complete projects in a short span, and build a core team to manage the operations after successful commissioning of such projects. POCL is planning to install fully automated Lead Smelting and Refining operation in its new location. Further, we have expansion plans for diversifying into other non-ferrous segments. It is important to note that there are several automobile industries within the vicinity of our units and we can get fresh orders from them for the additional capacity to be created.

We also focus on creation of yards for collection of non-ferrous scrap in the coming years to leverage on better rates in procurement as a strategy thereby expanding our network. Our relationships with our customers and suppliers continue to remain strong, which bears testimonial to the fact that we have a supreme brand image within the lead sector, known for quality and reliability.

Despite certain challenges in short-term, we are excited about the mid- and long-term opportunities ahead of us and convinced that we can generate value for our stakeholders. We have proven in the past that we are capable of managing volatile environments and confident of achieving the projected results during the Financial Year 2023-24. With our objectives and goals, we will deliver sustainable cash flows for continued growth and value enhancement through optimum utilization of available resources.

**ACKNOWLEDGEMENT:**

I would like to place on record our sincere acknowledgement and appreciation to the company's managerial and operating team both at Registered Office and Factories for all their efforts during the Financial Year 2022-23. I deeply appreciate all our employees for their continued support.

Nevertheless to say, the culture, values and ethos of POCL group have been an inspiration as always. Your company has a very strong Management and leadership team and a workforce that is highly motivated. I would like to thank the continuous valuable contributions made by the Board of Directors of the Company for taking the Company to greater peaks and looks for their continuous support and guidance in forthcoming years.

I also would like to thank all my stakeholders for supporting us in each of our endeavours and we hope to continue our journey of togetherness for a long period, achieving newer milestones in the path of success and excellence with continued trust, confidence, and support.

Warm Regards.



**Mr. K Kumaravel:**

Thank you, Sir.

The Notice for the Meeting along with the Auditor's Report, Secretarial Auditor's Report and Board's Report in respect of the Financial Year 2022-23 have already been circulated to you. There have been no qualifications by the Statutory Auditors or the Secretarial Auditors. Therefore, I take the Notice, the Auditor's Report, the Secretarial Auditor's Report and the Board's Report as read.

The proposing and seconding of resolutions is not required as per the Secretarial Standards as the resolutions are being put to vote through e-voting facility.

Now, we will go through the agenda for this meeting. The first three items are ordinary businesses and next five items are special businesses.

**ORDINARY BUSINESSES:**

**Item No. 1**

To receive, consider and adopt the Audited Standalone and Consolidated Financial Statements of the Company for the Financial Year ended March 31, 2023, together with the reports of Board of Directors' and Auditors' thereon. **(Ordinary Resolution)**

**Item No. 2:**

To declare Final Dividend of Rs. 5.00/- (i.e. 50%) per equity share of Rs. 10/- each for the Financial Year ended March 31, 2023. **(Ordinary Resolution)**

**Item No. 3:**

To appoint a Director in the place of Mr. Anil Kumar Bansal (DIN: 00232223), who retires by rotation and being eligible, offers himself for reappointment. **(Ordinary Resolution)**

**SPECIAL BUSINESSES:**

**Item No. 4:**

Re- appointment of Mr. Ashish Bansal (DIN: 01543967) as Managing Director for a further period of 3 years with effect from 1<sup>st</sup> April 2024 and fixing his remuneration thereon. **(Special Resolution)**

**Item No. 5:**

Re-appointment of Mr. Anil Kumar Bansal (DIN: 00232223) as Chairman & Whole-Time Director for a further period of 3 years with effect from 1<sup>st</sup> April 2024 and fixing his remuneration thereon. **(Special Resolution)**



**Item No. 6:**

To increase the borrowing powers of the Company from Rs. 300 Crore to Rs. 400 Crore.  
**(Special Resolution)**

**Item No. 7:**

Re-appointment of Mr. A Vijay Anand (DIN: 06431219) as an Independent Director of the Company for a second consecutive term of 5 years with effect from 27<sup>th</sup> December 2023.  
**(Special Resolution)**

**Item No. 8:**

To ratify the remuneration of the Cost Auditors for the Financial Year 2022-23. **(Ordinary Resolution)**

In this regard, the Board has appointed Mr. Krishna Sharan Mishra, Practicing Company Secretary representing M/s. KSM Associates as the Scrutinizer, to scrutinize the votes cast by remote e-voting.

Dear Shareholders, if any member desires to ask any questions pertaining to any item in the AGM Notice, he/she may do so now. Shareholders are requested to keep their questions brief and specific. Before we go live with the Q&A, here are some points to note for your convenience.

Kindly turn on your video when you are projected on the broadcast screen, unmute yourself and proceed to ask the question. Please mention your Name, Folio Number, and the Location from where you are joining. Each Shareholder will have ten minutes for their questions. Once you have asked your question, you can log off and continue to watch the proceedings. To avoid repetition, the answers to all the questions will be provided towards the end. On behalf of the Board and the Chairman, the response for the various queries of shareholders will be given either by Managing Director or Director – Finance of the Company.

Further, please note that the responses on various queries describing our objective, projections, estimates and expectations may be “forward-looking statements” within the meaning of applicable laws, Rules, Regulations, etc. Actual results could differ materially from those expressed or implied. Important factors that could make a difference to our operations among others include the economic conditions affecting demand or supply and price conditions in the domestic and overseas markets in which we operate in addition to changes in government regulations, tax laws and other statutes and incidental factors.



**Mr. K Kumaravel:**

There were 3 Shareholders who participated at the 28<sup>th</sup> AGM viz. (1) Mr. Jigar Savla, Partner of Vihas Ventures LLP, (2) Mr. A V Mani Sundaram, (3) Mr. J Abhishek. Various queries raised by these Shareholders were duly responded by the Management.

**Mr. Anil Kumar Bansal:**

Shareholders have been provided the facility for voting through electronic voting system during the meeting. Only those Shareholders who have not voted through e-voting can vote at the meeting.

The voting will continue to be available for 15 minutes from now on the e-voting platform. The Scrutinizer, Mr. Krishna Sharan Mishra, is available to supervise the voting process and to give his report on the voting. The results of the voting will be placed on the website of the Company and on the website of CDSL. The same will also be intimated to BSE. The resolutions, as set forth in the Notice shall be deemed to be passed subject to receipt of necessary number of votes.

I, along with all the Board Members, would like to thank you dear Shareholders for your active participation in the meeting. I am grateful to you for your time and involvement. I declare that necessary quorum was present throughout the meeting.

I now authorize the Company Secretary to announce the closure of the meeting upon expiry of 15 minutes. Permit me to take leave now. Take care and be safe!

(Krishna Sharan Mishra supervises the Voting process by having a Timer for 15 Minutes.)

**Mr. K Kumaravel:**

The Voting time is over now. I convey our sincere thanks to all the members for participating at the meeting. 44 Shareholders attended the meeting. I hereby declare the meeting stands closed. The Meeting concluded at 04:05 P.M. IST.

Thank you.

