PONDY OXIDES AND CHEMICALS LIMITED POCL®

26th August 2024

National Stock Exchange of India Ltd
Exchange Plaza, 5th Floor,
Plot No. C/1, G Block,
Bandra Kurla Complex, Bandra (E),
Mumbai - 400 051

BSE Limited
Corporate Relationship Department,
Phiroze Jeejeebhoy Towers,
Dalal Street,
Mumbai – 400 001

NSE Symbol : POCL
BSE Scrip Code: 532626

Dear Sir/Madam,

Sub: Submission of Annual Report for the Financial Year 2023-24 along with the Notice of 29th Annual General Meeting (AGM)

Pursuant to Regulation 34 of SEBI (LODR) Regulations, 2015, we enclose herewith the Annual Report of our company for the Financial Year 2023-24 along with the Notice of the AGM to be held on Wednesday, 18th September 2024 at 03:00 P.M. (IST) through Video Conferencing (VC) / Other Audio Visual Means (OAVM).

The Annual Report for the financial year 2023-24 along with the Notice of 29th AGM is also uploaded on the Company's website i.e., **www.pocl.com**

Kindly take the above information on record.

Thanking you,

Yours faithfully,
For **Pondy Oxides and Chemicals Limited**

KRISHNA MOORTHI KUMARA VEL

Digitally signed by KRISHNAMOORTHIKUMARAVEL
DN: c=IN, o=PERSONAL, 2.5.4.20=3edc5a9c639197dfacc1a67ecd9bfbc44fa86be6c28e7ac449787d431b88c21b, postalCode=600083, st=TAMIL NADU, serialNumber=1000fa75f1b4356d894d05ae462ccbf2eedd1acda5d98c29f77e061ea7841c5f, cn=KRISHNAMOORTHIKUMARAVEL
Date: 2024.08.26 18:25:58 +05'30'

K. Kumaravel
Director Finance & Company Secretary.
Encl.: as above

Pondy Oxides and
Chemicals Limited

POCL®

Driving Growth through Circularity and Sustainability

Annual Report
2023-24

Contents

01-40

CORPORATE OVERVIEW

41-84

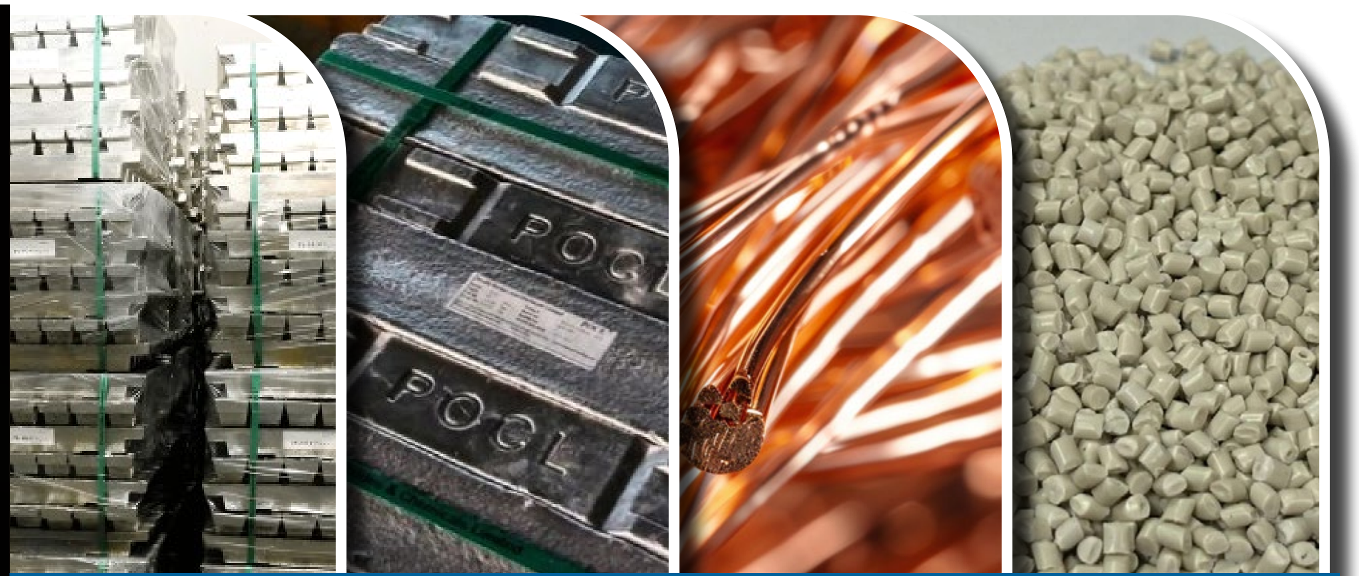
STATUTORY REPORTS

85-192

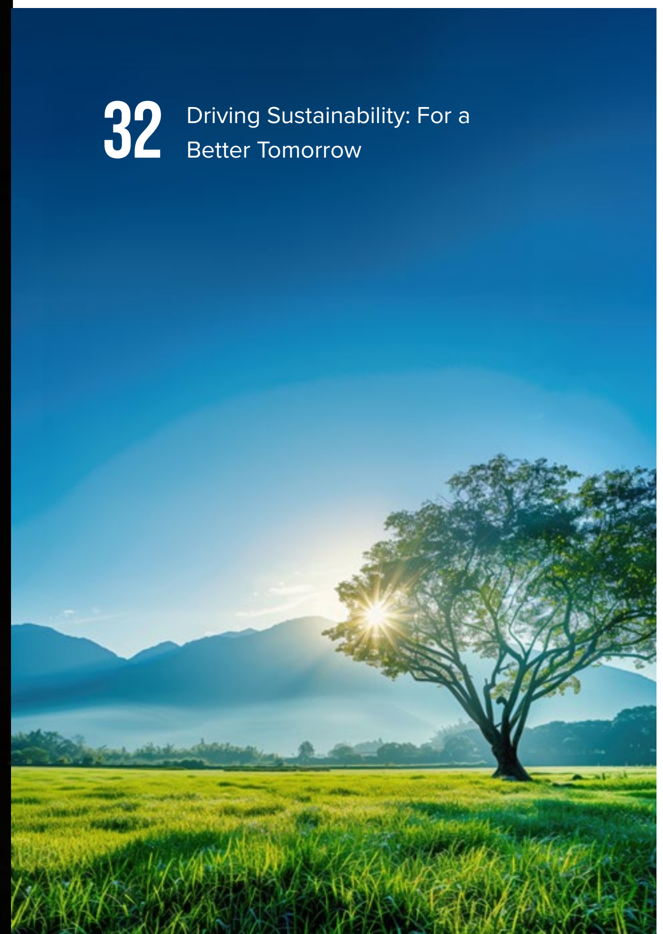
FINANCIAL STATEMENTS

193-211

Notice to the 29th Annual General Meeting (AGM)



12 Diverse and Forward-Looking Product Portfolio



32 Driving Sustainability: For a Better Tomorrow

Investor Information

Market Capitalisation as of 31st March 2024	₹ 721.67 Crs
CIN	L24294TN1995PLC030586
NSE Symbol	POCL
BSE Code	532626
Dividend Declared	₹ 6.51 Crs (50%)
AGM Date	Wednesday, 18th September 2024
AGM Venue	Registered Office - Video Conferencing/Other Audio Visual Means (OAVMs)

For more investor-related information, please visit **https://www.pocl.com/portfolio/investor-relations/**

Scan this QR code to view the online version of the report

Disclaimer:

This document contains statements about expected future events and financials of Pondy Oxides and Chemicals Limited ('The Company'), which are forward-looking. By their nature, forward-looking statements require the Company to make assumptions and are subject to inherent risks and uncertainties. There is a significant risk that the assumptions, predictions, and other forward-looking statements may not prove to be accurate. Readers are cautioned not to place undue reliance on forward-looking statements as several factors could cause assumptions, actual future results and events to differ materially from those expressed in the forward-looking statements. Accordingly, this document is subject to the disclaimer and qualified in its entirety by the assumptions, qualifications and risk factors referred to in the Management Discussion and Analysis section of this Annual Report.

Driving Growth through Circularity and Sustainability

The global industrial landscape is changing dramatically at the nexus of innovation and sustainability. Companies are expected to not only navigate through this new paradigm shift but also lead the way towards a sustainable future, as the case for circular economies grows more compelling and pressing. **It is in this context that Pondy Oxides and Chemicals Limited (POCL) is well positioned to embrace opportunities and challenges, paving the way towards circularity and sustainability through its responsible manufacturing practices.**

In an era where sustainability is shaping the future of industries, Pondy Oxides and Chemicals Limited (POCL) stands at the forefront of this change, leading with nearly three decades of innovation and expertise in manufacturing Lead and Lead Alloys. **The Company has a diverse portfolio comprising Lead, Copper, Plastics and Aluminium.**

Pivotal to POCL's future trajectory is its deep commitment to circularity and sustainability. By 2030, the Company is poised to expand its current product horizons and diversify into new product verticals.

This strategic vision is reinforced by key initiatives, such as capacity expansions, substantial capital investments, R&D for value-added products, technological upgradation and operational excellence, all supported by a robust management team, strong technical workforce and deep-rooted stakeholder confidence. **This strategic diversification is meticulously designed to enhance growth prospects, expand the product portfolio, increase profitability and ensure value creation for shareholders.**

The Company's growth strategy is supported by its extensive global supply chain network, strategically located units in India with proximity to ports, and further complemented by implementation of regulatory frameworks initiated by the Government, including the Battery Waste Management Rules (BWMR) and Extended Producer Responsibility (EPR) mandates, which are set to increase the domestic availability of scrap raw materials.

As POCL advances into the future, it continues to prioritise operational efficiency through the adoption of cutting-edge technologies and automation. This strategic focus not only promises to deliver sustainable profit margins but also ensures the Company's growth trajectory remains aligned by ***driving growth through circularity and sustainability.***

Prelude

Leveraging Innovation as a Catalyst for Sustainable Operations

POCL stands tall in India's recycling and manufacturing landscape, recognised as one of the largest recyclers of non-ferrous metals and a leading manufacturer of Lead and Lead alloys. With a foundation built on responsible manufacturing practices, POCL is propelled by a dedicated workforce and a skilled management team, collectively steering it towards a growth trajectory in both the metallic and non-metallic recycling verticals. By exploring new frontiers in recycling technology, process integration and upholding initiatives for environmental norms, POCL upholds its duty as a responsible manufacturer, setting benchmarks in sustainability and driving growth through circular practices. Innovation is inherent as a core value of the Company, which invariably becomes a catalyst for sustainable operations. This futuristic approach not only emphasizes POCL's position as an industry leader but also underscores the Company's commitment to promoting sustainability.

POCL's Scale and Scope

28+
Years of Experience

4
Recycling Verticals - Lead, Copper, Aluminium and Plastics

140K+
MT Scrap Recycled p.a.

500+
Employees

200+
Partners Worldwide

20+
Export Destinations

POCL's Accolades

India's First 3N7
LME Registered Lead Brand

QMS, EMS & OHSAS
Certified

A-
External Rating from CRISIL

Prestigious AEO T3
Certification

3-Star
Export House

POCL's Performance Track Record

15%
10-Year Revenue CAGR

15%
10-Year EBITDA CAGR

28+
Years of Consistent Dividend Payouts

Corporate Snapshot

Leading the Way: Sustainable Excellence at POCL

Pondy Oxides and Chemicals Limited ('POCL' or 'the Company') personifies quality, efficiency, consistency, and reliability. Its robust R&D plays a pivotal role in developing new products and processes and helps evaluate the dynamic customer trends. The Company is committed to operational excellence, evident in its continual adoption of advanced technologies, integration of processes, and transformative strategies. Central to POCL's approach is a strong emphasis on research and development, which drives innovation and the development of new products and processes that align with changing customer preferences and industry trends.

Headquartered in Chennai, POCL proudly holds the distinguished 3N7 London Metal Exchange (LME) registered lead brand certification. The Company's extensive list of accolades stands as a testament to its exceptional achievements and commitment to excellence. POCL operates through its state-of-the-art lead manufacturing units in Tamil Nadu and Andhra Pradesh, which are complemented by smart and lean aluminium and plastic manufacturing facilities in Tamil Nadu. The Company maintains a robust market presence through the use of advanced technology and strategic positioning. This determination is backed by its foundational pillars of strength, dedication, and unmatched expertise.

Mission

To be a leading global recycling company by 2028, propelled by:

- Sustainable Growth & Value Creation
- Well-Diversified Portfolio
- Technological Upgradation

Vision

To be the most valuable recycling company in the world, adopting responsible and sustainable manufacturing practices.

Core Values

- Excellence
- Responsibility
- Integrity
- Learning and Innovation
- Teaming and Collaboration
- Sustainability

Business Segments

Lead

Copper

Aluminium

Plastics

Business Drivers

- Robust R&D
- Dedicated Technical Workforce
- Professional Management Team
- Operational Excellence
- Continuous Technological Progress and Adaption
- Forward Integration

Milestones

Journey of POCL: Charting Milestones

POCL has achieved numerous significant milestones throughout its business journey, underscoring the Company's dedication to excellence and sustainability. Founded on the principles of innovation and quality, POCL has expanded its operations strategically, thereby establishing itself as a leader in the metal recycling industry.

1995-1998

1995

Incorporated as a public limited company in Tamil Nadu and listed on the Madras and Coimbatore Stock Exchanges (Regional)

1996

Established litharge, red lead, and zinc oxide production plant in Pondicherry

1997

Started a joint venture in Malaysia for zinc oxide

1998

Established second lead stabiliser unit in Pondicherry

2002-2015

2002

Completed disinvestment from the joint venture in Malaysia

2003

Registered highest growth rate in the metallic and PVC stabiliser market

2006

Inaugurated first lead smelter (SMD) capacity 18,000 MTPA in Tamil Nadu

2010

Expanded the capacity of the lead smelter plant in Tamil Nadu from 18,000 to 28,200 MTPA

2012

Merged with Lohia Metals and acquired 10,000 MTPA capacity expansion

2015

- Established new SMD-II plant in Andhra Pradesh with 24,000 MTPA capacity
- Expanded the capacity of SMD-I from 28,800 to 36,000 MTPA

2018-2021

2018

Expanded the capacity of SMD-II from 24,000 MTPA to 36,000 MTPA

2019

Became the first Indian 99.97 lead brand to be registered on the London Metal Exchange

2020

Acquired Meloy Metals Private Limited with a capacity of 48,000 MTPA to reach combined lead and lead alloy capacity to 1,20,000+ MTPA

2021

- Implemented SMD-I expansion from 36,000 to 48,000 MTPA, bringing total capacity to 1,32,000 MTPA
- Carried out further expansion in copper and plastics

2022-2024

2022

- Issued bonus shares in 1:1 ratio to its shareholders
- The Company established a wholly owned subsidiary called 'POCL Future Tech Private Limited', to expand its ventures into the recycling of plastics

2023

- Successfully established and commenced operations of an aluminium recycling/melting facility at POCL's factory in Sriperumbudur, Tamil Nadu
- The Company also got listed and started trading its equity shares on the National Stock Exchange
- Acquired Harsha Exito Engineering Pvt. Ltd., Thervoykandigai, Tamil Nadu, for future expansion

2024

- Acquired 123 acres of land in Mundra, Gujarat
- Raised funds through preferential issue amounting to ₹ 132.5 Crs

Manufacturing Facilities

Manufacturing Excellence: Expanding Capabilities

In line with its strategic expansion goals, POCL is focussed on establishing and growing its facilities within existing and related manufacturing sectors. These facilities cater to both domestic and international markets, contributing to the 'Make in India' campaign. The Company's state-of-the-art, smart, and lean manufacturing units are specifically engineered for the efficient processing of scrap materials, facilitating the recycling and production of high-quality metal and non-metal products that supports a circular economy. Additionally, these facilities are advantageously located near ports to enhance logistical benefits.

Mundra, Gujarat

Acquired 123 acres of land in Mundra, Gujarat, that is attributable to geographical presence in India and accessing the global markets

Andhra Pradesh

Lead Smelter Division II: Capacity 84 KTPA **Copper Division:** Capacity 6 KTPA

Tamil Nadu

Corporate Office: Chennai

Lead Smelter Division I: Capacity 48 KTPA
Aluminium Division: Capacity 12 KTPA
Plastics Division: Capacity 9 KTPA
TKD Lead Division: Capacity 72 KTPA Phase 1&2 is 36 KTPA each (in progress)

Total Capacities

132 KTPA Lead (Additional Expansion of 72 KTPA in Progress)

9 KTPA Plastics

6 KTPA Copper

12 KTPA Aluminium

Disclaimer: This map is a generalised illustration only for the ease of the reader to understand the locations, and it is not intended to be used for reference purposes. The representation of political boundaries and the names of geographical features/states do not necessarily reflect the actual position. The Company or any of its directors, officers or employees, cannot be held responsible for any misuse or misinterpretation of any information or design thereof. The Company does not warrant or represent any kind of connection with its accuracy or completeness.

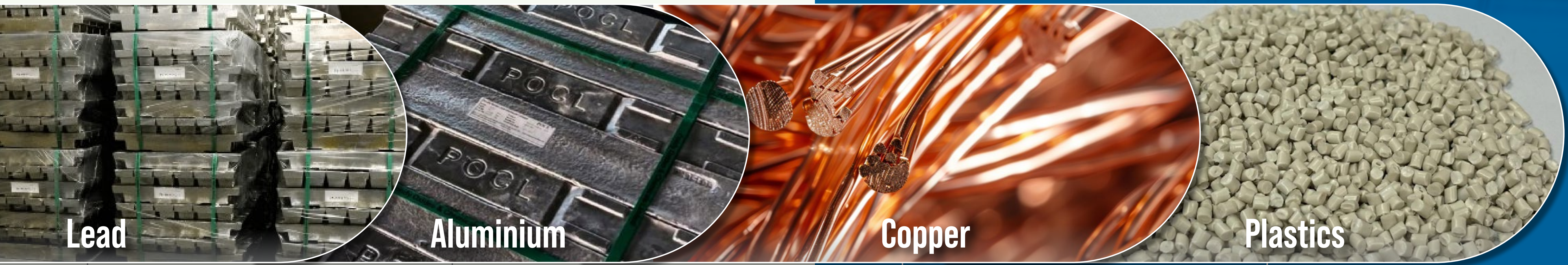
Product Portfolio

Diverse and Forward-Looking Product Portfolio

POCL boasts a broad and diversified portfolio that spans lead, copper, plastics, and aluminium. The Company is focussed on expanding its portfolio to encompass emerging fields such as lithium-ion, rubber and e-waste, while also exploring forward integration of these business verticals. Additionally, it aims to enhance the value-added products within its existing offerings. Currently, value-added products account for 56% of the Company's revenues, and this figure is expected to increase to 70%.

100+

Other Specialised Alloys Manufactured



Lead

- Pure Lead
- Lead Calcium Alloys
- Lead Tin Alloys
- Lead Antimony Alloys
- Lead Master Alloys
- Speciality Alloys

Aluminium

- ADC Series (JIS Standard)
- LM Series (BS Standard)
- Tailor-Made Alloys as per Customers' Requirements

Copper

- Clove
- Cobra
- Mill Berry
- Grease Mill Berry
- Tin Mill Berry

Plastics

Industrial and Engineering Plastic Granules

- Polypropylene Copolymer Plastic (PPCP)
- Acrylonitrile Butadiene Styrene (ABS)
- High-Density Polyethylene (HDPE)
- Low-Density Polyethylene (LDPE)
- Polycarbonate (PC)
- Polypropylene Homopolymer Plastic (PPHP)
- Nylon 6, 66

Procurement

Accelerating Growth: Dynamic Procurement Proficiency

By integrating a global supply chain network for procurement, multi-sourcing strategy, responsible sourcing practices and well-defined processes, POCL has developed a diverse supply base across the globe that significantly reduces the risk of dependency on any one supplier. This strategic approach not only strengthens the Company's resilience but also empowers it to seize promising opportunities in global markets.

Currently, a substantial portion of POCL's production is directed towards international markets, reflecting the Company's determined aspiration to further expand its export volumes. This objective is pursued through careful evaluation of international market opportunities, while maintaining a strong commitment to sourcing from the domestic market.

Core Competencies in Procurement

Global Sourcing Network

The Company actively procures raw materials from over **70 countries** worldwide, leveraging a diverse range of sources to ensure a steady and varied supply.

International Supplier Partnerships

By collaborating with more than **270 overseas suppliers**, POCL has been building strong, strategic relationships to enhance supply chain stability and access high-quality materials.

Advance Operational Support

The Company's operations are underpinned by **custom-built software**. These are meticulously designed to streamline processes, improve efficiency, and support it's complex global logistics.

Prestigious Market Presence

The POCL brand is listed on the **prestigious London Metal Exchange**, underscoring its significant standing in the global metals market.

Regulatory Compliance

The Company holds the **requisite licences** and permissions for importing various types of scrap. This helps ensure adherence to environmental regulations and facilitating smooth import operations.

Responsible Sourcing Practices

POCL's well-defined processes are committed to **responsible sourcing practices**, reflecting its dedication to ethical and sustainable procurement across its operations.

Global Procurement Expertise

The Company's robust procurement team operates with a **wide-reaching global network**, expertly managing supplier relationships and optimising the supply chain on an international scale.

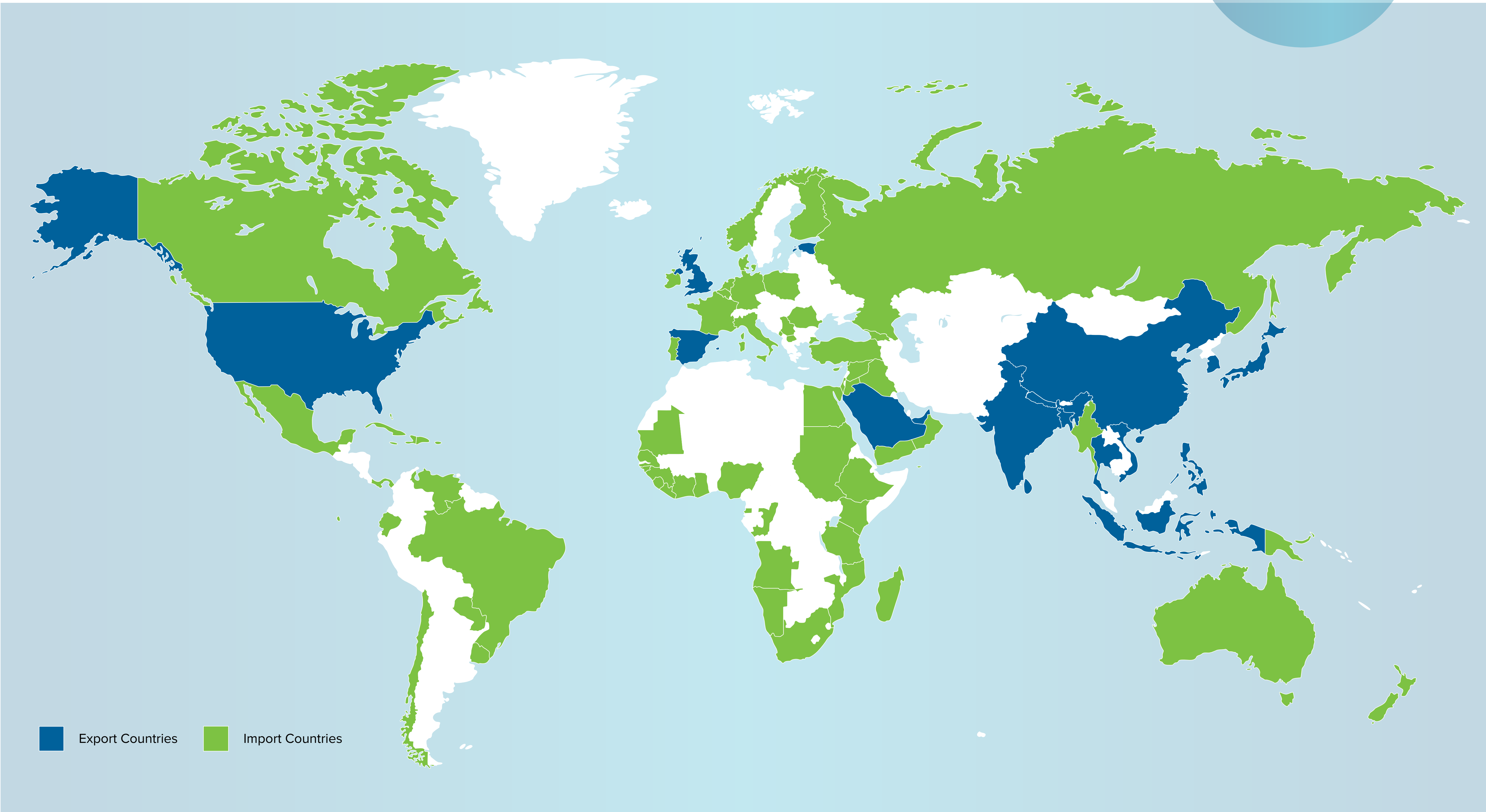
Uninterrupted Supply Chains

POCL guarantees a continuous and reliable supply chain through its **long-term partnerships** and strategic alliances. Thus, reinforcing its commitment to meeting customer demands and sustaining operational efficiency.

Global Presence

Expanding Horizons: A Robust Global Network

POCL procures its scrap materials from across the globe and distributes its products internationally. The Company's procurement and supply networks are notably diverse, effectively reducing the risk of supply concentration while simultaneously opening avenues for expansion into international markets. Currently, 60% of POCL's production is exported. Looking ahead, the Company aims to bolster its export operations by assessing opportunities in international markets and increasing procurement from domestic sources.



Disclaimer: This map is a generalised illustration only for the ease of the reader to understand the locations and is not intended to be used for reference purposes. The representation of political boundaries and the names of geographical features/states do not necessarily reflect the actual position. The Company or any of its Directors, officers or employees cannot be held responsible for any misuse or misinterpretation of any information or design thereof.

Operating Landscape

Navigating the Terrain: Capitalising on Favourable Market Trends

POCL is a prominent player in the lead-acid battery industry, specialising in the production of lead and lead alloys. These are essential raw materials used in the manufacturing of lead-acid batteries. The global automotive lead-acid battery market was valued at USD 42.34 Bn in 2023 and is projected to expand to USD 68.30 Bn by 2031, at a CAGR of 4.9%. The implementation of Battery Waste Management Rules and EPR guidelines has fostered the growth of lead batteries in the domestic market. Additionally, concepts like the circular economy, Environmental, Social, and Governance (ESG) principles, and technological advancements are becoming increasingly significant. These developments signal promising opportunities ahead for the industry.

POCL has successfully acquired a 123-acre industrial land parcel in Mundra, Gujarat, for ₹ 41.40 Crs. This acquisition is poised to augment the Company's service capabilities in the Western region and broaden its global export reach. Situated near the port, this land will serve as a key site for the future expansion of the Company's product offerings.

POCL's Diverse Recycling Verticals

LEAD

Industry Size

The global lead market is expected to record a CAGR of 4.9% from 2024 to 2031. In 2024, the market size is projected to reach a valuation of USD 19,177 Mn. By 2033, the valuation is anticipated to reach USD 30,005 Mn. This growth is driven by a combination of factors, including industrialisation, urbanisation, government regulations, technological advancements, and a shift towards sustainable practices. The lead market operates within a complex global framework, characterised by intricate supply chains and evolving consumer preferences.

India remains an attractive market for lead with the demand likely to increase with an average growth of 6.4% until 2031. This growth is likely to be driven by the automotive sector and inverter battery market.

(Source: Custom Market Insights, Global Lead Market Report)

How is POCL Positioned

POCL operates with an annual finished goods capacity of 1,32,000 MTPA. The Company's procurement strategy includes sourcing 85% of materials through imports and 15% domestically. In terms of sales distribution, 56% of its products are exported globally, while the remaining 44% caters to the domestic market. POCL primarily targets industries involved in lead-acid battery manufacturing and other battery OEMs, utilising its strong manufacturing capability and calculated sales strategy to meet both international and domestic demand.

COPPER

Industry Size

The global copper market was valued at USD 320.33 Bn in 2023 and is projected to clock in a CAGR of 5.1% from 2023 to 2031, reaching USD 476.90 Bn by 2031. The Middle East and Africa region is projected to experience the fastest growth during this period. This surge in demand for copper is fuelled by rapid industrialisation, urbanisation, and infrastructure development in emerging economies, particularly in China and India. These countries are major consumers of copper, particularly in the manufacturing, electrical applications, and construction industries.

India's demand for copper surged by 26.6% in 2022-23, and early indicators for 2023-24 suggest another potential year of double-digit growth. This surpasses the global growth rate estimated at around 3%. Key sectors driving this consumption include infrastructure development, electric vehicles (EVs), clean technology, and consumer durables.

(Source: Copper Market Report, Spherical Insights)

How is POCL Positioned

POCL operates with a production capacity of 6,000 MTPA. Its procurement strategy involves sourcing materials with a split of 95% from imports and 5% from domestic suppliers. The sales distribution shows that 80% of products are exported, while 20% cater to the domestic market. Target industries include copper wire manufacturing and various other applications of copper, positioning the Company to cater to both global and domestic demands effectively.

ALUMINIUM

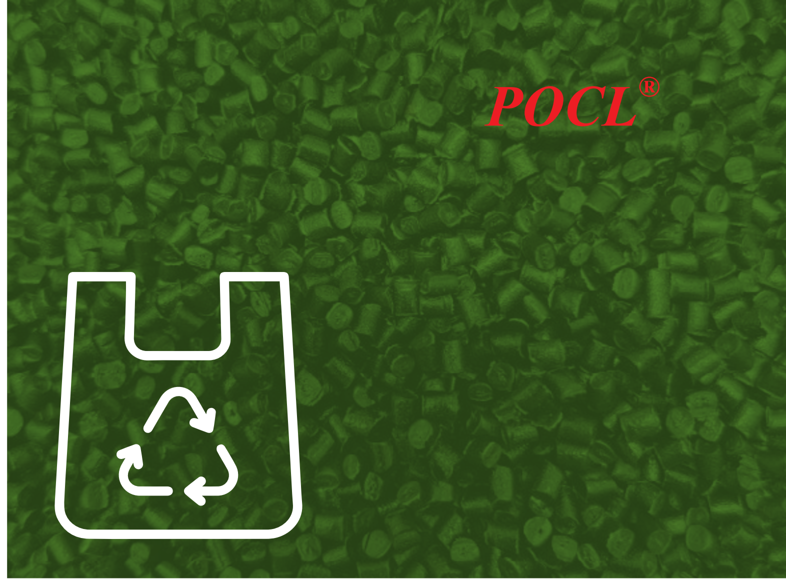
Industry Size

In 2023, the global aluminium market was valued at USD 229.85 Bn. This is expected to increase from USD 243.89 Bn in 2024 to USD 393.70 Bn by 2032. The growth of the transportation industry is a major catalyst for the aluminium market, driven by the metal's lightweight and durable characteristics essential for manufacturing vehicles, airplanes, and other transportation equipment. The expansion of this sector is a significant contributor to the rising demand for aluminium worldwide.

(Source: Aluminum Market Report, Allied Market Research)

How is POCL Positioned

POCL operates with an annual production capacity of 12,000 MTPA, sourcing all of its materials through imports. The Company exclusively sells its products within the domestic market, specifically targeting the automobile industry. This focussed strategy allows the Company to adeptly meet the unique requirements of the domestic automotive sector, providing high-quality products sourced from around the world.



PLASTICS

Industry Size

The global plastic market is expected to expand significantly from USD 133.62 Bn in 2023 at a CAGR of 7.8% during the forecast period (2024-2030). This growth is likely to be driven by the rising adoption of plastics as substitutes for materials such as glass, metals, wood, and natural rubber. The versatility and cost-effectiveness of plastics are anticipated to propel market growth in various industries over the coming years.

India holds significant potential to become a leading global supplier of plastics, with the domestic plastic market projected to grow more than threefold, reaching ₹ 10 Lac Crs by 2027-28. Alongside domestic growth, exports are expected to increase from ₹ 40,000 Lac Crs to ₹ 1 Lac Crs. The Indian plastic manufacturing sector is poised to play a crucial role in supporting the country's ambition to achieve a USD 5 Tn economy.

(Source: Indian Plastic Market Report, by IBEF)

How is POCL Positioned

POCL operates with a manufacturing capacity of 9,000 MTPA. The Company's procurement strategy entails sourcing materials with a 50% split between imports and domestic suppliers. All products are sold domestically, targeting a diverse range of industries, including automobile manufacturing, appliances, furniture, paints, battery OEMs, and electronics. This strategic approach allows the Company to cater effectively to the domestic market across various sectors.

Chairman's Message

Looking Forward to the Next Leap of Growth

"We maintain a diversified product portfolio encompassing non-ferrous metals and plastics with majority of revenues from value-added products"

Dear Shareholders,

It gives me great pleasure to present our Company's achievements and developments for the fiscal year 2023-24. We have achieved significant milestones, and I have no doubt that working together will help us reach even higher goals as we take on new projects and embrace new challenges. Our outlook remains positive, supported by progress in different recycling verticals and new projects at various phases of development. Our dedicated team along with committed staff, will continue to carry out our Company's vision, opening the door for a brighter future.

The global economy is currently stabilising after consecutive years of negative shocks. Amid rising financing costs and escalating geopolitical tensions, global economic activity began to show signs of resurgence in early 2024. However, expectations of significant declines in global interest rates have moderated due to ongoing inflationary pressures in advanced economies.

In today's dynamic global landscape, I believe corporate resilience is essential for adapting and adjusting strategies to sustain business operations. With over three decades of experience, POCL has successfully navigated numerous business cycles and consistently delivered strong results. Our extensive customer base and supplier networks span diverse geographical regions, enhancing our operational flexibility and minimising concentration risks. We maintain a diversified product portfolio encompassing non-ferrous metals, and plastics with majority of revenues from value-added products. We are also expanding our domestic procurement footprint supported by regulations mandated by government such as Battery Waste Management Rules (BWMR) and Extended Producers Responsibility (EPR) guidelines. We proactively plan to improve operational efficiencies through adoption of alternative fuels and renewable energy, thereby enhancing profitability margins amid fluctuating market conditions.

Over the next five years, the metal recycling market is projected to expand from USD 552 Bn in 2024 to USD 768 Bn by 2029, reflecting a robust CAGR of 6.8%. This growth is driven by increasing industrial demand for sustainable raw materials, cost efficiencies, stringent environmental regulations, and advancements in technology.

The APAC region is poised to play a key role in this growth trajectory, showcasing the highest growth rates in metal recycling, driven by its increasing production in the manufacturing sector. Rapid industrialisation and urbanisation across APAC, combined with strict environmental mandates, further enhance the region's prominence in sustainable practices.

Technological advancements play a critical role in lowering energy consumption and operating costs, simultaneously increasing recycling efficiency and product quality. Key sectors driving this momentum include automotive, construction, and electronics, which benefit substantially from the developments of recycling industry. As we look ahead, we remain committed to leveraging these trends, innovate and automate in the recycling space, and will continue to support POCL's legacy of sustainable growth. Together, let us seize the opportunities that lie ahead and contribute to a greener and more efficient future.

We have signed an MoU with the Tamil Nadu Government, laying the groundwork for the establishment of advanced recycling and manufacturing facilities in the state. These facilities, will focus on non-ferrous metals, lithium-ion battery recycling, e-waste and plastics along with dedicated R&D centres for developing value-added products. This strategic initiative is expected to boost both our topline and bottom-line growth significantly.

We are undertaking significant expansion of our lead production capacity, increasing it from 1,32,000 metric tonnes per annum to 2,04,000 metric tonnes per annum across two phases. This new plant will be one of the most advanced in the industry, featuring cutting-edge automation, enhanced operational efficiency, with a reduced carbon footprint. It reflects our commitment to sustainable, eco-friendly manufacturing practices and sets the stage for our voluntary ESG implementation. We anticipate that the project will go live in Q3 of 2024-25. This project is a testament to my team's unfaltering commitment to sustainable growth and operational excellence. Our focus on innovation and environmental stewardship is central to our strategy, and this expansion further solidifies our position as a leader in the industry. Additionally, our reach is not confined to domestic markets; with 60% of our production exported globally, POCL continues to make a mark on the international stage.

Our reputation for operational excellence is underpinned by our pioneering role as India's first 3N7 LME registered lead brand. I am also proud to share that we have received the prestigious AEO T3 certification as an Authorised Economic Operator from the Ministry of Finance, along with the esteemed 3-star export house status from the Government of India. These accolades not only recognise our achievements but also highlight our relentless pursuit of business excellence.

Our success is further driven by strong, ongoing engagement with customers and partners, supported by robust business practices that set us apart from competitors. Through rigorous R&D, we stay attuned to evolving market trends, enabling us to adapt and innovate continuously.

Looking ahead, as we will eventually complete the initial phases of our expansion, we plan to diversify into other new verticals in Tamil Nadu. Alongside this, we are committed to establishing state-of-the-art R&D facilities that will drive further innovation and explore new product avenues for future growth.

Our persistent dedication to quality and our enthusiasm for growth continue to be the keys to our success as we go forward, allowing us to not only hold onto our position as a major contributor to the industry but also revolutionise our industry and leave a lasting legacy of accomplishment. As a team, we eagerly welcome the future and keep pushing the boundaries of expansion and achievement.

Our ability to nurture our fundamental beliefs into all facets of our business operations has been the driving force behind our success. Our foundation is built on integrity, which motivates us to constantly give our esteemed clients the best. Our accomplishments are the product of a committed staff working together with a forward-thinking management team. We aim to succeed in whatever we do with a dedication to lifelong learning and development.

I extend my heartfelt gratitude to our stakeholders, employees, and partners for their indomitable commitment and dedication. Together, we have achieved significant milestones and positioned POCL for sustained growth and success in the years ahead. With our focussed commitment to innovation, sustainability, and operational excellence, I am confident that we will continue to thrive amid challenges and emerge even stronger. Thank you for your continued trust and support as we navigate the path to a prosperous future.

Mr. Anil Kumar Bansal
Chairman & Whole-Time Director

MD's Message

A Vision for Tomorrow. A Message for Today.

"To optimise operational resilience, we are strengthening our procurement networks in domestic and international markets."

Dear Shareholders,

It is with great pleasure and optimism that I address you today on behalf of POCL. As we reflect on our journey and achievements, I am proud to highlight the progress we have made in the financial year 2023-24. Amid a dynamic business landscape, our Company has remained resilient, driven by our commitment to innovation, sustainability, and customer satisfaction.

Over the past year, we have navigated challenges with agility, leveraging our strengths to capitalise on opportunities and reinforce our position as a leader in the industry. Our commitment to operational excellence and strategic growth efforts consistently produce positive outcomes, placing us in a favourable position within the industry.

With nearly three decades of industry expertise, POCL has established itself as a premier manufacturer of lead & lead alloys. Our operations also encompass diverse sectors, including plastics, copper, and aluminium. Guided by our vision to become a leading global recycling company by 2028, our strategy focusses on capacity expansions, strategic investments, enhanced operational efficiencies, a solid financial foundation, experienced leadership, and unwavering stakeholder support.

These factors collectively position POCL for sustained growth and advancement in the years ahead.

Before delving into our financial performance, I would like to provide an overview of the current market landscape in our industry. The global automotive lead-acid battery market, valued at USD 42.34 Bn in 2023, is projected to grow significantly to USD 68.3 Bn by 2033, showing a steady CAGR of 4.9% from 2024 onwards. This growth is supported by booming automotive market, rapid industrialisation, demand in energy storage applications. The principles of circular economy, ESG considerations, and technological advancements are increasingly shaping our industry landscape. These factors present promising opportunities for us as we navigate the evolving market dynamics.

We have cultivated a diverse portfolio encompassing lead, copper, plastics, and aluminium. We are strategically enhancing our new portfolios with new additions like lithium-ion and other verticals in pre-feasibility stages, aligned with EPR norms. To optimise operational resilience, we are strengthening our procurement networks in domestic and international markets, and for sales focussing on Direct OEMs and their Tier 1 clientele for sustained partnerships. Our efforts include maximising capacity utilisation across existing portfolios, expanding smelting capabilities, securing long-term contracts with stakeholders, and improving operational efficiencies to enhance product yields. We are also adopting a hub-and-spoke logistics model globally to streamline costs. Additionally, we are actively pursuing ESG goals and are poised to serve as a competitive advantage and bolster our market positioning.

In the current financial year, POCL is looking at setting up R&D facilities for the creation of value-added products, both for the current portfolio and for feasible products.

There was significant increase in smelting capacity utilisation for 2023-24, with our output rising from 34,000 MTPA to 42,500 MTPA. This achievement underscores our commitment to optimising operations and improving margins with backward integration. Our sales distribution between domestic and export markets remained consistent, with 40% of sales generated locally and 60% from international markets.

In the lead segment, value-added products continued to play a crucial role, contributing a steady 60% to our overall portfolio. We further strengthened our offerings with an additional 5% contribution from new verticals, demonstrating our ability to diversify, innovate and adapt to changing environment.

The aluminium division in our new portfolios brought in ₹ 42 Crs in revenue, while the Plastics Division added ₹ 21 Crs in its first year of operations.

Our global procurement of scrap materials and international trade activities have been instrumental in mitigating risks associated with supply chain disruptions. With 60% of our production now being exported, we have solidified our presence in global markets. Moving forward, we plan to further enhance our export operations by exploring new international markets while also increasing our domestic procurement efforts.

At POCL, we are dedicated to sustainability and minimising our environmental impact. Our advanced air pollution control systems and Effluent Treatment Plants (ETPs) are crucial in reducing air and water pollution, ensuring that our operations remain compliant with environmental regulations. Additionally, we are committed to enhancing green initiatives through extensive tree-planting initiatives across our factory sites.

Looking ahead, POCL is poised for ambitious growth and innovation across multiple fronts. We are focussed on forward integration and expanding into new verticals, particularly in lead and lithium-ion technologies. Our goal is to achieve a robust 20%+ annual growth in revenue and profitability, driven by enhanced operational efficiencies and a diversified portfolio of value-added products.

Environmental sustainability remains a cornerstone of our strategy. We aim to increase our usage of renewable power to over 50% and reduce energy consumption by 20%, thereby significantly lowering our carbon footprint. Furthermore, we are committed to achieving a 15%+ growth in volume, maintaining a minimum of 20% return on capital employed (ROCE), and achieving EBITDA margin exceeding 6%.

Our approach also emphasises optimising our capital mix to ensure efficient use of resources and maximise value creation for our shareholders. Through these initiatives, POCL is steadfast in its commitment to delivering sustainable growth, innovation, and value to all stakeholders.

Our focus for 2024-25 and upcoming years will be on lead and lead alloys, creation of a value-added portfolio for plastics, aluminium and copper, technological development along with setting up R&D for upcoming verticals and creating a roadmap for implementation of ESG.

As we move forward, guided by our strategic goals and commitment to excellence, I am confident that POCL is excellently positioned to meet its ambitious objectives for 2030 and beyond. Together, we will continue to pioneer innovation, cultivate significant partnerships, and provide sustainable value to all our stakeholders.

Ashish Bansal
Managing Director

Message from the Director of Finance

Perspectives from Our Director of Finance on Fiscal Forefront

"With your ongoing support, I am confident that POCL will achieve its objectives and reach even greater heights."

Dear Shareholders,

This year has truly been a testament to our resilience, innovation, and commitment in the face of unprecedented challenges. Despite global uncertainties, we not only navigated through turbulent times but also emerged stronger and more agile than ever before.

Our balance sheet remains robust and well-positioned, providing a solid foundation as we embark on an exciting new phase of growth. Through strategic capital expenditures funded by a prudent mix of debt and equity, we aim to optimise our weighted average cost of capital while ensuring judicious capital allocation.

In line with our dedication to sustainability and innovation, we are advancing the creation of new automated verticals that prioritise low carbon footprints and operational efficiency. These investments are designed not only to enhance our margins but also to strengthen both our top and bottom lines over the long term.

The current global economic landscape is indeed turbulent, marked by geopolitical tensions that demand agile adaptation and strategic adjustments. At POCL, with three decades of experience, we have consistently navigated various business cycles with resilience, delivering strong results despite external challenges.

Our primary focus on the APAC region provides a stable base for our sales operations. However, we remain vigilant to potential disruptions, such as increased freight and fuel costs due to global uncertainties. Should these costs rise, we may need to pass on some of the impact to our customers.

On our financial performance, I am pleased to share that our revenue from operations reached ₹ 1,524 Crs in 2023-24, reflecting a 4% increase from the previous year on a standalone basis. Consolidated revenues from operations rose to ₹ 1,541 Crs, driven by increased sales of other non-ferrous metals and plastics. Our EBITDA margin remained stable at over 5%, demonstrating our ability to maintain profitability in a challenging environment. We have significantly strengthened our balance sheet, reducing consolidated net debt by 52% to ₹ 71 Crs from ₹ 147 Crs last year, resulting in a net debt-to-equity ratio of 0.2. Cash flow from operations remained positive at ₹ 64.31 Crs for 2023-24. Additionally, our working capital days improved from 63 in the previous year to 53 in the current year, while our current ratio improved to 2.44, and ROCE stood strong at 17%.

In Q4 of 2023-24, POCL successfully concluded a preferential issue of equity shares and warrants amounting to ₹ 132.50 Crs. During this fiscal year, we received ₹ 70.62 Crs, with the balance expected within 18 months from the allotment date of 28th February 2024. The initial phase capex of ₹ 70 Crs will be financed through the proceeds from the preferential issue and internal accruals.

We have maintained a consistent record of dividend payouts since our Company's inception. The Board has recommended a 50% dividend to equity shareholders for 2023-24, pending shareholder approval.

Our growth has been driven by increased capacities, value-added products, improved operating efficiencies, a healthy balance sheet, seasoned management, and the enthusiastic support of our stakeholders. All these factors are well-aligned for POCL's continued future growth. With your ongoing support, I am confident that POCL will achieve its objectives and reach even greater heights.

As I reflect on the milestones and challenges, we have encountered this past year, I am immensely proud of our collective achievements and our ability to adapt and thrive in a dynamic global environment.

Looking ahead, while uncertainties may arise, I am confident that with our strong balance sheet and strategic initiatives, we are well-equipped to navigate any challenges that come our way. Our commitment to sustainability, innovation, and operational excellence will continue to drive our growth and strengthen our position in the market.

I request each one of you to continue your constant support and dedication as we embark on the next phase of our journey. Together, we will build a sustainable future, deliver value to our stakeholders, and uphold the principles that define our Company.

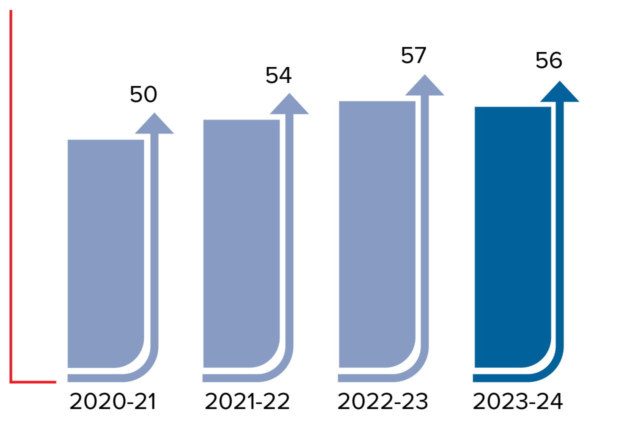
Best regards,

K. Kumaravel
Director – Finance

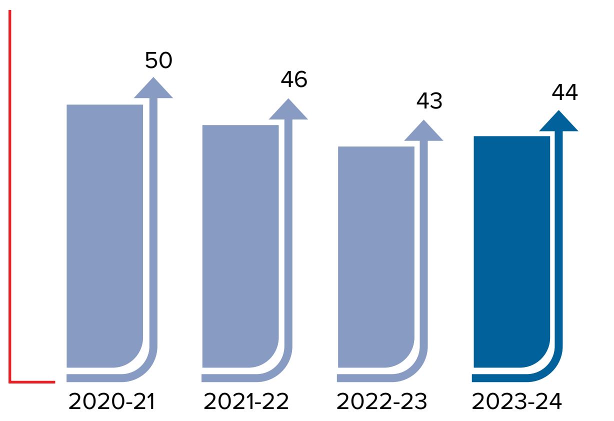
Financial Performance

Achieving Precision: Performing with Focus and Foresight

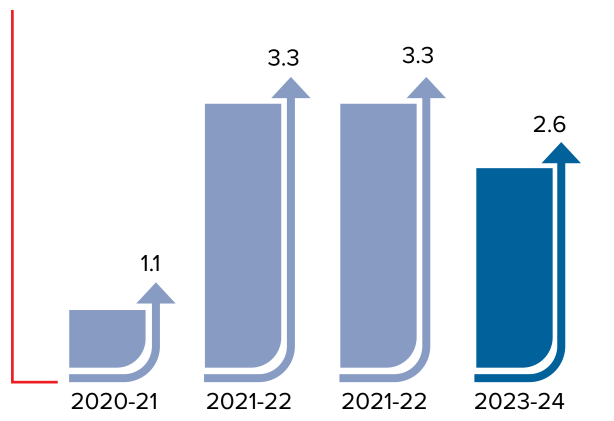
Exports
(in %)



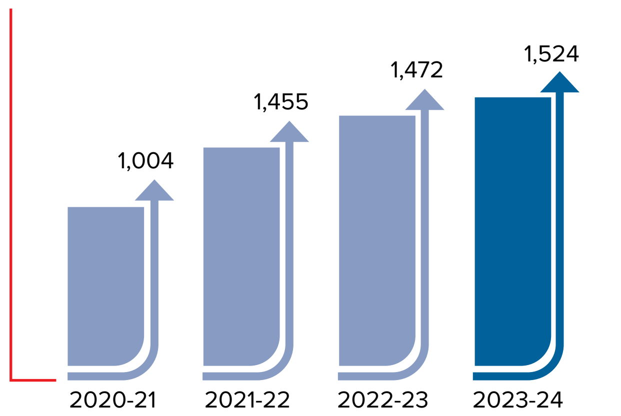
Domestic
(in %)



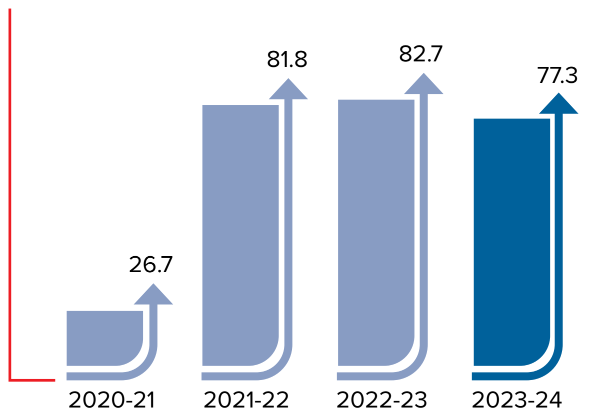
PAT Margin
(in %)



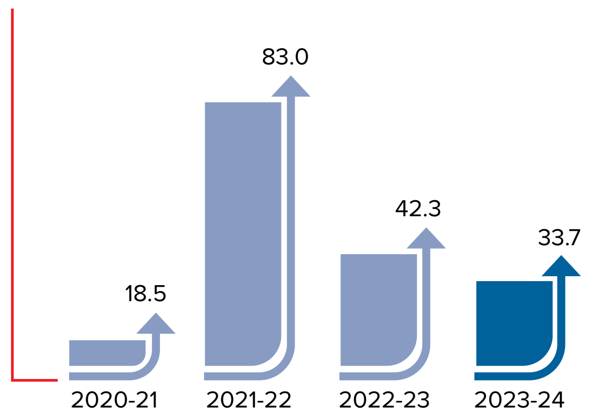
Revenue from Operations
(₹ Crs)



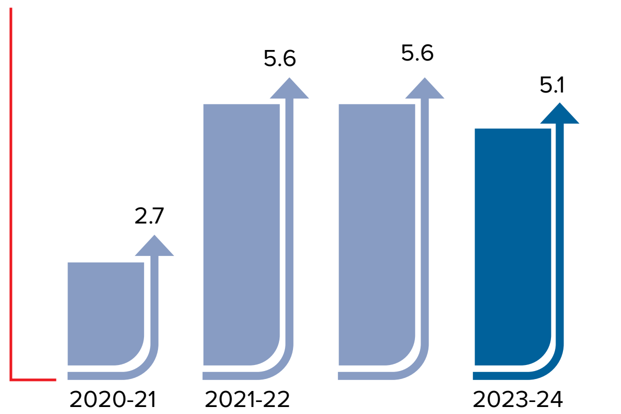
EBIDTA
(₹ Crs)



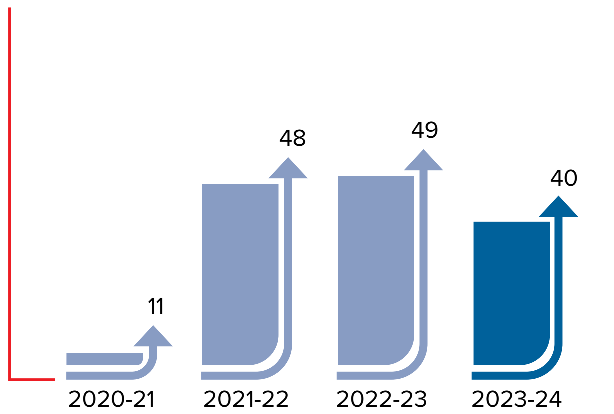
EPS
(₹)



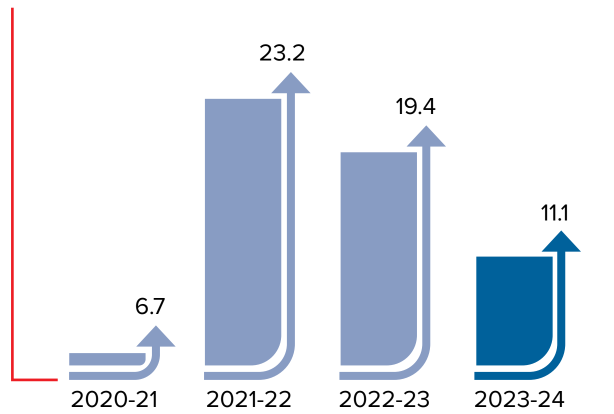
EBIDTA Margin
(in %)

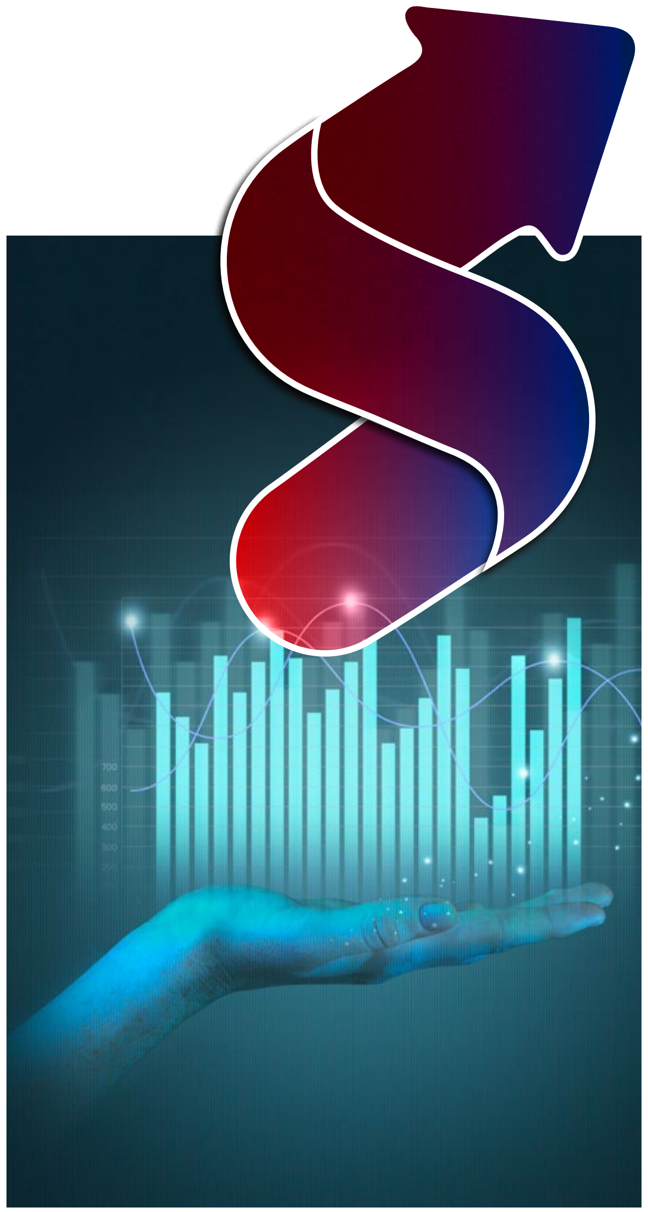


Profit after Tax
(₹ Crs)



Return on Equity
(in %)





Business Model

Augmenting Value: A Robust Operating Framework

Inputs → Value Creation Process → Outputs → Outcomes

Inputs

Capitals	Description	2023-24 KPIs
Financial Capital	This includes sources of funds from business operations, financing activities, and investing activities.	Equity share capital: ₹ 12.61 Crs Debt capital: ₹ 3.0 Crs Reserves and surplus: ₹ 342.23 Crs
Manufactured Capital	This includes state-of-the-art manufacturing facilities to produce the best products for customers while ensuring sustained quality outputs.	No. of manufacturing facilities: 4 Total CAPEX additions during the year: ₹ 35.2 Crs
Natural Capital	The Company's environmental outlook rests on carbon footprint mitigation, water conservation and recycling, waste reduction and recycling, and preserving biodiversity through optimal resource utilisation and effective technology adoption.	Total no. of alternate energy sources: 2 Total investment for greener technology adoption: ₹ 96 Crs
Human Capital	This includes skills, competencies, capabilities, knowledge, and motivation of employees across operations, enabling us to grow.	Total no. of employees: 438 on payroll Additional indirect employment: 352
Social and Relationship Capital	This includes various strategies resulted in deep and enduring customer relationships, a vibrant and engaged workforce and a steady expansion of its addressable market.	Total CSR expenditure: ₹ 0.95 Crs

Value Creation Process

Core Strategic Pillars

Accelerating Circular Economy
Leveraging metal and non-metal waste as valuable resources to reduce waste and promote circularity

Expanding Through Collaboration
Building strong partnerships to explore new markets and enhance sustainable impact

Eco-Friendly Technology Innovation
Using advanced technology to optimise waste processing and achieve sustainable results

Producing High-Quality By-Products
Creating premium metal and non-metal by-products through innovative processes

Protecting the Environment
Prioritising emission reduction to demonstrate environmental stewardship

Creating Stakeholder Value Sustainably
Balancing economic growth, social well-being, and environmental responsibility

Cultural Pillars

- Encourage Teamwork Across Functions
- Engage with Customers and Stakeholders
- Uphold Respect and Dignity in All Interactions
- Foster a Culture of Excellence
- Maintain Integrity in All Actions
- Foster Innovation and Steer Change
- Direct by Systematic Processes and Facts
- Develop and Strengthen the Team

Stakeholders

- Shareholders and Investors
- Employees and Workers
- Distributors/ Dealers and Sub-dealers
- Vendors/ Suppliers and Alliance Partners
- Customers
- Government and Regulatory Bodies
- Local Communities & Community Based Organisations

Outputs

Capitals	2023-24 KPIs
Financial Capital	
Market capitalisation as on 31st March 2024	NSE: ₹ 721.67 Crs BSE: ₹ 719.63 Crs
Total sales	₹ 1,523 Crs
Net profit	₹ 39.5 Crs
Return on capital employed	19%
Earnings per share	₹ 33.73
Intellectual Capital	
No. of prominent market leaders as customers	25
Legacy	29 Years
Manufactured Capital	
Total scrap recycling capacity (Lead)	1,32,000 MTPA
Total scrap recycling capacity (Aluminium)	12,000 MTPA
Total scrap recycling capacity (Copper)	6,000 MTPA
Total scrap recycling capacity (Plastics)	9,000 MTPA
Human Capital	
Total hours for employee training	4,000 Hours
No. of women in the workforce	50
Social Capital	
No. of lives benefited	3,963

Outcomes

Capitals

Financial Capital
- Robust financial standing
- Consistent positive cash flow generation
- Maximizing returns for shareholders
- Investing forward in circular economy initiatives and reducing emissions
- Ensuring transparent governance through clear tax and dividend payment policies

Manufactured Capital
- Streamlined manufacturing processes that produce high-quality products
- Expanding into new verticals such as lithium-ion and value-added products within the existing portfolio, including EPR
- Growth in the production and sales of lead and plastics

Natural Capital
- Increasing emphasis on renewable energy
- Enhancing sustainability through innovation and cost efficiency
- Reducing waste generation per unit of output
- Supporting the circular economy by recycling lead and lead alloys

Human Capital
- Experienced and well-trained workforce
- Increased employee productivity and engagement
- Supportive and adaptable work environment offering autonomy and meaningful tasks

Social and Relationship Capital
- High brand recognition and customer engagement
- Focusing on positive community interaction
- Solid supply chain management practices to ensure ongoing collaboration with value chain partners
- Improved and consistent stakeholder engagement

ESG

Driving Sustainability: For a Better Tomorrow

At POCL, the Company has embraced technological upgradation that significantly enhance resource efficiency in its metal recycling operations. This proactive approach not only reduces CO_2 emissions and conserves energy but also champions a circular economy. As the Company expands its presence across various recycling sectors, POCL's primary focus remains on conserving natural resources and maintaining the planet's ecological balance. Sustainability is at the core of the Company's operations, steering pioneering initiatives that align with the United Nations' Sustainable Development Goals (UN SDGs). Committed to this vision, the Company actively supports innovative waste management startups and initiatives.

Environment

- Climate Change Risk Management
- Energy Efficiency
- Water Usage Management
- Carbon and Other Emissions
- Effluent and Waste Management
- Green Supply Chain
- Product Footprint and Stewardship
- Raw Material Sourcing
- Biodiversity
- Packaging Materials

Social

- Human Rights
- Privacy and Data Security
- Employee Health and Safety
- Customer Protection
- Community Support and Development
- Product Safety and Quality
- Supply Chain

Governance

- Board Composition
- Board Functioning
- Business Ethics
- Oversight on ESG
- Remuneration
- Reporting, Filing and Disclosures

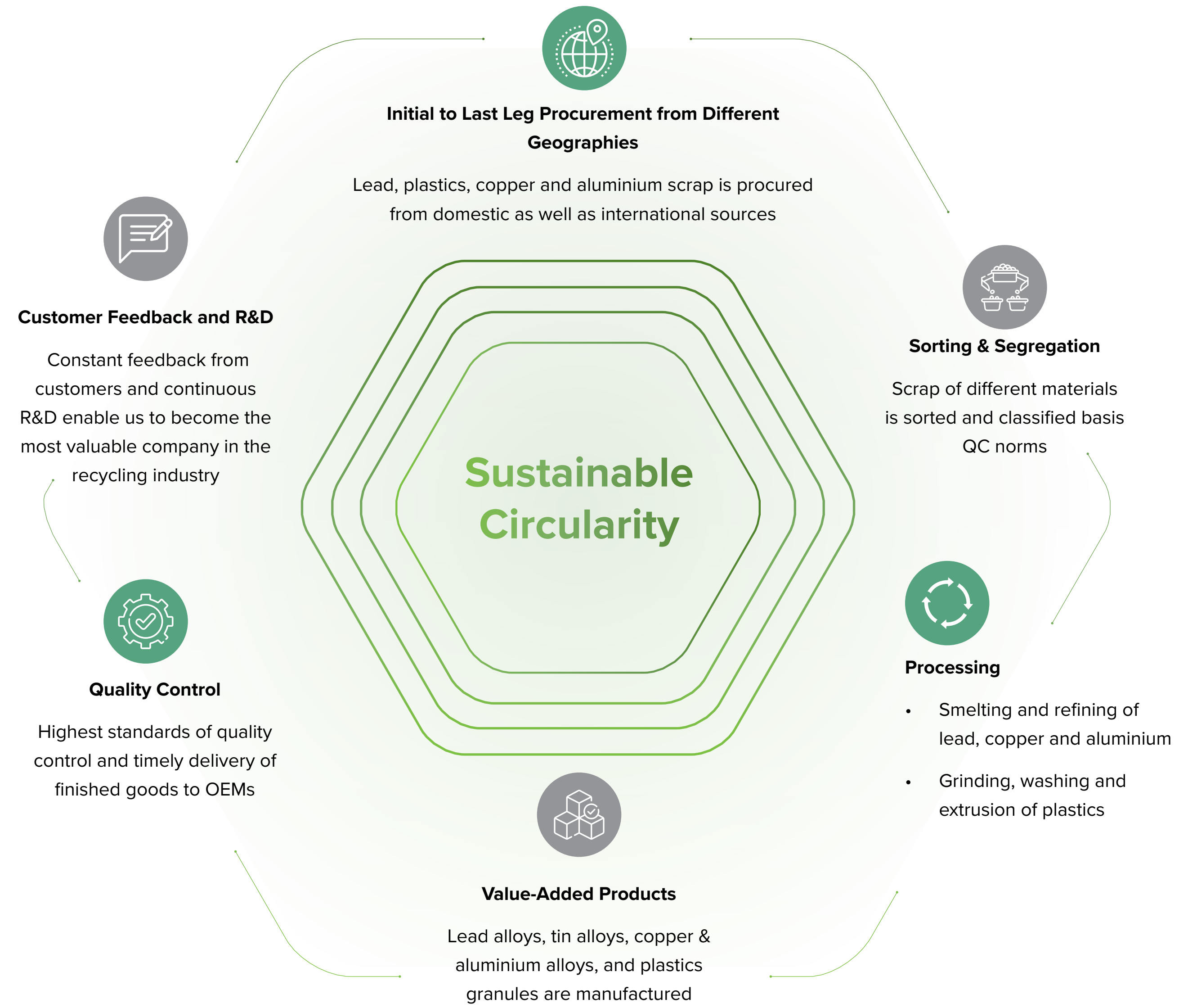
Environmental Commitment

POCL is actively reducing its carbon footprint by switching from furnace oil to LNG for its operations. The Company employs advanced air pollution control systems and Effluent Treatment Plants (ETPs), which are crucial in effectively curbing air and water pollution. Furthermore, POCL champions environmental preservation through robust tree plantation programmes within its factory premises, increasing green coverage and promoting sustainability. These efforts highlight POCL's deep commitment to environmental stewardship and responsible corporate behaviour. Looking forward to 2030, POCL aims to use over 50% renewable energy and reduce energy consumption by more than 20%. Thus reinforcing its dedication to sustainable development and minimising its environmental impact.

Initiatives

Driving Sustainability in Business

From initial procurement to the final stages, POCL strategically sources lead, plastics, copper, and aluminium scrap from both domestic and international markets. The Company's meticulous sorting and segregation processes adhere to stringent quality control norms, ensuring materials are accurately classified. Subsequently, through smelting, refining, grinding, washing, and extrusion, POCL transforms these raw materials into high-quality products such as lead, tin, copper, and aluminium alloys, and plastics granules. Upholding the highest standards of quality control, the Company guarantees timely delivery of finished goods to OEMs. Continuous customer feedback and ongoing R&D initiatives further bolster its position as an industry leader in recycling, dedicated to innovation and sustainability.



Mitigating Air and Water Pollution

POCL proactively addresses air and water pollution from its industrial activities with targeted strategies. The Company is firmly committed to continuous innovation, constantly exploring new methods to enhance operational practices. Central to these efforts are state-of-the-art air pollution control systems and meticulously designed ETPs, fully compliant with stringent environmental regulations set by state and central pollution control boards. Additionally, robust risk management protocols are integrated into the Company's operations to pre-emptively manage risks associated with hazardous substances.

Optimising Energy Efficiency

POCL carefully tracks its energy consumption patterns and adapts its energy saving strategies accordingly. The Company has rolled out a wide range of energy efficient measures, including upgrading utility equipment at its facilities, installing LED lighting solutions, and incorporating PV solar systems.

Waste Management

At POCL, prioritising efficient waste management practices is of utmost importance, accompanied by strict adherence to applicable laws and regulations. The Company's approach includes a systematic process of waste classification, strategic segregation, proactive minimisation, expert handling, continuous monitoring, and adherence to regulatory standards. Collaborating with authorised entities ensures the safe and secure collection and disposal of waste, underscoring POCL's steadfast commitment to responsible waste management.

Growing Green Zones around POCL's Operations

POCL is dedicated to enhancing environmental vitality through proactive measures aimed at greening its plant premises. As part of this commitment, the Company has launched tree plantation programmes that have led to the creation of expansive green zones across its facilities. These carefully curated green areas feature a selection of trees known for their significant role in producing fresh oxygen and purifying the air. This conscientious cultivation reflects POCL's efforts to foster a harmonious relationship with nature, marking a meaningful step towards ecological enrichment.

SDGs Impacted

Social Commitment

POCL prioritises employee well-being through robust safety programmes while fostering diversity and inclusion for cross-cultural collaboration skills. The Company's social engagement initiatives encompass education, employment support, vocational skills development, and preventive healthcare, reflecting a comprehensive approach to employee welfare. Through focussed CSR initiatives and programmes, POCL invests in addressing critical community needs, with a special focus on education and skill development, which is in line with the UN SDGs.

At POCL, safety is of paramount importance, and strict adherence to policies and guidelines is essential for protecting both individual well-being and the welfare of others. The Company offers various initiatives aimed at ensuring a safe working environment for all.

The UN SDGs aim to combat global poverty and promote sustainability by setting ambitious targets to be achieved by 2030, promising positive global change. By aligning its sustainability priorities with these SDGs, the metal recycling industry strives to play a crucial role in advancing these transformative goals.

Initiatives

Safety First

POCL prioritises occupational health and safety. This directly impacts the well-being and lives of its employees and contractors. The Company is committed to preventing accidents and ensuring workplace safety. Its strong safety culture is anchored in value-driven leadership that empowers employees to proactively manage risks and prioritise health, safety, and well-being. POCL fosters a collaborative environment where employees are encouraged to contribute ideas for continuous health and safety enhancements through informal engagement initiatives. These efforts underscore the Company's commitment to maintaining a safe and secure work environment across all operations.

Employee Well-Being Programmes

POCL prioritises comprehensive employee safety and well-being through structured programmes that ensure both personnel wellness and environmental stewardship. These initiatives encompass health and wellness programmes, including preventive healthcare, fitness programmes, and healthy eating options, as well as safety training for safe work practices. Additionally, environmental programmes focussing on recycling and waste reduction further reinforce POCL's commitment to sustainable practices across all operations.

Recruitment and Retention

Attracting and retaining relevant talent is a crucial aspect of POCL's strategic planning, demanding continuous effort and long-term foresight. In regions where the Company operates, the competitive landscape in the labour market continues to intensify due to the burgeoning industrial sector growth. Equally important is POCL's commitment to retaining and nurturing its current workforce, which remains a top priority. This dual focus highlights the Company's dedication to building a skilled and motivated team capable of driving sustained success and growth.

Culture and Leadership

Enhancing POCL's value-driven corporate culture improves the Company's performance across all facets, fostering value creation for all stakeholders and reinforcing its leadership in sustainability. Throughout 2024, the Company continued to strengthen these values, principles, and focus areas through workshops and active engagement in line with its management. This ongoing effort is essential to maintaining the Company's position as a leader committed to sustainable practices.

Employee Engagement

POCL is committed to enhancing employee engagement through a range of initiatives designed to sustain motivation and involvement. These include regular communication channels, opportunities for feedback and input from employees, recognition and rewards programmes, as well as organising social events and activities. These efforts are integral to ensuring a positive and collaborative work environment where employees feel valued and motivated to contribute to the Company's success.

Social Engagements

POCL is deeply committed to social responsibility and actively engages in initiatives to enhance the well-being of communities where it operates. These efforts encompass eradicating hunger, poverty, and malnutrition, promoting education and employment opportunities, empowering women, and supporting rural development. By prioritising these initiatives, POCL aims to make a meaningful and positive impact on the lives of people within its operational areas, fostering sustainable development and inclusive growth.

Diversity, Equality, and Inclusion

POCL values diverse experiences, perspectives, and ideas to achieve robust business outcomes and cultivate innovative, successful teams. Diversity is integral to the Company's development programmes and recruitment processes, where diverse perspectives are actively considered in team composition. POCL recognises that a diverse and inclusive workforce is essential for driving innovation, fostering creativity, and guiding the Company's business strategies. POCL's culture and diversity initiatives include training on unconscious bias and diversity awareness, fostering a supportive and inclusive workplace environment, and promoting diversity in leadership roles. These efforts underline the Company's commitment to building a dynamic and inclusive culture.

SDGs Impacted

ESG Roadmap

Recycling Portfolio FG
Lead: 132 KTPA
Plastics: 9 KPTA
Copper: 6 KTPA
Aluminium: 12 KTPA

4 Live Recycling Plants and 1 WIP
140 KTPA Scrap Collection, 75 KTPA FG Manufactured and Sold

Alternate Energy Source
Solar at Feasibility Stages, Efficient Water & Waste Management

Usage of Cleaner Fuels to Reduce Carbon Footprint – From Furnace Oil to LNG and Oxygen

Air & Water Pollution Mitigation & Conserving Nature, EMS

Societal Impact
Occupational Health and Safety Assessment Series, 100% Health Insurance Coverage, Employee Engagement and Grievance Redressal Mechanism

Corporate Governance
Code of Conduct and Ethics Manual, Compliances, Accountability & Transparency, Disclosures

Determining Targets for Energy Reduction, Carbon Footprints, GHG Emissions (Scope 1, 2 & 3)

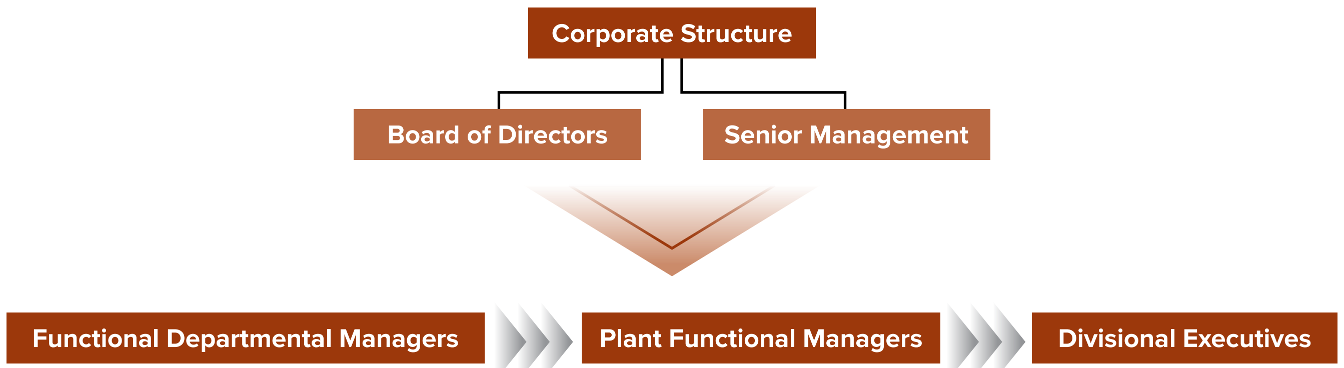
Go Live with ESG Reporting with Base Year and Safety Base Year

Governance Commitment

POCL's corporate structure is distinguished by clearly defined roles and responsibilities, enhancing clarity and operational efficiency. The Human Resources Board, with 50% Independent Directors, exemplifies the Company's dedication to governance diversity. Its executive compensation policy, incentive-based, is strategically designed to align with performance and corporate objectives. POCL upholds a zero-complaint record regarding breaches, demonstrating its strict compliance with ethical standards and regulatory compliance.

POCL prioritises sustainable growth, striking a judicious balance between prudence and ambition. The Company adopts a conservative approach to borrowing and emphasises the integrity of a Board that comprises seasoned professionals. Its business strategy is founded on long-term commitment, fostering steady development. Additionally, POCL utilises digital tools to enhance oversight and data accessibility, enabling well-informed decisions.

Organisation Structure



Leadership Profile

Steering Growth: Board of Directors

Mr. Anil Kumar Bansal
Chairman & Whole-Time Director

- Mr. Anil Kumar Bansal, B.Sc., holds the position of Executive Chairman and Whole-Time Promoter Director
- He assumed the role of Chairman in June 2015 after serving as the Managing Director since the Company's inception
- Has been instrumental in broadening the Company's product portfolio and spearheading the establishment of a lead metals and alloys manufacturing unit in Tamil Nadu
- Is a prominent figure in the plastic industry, actively participating in Committees and delivering presentations on PVC stabilisers and plastics
- Has been recognised with numerous awards for his remarkable contributions and outstanding achievements

Mr. Ashish Bansal
Managing Director

- Mr. Ashish Bansal, an MBA, joined POCL in 2009
- Was elevated to the position of Managing Director in 2015, showcasing his visionary leadership
- Has helped successfully expand the Company's horizons by establishing a new plant in Andhra Pradesh and venturing into international markets
- Was instrumental in guiding POCL towards receiving esteemed awards and accomplishing remarkable performance milestones
- Is an active contributor as a member of MCX's Product Advisory Committee, leveraging his expertise
- Holds the role of Director in MRAI, further showcasing his commitment to the industry's growth and development

Mr. K. Kumaravel
Director – Finance & Company Secretary

- Mr. K. Kumaravel is a distinguished member of the Institute of the Company Secretaries of India and the Institute of the Cost Accountants of India
- He boasts over three decades of comprehensive experience in finance, accounts, and secretarial functions, spanning Public Sector Undertakings and Public Limited Companies
- He commenced his professional journey at Tamil Nadu Magnesite Limited, subsequently joining POCL in 1996
- Holds an impressive track record in managing complex financial transactions, including IPOs, FPOs, Rights Issue, Preferential Allotment and intricate company restructuring involving mergers & demergers
- Is renowned for his extensive proficiency in finance and secretarial domains, with key responsibilities encompassing annual accounts, taxation, corporate governance, and corporate social responsibility within the Company

Mr. A. Vijay Anand
Independent Director

- Mr. A. Vijay Anand has served as an Independent Director at POCL since 2018
- He culminated a stellar 36-year career in the Central Government as a civil servant, with a series of impactful roles
- Has held pivotal positions focussed on revenue collection, adjudication, administration, and appeals in the realm of indirect taxes
- Had notably served as the Executive Director at Hindustan Aeronautics Limited and assumed the role of Government Nominee Director on the Board of Antrix Corporation
- Was honoured with the responsibility of being the Member Secretary of the Space Commission and fulfilling roles such as IT Secretary, Additional Secretary, and Financial Advisor in the Government of India
- Has enjoyed a distinguished tenure as the Principal Chief Commissioner of Indirect Taxes and Customs, underscoring his significant contributions to public service and governance

Dr. Shoba Ramakrishnan
Independent Director

- Dr. Shoba Ramakrishnan has been a dedicated Independent Director at POCL since 2015
- She holds a distinguished Ph.D. degree awarded by the University of Madras, reflecting her academic prowess and commitment to knowledge
- Formerly held the esteemed positions of Associate Professor and Department Head at Women's Christian College in Chennai, exemplifying her leadership and educational contributions
- She demonstrates a notable impact in the chemical sector through her scholarly achievements, including research papers and authored books
- Her rich academic and professional background underscores her vital role in guiding POCL as an Independent Director

Dr. M. Ramasubramani
Independent Director

- Dr. M. Ramasubramani, IPS, has been a valued Independent Director at POCL since March 2020
- Renowned as an accomplished Police Officer and esteemed Sports Administrator, he has held pivotal roles within diverse organisations
- Holds a multifaceted background that encompasses significant positions in various sectors
- Actively contributes to the advancement of Virtual Reality (VR) and Augmented Reality (AR) technology through his Private Limited Company, VReon Tech India, headquartered in Chennai
- Has been leading VReon in providing cutting-edge software solutions in VR and AR, aligning with global standards and innovation
- His dynamic engagement in technology and business adds a distinctive dimension to his role as an Independent Director at POCL

Ms. Shanti Balamurugan
Independent Director

- Shanti Balamurugan, an FCA, ACMA, ACS, M.Com. & LLB graduate is a senior professional with more than 30 years of experience in the finance, accounts & compliance domains
- She has held leadership roles as CFO, overseeing functions in industries such as manufacturers of chemicals, automobile industry, engineering equipment for the paper industry, power & energy sector – renewable – solar & wind & non-renewable – thermal power, UPS, NBFCs and the services industry
- Apart from the core areas of accounting, finance & controlling, her wide experience includes SAP implementations and supply chain management, MIS reporting, business planning, operational support, statutory/secretarial & FEMA compliance, initiatives to increase margins through operational efficiency and cost control measures, preparation and implementation of Standard Operating Procedures (SOPs), leading teams for business acquisitions and audits

Corporate Information

BOARD OF DIRECTORS

(A) Executive Directors

Mr. Anil Kumar Bansal
Chairman & Whole-Time Director

Mr. Ashish Bansal
Managing Director

Mr. K. Kumaravel
Director – Finance & Company Secretary

(B) Independent Directors

Mr. A. Vijay Anand

Dr. Shoba Ramakrishnan

Dr. M. Ramasubramani

Mrs. Shanti Balamurugan
(w.e.f 22nd July 2024)

KEY MANAGERIAL PERSON

Mr. Vijay Balakrishnan
Chief Financial Officer

FACTORY DIVISIONS

(A) Smelter Division (SMD) – I

G-17 to G-19 & G-30 to G-32,
SIPCOT Industrial Park, Mambakkam Village,
Pondur Post, Sriperumbudur,
Kancheepuram – 602 105, Tamil Nadu

(B) Smelter Division (SMD) – II

Plot 78 B & C, Industrial Park,
Gajulamandyam Village,
Renigunta Mandal, Chittoor,
Andhra Pradesh – 517 520, Amaravati

(C) Aluminium Division

G-1, SIPCOT Industrial Park,
Pondur Post, Sriperumbudur,
Kancheepuram,
Kancheepuram – 602 105, Tamil Nadu

AUDITORS

Statutory Auditors

L. Mukundan & Associates
Chartered Accountants
Flat No. 1, 2 Kamala Arcade,
669 Mount Road, Thousand Lights,
Chennai – 600 006, Tamil Nadu
Phone No: +91-044-28291328

Secretarial Auditors

KSM Associates
Company Secretary
S2, Land Marvel, New No. 25, KB Dasan Road,
Teynampet,
Chennai – 600 018, Tamil Nadu
Phone No.: +91-044–4353 5195

Cost Auditors

Vivekanandan Unni & Associates
1-A, Vedammal Avenue,
Dr. Subaraya Nagar, Main Road
Behind Petrol Bunk, Kodambakkam,
Chennai – 600 024, Tamil Nadu
Phone No: +91-044-2472 1760

BANKERS

HDFC Bank - R K Salai Branch, Chennai
Axis Bank - Anna Salai Branch, Chennai
HSBC Bank - Cathedral Road Branch, Chennai
DBS Bank - Anna Salai Branch, Chennai
Kotak Mahindra Bank - Anna Salai Branch, Chennai

REGISTRAR AND SHARE TRANSFER AGENT (RTA)

Cameo Corporate Services Limited
Subramanian Building,
1, Club House Road
Chennai – 600 002, Tamil Nadu
Phone No.: 044-4002-0700
Website: www.cameoindia.com
Online Investor Portal:
https://wisdomcameoindiacom/

Stock Exchanges

National Stock Exchange of India Limited
BSE Ltd.

BOARD'S REPORT

Dear Members,

Your Directors are pleased to present herewith the 29th Annual Report on the business and operations of your company along with the Audited Financial Statements (Standalone & Consolidated) for the Financial Year ended 31st March 2024.

FINANCIAL HIGHLIGHTS:

The Company's financial performance for the year ended 31st March 2024, and the comparative figures for the previous year are summarised below:

(₹ in Lacs)

Particulars	Standalone		Consolidated	
	For the year ended 31st March 2024	For the year ended 31st March 2023	For the year ended 31st March 2024	For the year ended 31st March 2023
Revenue from Operations	1,52,381.53	1,47,166.84	1,54,059.67	1,47,618.09
Other Income	455.46	425.33	411.08	427.28
TOTAL REVENUE	**1,52,836.99**	**1,47,592.17**	**1,54,470.75**	**1,48,045.37**
Profit Before Depreciation, Interest and Tax (PBDIT)	**7,721.01**	**8,266.12**	**7,438.11**	**13,832.19**
Depreciation and Interest	2,557.95	1,690.45	3,036.79	4,644.65
PROFIT BEFORE TAX (PBT)	**5,163.06**	**6,575.67**	**4,401.32**	**9,187.54**
Tax	1,211.54	1,655.55	1214.10	1,682.48
Profit for the Year	**3,951.52**	**4,920.12**	**3,187.22**	**7,505.06**
Other Comprehensive Income	2.25	(4.60)	2.25	(4.60)
TOTAL INCOME	**3,953.77**	**4,915.52**	**3,189.47**	**7,500.46**

OPERATIONS AND PERFORMANCE OVERVIEW:

The Indian economy firmly established itself as the fastest growing entity among the major economies, amid global headwinds stifling the momentum of the global growth.

As you are aware that during the year under review, there were several macro-economic uncertainties, as the economy faces severe inflation and disruption in the overall supply chain network. However, the Company dealt with these uncertainties by maintaining a core focus on its stakeholders, marketing strategies, and operational excellence. Also, there has been a significant increase in the cost of smelting, refining along with the cost of utility such as power, fuel, which has further added to the overall cost of production. Bank rates and foreign currency fluctuations have resulted in increased finance Cost during the period under review.

Amidst the abovementioned macro-economic and geo-political issues, the Company was able to generate revenue from Operations of ₹ 1,523.81 Crs as against ₹ 1,471.66 Crs in the previous year and a net profit of ₹ 39.52 Crs as against ₹ 49.20 Crs in the previous year.

TRANSFER TO RESERVES:

The Board of Directors have decided to retain the entire amount of profit for Financial Year 2023-24, except an amount of ₹ 3.95 Crs, which has been transferred to General Reserve as at 31st March 2024.

MATERIAL CHANGES & COMMITMENTS AFFECTING THE FINANCIAL POSITION OF THE COMPANY:

There have been no material changes and commitments affecting the financial position of the Company between the end of the financial year to which the financial statements relate and the date of this report.

BUSINESS DEVELOPMENTS PROPOSED

Your Company is expanding its lead production from 1,32,000 metric tonne per annum to 2,04,000 metric tonne per annum in two phases. The first phase will cater to expansion of 36,000 metric tonne per annum in Thervoykandigai Unit in Tamil Nadu which is equipped with cutting-edge automation to improve operational efficiency and lower the carbon footprint, as your company is progressing towards an environment-friendly, sustainable manufacturing practices. The proposed project is expected to commission in the forthcoming financial year.

During the Financial year 2023-24, Your company has completed acquisition of 123 acres of industrial land parcel in Mundra, Gujarat state for ₹41.40 Crs. Through this acquisition, POCL will be strategically positioned to better service the Western area and expand its export potential globally. Due to its proximity to the port and the region's continued industrialisation and development, it will serve both the domestic and foreign markets.

BOARD'S REPORT (Contd.)

Your Company marches forward in pursuit of sustainable growth with a clear goal, better plan and principles at core & paving route that leads to circular economy where innovation and sustainability meets.

DIVIDEND:

The Board of Directors in their meeting held on 28th May 2024 have recommended a Final Dividend at 50% i.e ₹ 5/- per share [Previous Year: 50%] on Face Value of ₹ 10/- each for the Financial Year ended 31st March 2024. The total Dividend outgo amounts to ₹ 6.51 Crs [Previous Year: ₹ 5.81 Crs].

TRANSFER TO INVESTOR EDUCATION AND PROTECTION FUND (IEPF):

a) **Transfer of Unclaimed / Unpaid Dividend to IEPF**

In accordance with the provisions of Section 124 of Companies Act, 2013 read with Investor Education and Protection Fund (Accounting, Audit, Transfer and Refund) Rules, 2016, the Company has transferred unpaid and unclaimed dividends amounting to ₹ 1.41 Lacs to the Investor Education and Protection Fund (IEPF) during the Financial Year 2023-24.

b) **Transfer of Shares to IEPF**

In accordance with the provisions of Section 124 of Companies Act, 2013 read with Investor Education and Protection Fund (Accounting, Audit, Transfer and Refund) Rules, 2016, the Company has transferred 2577 equity shares, in respect of which dividend has not been claimed by the members for seven consecutive years or more, have been transferred by the Company to the Investor Education and Protection Fund Authority (IEPF) during the financial year 2023-24. Details of shares transferred to IEPF have been uploaded on the website of the Company.

ANNUAL RETURN:

In terms of Section 134(3)(a) and Section 92(3) of the Companies Act, 2013, a copy of the annual return in Form MGT-7 is to be placed on the website of the Company. The same is available on the website of the Company https://pocl.com/annual-returns/

BOARD OF DIRECTORS AND KEY MANAGERIAL PERSONNEL:

A robust and efficient corporate governance framework requires an informed and involved Board. The Board makes sure that the Company has well-defined objectives that are in line with the growth and value for the shareholders and ensures protection of interest of all the stakeholders.

In terms of Section 152 of the Companies Act, 2013 and the Articles of Association of the Company, Mr. K. Kumaravel, Director-Finance is liable to retire by rotation at the ensuing Annual General Meeting and being eligible, offers himself for re-appointment. The Board recommends his re-appointment and the same has been included in the agenda of the 29th Annual General Meeting for approval of the Shareholders.

During the Financial Year 2023-24, there were no changes in the composition of the Board of Directors and Key Managerial Personnel of the Company.

Pursuant to the recommendations of Nomination and Remuneration Committee and the consent of the Board of Directors, the proposal for re-appointment of Mr. K Kumaravel as Whole-Time Director in the capacity of Director Finance for a period of 3 years with effect from 31st December 2024 has been placed before the Shareholders in the 29th Annual General Meeting for their approval.

Brief profile of the Director seeking appointment/re-appointment along with the disclosures required pursuant to provisions of Listing Regulations and the Companies Act, 2013 is given in the Notice of the Annual General Meeting, forming part of the Annual Report.

Pursuant to the recommendations of Nomination and Remuneration Committee, Ms. Shanti Balamurugan has been appointed as an Additional Director in the category of Independent Director of the Company, with effect from 22nd July 2024, who shall hold office till the conclusion of the ensuing Annual General meeting and her appointment as an Independent Director of the Company has been placed before the Shareholders in the 29th Annual General Meeting for their approval.

Brief profile of the Director seeking appointment along with the disclosures required pursuant to provisions of Listing Regulations and the Companies Act, 2013 is given in the Notice of the Annual General Meeting, forming part of the Annual Report.

During the year, five (5) meetings of the Board of Directors were held. The particulars of the meetings held and attendance by each Director are detailed in the Corporate Governance Report, which forms a part of this Report. The Company has complied with the applicable Secretarial Standards as issued by the Institute of Company Secretaries of India in compliance with Section 118 (10) of the Companies Act, 2013.

INDEPENDENT DIRECTORS AND FAMILIARISATION PROGRAMME:

In terms of the provisions of Section 149(7) of the Companies Act, 2013, all the Independent Directors of the Company have furnished a declaration to the Company stating that they fulfill the criteria of Independence as prescribed under

Section 149(6) of the Companies Act, 2013 and SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 and are not disqualified to act as Independent Directors.

In compliance with 25(8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), the Independent Directors have confirmed that they are not aware of any circumstance or situation, which exist or may be reasonably anticipated, that could impair or impact their ability to discharge their duties with an objective independent judgment and without any external Influence and that they are independent in the management.

The Board has adopted a policy on familiarisation programme for Independent Directors of the Company to familiarise the Independent Directors with roles, rights, responsibilities in the Company, nature of the industry in which the Company operates, its business in depth and contribute significantly.

The details of familiarisation programme during the Financial Year 2023-24 are available on the website of the Company at https://pocl.com/wp-content/uploads/pdocs/2024/05/Familiarization-Policy-Updated-2023-24.pdf

KEY MANAGERIAL PERSONNEL:

Mr. Anil Kumar Bansal - Chairman and Whole Time Director, Mr. Ashish Bansal - Managing Director, Mr. K. Kumaravel - Director Finance & Company Secretary and Mr. B. Vijay - Chief Financial Officer are the Key Managerial Personnel (KMP) of the Company in terms of provisions of Section 203 of the Companies Act 2013 for the Financial Year ended 31st March 2024.

BOARD COMMITTEES:

The Board has constituted four Committees, viz. Audit Committee, Corporate Social Responsibility Committee, Nomination and Remuneration Committee and Stakeholder Relationship Committee in compliance with the provisions of the Companies Act, 2013 and the SEBI Listing Regulations and is authorised to constitute other functional Committees, from time to time, depending on business needs. Details of scope, constitution, terms of reference, number of meetings held during the year under review along with the attendance of the Committee Members and re-constitution therein forms part of the Report on Corporate Governance, which is annexed to this report. Details of the constitution of these Committees is also available on the website of the Company https://www.pocl.com/composition-of-board-and-committees/

BOARD EVALUATION:

As envisaged by the Companies Act, 2013 and the Listing Regulations, the performance evaluation of the Board as a whole, and the Chairman and the Non-independent directors was carried out by the Independent directors in accordance with the Nomination and Remuneration Policy framed by the Company, which is within the framework of applicable laws and in consideration of the Guidance Note on Board Evaluation dated 05th January 2017 issued by SEBI.

The purpose of the Board's evaluation is to consistently enhance the Company's governance at the Board's level, involving all parties in a cooperative atmosphere. The evaluation process focused on various aspects of the functioning of the Board and the Committees such as composition of the Board and the Committees, experience and competencies, performance of specific duties and obligations, governance issues, etc. The report on performance evaluation of the Individual Directors was reviewed by the Chairman of the Board and feedback was given to Directors.

Details of performance evaluation of Independent Directors as required under Schedule IV to the Companies Act, 2013 is provided in the Report on Corporate Governance.

The Directors have expressed their satisfaction with the evaluation process and its results.

REMUNERATION POLICY OF THE COMPANY:

In terms of the provisions of Section 178 of the Companies Act, 2013 read with Regulation 19 read with Part D of Schedule II to SEBI Listing Regulations, a policy relating to remuneration of the Directors, Key Managerial Personnel and other employees has been formulated by the Nomination & remuneration Committee and adopted by the Board of Directors thereby analyzing the criteria for determining qualifications, positive attributes and independence of a Director. The said policy is available on the website of the Company at https://pocl.com/wp-content/uploads/pdocs/2016/02/4-Nomination-and-Remuneration Policy.pdf

The remuneration policy is in consonance with existing industry practice. There has been no change in the policy during the year.

PARTICULARS OF REMUNERATION OF DIRECTORS AND EMPLOYEES:

Disclosures relating to remuneration and other details as required under Section 197(12) of the Act read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 forms part of this Report as **Annexure - I.**

In terms of the provisions of Section 197(12) of the Act read with Rules 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, a statement showing the names of the top ten employees in terms of remuneration drawn and names and other particulars of the employees drawing remuneration in

BOARD'S REPORT (Contd.)

excess of the limits set out in the said rules forms part of this Report. Having regard to the provisions of the second proviso to Section 136(1) of the Act, the Annual Report excluding the aforesaid information is being sent to the members of the Company.

Any member interested in obtaining such information may address their email to kk@pocl.com.

CONSERVATIONOFENERGY,TECHNOLOGYABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO:

(A) Conservation of Energy -

(i) Steps taken on conservation of energy:

STPs installed in our plants for conservation of water energy. Water treated from these STPs is used as process water and for horticulture in all of our plants.

The Company continues to use its Focussed energy conservation efforts, effective production scheduling and efficient energy equipment's by the following measures:

- VFD with feedback system wherever possible in equipment
- Automatic power control panels with hybrid filters for improving power quality
- Replacement of conventional lights with LED lights
- Improving heater control system for lead pots

(ii) Steps taken for utilising alternate source of energy

The Company would explore the possibility of usage of Natural Gas instead of Furnace Oil as a fuel to substantially save the energy cost.

(iii) The capital investment on energy conservation equipment's

The Company has made sizeable investment in capital equipment's mainly energy conservation equipment in all its facilities wherever required.

(B) Technology absorption:

As stated in the previous Annual Report, our Company has partnered with Ace Green Recycling Inc., a Delaware Corporation in the United States, for set up the world's largest greenhouse gas (GHG) emission-free battery recycling facility in our Andhra Plant (SMD – II). This has gone live in terms of the entire commissioning and being a new technology the Company shall ensure that the commercial production which we realise is concrete, is futuristic which will give us the required output for the years to come. Currently, it's at the trial stage of production and in the coming months, the Company would go live with commercial production.

(C) Foreign Exchange Earnings and Outgo:

Foreign Exchange Earnings and Outgo	(₹ in Lacs) 2023-24	(₹ in Lacs) 2022-23
Foreign Exchange Earnings	88,936.56	85,988.52
Foreign Exchange Outgo	1,20,920.26	98,836.90

PARTICULARS OF CONTRACTS AND ARRANGEMENTS WITH RELATED PARTIES:

Pursuant to the provisions of Section 188 of the Companies Act 2013 and necessary rules framed thereunder, all contracts / arrangements / transactions entered by the Company during the financial year with related parties were in its ordinary course of business and on arms' length basis. All Related Party Transactions are placed before the Audit Committee for their review and approval. The Audit Committee has provided omnibus approval for transactions which are of repetitive nature and/or entered in the Ordinary Course of business and are at Arm's Length and the Audit Committee also reviews the transactions periodically on quarterly basis. Accordingly, the disclosure required under Section 134(3)(h) of the Companies Act, 2013, in Form AOC-2 is annexed to this Report as **Annexure - II**.

During the year, the Company had not entered into any contract / arrangement / transaction any person belonging to the Promoter/Promoter group which holds 10% or more shareholding in the listed entity or any other contract / arrangement / transaction which could be considered material in accordance with the policy of the Company on materiality of related party transactions and Listing Regulations.

The Policy on Materiality of Related Party Transactions and on dealing with Related Party Transactions as approved by the Board may be accessed on the Company's website at: https://pocl.com/wp-content/uploads/pdocs/2024/05/Related_Party_Transaction_Policy.pdf

PARTICULARS OF LOANS, GUARANTEE AND INVESTMENTS:

The details of the loans, investments and guarantees or securities made by the Company under the provision of Section 186 of the Act are given under the Note No. 6 (Non-Current Investments) of the financial statements forming part of the Annual Report.

DEPOSITS:

During the year, your Company did not accept any deposits under Chapter V of the Companies Act, 2013. The Company has however received loans from Directors which are not considered under the definition of "Deposits" in accordance with the provisions of Rule 2(c)(viii) of the Companies (Acceptance of Deposits) Rules, 2014 and the full details of the Loans is given under Note No. 43 (Related Party Disclosure) forming part of the financial statements.

SUBSIDIARIES, ASSOCIATES AND JOINT VENTURE COMPANIES:

As at 31st March 2024, the Company has not entered into any joint ventures nor did not have any associate Company. The Company has two subsidiaries namely, POCL Future Tech Private Limited and Harsha Exito Engineering Private Limited as on 31st March 2024.

None of the Companies have ceased to be the Company' subsidiary during the year.

PERFORMANCE HIGHLIGHTS OF SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES:

Financial Statements in respect of each of the subsidiaries shall be available for inspection at the Registered Office of the Company, pursuant to Section 136 of the Companies Act, 2013. The statements are also available on the Company's website (https://pocl.com/subsidiary-company-financials/)

Pursuant to Section 129(3) of the Companies Act, 2013 read with Rule 5 of the Companies (Accounts) Rules, 2014, a statement containing salient features of the financial statements of subsidiaries is given in Form AOC-1 **(enclosed as Annexure – III)** and forms integral part of financial statements of the Company. The Audit Committee and the Board reviews the financial statements, significant transactions, investments, working of all subsidiary Companies, and the minutes of unlisted subsidiary Companies are placed before the Board.

CORPORATE SOCIAL RESPONSIBILITY:

The Company has constituted Corporate Social Responsibility Committee with the following Committee Members:

(a) Mr. A Vijay Anand as the Chairman of the Committee,

(b) Mr. Ashish Bansal, Member and

(c) Dr. Shoba Ramakrishnan, Member

The CSR policy of the Company is available on the Company's website https://pocl.com/wp-content/uploads/pdocs/2021/04/7-CSR_Policy.pdf

As part of its initiatives under "Corporate Social Responsibility" (CSR), the Company has contributed funds for the schemes which are detailed in the prescribed format in **Annexure - IV** of this Report.

SHARE CAPITAL AND STATEMENT PURSUANT TO LISTING AGREEMENT:

The Paid-up Equity Share Capital of the Company as on 31st March 2024 was ₹ 12.61/- Crs comprising of 1,26,10,977 equity shares of ₹ 10/- each.

During the year under review, the Company's paid up share capital has been increased by issuing 9,86,197 fully paid up equity shares of ₹ 10/- each at a premium of ₹ 497/- per share aggregating to an amount ₹ 50,00,01,879/- through private placement by way of preferential allotment.

Further, during the year under review, your Company has neither issued any shares with differential voting rights nor granted any stock options or sweat equity. Your Company's shares are listed with the BSE Limited and National Stock Exchange of India Limited (NSE). The Company has paid the Annual Listing fees and there are no arrears.

WHISTLE BLOWER POLICY / VIGIL MECHANISM:

POCL has adopted a Whistle Blower Policy establishing vigil mechanism, to provide a formal mechanism to the Directors and employees to report their concerns about unethical behaviour, actual or suspected fraud or violation of the Company's Code of Conduct or Ethics Policy. The Policy provides for adequate safeguards against victimisation of employees who avail of the mechanism.

The Vigil Mechanism is supervised by the Audit Committee and the whistle blower has direct access to the Chairman of the Audit Committee. The vigil mechanism and whistle blower policy is available on the Company's website at https://pocl.com/wp-content/uploads/pdocs/2021/04/5-Whistle-Blower-Policy.pdf

RISK MANAGEMENT POLICY:

The Board has adopted and implemented a suitable Risk Management Policy for the Company which identifies, assesses and mitigates therein different elements of risk which may threaten the existence of the Company viz. strategic, financial, liquidity, security, regulatory, legal, reputational and other risks. The Board, where appropriate, periodically reviews the significant risks to mitigate the risk exposure. The Risk Management Policy of the Company in terms of provisions of Section 134(3)(n) of the Act read with the Listing Regulations is in place and can be accessed at https://pocl.com/wp-content/uploads/pdocs/2020/09/Risk-Management-Policy.pdf

SECRETARIAL STANDARDS:

The Company is in compliance with the applicable Secretarial Standards issued by the Institute of Company Secretaries of India (ICSI) and approved by the Central Government under Section 118 (10) of the Act.

BOARD'S REPORT (Contd.)

INTERNAL FINANCIAL CONTROLS AND ITS ADEQUACY:

The Company has Internal Control Systems commensurate with the size, scale and complexity of its operations and such financial controls with reference to the financial statements are adequate. The Board has devised systems, policies, procedures and frameworks for the internal control which includes adherence to company's policy, safeguarding assets, prevention and detection of frauds and errors, accuracy and completeness of the accounting records and timely preparation of reliable financial information. Regular internal audits are undertaken to ensure that the highest standards of internal control are maintained. In line with best practices, the Audit Committee and the Board reviews the audit plans, findings and observations made by the internal auditors at its meetings.

The Auditors of the Company have verified the internal financial control systems prevailing in the organisation and confirmed the effectiveness of the same in their report for the Financial Year 2023-24.

MAINTENANCE OF COST RECORDS:

The Company is duly maintaining the cost records as specified by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013 read with the Companies (Cost Records and Audit) Rules, 2014, such accounts and records are made available for the Cost Auditors of the Company for Audit purposes.

AUDIT COMMITTEE:

All the recommendations of the Audit Committee during the Financial Year 2023-24 have been accepted by the Board of Directors. The details of composition of Audit Committee as required under Section 177 to the Companies Act, 2013 is mentioned in the Report on Corporate Governance as a part of this Annual Report.

AUDITORS AND AUDITORS' REPORT:

Statutory Auditors:

Pursuant to the provisions of Section 139 of the Act and Rules made thereunder, M/s. L. Mukundan & Associates, Chartered Accountants (Firm Registration No. 010283S) were re-appointed as Statutory Auditors of the Company for a term of five consecutive years, to hold office until the conclusion of 32nd AGM of the Company to be held in the calendar year 2027.

The Report given by M/s. L Mukundan & Associates, Statutory Auditors, on the Financial Statements of the Company for the Financial Year 2023-24 is part of this Report. There are no observations (including any qualifications, reservations, adverse remarks or disclaimer) of the Auditors in their said Report which call for any explanation/ comment from the Board of Directors.

Cost Auditors:

Pursuant to section 148 of the Companies Act 2013, the Board of Directors on the recommendation of Audit Committee appointed M/s. K. R. Vivekanandan Unni & Associates, Cost Accountants (Firm Registration No: 102179) as the Cost Auditors of the Company for the Financial Year 2023-24 for conducting audit of the cost records maintained by the Company relating to inorganic chemicals and base metals.

The Board of Directors, on the recommendation of the Audit Committee has approved a remuneration of ₹ 40,000/- (Rupees Forty Thousand Only) in addition to the applicable taxes and out of pocket expenses. The requisite resolution for ratification of remuneration of Cost Auditors by members of the Company has been set out in the Notice of the 29th AGM. The Cost Auditors have certified that their appointment is within the limits of Section 141(3)(g) of the Act and that they are not disqualified from appointment within the meaning of the said Act.

There are no observations (including any qualifications, reservations, adverse remarks or disclaimer) of the Cost Auditors in their Report which call for any explanation/ comment from the Board of Directors.

Secretarial Auditors:

M/s. KSM Associates, Practicing Company Secretaries (Firm Registration No: P2006TN058500), were appointed as the Secretarial auditors of the Company for the Financial Year 2023-24. The Secretarial Audit Report submitted by them for the said financial year in the prescribed Form MR-3 pursuant to the provisions of Section 204 of the Act and Regulation 24A(1) of the Listing Regulations is annexed as Annexure – V to this Report. The Secretarial Audit Report does not contain any qualifications, reservations, adverse remarks or disclaimers.

Internal Auditors:

M/s. Kalyanasundaram & Associates, Chartered Accountants (Firm Registration No: 005455S) were appointed as the Internal Auditors of the Company. Their scope of work includes review of operational efficiency, effectiveness of systems & processes, compliances and assessing the internal control strengths in all areas. Internal Auditors findings are discussed and suitable corrective actions are taken as per the directions of Audit Committee as on-going basis to improve efficiency in operations. During the financial year 2023-24, no fraud was reported by the Internal Auditor of the Company in their Audit Report.

REPORTING OF FRAUD(S) BY THE AUDITORS:

During the Financial Year 2023-24, the Statutory Auditors, Cost Auditors, Secretarial Auditors or Internal Auditors have not reported any fraud to the Audit Committee under Section 143(12) of the Companies Act, 2013.

SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS:

There are no significant and material orders passed by the Regulators or Courts which would impact the going concern status of the Company and its future operations.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT:

Management Discussion and Analysis Report for the year under review, as stipulated under Regulation 34(3) of the Listing Regulations, is presented in a separate section forming part of the Annual Report.

CORPORATE GOVERNANCE:

The Company is committed to maintain the highest standards of Corporate Governance and adhere to the Corporate Governance requirements set out by SEBI. The report on Corporate Governance as stipulated under the Listing Regulations forms an integral part of this Report. The requisite certificate from the Auditors of the Company confirming compliance with the conditions of Corporate Governance is attached to the report on Corporate Governance.

DISCLOSURE UNDER THE SEXUAL HARASSMENT AT WORKPLACE:

Your Company has an Anti-Sexual Harassment Policy in place in line with the requirement of the Sexual Harassment of Women at the Workplace (Prevention, Prohibition & Redressal) Act, 2013 ('POSH Act'). Internal Complaints Committee (ICC) has been set up to redress complaints received regarding sexual harassment at workplace of any employee. All employees of the Company are covered under this policy. During the year, there were no complaints received pursuant to the provisions of the POSH Act.

DIRECTORS' RESPONSIBILITY STATEMENT:

Pursuant to provisions of Section 134 of the Companies Act, 2013, with respect to Directors' responsibility statement it is hereby confirmed:

1. That in the preparation of the annual accounts applicable accounting standards has been followed and there is no material departure from the same;
2. That the Directors 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 at the end of the financial year i.e., 31st March 2024 and of the profit of the Company for that period;
3. That they had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act, for safeguarding the Company's assets and for preventing and detecting fraud and other irregularities;
4. That they had prepared the annual accounts on a going concern basis;
5. That they had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and are operating effectively; and
6. That they had devised proper systems to ensure compliance with the provisions of all applicable laws and such systems were adequate and operating effectively.

AWARDS AND RECOGNITION:

During the year, the Company was conferred with the prestigious 'Star Performer award at National level for export excellence for the years 2019-20 and 2020-21 in the Non-ferrous metals product category by EEPC India. Also, during the year, the Company was bestowed with IMS certification by BSI in recognition of the Company's commitment to continuously improve the quality, environmental, occupational, health, and safety management system performance, and for complying with applicable legal and contractual requirements while adopting best technology in project execution.

CREDIT RATING:

Your Company enjoys a sound reputation for its prudent financial management and its ability to meet financial obligations. CRISIL Ratings, has reaffirmed the Company's long-term rating to "CRISIL A-/Stable".

ANY APPLICATION MADE OR PROCEEDING PENDING UNDER THE INSOLVENCY AND BANKRUPTCY CODE, 2016 DURING THE FINANCIAL YEAR ENDED 31ST MARCH 2024:

There was no such direct application made or any proceeding pending under the Insolvency and Bankruptcy Code, 2016 (31 of 2016) in respect of the Company during the financial year ended 31st March 2024.

BOARD'S REPORT (Contd.)

THE DETAILS OF DIFFERENCE BETWEEN AMOUNT OF THE VALUATION DONE AT THE TIME OF ONE-TIME SETTLEMENT AND THE VALUATION DONE WHILE TAKING LOAN FROM THE BANKS OR FINANCIAL INSTITUTIONS:

There were no such instances of One-time Settlement with any Bank or Financial Institutions during the Financial Year ended 31st March 2024.

ACKNOWLEDGEMENT:

Your directors place on record their gratitude to the Central Government, State Governments and Company's Bankers for the assistance, co-operation and encouragement they extended to the Company. Your directors also wish to place on record their sincere thanks and appreciation for the continuing support and unstinting efforts of investors, vendors, dealers, business associates and employees in ensuring an excellent all around operational performance.

For and on behalf of the Board of Directors
Pondy Oxides And Chemicals Limited

	Anil Kumar Bansal	**Ashish Bansal**
Date: 22nd July, 2024	Chairman & Whole-Time Director	Managing Director
Place: Chennai	DIN: 00232223	DIN: 01543967

ANNEXURE - I

DISCLOSURE UNDER SECTION 197(12) OF COMPANIES ACT 2013 READ WITH RULE 5(1) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014

1. The ratio of the remuneration of each director to the median remuneration of the employees of the company for the financial year 2023-24:

Name of the Director(s)	Category	Ratio
Mr. Anil Kumar Bansal	Chairman and Whole-time Director	45:1
Mr. Ashish Bansal	Managing Director	101:1
Mr. K Kumaravel	Director Finance	17:1

2. The Percentage increase/(decrease) in remuneration of Directors and Key Managerial Personnel's in the financial year 2023-24:

Name of the Director(s)	Category	% Increase or (decrease)
Mr. Anil Kumar Bansal	Chairman and Whole-time Director	2.52
Mr. Ashish Bansal	Managing Director	10.73
Mr. K. Kumaravel	Director Finance & Company Secretary	20.96
Mr. B Vijay	Chief Financial Officer	9.13

3. The Percentage increase/(decrease) in the median remuneration of employees in the financial year 2023-24: **9.52%**
4. The Number of permanent employees on the rolls of company as on 31st March 2024: **438**
5. The average annual increase/(decrease) in the salaries of employees other than the Managerial Personnel during the last financial year was around **8.42%** as compared to increase/(decrease) in managerial remuneration of **10.83%.**
6. Affirmation:

   It is hereby affirmed that the remuneration paid during the year is as per the remuneration policy of the Company.

For and on behalf of the Board of Directors
Pondy Oxides And Chemicals Limited

Anil Kumar Bansal
Chairman & Whole-Time Director
DIN: 00232223

Ashish Bansal
Managing Director
DIN: 01543967

Date: 22nd July, 2024
Place: Chennai

ANNEXURE - II

FORM NO. AOC -2

Particulars of Contracts or Arrangements with Related Parties referred to in sub section (1) of section 188 of the Companies Act, 2013

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

1. Details of contracts or arrangements or transactions not at Arm's length basis:

SL. No.	Particulars	Details
a)	Name (s) of the related party & nature of relationship	The Transactions entered into with the related parties were on an Arm's length basis only
b)	Nature of contracts/arrangements/transaction	
c)	Duration of the contracts/arrangements/transaction	
d)	Salient terms of the contracts or arrangements or transaction including the value, if any	
e)	Justification for entering into such contracts or arrangements or transactions'	
f)	Date of approval by the Board	
g)	Amount paid as advances, if any	
h)	Date on which the special resolution was passed in General meeting as required under first proviso to section 188	

2. Details of contracts or arrangements or transactions on an Arm's length basis:

SL. No.	Particulars	Details
a)	Name (s) of the related party	POCL Future Tech Private Limited and Harsha Exito Engineering Private Limited – Wholly Owned Subsidiaries
b)	Nature of Relationship	Mr. Ashish Bansal and Mr. K Kumaravel and Mr. B Vijay (Directors)
c)	Nature of contracts/arrangements/transaction	Purchase/Sale of Materials, Resources, Services and/or Obligations
d)	Duration of the contracts/arrangements/transaction	One year
e)	Salient terms of the contracts or arrangements or transaction including the value, if any	The value of the Transactions taken individually or together shall not exceed ₹ 5.00 Crs each (Five Crore Rupees) for POCL Future Tech Private Limited and Harsha Exito Engineering Private Limited
f)	Date of approval by the Board	29th May 2023
g)	Amount paid as advances, if any	---

For and on behalf of the Board of Directors
Pondy Oxides And Chemicals Limited

Anil Kumar Bansal
Chairman & Whole-Time Director
DIN: 00232223

Ashish Bansal
Managing Director
DIN: 01543967

Date: 22nd July, 2024
Place: Chennai

ANNEXURE - III

FORM NO. AOC-1

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

Statement containing salient features of the financial statement of Subsidiaries / Associate companies / Joint Ventures

PART A: SUBSIDIARIES

(₹ in Lacs)

S. No.	Particulars	Name of the Subsidiary	
		POCL Future Tech Private Limited	Harsha Exito Engineering Pvt. Ltd.
1	Share Capital	99.99	5,000
2	Reserves and Surplus	(93.14)	(789.20)
3	Total Assets	2,262.82	4,261.65
4	Total Liabilities	2,255.97	50.85
5	Investments	-	-
6	Turnover	2,101.36	-
7	Profit before exceptional item and taxation	(544.74)	(217.00)
8	Exceptional Item	-	-
9	Profit before taxation	(544.74)	(217.00)
10	Provision for taxation	-	-
11	Profit after taxation	(543.50)	(220.80)
12	Proposed Dividend	-	-
13	% of Shareholding	100	100
14	Reporting Period of the Subsidiary concerned	2023-24	2023-24
15	Reporting Currency	₹ in Lacs	₹ in Lacs

Notes:

1. The numbers reported above are based on the standalone financial statements prepared in accordance with the IND-AS
2. Part B of the Annexure is not applicable as there are no associates / joint ventures of the Company as on 31st March 2024.

ANNEXURE - IV

ANNUAL REPORT ON CSR ACTIVITIES

1. A brief outline of the Company's CSR Policy:

POCL has framed a Corporate Social Responsibility policy (CSR policy) in compliance with the provisions of the Companies Act 2013 along with necessary Rules.

Our key focus area of CSR includes:

- Contribution towards reducing inequalities faced by socially and economically backward groups;
- Eradicating Hunger, Poverty and Malnutrition and promoting Education;
- Any other as may be recommended by the Corporate Social Responsibility (CSR) Committee and approved by the Board of Directors of the Company in line with the requirements of the CSR Policy and as per the Companies Act.

2. Composition of the CSR Committee:

Sl. No.	Name of Director	Designation / Nature of Directorship	Number of CSR Meetings held during the Year	Number of meetings of CSR Committee attended during the year
1.	Mr. Vijay Anand	Chairman and Independent Director	2	0
2.	Mr. Ashish Bansal	Member and Managing Director	2	2
3.	Dr. Shoba Ramakrishnan	Member and Independent Director	2	2

3. Web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the Board are disclosed on the website of the Company: https://pocl.com/wp-content/uploads/2021/04/7-CSR_Policy.pdf

4. The Executive summary along with web-link(s) of Impact Assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable:

   Not Applicable

5. (a) Average Net Profit of the Company as per Section 135(5) of the Act: ₹ **4,777.68 Lacs**

   (b) Two percent of average net profit of the Company as per Section 135(5) of the Act for the Financial Year 2023-24: ₹ **95.55 Lacs**

   (c) Surplus arising out of the CSR projects or programs or activities of the previous financial years: **Nil**

   (d) Amount required to be set off for the Financial Year, if any: ₹ **0.02 Lacs**

   (e) Total CSR obligation for the Financial Year 2023-24 [b) + (c) – (d)]: ₹ **95.53 Lacs**

6. (a) Amount spent on CSR Projects (both ongoing and other than Ongoing Project).: **NA**

   (b) Amount spent in Administrative Overheads: **NA**

   (c) Amount spent on Impact Assessment, if applicable: **NA**

   (d) Total amount spent for the financial year [(a) + (b) + (c)]: **NA**

   (e) Total amount spent or unspent for the financial year:

Total Amount Spent for the Financial Year. (₹ In Lacs)	Amount Unspent (in ₹)				
	Total Amount transferred to Unspent CSR Account as per section 135(6)		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5)		
	Amount	Date of Transfer	Name of the Fund	Amount	Date of Transfer
95.99	---	---	---	---	---

ANNEXURE - IV (Contd.)

(f) Excess amount for set-off, if any:

Sl. No	Particulars	Amount (₹ In Lacs)
(i)	Two percent of average net profit of the company as per section 135(5)	95.55
(ii)	Excess amount spent in the previous financial year	0.02
(iii)	Total amount to be spent during the financial year	95.53
(iv)	Total amount spent for the financial year	95.99
(v)	Excess amount spent for the financial year [(iv)-(iii)]	0.46
(vi)	Surplus arising out of the CSR projects or programs or activities of the previous financial years, if any	Nil
(vii)	Amount available for set off in succeeding financial years [(iv)-(iii)]	0.46

7. Details of Unspent Corporate Social Responsibility amount for the preceding three Financial Years:

Sl. No	Preceding Financial Year(s)	Amount transferred to Unspent CSR Account under Section 135(6)	Balance Amount in Unspent CSR Account under Section 135(6)	Amount spent in the financial year	Amount transferred to a Fund as specified under Schedule VII as per second proviso to Section 135(5)		Amount remaining to be spent in succeeding financial years	Deficiency, if any
					Amount (in ₹)	Date of Transfer		
1	FY-1	NA	NA	NA	NA	NA	NA	NA
2	FY-2							
3	FY-3							

8. Whether any capital assets have been created or acquired through Corporate Social Responsibility amount spent in the Financial Year: **No**

   If yes, enter the number of Capital assets created / acquired: **NA**

   Furnish the details relating to such asset(s) so created or acquired through Corporate Social Responsibility amount spent in the Financial Year: **NA**

9. Specify the reason(s), if the Company has failed to spent two per cent of the average net profit as per section 135(5): **NA**

For and on behalf of
Pondy Oxides and Chemicals Limited

A Vijay Anand
Chairman - CSR Committee
DIN:06431219

Ashish Bansal
Managing Director
DIN: 01543967

Date: 22nd July 2024
Place: Chennai

ANNEXURE - V

FORM NO. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31st MARCH 2024

[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,

Pondy Oxides and Chemicals Limited

CIN: L24294TN1995PLC030586

4th Floor, KRM Centre

No. 2, Harrington Road, Chetpet

Chennai-600 031

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Pondy Oxides and Chemicals Limited** (CIN: L24294TN1995PLC030586) (hereinafter called the Company) for the year 2023-24. Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of Pondy Oxides and Chemicals Limited'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, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on **31st March 2024** 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.

We have examined the books, papers, minute books, forms and returns filed and other records maintained by Pondy Oxides and Chemicals Limited (the Company) for the financial year ended on 31st March 2024 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;

(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, 2015;

c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;

d) Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021[1];

e) Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021[2];

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, 2021[3]; and

h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018[4];

(vi) Following other laws applicable specifically to the Company:

a) The Factories Act, 1948 & respective State Factories rules

b) Industrial Disputes Act,1947

(Footnotes)

[1] Not applicable to the Company, as the Company does not have any Employee stock option scheme.

[2] Not applicable to the Company, as the Company does not have any Non-convertible Securities listed.

[3] Not applicable to the Company, as there was no delisting done during the year.

[4] Not applicable to the Company, as there was no buy-back by the Company during the year.

ANNEXURE - V (Contd.)

c) The Environment (Protection) Act, 1986 and The Environment (Protection) Rules, 1986

d) Hazardous Wastes (Management and Transboundary Movement) Rules, 2016

e) Water (Prevention and Control of Pollution) Act, 1974 and The Water (Prevention and Control of Pollution) Rules, 1975

f) Air (Prevention & Control of Pollution) Act, 1981 and The Air (Prevention & Control of Pollution) Rules, 1982

g) The Legal Metrology Act, 2009 and rules made thereunder

We have also examined compliance with the applicable clauses of the following:

(i) Secretarial Standards with respect to Meetings of Board of Directors (SS-1) and General Meetings (SS-2) issued by The Institute of Company Secretaries of India.

(ii) The Uniform Listing Agreement entered into by the Company with National Stock Exchange of India Limited and BSE Limited pursuant to the provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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

We 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 for the year under review.

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[5].

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.

Majority decision is carried through while the dissenting members' views, wherever there is any, are captured and recorded as part of the minutes.

We 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.

We further report that during the audit period there were no events/actions having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc except the following:

1. The Company has issued and allotted 9,86,197 number of equity shares of ₹ 10/- each at an issue price of ₹ 507/- per share during the year under review.
2. The company has issued and allotted 16,27,221 convertible warrants in consideration of receipt of share application money to the extent of 25% out of the Issue price of ₹ 507/- each, during the year under review. Each of such warrants are convertible into one Equity Share of ₹ 10/- each.

This Report is to be read along with Annexure A of even date which forms integral part of this Report.

For KSM Associates, Company Secretaries

Krishna Sharan Mishra
Partner
FCS 6447; CP 7039

Place: Chennai **UDIN: F006447F000793321**
Date: 22nd July 2024 **Peer review cert no. 5868/2024**

(Footnotes)

[5] "Not applicable for the year under review".

ANNEXURE - V (Contd.)

ANNEXURE – A

To,

The Members,

Pondy Oxides and Chemicals Limited

CIN: L24294TN1995PLC030586

4^{th} Floor, KRM Centre, No. 2, Harrington Road

Chetpet, Chennai-600 031

Our secretarial audit report of even date is to be read along with this letter.

a. Maintenance of secretarial and other records is the responsibility of the management of the Company. Our responsibility is to express an opinion on the relevant records based on our audit.

b. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the relevant records and compliances. The verification was done on test basis to verify that correct facts are reflected in secretarial and other relevant records. We believe that the processes and practices we followed provide a reasonable basis for our opinion.

c. We have not verified the correctness and appropriateness of financial, Cost and tax records and books of accounts of the Company.

d. Wherever required, we have obtained the Management Representation about the compliance of laws, rules and regulations and happening of events etc.

e. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of the procedures on test/sample basis.

f. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For KSM Associates, Company Secretaries

Krishna Sharan Mishra

Partner

FCS 6447; CP 7039

Place: Chennai **UDIN: F006447F000793321**

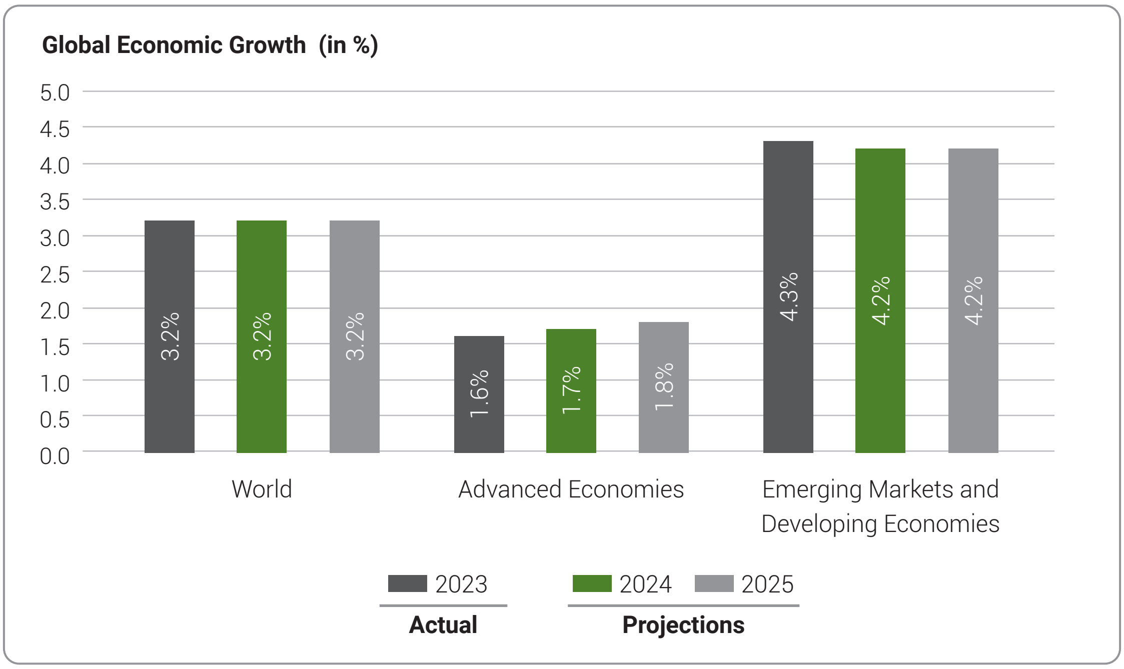
Date: 22^{nd} July 2024 **Peer review cert no. 5868/2024**

MANAGEMENT DISCUSSION & ANALYSIS

ECONOMIC OVERVIEW

Global

In 2023-24, the global economy demonstrated resilience as it navigated recovery efforts and faced emerging challenges. Global growth, which reached 3.2% in 2023, is forecasted to remain steady through 2024 and 2025. However, this falls short of the historical average of 3.8%, owing to restrained monetary policies, diminished fiscal aid, and sluggish productivity growth. On the other hand, global headline inflation is expected to moderate, decreasing from the annual average of 6.8% in 2023 to 5.9% in 2024, and further to 4.5% in 2025. The impact of tighter monetary conditions continues, particularly in housing and credit markets. On the positive side, inflation is declining more quickly than predicted, and private sector confidence is improving. There is a need for augmented multilateral cooperation in an interconnected world to promote the spread of knowledge and innovation, bolster international trade, and achieve notable progress towards decarbonisation.

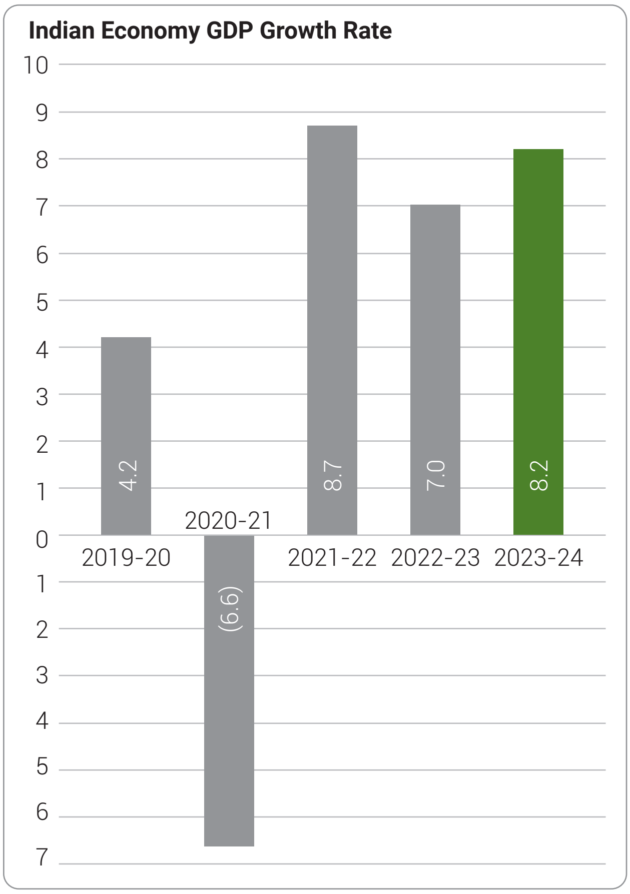


Source: World Economic Outlook – April 2024 , https://www.gartner.com/en/newsroom/press-releases/01-17-2024-gartner-forecasts-worldwide-it-spending-to-grow-six-point-eight-percent-in-2024

India

In 2023-24, the Indian economy continued to steer through a complex landscape influenced by both domestic reforms and global economic dynamics. In 2023-24, India grew at provisional estimates of 8.2%, surpassing the previous forecasts, which indicates a strong trajectory of economic advancement. However, for 2024-25, there is a note of caution, with GDP growth expected to ease to 7.0%. The government's focus on enhancing productivity and investment in key infrastructure projects contributed significantly to GDP expansion. Deployment of active supply management strategies, anti-inflationary monetary policy, and adjustments in global commodity prices preserved the inflation rate within the tolerable range. Reforms in taxation, labour laws, and regulatory frameworks aimed to enhance competitiveness and support sustainable growth across sectors.

MANAGEMENT DISCUSSION & ANALYSIS (Contd.)



(Source: Estimates of Annual GDP for 2023-24, MoS&PI)

Industry Structure, Development, and Outlook

1) Lead Market

Global Lead Market

The global lead acid battery market is expected to grow from USD 42.34 Bn in 2023 to USD 68.3 Bn by 2033, at a CAGR of 4.9% during the projected period.

The Asia-Pacific (APAC) region is anticipated to hold the largest share of the global lead acid battery market over the forecast period. Government policies aimed at attracting investments, along with population growth, rapid industrialisation, and the booming automotive sector, are expected to fuel the demand for lead-acid batteries in the APAC region until 2033. As the largest manufacturer of lead-acid batteries, China holds a dominant position in the market and it has significant access to international markets through growing collaborations.

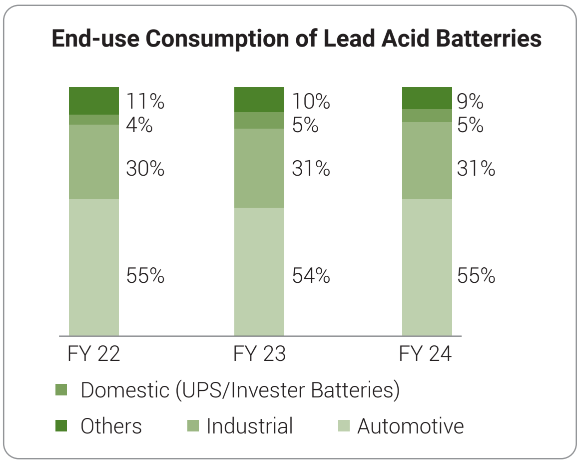
Lead-acid batteries boast an impressive recycling rate of over 97%. This higher recyclability emphasizes its value as environmental- friendly energy storage options in a market where environmental consciousness is becoming more imperative. Sustainable lead acid battery recycling has become the need of the hour and is no longer just an option. The demand for this industry is growing, and so is the need for better solutions to handle the rising volume of waste batteries. Companies that provide sustainable lead acid battery recycling solutions have seen a significant increase in demand as more organisations embrace eco-friendly practices and time bound regulatory compliances.

Indian Lead Market

Lead-acid battery recycling in India has a significant scope and offers promising potential. The country's extensive lead-acid battery recycling programme is driven by factors such as a growing automotive market, export opportunities, and increased demand for lead as raw materials. While the scope for lead-acid battery recycling in India is promising, it is imperative to address challenges such as the informal sector's involvement, lack of awareness, and technological gaps. Investment in collection infrastructure, adherence to environmental standards, and strict regulation of imports and exports are critical steps to maximise the potential of lead-acid battery recycling in India.

According to CRISIL Ratings, the revenue of domestic lead-acid battery manufacturers is projected to grow by 10-11% in 2025. This growth closely mirrors the 12% increase recorded in the previous fiscal, driven by consistent demand in the automotive sector and expansion in telecom and data centres. Lead acid battery recyclers will be aiming at enhancing capacities through backward integration, and recyclers are looking at a potential of diversifying into lithium-ion batteries.

In addition to addressing the issue of battery scrap, recycling also paves the way for a more sustainable circular economy. Battery recycling can contribute to resource conservation, environmental protection, and economic opportunity creation by converting scrap into wealth thereby catering to the following end uses:



Source: Annual reports of listed players, CRISIL Ratings

SWOT Analysis

- **Strengths**
  - Progressive technological advancement with a solid track record of quality and dependability.
  - Closed loop recycling ensures enhanced environmental sustainability.
  - Wide versatility of product portfolio.
  - Economic viability in comparison to other battery technologies.
- **Weaknesses**
  - Environmental concerns pose regulatory challenges and public perception issues.
  - Limited life cycle, depth of discharge and energy storage when compared with lithium-ion batteries.
  - Increased market competition.
  - Lack of awareness of hazards associated with improper disposal of lead-acid batteries.
- **Opportunities**
  - Increase in the growth of automobile market propels the growth of the advanced lead-acid battery market.
  - Paradigm shift towards renewable energy sources renders a significant opportunity for the lead acid battery market.
  - Continuous R&D to improve the cycle count of lead-acid batteries.
  - Government programmes and directives that support renewable energy.
- **Threats**
  - Stringent environmental regulations governing use and disposal of lead-acid batteries.
  - Alternative battery technologies offer better performance in terms in terms of energy density, cycle life, and weight.
  - Highly volatile raw material prices coupled with an increase in availability of low-cost substitutes.
  - Labour and supply chain challenges.

Extended Producer Responsibility (EPR)

Extended producer responsibility (EPR) is a transformative step towards fostering a circular economy. It is a proactive approach to environmental stewardship that aligns economic incentives with environmental objectives. This regulatory approach shifts the responsibility of managing batteries throughout their lifecycle from consumers to battery manufacturers, importers, and retailers.

The aim is to promote environmentally sustainable practices by ensuring that those who design, produce, and sell batteries take responsibility for managing their environmental impact, from production to end-of-life disposal or recycling.

EPR contributes to the conservation of important resources like metals used in battery manufacturing by encouraging battery recycling. This lowers the impact on the environment and energy consumption by removing the need to extract additional raw materials. The improper disposal and handling of batteries may result in soil and water contamination. EPR ensures that batteries are collected and recycled sustainably, thereby minimising the emission of hazardous substances into the environment.

MANAGEMENT DISCUSSION & ANALYSIS (Contd.)

EPR framework encourages manufacturers to develop batteries that are easier to recycle, have longer lifespans, and are more energy efficient. This fosters innovation in battery technology and design, leading to products that are both environmentally sustainable and economically viable. Clear legal obligations for battery producers ensure compliance with environmental regulations thereby promoting corporate responsibility. This accountability strengthens environmental governance and supports sustainable development goals.

2) Plastics Market

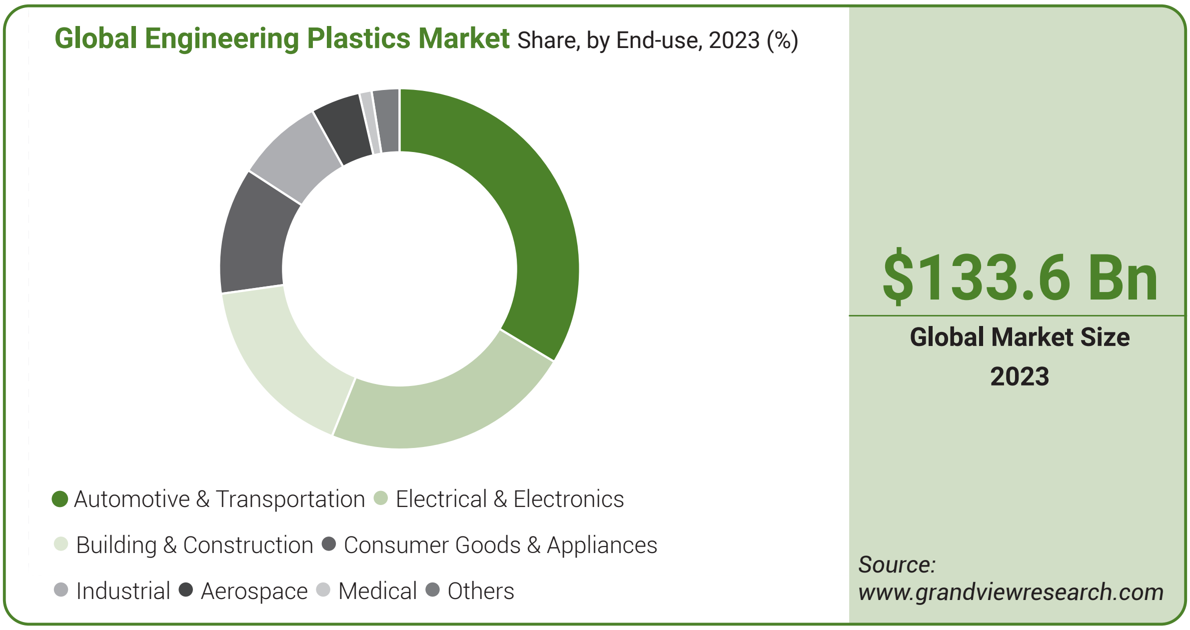
Global Plastics Market

The global plastics market was valued at USD 133.62 billion in 2023 and is expected to grow at a CAGR of 7.8% from 2024 to 2030. This growth is largely fueled by increasing demand for engineering plastics in various sectors, including packaging, automotive, and construction. The appeal of plastics lies in their low weight, high durability, and cost-effectiveness.

The industry's critical importance stems from its technology, as growing end-user demands for versatility and specific product attributes increasingly overshadow consumption dynamics. Consequently, technology is extensively used across various sectors, including textiles, automotive, packaging, construction, agriculture, electronics, and healthcare.

Plastic resins are one of the most heavily regulated markets across the globe. They are composed of polystyrene (PS), polyethylene (PE), acrylonitrile butadiene styrene (ABS), polypropylene (PP), polybutylene terephthalate (PBT), polyphenylene oxide (PPO), polyurethane (PU), polyether ether ketone (PEEK), polyvinyl chloride (PVC), polyethylene terephthalate (PET), polycarbonate (PC), polysulfone (PSU), polyamide (PA), and polyphenylsulfone (PPSU).

The APAC region dominated the plastics market in 2023. This region includes countries with some of the largest populations, such as India and China. The demand for plastics is growing due to the growing packaging, manufacturing, construction, automotive, and other industries. Plastic plays a crucial role in the production of EVs, and China is the leading producer in this sector. Europe, being one of the largest producers of plastic, is expected to establish a significant presence in the global plastics market in the next 10 years. To combat plastic pollution, Europe is actively enhancing its plastic recycling efforts. According to European Association of Plastic Manufacturers, plastic waste recycling has increased by 80% in the past ten years in Europe.



Indian Plastic Recycling Market

The Indian plastic recycling market achieved a total market volume of 5.47 Mn tonnes in 2023 and is poised for strong growth, at a projected CAGR of 10.57% through 2029. The Indian plastic recycling market has undergone significant changes, driven by increasing awareness of environmental sustainability and the need to minimise the impact of plastic waste on the environment.

According to the Plastics Export Promotion Council (PLEXCONCIL) report on India's plastic export figures, there was a growth of 14.3% in exports in February 2024 due to increased demand for plastic products. This figure is significantly higher compared to the previous year.

Advances in recycling processes mechanism, as well as other innovations, are contributing to increased efficiency and scalability. At the same time, as governments and businesses pledge to assume accountability for the full lifecycle of plastic products, circular economy initiatives—such as EPR programmes—gain impetus.

The challenges within India's plastic recycling landscape are characterised by a fragmented infrastructure, which includes both formal and informal players. This fragmentation creates difficulties in standardisation, regulation, quality, and the overall efficiency of the recycling process.

India's plastic recycling market currently stands at a crucial juncture, necessitating sustainable solutions. The current market overview highlights the dynamic nature of the plastic recycling industry in India and the crucial role that research plays in shaping its future. To promote positive change in the plastic recycling industry, cooperation between the government, business leaders, and academics is crucial as the country works towards a more sustainable and circular economy.

3) Copper Market

Global Copper Market

The global copper market was valued at USD 320.33 Bn in 2023 and is projected to reach USD 476.90 Bn by 2031, at a CAGR of 5.1% during 2024 to 2031. The remarkable conductivity properties of copper make it a vital component in the electrical and electronics industry. It is widely used in the manufacturing of wiring, cables, and electrical parts like motors, transformers, and generators.

Copper is an essential material for powering buildings, homes, and electronic devices due to its high electrical conductivity, which guarantees effective electricity transmission with little energy loss. Furthermore, copper's thermal conductivity makes it a perfect material for heat sinks and thermal control systems in electronic devices. The growing demand for copper in the manufacturing of electrical systems and electronics is driven by technological advancements, which fuel innovation and efficiency in the industry.

Growth Drivers	Key Opportunities
- Growing demand for EVs propelling demand for copper. - Rising technological advancements bolstering the usage of copper in infrastructure. - Less capital intensive as compared to other metals.	- Government policies and incentives encouraging infrastructure development. - Increasing adoption of copper in environmentally conscious industries.
Restraint/ Challenges	
- Highly volatile copper prices. - Inadequate infrastructure is causing delays in delivery of copper ore from mines to processing facilities. - Constant labour strikes hampering the stability of the market.	

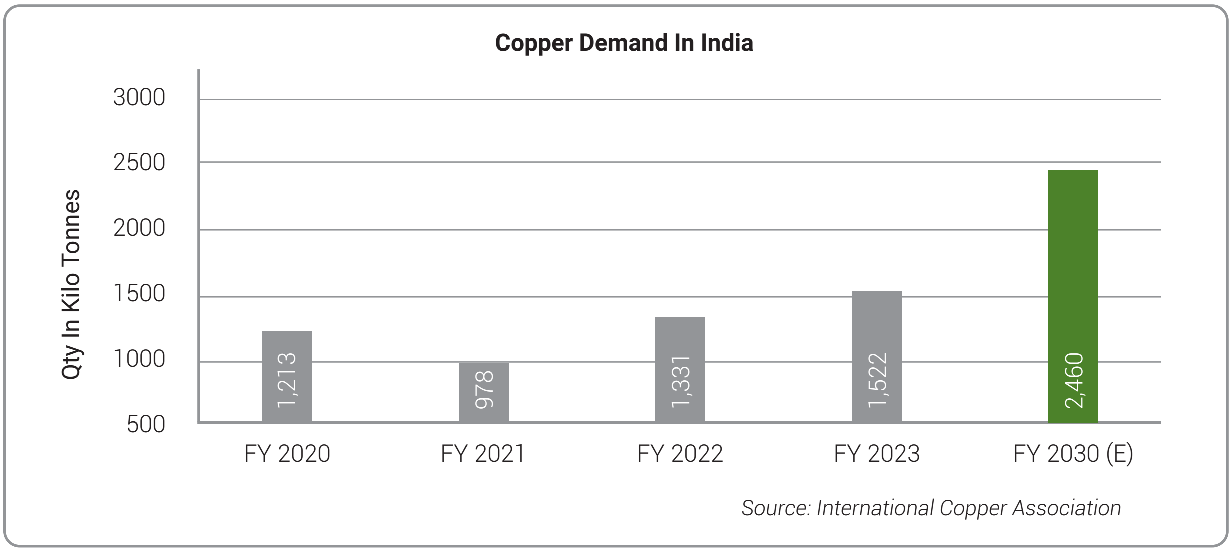
Indian Copper Market

The year 2023-24 was dynamic for the Indian copper market, wherein it emerged as a strong and promising arena. Notably, a recovery in LME copper prices was observed in the latter half of the year, fuelled by a confluence of favourable developments in terms of renewable smelting techniques and supply disruptions.

India's refined copper consumption witnessed a stellar 26.6% increase in 2023. This can be attributed to the Central Government's massive infrastructure development plans, growing urbanisation levels, Housing for All schemes, transition to renewable energy along with investment in the metro rail network and railway electrification. The demand was further supported by an increase in consumer durables like electronics and air conditioners.

The building and infrastructure sectors in India represent 40% of the country's domestic copper consumption, while the consumer durables and automotive industries account for the remaining 11-13%. Refined copper imports are on the rise and are expected to continue increasing in the near future, helping to bridge the supply gap.

MANAGEMENT DISCUSSION & ANALYSIS (Contd.)



4) Aluminium Market

Global Aluminium Market

The global aluminium market was valued at USD 229.85 Bn in 2023 and is projected to grow from USD 243.89 Bn in 2024 to USD 393.70 Bn by 2032. Despite encouraging growth forecasts, 2023-24 presented a dynamic environment for the aluminium market. The industry is experiencing temporary slowdowns on account of the multiple geopolitical tensions, global inflation, economic deceleration in the major economies, and high bank interest. The worldwide drive for decarbonisation is predicted to propel demand growth at a CAGR of about 3%.

Industries like renewable energy and EVs are predicted to consume a significant 16 million tonnes of aluminium by 2030. Aluminium's lightweight properties, corrosion resistance, electrical conductivity, and recyclability make it an ideal material for clean energy solutions. Moreover, more funding for the development of infrastructure will open up new markets for aluminium demand.

Indian Aluminium Market

The aluminium market in India is a crucial and evolving part of the nation's industrial sector, bolstered by both primary and secondary producers who have steadily driven up demand. The government's 'Make in India' initiative and focus on infrastructure development are expected to further boost aluminium demand across various industries. Moreover, the push for electric vehicles (EVs) is likely to increase aluminium usage, thanks to its lightweight properties.

Growth Drivers of Secondary Aluminium	Key Threats
- Growing demand for a green and safe environment. - Expanding demand in the ever-evolving automobile industry. - Less capital intensive as compared to primary aluminium	- Heavy dependence on imports. - Competition from unorganised market players. - Rising environmental issues and stringent compliance requirements.

RISKS, OPPORTUNITIES, AND THREATS

The supply-demand imbalance, together with positive signs of global development and supply-side changes, have supported the resurgence of the metal industry. POCL has numerous opportunities to create value for stakeholders, driven by long-term industry trends, strategic expansion plans, sustainability and social responsibility initiatives, rising metals demand. POCL's success rests on the Company's capability to recognise opportunities and seize them while minimising the risks associated with doing business. Pricing, growing demand, global economic conditions, and enduring market volatility are the major challenges faced by the Company. It seeks to maintain balance sheet liquidity and implement plans to boost operational cash flow for long-term profitability. Cash generation and preservation remain a key focus.

POCL faces the risk that fluctuations in foreign exchange rates will influence its export earnings and raw material imports. The Company is exposed to foreign exchange risk arising from currency exposure, primarily with respect to US dollars. It has established a strong framework for risk management that includes monitoring, identification, and mitigation of risks related to foreign exchange and commodity prices. The risks are tracked and monitored on a regular basis and mitigation strategies are adopted in line with the risk management framework. POCL primarily uses forward exchange contracts to hedge the effects of movement in exchange rates.

SEGMENT OR PRODUCT WISE PERFORMANCE

Lead and Lead Alloys

During 2023-24, POCL achieved strong capacity utilisation. The Company's annual production of lead metal and alloys reached 72,531 MT, up from 69,914 MT in the previous year, demonstrating a marginal increase despite macro-economic and geopolitical challenges. The overall lead manufacturing capacity of all units together is at 1,32,000 MT per annum.

Aluminium and Aluminium Alloys

During 2023-24, the Company had an annual production of 1852 MT as against 284 MT in the previous year. Despite the challenging economic situation and demand and supply imbalance POCL is looking for viable opportunities for increase production going forward. The overall lead manufacturing capacity of all units together is 14,750 MT per annum.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

Your Board has devised systems, policies and procedures / frameworks, which are currently operational within your Company for ensuring the orderly and efficient conduct of its business, which includes adherence to policies, safeguarding its assets, prevention and detection of frauds and errors, accuracy and completeness of the accounting records and timely preparation of reliable financial information. In line with best practices, the Audit Committee and the Board reviews these internal control systems to ensure they remain effective and are achieving their intended purpose. Where weaknesses, if any, are identified as a result of the reviews, new procedures are put in place to strengthen controls. These controls are in turn reviewed at regular intervals.

DISCUSSION ON FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE

(₹ in Crore except for EPS)

Performance Metrics	2023-24	2022-23	Change %
Revenue from Operations	1,523.82	1,471.67	3.54
Earnings before Interest, Tax, Depreciation and Amortisation (EBITDA)	77.21	82.66	(6.59)
Depreciation and Amortisation Expense	9.22	10.06	(8.35)
Earnings Before Interest and Tax (EBIT)	67.99	72.59	(6.34)
Finance Costs (Interest)	16.35	6.84	139.04
Earnings After Tax (EAT)	39.51	49.20	(19.70)
Shareholders Fund	354.84	254.15	39.62
Earnings Per Share (EPS)	33.73	42.32	(20.30)
Dividend * (previous and current year – 50%)	6.51	5.81	8.43
Net Fixed Assets	103.45	85.60	20.85
Capital Work in Progress	8.33	7.03	18.49

*Due to increase in the Share Capital

MATERIAL DEVELOPMENTS IN HUMAN RESOURCES / INDUSTRIAL RELATIONS FRONT, INCLUDING NO. OF PEOPLE EMPLOYED

POCL's employees are its best assets and their commitment to work is directly proportional to the Company's inherent strength. POCL encourages its people to discover and realise their valuable potential. Having varied experiences and exposures, implementing challenging tasks along with continuous learning enables the employees to deliver optimum results. Acculturating new employees through physical interactions with senior colleagues and leaders, and by observing and emulating their behaviours

MANAGEMENT DISCUSSION & ANALYSIS (Contd.)

and thought processes, has been crucial in maintaining employee momentum. As an equal opportunity employer, POCL has a well-defined and progressive DEI approach embracing all diversity parameters. This includes gender, marital status, religion, race/caste, colour, age, ancestry, nationality, language, ethnic origin, socio-economic status, physical appearance, disability, gender identity and/or expression and any other category protected by applicable law.

DETAILS OF SIGNIFICANT CHANGES IN KEY FINANCIAL RATIOS, ALONG-WITH DETAILED EXPLANATION

Key Financial Ratios	2023-24	2022-23	Change %	Remarks
Debtors Turnover (in times)	15.21	15.78	(3.61)	Marginal variation
Inventory Turnover (in times)	10.98	9.80	12.04	Due to marginal reduction in inventory
Interest Coverage Ratio (in times)	4.20	10.61	60.41	Due to increase in interest rates
Current Ratio (in times)	2.58	1.64	57.32	Due to reduction of liability at the year end
Debt Equity Ratio (in times)	0.01	0.02	(50.00)	Due to repayment of debt
Gross Profit Margin (%)	11.20	11.80	(5.35)	
Net Profit Margin (%)	2.59	3.32	22.46	Due to reduction of profit
Return on Capital Employed (in times)	0.19	0.28	(32.14)	

CAUTIONARY STATEMENT

Statements in this Annual Report on 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 include, among others, economic conditions affecting demand/ 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.

For and on behalf of the Board of Directors
Pondy Oxides and Chemicals Limited

Anil Kumar Bansal
Chairman & Whole Time Director
DIN: 00232223

Ashish Bansal
Managing Director
DIN: 01543967

Date: 22nd July, 2024
Place: Chennai

CORPORATE GOVERNANCE REPORT

In accordance with the Regulation 34(3) read with Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations'), as applicable, the report containing the details of Corporate Governance systems and processes at Pondy Oxides and Chemicals Limited (POCL) is as follows:

I. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE:

Your Company's philosophy on Corporate Governance envisions ethical standards, legal compliance, and best management practices as establishing a culture within the company that prioritises communication with all stakeholders and excellent corporate governance. Corporate Governance encompasses a set of systems and practices to ensure that the Company's affairs are being managed in a manner that ensures transparency, accountability and disclosure.

Your Company firmly believes that sound Corporate Governance practices lead to creation of long term shareholders value and enhances interest of other stakeholders. In the company's quest for sustainable wealth generation, corporate governance has been a constant journey rather than a destination. The Company is committed to highest standards of Corporate Governance and disclosure practices to ensure that its affairs are managed in the best interest of all stakeholders involves the balancing of interests of the stakeholders of a Company, Management, Customers, Suppliers, financiers, the Government and the Community.

Your company persistently endeavours to benchmark itself with the best standards of Corporate governance in letter, form and spirit. Corporate governance circumscribes practically every sphere of management, from action plans and internal controls to performance measurement and corporate disclosure. At POCL, with a strong legacy of fair, transparent and ethical governance practices we ensure that the balance is maintained at all levels.

The Company operates within accepted standards of propriety, fair play and justice and aims at creating a culture of openness in relationships between itself and its stakeholders. POCL follows a traditional and holistic approach in delivering accountability to all its stakeholders. The Company is in compliance with the requirements stipulated under Regulation 17 to 27 read with Schedule V and clauses (b) to (i) of sub-regulation (2) of regulation 46 of SEBI Listing Regulations, as applicable, with regard to Corporate Governance.

II. BOARD OF DIRECTORS:

The Company has a diversified Board which has an ideal combination of entrepreneurship, leadership and professionalism. The Board of directors oversees the overall functioning of the company and offers the management with strategic direction and advice in light of regional and global economic trends, industry shifts, competition, governmental laws, etc.

The Board demonstrates independence and autonomy in carrying out its fiduciary duties, exerting strategic oversight, and making sure the management adheres to the strictest codes of ethics, transparency, and disclosure. The Company, as on the date of this report has in all 7 Directors with considerable professional experience in divergent areas connected with corporate functioning.

The Company's Board has an optimum combination of Executive and Non-Executive Directors including a Woman Independent Director. The Board comprises of 3 Executive Directors and 4 Non-Executive Independent Directors. The Independent Directors in the Board are competent and highly respected professionals from their respective fields and demonstrate an appropriate degree of independence in character and judgement and are independent from the management.

The Board diversity policy is available on the website of the Company at

A. Board Composition and Category of Directors as on 31st March 2024:

Name of the Director(s)	DIN	Designation	Category
Mr. Anil Kumar Bansal	00232223	Chairman and Whole-Time Director	Promoter – Executive
Mr. Ashish Bansal	01543967	Managing Director	Promoter – Executive
Mr. K Kumaravel	00664405	Director Finance & Company Secretary	Executive
Mr. A Vijay Anand	06431219	Independent Director	Non-Executive
Dr. Shoba Ramakrishnan	02773030	Independent Director	Non-Executive
Dr. M Ramasubramani	07999117	Independent Director	Non-Executive

Mr. Ashish Bansal is the son of Mr. Anil Kumar Bansal. None of the other Directors are related inter-se.

CORPORATE GOVERNANCE REPORT (Contd.)

The details of the shareholding of the Directors are provided in the Annual Return in Form MGT - 7 in the weblink https://pocl.com/annual-returns/. The Composition of the Board and the number of Directorships is in conformity with Regulation 17, and 26(1) of SEBI Listing Regulations and as per the provisions of Companies Act, 2013 and the limits of the Directorships of the Directors are within the stipulated requirements as per SEBI Listing Regulations.

Pursuant to the provisions of SEBI Listing Regulations read with Schedule V, Part C (2) (i), the Board of Directors of the company hereby confirm that in the opinion of the Board, the Independent Directors fulfils the conditions specified under Regulation 16 (1)(b) of SEBI Listing Regulations and are independent of the Management. All the Independent Directors confirmed that they have registered their names in the Independent Directors' Databank and are in compliance with Rule 6 of Companies (Appointment and Qualification of Directors) Rules, 2014. The terms and conditions on the appointment of Independent Directors is hosted on the website.

B. Board Meetings:

The Board meets at regular intervals to discuss and decide on the Company/ Business Policy and Strategy apart from other Board businesses. The Notice along with the Agenda of the Board meetings are given well in advance to all the Directors, to facilitate them to plan their schedules and to ensure meaningful participation in the meetings. During the Financial Year, the Board Meetings were held on hybrid mode both through physical and Video Conferencing.

The Agenda for the Meeting covers items set out as per the guidelines in SEBI Listing Regulations to the extent it is relevant and applicable. The Agenda includes detailed notes on the items to be discussed at the meeting to enable the Directors to take an informed decision. Wherever if it is not practicable to attach any document to the agenda, the same is placed before the meeting with specific reference to this effect.

During the financial year ended 31st March 2024, Five (5) Board Meetings were held and the maximum interval between any two meetings was well within the maximum allowed gap of 120 days. The details of the Board Meetings held are given below:

Date	Board Strength	No. of Directors Present
29th May 2023	6	6
11th August 2023	6	6
07th November 2023	6	6
12th January 2024	6	6
06th February 2024	6	6

C. Attendance of Directors at Board Meetings, last Annual General Meeting and number of other Directorship(s) and Chairmanship(s) / Membership(s) of Committees of each Director in various Companies:

Name of Director(s)	Attendance at Meetings during the Financial Year 2023-24		Number of Directorships in other Companies as on 31st March 2024	No. of Membership(s)/ Chairmanship(s) of Board Committee(s) in other Public Companies as on 31st March 2024	
	Board Meeting	Last AGM		Chairman	Member
Mr. Anil Kumar Bansal	5	Yes	-	-	-
Mr. Ashish Bansal	5	Yes	3	-	-
Mr. K Kumaravel	5	Yes	2	-	-
Mr. A Vijay Anand	5	Yes	2	-	-
Dr. Shoba Ramakrishnan	5	Yes	1	-	-
Dr. M Ramasubramani	5	Yes	1	-	-

None of the Directors are holding any position as Directors/ Committee members in any other Listed Entity.

D. Number of Shares and Convertible Instruments held by Non-Executive Directors as on 31st March 2024:

Name of Non-Executive Director(s)	No. of Shares held
Mr. A Vijay Anand	**8,574**
Dr. Shoba Ramakrishnan	**1,030**
Dr. M Ramasubramani	**---**

CORPORATE GOVERNANCE REPORT (Contd.)

E. Separate Independent Directors' Meeting

As stipulated by the Code for Independent Directors under the Companies Act, 2013 and the Listing Regulations, separate meeting of the Independent Directors of the Company was held on 6th February 2024, to review the performance of Non-Independent Directors and the Board as a whole. The Independent Directors also reviewed the quality, content and timeliness of the flow of information between the Management and the Board and Committees, which is necessary to effectively and reasonably perform and discharge their duties.

Attendance of Independent Directors at the meeting held on 6th February 2024 is given hereunder:

Name of the Independent Director(s)	Whether Present or not
Mr. A Vijay Anand	Yes
Dr. Shoba Ramakrishnan	Yes
Dr. M Ramasubramani	Yes

F. Familiarisation Programme:

Your Company has framed a familiarisation programme for the Independent Directors. At the time of appointing new Independent Directors, a formal letter of appointment is given to them, which inter-alia, explains their role, function, duties and responsibilities in the Company. The Executive Directors provide an overview of the Company's business operations to the new Non-Executive Directors/ Independent Directors. The New Director is also explained in detail the compliance required from him under the Companies Act, the Listing Regulations and other various statutes. Further on an ongoing basis as a part of the Agenda of the Board meeting and the Committee meeting, presentations are regularly made to the Independent Directors on various matters inter alia covering the Company's business and operations, industry strategy, finance and other relevant matters. The details of the Familiarisation program for directors is available on the website link: https://pocl.com/wp-content/uploads/pdocs/2024/05/Familiarisation-Policy-Updated-2023-24.pdf

G. Skills/Expertise/Competencies of the Board of Directors:

Your Company holds the view that the Board's overall effectiveness affects performance; as a result, members of the Board should possess a variety of viewpoints, experiences, and skill sets that are appropriate for the Company. the Board has identified the following core skills/ expertise /competencies of the directors in the context of the Company's business for effective functioning as given below:

Skill	Description
Leadership/Strategy	Experience in Leadership roles and industry expertise which help in strategic planning, effective decision making and risk management.
Global Business	Experience in driving business success/ dynamics in markets around the world, understanding of various Geographical Markets, Industry verticals and regulatory jurisdictions.
Metal/ Chemical Industry	Widespread knowledge in Metal / Chemical Industry and technical knowledge of the manufacturing process.
Sales and Marketing	Well versed in developing strategies to grow sales and increase the market share and enhance the Organisation's reputation.
Finance	Financial expertise resulting in proficiency in complex financial management and capital allocation and a strong ability to assess financial impact of decision making and ensure profitable and sustainable growth.
Technology	Technology expertise resulting in knowledge of creation of new business models.
Regulatory	Strong Knowledge and expertise in Corporate Law and other regulatory compliances including Industry specific Laws.

Name of Director(s)	Leadership/ Strategy	Global Business	Metal/ Chemical Industry	Sales and Marketing	Finance	Tech-nology	Regu-latory
Mr. Anil Kumar Bansal	✓	✓	✓	✓	✓	✓	✓
Mr. Ashish Bansal	✓	✓	✓	✓	✓	✓	✓
Mr. K Kumaravel	✓	✓	✓	---	✓	✓	✓
Mr. A Vijay Anand	✓	✓	---	✓	✓	✓	✓
Dr. Shoba Ramakrishnan	---	---	✓	✓	✓	✓	✓
Dr. M Ramasubramani	✓	✓	---	✓	✓	---	✓

CORPORATE GOVERNANCE REPORT (Contd.)

III. COMMITTEES OF THE BOARD

The Board of Directors have set up Committees as applicable to the Company to focus on specific areas/ activities and to take informed decisions within the framework designed by the Board and make specific recommendations to the Board on matters in their areas or purview. The Board clearly defines the role of each Committee, and the Chairman of the respective Committee informs the Board about the summary of the discussions held in the Committee Meetings. The minutes of the meetings of all Committees are tabled before the Board for review. The Board has established the following committees -

(i) **Audit Committee:** The constitution and terms of reference of the Audit Committee are in accordance with Section 177 of the Companies Act, 2013 and Regulation 18 of SEBI Listing Regulations. The Company has a qualified and independent Audit Committee comprising of Non-Executive Independent Directors and an Executive Director. The Chairman of the Committee is an Independent Director.

The Board of directors have entrusted the Audit committee with the responsibility to have an oversight of the Company's financial reporting process and to ensure adequate, accurate and timely disclosures that maintain the transparency, integrity and quality of financial control and reporting.

Terms of Reference in brief:

The terms of reference of the Audit Committee covers the areas mentioned in Section 177 of the Act and Regulation 18 read with Part C of Schedule II to the Listing Regulations. The terms of reference of the Audit Committee, inter-alia are as follows:

- Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
- Recommendation for appointment, remuneration and terms of appointment of statutory auditors including cost auditors of the Company.
- Review of quarterly/half-yearly/annual financial statements with reference to changes, if any in accounting policies and reasons for the same.
- Major accounting entries involving estimates based on exercise of judgment by management, and significant adjustments made in the financial statements, if any arising out of audit findings.
- Reviewing and monitoring the auditor's independence, performance and effectiveness of audit process.
- Reviewing, with the management, the performance of statutory auditors and internal auditors, and adequacy of internal control systems.
- Formulating the scope, functioning, periodicity and methodology for conducting internal audit.
- To review the functioning of the Whistle Blower Mechanism.
- Approval of appointment of Chief Financial Officer after assessing qualifications, experience, background, etc. of the candidate.
- Scrutiny of inter-corporate loans and investments.
- Evaluation of internal financial controls and risk management systems.
  - Discussion with Internal Auditors of any significant findings and follow up thereon

The Audit Committee also looks into the matters as are specifically referred to it by the Board of Directors besides looking into the mandatory requirements of SEBI Listing Regulations and provisions of Section 177 of the Companies Act, 2013.

Composition and Attendance:

The composition of the committee and Chairman and the Members of the Committee as on 31st March 2024 are as under:

Name of Director(s)	Designation	Attendance
Mr. A Vijay Anand	Chairman - Independent Director	5
Dr. M.Ramasubramani	Member - Independent Director	5
Mr. K Kumaravel	Member – Director Finance & Company Secretary	5

CORPORATE GOVERNANCE REPORT (Contd.)

During the Financial Year 2023-24, Five (5) meetings of the Audit Committee were held on 29th May 2023, 11th August 2023, 07th November 2023, 05th January 2024 and 06th February 2024. The maximum time gap between any of the two consecutive meetings was not more than 120 days. The necessary quorum was present in all the meetings.

Mr. K Kumaravel, Director - Finance and Company Secretary of the Company also acts as the Secretary to the Committee.

(ii) Nomination and Remuneration Committee:

The Nomination and Remuneration Committee of the Company is constituted as per the provisions of Regulation 19 of SEBI Listing Regulations and Section 178 of the Companies Act, 2013.

Terms of Reference in brief:

The terms of reference of the NRC covers the areas mentioned in Section 178 of the Act and Regulation 19 read with Part D (A) of Schedule II to the Listing Regulations. The terms of reference of the NRC, inter-alia are as follows:

- Identification of persons who are qualified to become Directors and who may be appointed to Senior Management in accordance with the criteria laid down and recommend to the Board their appointment and removal.
- Evaluation of Balance of skills, knowledge and experience on the Board and on the basis of such evaluation, prepares a description of the roles and capabilities required of an Independent Director.
- Evaluating the performance of the Directors and providing necessary reports to the Board for further evaluation and consideration.
- Recommending to the Board on remuneration to the Directors, KMP's and SMP's of the Company.
- Retaining, motivating and promoting talent amongst the employees and ensuring long term sustainability of talented personnel by creation of competitive advantage through a structured talent review.
- Devise a policy on diversity of Board of Directors

During the Financial year 2023-24, the Nomination and Remuneration Committee met once on 11th August 2023. The composition of the Nomination and Remuneration Committee and attendance of members are given below:

Composition and Attendance:

The Chairman and the Members of the Committee as on 31st March 2024 are as under:

Name of Director(s)	Designation	Attendance
Mr. A Vijay Anand	Chairman - Independent Director	---
Dr. Shoba Ramakrishnan	Member - Independent Director	1
Dr. M. Ramasubramani	Member - Independent Director	1

Mr. K Kumaravel, Director - Finance and Company Secretary of the Company also acts as the Secretary to the Committee.

Performance Evaluation

The Nomination and Remuneration Committee has devised criteria for evaluation of the performance of the Directors including the Independent Directors. The criteria for Board evaluation cover the areas relevant to their functioning and is in compliance with the applicable laws and regulations.

Pursuant to the provisions of the Companies Act, 2013 and Regulation 17 of SEBI Listing Regulations, the Board had carried out an annual evaluation of its own performance, the directors individually and of the committees of the Board.

Remuneration Policy

The policy on directors' appointment and remuneration, including criteria for determining qualifications and making payments, positive attributes, independence of a director and other matters, as required under Section 178(3) of the Companies Act, 2013, can be viewed on the Company's website at https://pocl.com/wp-content/uploads/pdocs/2016/02/4-Nomination-and-Remuneration-Policy.pdf. There has been no change in the policy since the last financial year. We affirm that the remuneration paid to the directors is as per the terms laid down in the remuneration policy of the Company. The Committee has also devised a Board Diversity policy vide https://pocl.com/wp-content/uploads/pdocs/2020/09/Board-Diversity-Policy.pdf which has been approved by the Board.

CORPORATE GOVERNANCE REPORT (Contd.)

Directors Remuneration:

Details of remuneration paid to the Executive Directors of the Company during the Financial Year 2023-24 are detailed in the table below:

(₹ in Lacs)

Name of the Executive Director(s)	Salary & Allowances	Perquisites / Bonus / PF	Commission	Total
Mr. Ashish Bansal	220.00	19.73	20.00	259.73
Mr. Anil Kumar Bansal	108.00	3.44	-Nil-	111.44
Mr. K Kumaravel	46.48	3.03	-Nil-	49.51

The remuneration to the above directors is paid in accordance with Schedule V to the Companies Act, 2013. The tenure of office of the Chairman, Managing Director and Whole Time Directors is for a period of three years from the date of their respective appointments. The Company is not paying any Performance linked incentives to its directors. The service contract and the notice period of the Executive Directors are as per the terms of appointment. There is no separate provision for payment of severance fees. The Company has not allotted any Shares through Stock option.

The Non-Executive Independent Directors are entitled to sitting fees for attending the Board meetings.

Sitting fees paid to the Non-Executive Directors during 2023-24:

(₹ in Lacs)

Name of the Non-Executive Director(s)	Sitting Fee
Mr. A Vijay Anand	1.65
Dr. Shoba Ramakrishnan	1.25
Dr. M Ramasubramani	1.75

The payment of sittings fees to the Non-Executive Directors is within the limits as prescribed under the Companies Act, 2013.

(iii) Stakeholders Relationship Committee:

The constitution and terms of reference of the Stakeholders Relationship Committee are in accordance with and covers all the matters specified under section 178 of the Companies Act, 2013 and Regulation 20 of the SEBI Listing Regulations. The said committee consists of Non-executive/Independent Directors and the Committee oversees share transfers and redresses the Shareholders' grievances.

During the Financial year 2023-24, Three (3) meetings of Stakeholders' Relationship Committee held on 04th May 2023, 26th June 2023 and 22nd January 2024.

Composition and Attendance:

The Chairman and the Members of the Committee as on 31st March 2024 are as under:

Name of Director(s)	Designation	Attendance
Mr. A Vijay Anand	Chairman – Independent Director	---
Dr. Shoba Ramakrishnan	Member – Independent Director	3
Mr. K Kumaravel	Member – Director Finance & Company Secretary	3

As required by the SEBI Listing Regulations, Mr. K Kumaravel is the Compliance Officer of the Company, who oversees the redressal of Investor grievances.

The Company received and resolved 2 complaint during the year. There are no pending complaints as on 31st March 2024.

(iv) Corporate Social Responsibility Committee

In compliance with Section 135 of the Companies Act 2013, (Act) the Board has constituted the Corporate Social Responsibility Committee. The terms of reference of the Committee inter alia consists of formulating and recommending framing the CSR policy of the Company and reviewing it from time to time and ensuring effective implementation and monitoring of CSR activities as per the approved policy, plans and budget.

During the financial year 2023-24, there were 2 (two) Corporate Social Responsibility Committee meeting held on 29th May 2023 and 30th March 2024.

CORPORATE GOVERNANCE REPORT (Contd.)

The composition of the Corporate Social Responsibility Committee as on 31st March 2024 and the attendance of members are given below:

Name of Director	Designation	Attendance
Mr. A Vijay Anand	Chairman - Independent Director	---
Dr. Shoba Ramakrishnan	Member - Independent Director	2
Mr. Ashish Bansal	Member - Managing Director	2

IV SENIOR MANAGEMENT:

The Senior Management comprises of the Officers and personnel of the Company who are the members of its Core Management Team entrusted with implementing the strategies and decisions taken by the Board of Directors. The Senior Management shall include the members of the management one level below the Managing Director or Whole time Director and the functional heads of the Company.

Details of Senior Management Personnel(s) as on 31st March 2024:

Names of SMP	Designation
Mr. B Vijay	Chief Financial Officer
Mr. Mayank Sharma	President – Operations
Mr. Piyush Dhawan	President – Commercials & Strategy
Mr. D Karthikeyan	Vice President - Procurement
Mr. K N Mohan Reddy	General Manager - EXIM
Mr. Premji George	Group Head- Lead operations
Mr. Johnson David Raja	Works Manager
Mr. Rajendra Kumar Rai	Plant Head
Mr. Prabhakar	IT Head
Mr. Mohak Bansal	Senior Manager – Commercial
Mr. Sri Sabarish	Senior Manager - Finance

V. GENERAL BODY MEETINGS:

(i) Annual General Meeting:

Year	Date	Time	Venue	Special Resolution(s)
2022-23	28th AGM- 22nd Sept 2023	3.00 PM IST	Held through Video Conferencing/ Other Audio-Visual Means	• To Re-appoint Mr. Ashish Bansal (DIN: 01543967) as Managing Director and fixing his remuneration. • To Re-appoint Mr. Anil Kumar Bansal (DIN: 00232223) as Whole-Time Director and fixing his remuneration. • To increase the borrowing powers of the Company. • To Re-appoint Mr. A. Vijay Anand (DIN: 06431219) as Independent Director of the Company.
2021-22	27th AGM – 21st Sept 2022	3.00 PM IST	Held through Video Conferencing/ Other Audio-Visual Means	• Adoption of revised set of Articles of Association (AOA) in line with the requirements of Companies Act 2013 ("the Act") and necessary rules framed thereunder • To approve remuneration payable to Mr. Ashish Bansal (DIN: 01543967) Managing Director of the Company by way of Commission or otherwise from the Net Profits of the Company • To appoint Mr. K Kumaravel (DIN: 00664405) as Whole-Time Director in the capacity of Director Finance of the Company
2020-21	26th AGM – 18th Sept 2021	03:00 PM IST	Held through Video Conferencing/ Other Audio-Visual Means	• To increase the Borrowing powers and power to mortgage the properties of the Company. • To amend and adopt the Main Objects Clause of the Memorandum of Association of the Company

CORPORATE GOVERNANCE REPORT (Contd.)

(ii) Other General Meeting(s):

During the Financial year 2023-24, the Company has convened an Extra-Ordinary General Meeting on 6th February 2024 to consider the following special businesses:

(a) Issuance of 10,05,921 equity shares on preferential basis to Certain identified non-promoter persons / entities

(b) Issuance Of 16,27,221 Convertible Warrants on Preferential Basis to the Promoter Group And Certain Identified Non-Promoter Persons / Entities

(iii) Postal Ballot:

During the Financial Year 2023-24, no resolutions were passed through Postal Ballot.

VI. MEANS OF COMMUNICATION:

The Company's quarterly financial results, after their approval by the Board of Directors, are promptly issued to all the Stock Exchanges with whom the Company has listing arrangements. These financial results, in the prescribed format, as per SEBI Regulations, are published in prominent English and Tamil (Regional language) newspapers usually in 'Trinity Mirror' and 'Makkal Kural'. The Quarterly results are also hosted in the Company's website https://pocl.com/ .

The audited financial statements form a part of the Annual Report which is sent to the Members well in advance of the Annual General Meeting. The Annual Report of the Company, the quarterly/half yearly and the annual results of the Company are also placed on the Company's website at https://pocl.com/ and can be downloaded.

All disclosures and communications to the NSE and BSE are filed electronically through the NSE Electronic Application Processing System (NEAPS) and BSE's Listing Centre, which are web-based applications designed by NSE and BSE respectively for corporates to make submissions.

The Company has not given any other official news release or presentation to institutional investors or the analysts apart from the one which are informed to Stock Exchange. The Company maintains a functional website https://pocl.com/. As an endeavour towards the 'Go Green' initiative, the Company proposes to send all correspondence/communications through email to those shareholders who have registered their email id with their depository participant's/Company's RTA. The website contains a separate dedicated section "Investor Relations" where all shareholders' information is made available. The Company also has a designated exclusive e-mail id complaints@pocl.com for investor services.

VII. GENERAL SHAREHOLDERS INFORMATION:

(a) Annual General Meeting

The 29th Annual General Meeting (AGM) of the Company will be held on Wednesday, 18th September 2024 through Video Conferencing / Other Audio-Visual Means.

(b) Financial Year

The Company's Financial Year commences from 1st April and closes on 31st March and the Financial Statements of the Company from 1st April 2023 till 31st March 2024 forms part of this Annual Report.

(c) Book Closure

The Transfer books of the Company shall be closed from Thursday, 12th September 2024 to Wednesday, 18th September 2024 (both days inclusive).

(d) Dividend Payment Date

The final dividend @ ₹ 5.00 per equity share as recommended by the board at its meeting held on 28th May 2024 for the year ended 31st March 2024, if approved by the shareholders at the ensuing Annual General Meeting to be held on Wednesday, 18th September 2024, will be paid within 30 days from the date of the Annual General Meeting.

(e) Listing on Stock Exchange and Stock Code

The Company's shares are presently listed on National Stock Exchange of India Ltd (NSE) and BSE Ltd. The address details of Stock exchanges are as under:

The National Stock Exchange of India Ltd. Exchange Plaza, C-1, Block G, Bandra- Kurla Complex Bandra(East) Mumbai- 400 051 Fax No.: 022-26598120	The BSE Limited Phiroze Jeejeebhoy Towers Dalal Street Mumbai- 400 001 Fax No.: 91-22-22721919

CORPORATE GOVERNANCE REPORT (Contd.)

Stock Code and ISIN for the Equity Shares of the Company at the respective Stock Exchanges is as under:

Particulars	NSE	BSE Ltd.
Stock Code	POCL	532626
ISIN	INE063E01046	INE063E01046

(f) Payment of Annual Listing Fees/Custodian Fees

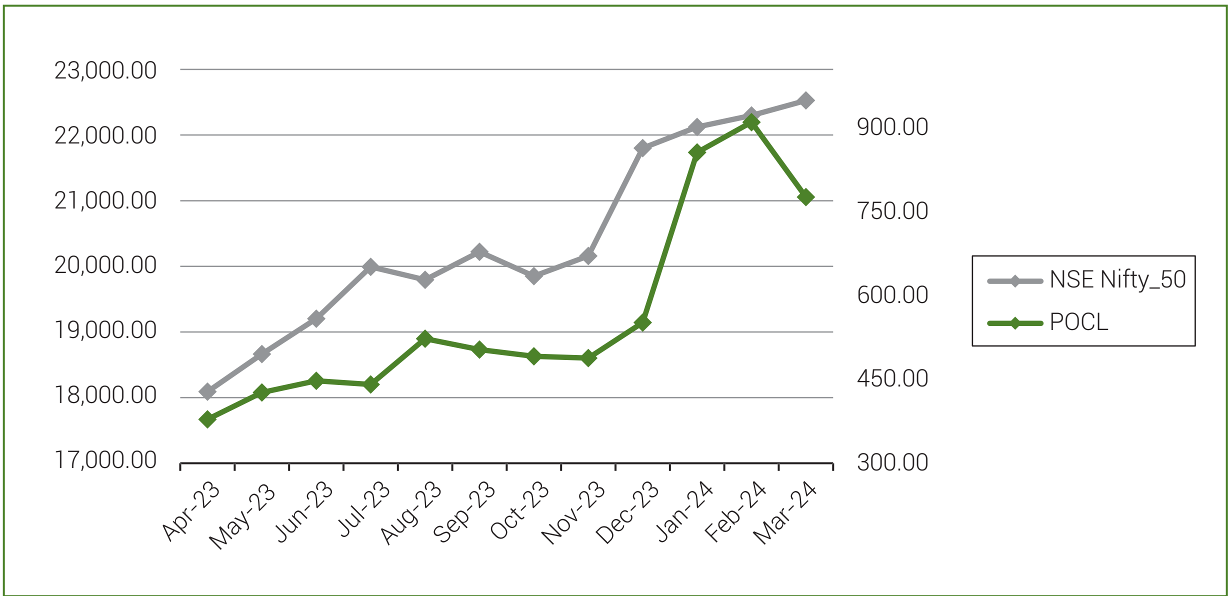
Annual Listing Fee for the Financial Year 2023-24 has been paid by the Company to BSE and NSE. Annual Custody fee for the Financial Year 2023-24 has been paid by the Company to NSDL and CDSL on receipt of invoices.

(g) Share Market data:

The Market price data for the Financial Year 2023-24 is as follows-

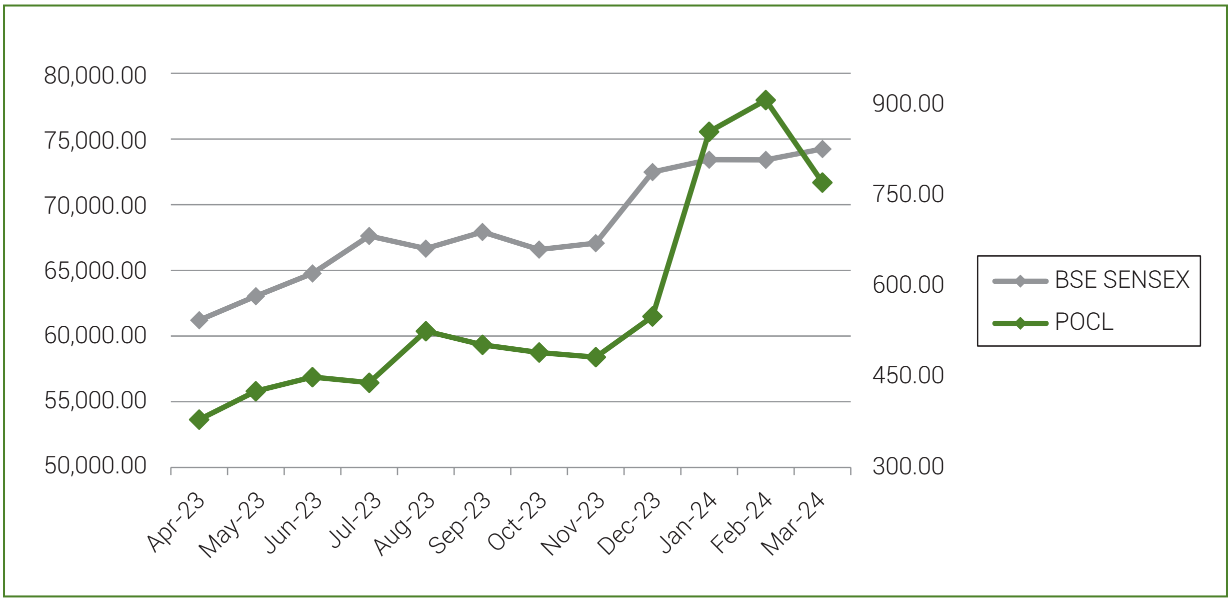
Month	NSE NIFTY 50		POCL Shares in NSE		BSE SENSEX		POCL Shares in BSE	
	High Price	Low Price	High Price	Low Price	High Price	Low Price	High Price	Low Price
April' 2023	18,089.15	17,312.75	378.00	300.05	61,209.46	58,793.08	379.00	299.60
May' 2023	18,662.45	18,042.40	425.75	336.05	63,036.12	61,002.17	425.85	341.10
June' 2023	19,201.70	18,464.55	446.45	390.15	64,768.58	62,359.14	449.00	389.95
July' 2023	19,991.85	19,234.40	440.00	374.20	67,619.17	64,836.16	439.75	352.55
August' 2023	19,795.60	19,223.65	521.30	377.50	66,658.12	64,723.63	524.85	378.00
September' 2023	20,222.45	19,255.70	502.15	436.20	67,927.23	64,818.37	502.30	433.10
October' 2023	19,849.75	18,837.35	489.95	399.00	66,592.16	63,092.98	489.55	401.00
November' 2023	20,158.70	18,973.20	487.00	421.55	67,069.89	63,550.46	482.00	420.90
December' 2023	21,801.45	20,183.70	550.00	382.45	72,484.34	67,149.07	549.00	393.00
January' 2024	22,124.15	21,137.20	852.35	491.15	73,427.59	70,001.60	853.75	490.05
February' 2024	22,297.50	21,530.20	906.30	682.55	73,413.93	70,809.84	905.90	642.30
March' 2024	22,526.60	21,710.20	773.00	582.00	74,245.17	71,674.42	770.00	576.00

(h) Performance of the Company's Share Price vis-à-vis NSE Nifty during the financial year 2023-24 (High price of NSE and POCL taken as base):



CORPORATE GOVERNANCE REPORT (Contd.)

(i) Performance of the Company's Share Price vis-à-vis BSE Sensex during the financial year 2023-24 (High price of BSE and POCL taken as base)



(j) Registrar and Share Transfer Agents:

Cameo Corporate Services Limited

Subramanian Building,

No.1, Club House Road,

Chennai – 600 002

Tel: 044- 4002 0700

Website: www.cameoindia.com

Online Investor Portal:
https://wisdom.cameoindia.com/

(k) Share Transfer System

In compliance with regulation 40(1) of the Listing Regulations, request for transfer, transmission or transposition for securities held in physical or dematerialised form shall be effected only in dematerialised form. Transfers of these shares are done through the depositories with no involvement of the Company.

In respect of requests received for dematerialisation of shares, the same is confirmed to the respective depositories, viz. National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) within the stipulated time.

As on 31st March 2024, 99.52% of the equity shares of the Company are held in electronic form (for previous year i.e., 31st March 2023 it was 99.36%).

The Board of directors of the Company has delegated the authority to approve share transfers, transmission, dematerialisation of shares etc., to Stakeholders Relationship Committee.

(l) Dematerialisation of shares and liquidity

The Company's shares are compulsorily traded in the National Stock Exchange of India Limited (NSE) and Bombay Stock Exchange (BSE) in dematerialised form. 99.52% of the Company's equity share capital is in dematerialised form as on 31st March 2024. The Company's equity shares are actively traded in NSE and BSE.

The details of mode of holding are as follows:

Mode of Holding	Number of Shares held as on 31st March 2024	% of total Number of Shares as on 31st March 2024
NSDL	91,72,878	72.74
CDSL	33,77,131	26.78
Physical	60,968	0.48
Total	**1,26,10,977**	**100.00**

(m) Outstanding GDRs/ADRs/Warrants or any Convertible Instruments, Conversion date and likely impact on equity

The Company has issued 16,27,221 Convertible Warrants on Preferential basis to Promoter and certain Identified Non-promoter Persons/ Entities during the period under review. None of the warrant holders have exercised the option to convert into equity shares till 31st March 2024.

(n) Categories of Shareholders as on 31st March 2024

Category Code	Category	No. of Shareholders	Shares	%
A(1)	Shareholding of Promoters	6	56,84,015	45.07
B(2)	Foreign Portfolio Investors	4	25,086	0.20
B (4) (b)	Directors and their relatives (Excluding Independent and Nominee Directors)	2	21,420	0.17
B (4) (f)	IEPF	1	32,112	0.25
B (4) [(g) and (h)	Resident Individuals	23063	57,26,463	45.41
B (4) (i)	Non – Resident Individuals	403	3,03,468	2.41
B (4) (l)	Body Corporates	125	5,22,001	4.14
B (4) (m) (1) to (3)	Others	486	2,96,412	2.35
TOTAL [(A) + (B)]			**1,26,10,977**	**100.00**

(o) Distribution of Shareholding by Size as on 31st March 2024

Nominal Value of Shares	No. of Shareholders	% of total Shareholders	No. of Shares held	% of total Shares held
Up to 5000	23,179	93.61	17,02,520	13.50
5001-10000	822	3.32	6,35,978	5.04
10001-20000	406	1.64	5,98,012	4.74
20001-30000	106	0.43	2,65,032	2.10
30001-40000	59	0.24	2,09,263	1.66
40001-50000	44	0.18	2,06,691	1.64
50001-100000	46	0.19	3,24,383	2.57
Above 100000	100	0.40	86,69,098	68.74
TOTAL	**24,762**	**100**	**1,26,10,977**	**100.00**

(p) Plant Locations

- **Smelter Division [SMD] - I**
  G-17 to G-19 & G-30 to G-32,
  SIPCOT Industrial Park, Mambakkam Village,
  Pondur Post, Sriperumbudur,
  District – Kancheepuram,
  Tamil Nadu – 602 105
- **Smelter Division [SMD] – II**
  Plot # 78 B&C, Industrial Park,
  Gajulamandyam Village ,
  Renigunta Mandal,
  Chittoor,
  Andhra Pradesh – 517 520.
- **Aluminum Division**
  G-1, SIPCOT Industrial Park,
  Pondur Post, Sriperumbudur,
  District – Kancheepuram,
  Tamil Nadu – 602 105

(q) Address for correspondence

- Shareholder's correspondence should be addressed to the Company's Registrar and Share Transfer Agents at the address mentioned above.
- Shareholders may also contact Mr. K. Kumaravel, Director Finance & Company Secretary, at the Registered Office of the Company at KRM Centre, 4th Floor, # 2, Harrington Road, Chetpet, Chennai- 600031 for any assistance. He can also be contacted at kk@pocl.com
- Investors can also contact the Company at the designated exclusive e-mail id complaints@pocl.com for quick responses and resolution to their queries and grievances.
- Shareholders holding shares in electronic mode should address all their correspondence to their respective Depository Participant

CORPORATE GOVERNANCE REPORT (Contd.)

(r) List of Credit Rating

The Company has got ratings from CRISIL as "CRISIL A- Stable (Assigned)" for Long term (Fund Based) borrowings and "CRISIL A2+ (Assigned)" for Short term (Non-Fund based) borrowings vide CRISIL letter dated 14th January 2022. During the year, CRISIL Ratings reviewed the Company's bank facilities and reaffirmed the same ratings for the enhanced long-term borrowings of ₹ 240 Crs

VIII. OTHER DISCLOSURES

(a) Related Party Transactions:

During the year under review, there were no materially significant related party transactions that has potential conflict of the Company. Transactions entered into with related parties during the financial year were in the ordinary course of business and at Arm's length basis and were approved by the Audit Committee. The Company has adopted a policy on materiality of related party transactions and on dealing with related party transactions and the same is available on the website of the Company and it can be viewed at https://pocl.com/wp-content/uploads/pdocs/2024/05/Related_Party_Transaction_Policy.pdf

(b) Compliance(s) of matters relating to Capital Market

The Company has complied with all applicable rules and regulations prescribed by Securities and Exchange Board of India (SEBI), stock exchanges (NSE and BSE), or any other statutory authority relating to the capital markets. No penalties or strictures have been imposed on the Company in the last 3 years.

(c) Whistle Blower Policy/Vigil Mechanism

The Company has established a Whistle Blower Policy/ Vigil Mechanism to provide an avenue to raise concerns. The mechanism provides for adequate safeguards against victimisation of employees who avail of it, to which employees of the Company can raise their concerns relating to fraud, malpractice or any other activity or event which is against the interest of the Company. The existence of the mechanism was appropriately communicated within the organisation. No personnel of the Company have been denied access to the Audit Committee. The said policy has been posted on the Company's website at the following link: https://pocl.com/wp-content/uploads/pdocs/2021/04/5-Whistle-Blower-Policy.pdf

(d) Disclosure in relation to the Sexual Harassment of Women at workplace (Prevention, Prohibition and Redressal) Act 2013

Pursuant to para 10(l) of Para C of Schedule V to the SEBI Listing Regulations, details of complaints received and disposed off during the year is as follows:

- Number of complaints filed during the year – Nil
- Number of complaints disposed off during the year – N.A.
- Number of complaints pending at the end of the year – N.A.

(e) Code of conduct for prevention of insider trading

The Company has adopted a code of conduct for prevention of Insider Trading (Insider Trading Code) in accordance with the requirements of SEBI (Prohibition of Insider Trading) Regulations, 2015 to regulate, monitor and report trading by the Designated Person(s)/ and other connected person(s). The structured digital database of Unpublished Price Sensitive Information (UPSI) is maintained with adequate internal controls. The Insider Trading Code is available on the website of the Company https://pocl.com/wp-content/uploads/pdocs/2020/06/Code-of-conduct-for-prevention-of-Insider-Trading.pdf

The Company's Code of practices and procedures for fair disclosure of unpublished price sensitive information is available on the website of the Company, https://pocl.com/wp-content/uploads/pdocs/2020/06/Code-for-Fair-Disclosure-of-UPSI.pdf.

(f) Commodity price risk/Foreign exchange risk and Hedging activities.

(i) Fluctuation in commodity prices:

Impact: Prices of the Company's finished goods are linked to international benchmark i.e., LME and are strongly influenced by global economic conditions and global demand supply for the products. Volatility in commodity prices and demand may adversely affect our earnings, cash flow and reserves.

Mitigation: We consider exposure to commodity price fluctuations to be an integral part of company's business and its usual policy is to sell its products at monthly average prices linked with London Metal Exchange (LME). However, to minimise price risk involved in procurement of major raw materials for the manufacture of finished goods and to achieve monthly average hedging is done. In exceptional circumstances, we may enter into strategic hedging with prior approval of the Company Management. The Company monitors the commodity markets closely to determine the effect of price fluctuations on earnings.

(ii) Currency Exchange rate Fluctuation:

Impact: Movement in functional currency of the Company against major foreign currencies may impact the Company's revenue. Any weakening of the functional currency may impact the Company's cost of imports and cost of borrowings. Our assets, earnings and cash flows are influenced by fluctuation in those foreign currencies, mainly US Dollars.

Mitigation: We have developed a module for forex management to monitor, measure and hedge currency risk liabilities. The Treasury team reviews our forex-related matters periodically and suggests necessary courses of action as may be needed by businesses from time to time and within the overall framework of our forex policy taking into account the natural hedging due to Export. The Company strives to achieve asset liability offset of foreign currency exposures and only the net position is hedged. The Company uses forward exchange contracts to hedge the effects of movements in exchange rates on foreign currency denominated assets and liabilities. The sources of foreign exchange risk are outstanding amounts payable for imported raw materials, capital goods and other supplies as well as financing transactions denominated in foreign currencies. The hedge mechanisms are reviewed periodically to ensure that the risk from fluctuating currency exchange rates is appropriately managed.

(iii) Exposure to Commodity and Commodity risks faced by the Company during the Financial Year 2023-24:

- Total Exposure to commodities: ₹ 2,36,718 Lacs
- Exposure to various commodities:

Commodity Name	Exposure (₹ In Lacs)	Units	Exposure in Quantity terms	% of such exposure hedged through commodity derivatives				
				Domestic Market		International Market		Total
				OTC	Exchange	OTC	Exchange	
Lead	2,36,718	MT	1,44,059	---	---	---	29%	29%

- Commodity means a commodity whose price is fixed by an international benchmark and having material effect on the financial statements.
- Exposure for Lead includes Purchases and Sales and are reported without netting off and therefore the natural hedge of imports meant for exports not considered for the above table.

(g) Certificate of Non-Disqualification of Directors

The Company has received a certificate from a Company Secretary in Practice stating that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as Directors of Companies by the Board/Ministry of Corporate Affairs or any such statutory authority for the financial year ended on 31st March 2024. The certificate from the Company Secretary in Practice is annexed to this report.

(h) Details of the utilisation of funds raised through preferential allotment or qualified institutions placement as specified under Regulation 32 (7A) of Listing Regulations.

During the year under review, the Company has raised ₹ 132.50 Crs through Preferential allotment of 9,86,197 equity shares and 16,27,221 convertible warrants at face value of ₹ 10 each at an issue price of ₹ 507/- each (including a premium of ₹ 497/- each) to promoter and non-promoter allottees. The warrant is convertible into one equity share within a period of 18 months from the date of allotment at the option

CORPORATE GOVERNANCE REPORT (Contd.)

of warrant holder. As per the terms of allotment, the Company has received the entire amount (i.e., 100%) towards allotment of 986197 equity shares amounting to ₹ 50.00 Crs and with regard to the warrants, the Company has received 25% of the issue price amounting to ₹ 20.62 Crs and the balance 75% shall be paid by the warrant holder at the time of exercise of option to convert into equity shares. None of the warrant holders have exercised their option till 31st March 2024.

The Company has appointed CARE Ratings Limited, SEBI registered Credit Rating Agency as the monitoring agency to monitor the utilisation of the proceeds of the Preferential Issue.

The details of funds raised and the manner of utilisation as on 31st March 2024, are tabled below:

Particulars	Remarks
Total shares issued and subscribed as part of Preferential issue of shares and warrants	Equity shares: 10,05,921 Issued; 9,86,197 Subscribed. Warrants: 16,27,221 Issued and fully Subscribed.
Total Proceeds towards Preferential Issue (in ₹ Crs)	Equity Shares – 50.00; Warrants – 82.50; Total - 132.50
Actual Proceeds Received # (up to 31st March 2024)	Equity Shares – 50.00; Warrants – 20.62; Total - 70.62
Details of expenses incurred related to the issue (in ₹ Crs)	-
Net Proceeds available for Utilisation (in ₹ Crs) (Up to 31st March 2024)	₹ 70.62
Utilisation of Proceeds from Preferential issue of Equity Shares (₹ In Crs) (Up to 31st March 2024)	₹ 34.83
Utilisation of Proceeds from Preferential issue of Warrants (₹ In Crs) (Up to 31st March 2024)	₹ 11.83

The Monitoring Agency report issued by CARE Ratings is disclosed to the Stock Exchanges on a quarterly basis and the same is available on website of the Company at https://pocl.com/Monitoring-Agency-Report/

(i) Details of non-acceptance of recommendation of any Committee by the Board.

The Board has accepted the recommendations of all the Committees of the Board during the financial year 2023-24.

(j) Fees paid to Statutory Auditors

During the Financial Year 2023-24, the Company and its wholly owned subsidiary has paid ₹ 20.54 Lacs and ₹ 2.46 Lacs respectively to the Statutory Auditors for all services received by them and they are detailed below:

Type of Service	Amount (₹ In Lacs)
Pondy Oxides and Chemicals Limited:	
Statutory Audit fees	14.00
Taxation fee	3.00
Limited Review	1.60
Other Certifications	1.94
Total	**20.54**
Wholly- Owned Subsidiaries:	
POCL Future Tech Private Limited	1.23
Harsha Exito Engineering Private Limited	1.23

(k) Discretionary Requirements

The Company has adopted the discretionary requirements as specified in Part E of Schedule II to the extent of the Unmodified audit opinions/ reporting.

(l) Compliance

The Company has complied with all the mandatory requirements and with the requirements of Corporate Governance report given under sub-paras (2) to (10) of the Schedule V of SEBI Listing Regulations.

The quarterly compliance report has been submitted to the Stock Exchanges where the Company's equity shares are listed in the requisite format duly signed by the Company Secretary. Pursuant to Schedule V of SEBI Listing Regulations. The Chartered Accountant's Certificate regarding compliance of conditions of Corporate Governance is annexed to this report.

(m) Compliance with Governance Framework

The Company has complied with all mandatory requirements specified in Regulation 17 to 27 and clauses (b) to (i) of sub-regulation (2) of regulation 46 of SEBI Listing Regulations.

(n) Risk Management

During the year, the risk assessment parameters were reviewed and modified, wherever needed. The audit committee reviewed the elements of risk and the steps taken to mitigate the risks. In the opinion of the Board, there are no major elements of risk which has the potential of threatening the existence of the Company.

The Risk Management Policy can be viewed on the website of the Company at https://pocl.com/wp-content/uploads/pdocs/2020/09/Risk-Management-Policy.pdf

(o) Unclaimed Suspense account:

During the Financial Year 2023-24, the following are the details of the Shares lying in the said Account pursuant to Part F to Schedule V of SEBI Listing Regulations:

Particulars	No. of Shareholders	No. of Outstanding shares
Aggregate number of shareholders and the outstanding shares lying in the suspense account at the beginning of the year (i.e. 1st April 2023)	4	4,354
Number of shareholders who approached listed entity for transfer of shares from suspense account during the Financial Year 2023-24	1	604
Number of shareholders to whom shares were transferred from suspense account during the Financial Year 2023-24	1	604
Aggregate number of shareholders and outstanding shares lying in the suspense account at the end of the year (i.e. 31st March 2024)	3	3,750

The voting rights on these shares shall remain frozen till the rightful owner of such shares claims the shares.

(p) Transfer of Unpaid/ Unclaimed Amounts and Shares to the Investor Education and Protection Fund

Pursuant to the provisions of Section 124(5) of the Act, Dividend, if any transferred to the unpaid dividend account of the Company, remains unpaid or unclaimed for a period of seven years from the date of such transfer then such unclaimed or unpaid dividend shall be transferred by the Company to the Investor Education and Protection Fund (IEPF), a fund established under subsection (1) of Section 125 of the Act. Accordingly, the Company has credited the unpaid dividend amount pertaining to the Financial year 2015-16 of ₹ 1,41,314 (Rupees One Lacs Forty-One thousand three hundred and fourteen) to the Investor Education and Protection Fund (IEPF) during the Financial Year 2023-24.

In terms of Section 124(6) of the Act read with rule 6 of the Investor Education and Protection Fund (Accounting, Audit, Transfer and Refund) Rules, 2016, (as amended from time to time) the shares on which dividend has not been paid or claimed by a shareholder for a period of 7 consecutive years or more shall be credited to the demat account of the Investor Education and Protection Fund (IEPF) Authority within a period of 30 days of such shares becoming due to be so transferred. Accordingly, the Company has transferred 2577 equity shares of ₹ 10/- each which is pertaining to the Financial Year 2015-16, to the credit of IEPF Authority during the Financial Year 2023-24. Upon the transfer of such shares, all benefits like Dividend, Bonus etc. if any, accruing on such shares shall also be credited to such demat account and the voting rights on such shares shall remain frozen till the rightful owner claims the shares.

The members who have a claim on Unclaimed Dividend/ Shares may claim the same from IEPF by submitting an online application in the prescribed Form No. IEPF-5 available on the website www.iepf.gov.in and sending a physical copy of the same, duly signed , to the Company along with requisite documents as mentioned in Form IEPF-5. No claims shall lie against the Company in respect of the Unclaimed Dividend/ Shares so transferred.

CORPORATE GOVERNANCE REPORT (Contd.)

The Company sends periodical communication to the concerned Shareholders to claim their Dividends in order to avoid transfer of Dividends/ Shares to IEPF authority. Notices in this regard are also published in the newspapers and the details of unclaimed dividends by shareholders are uploaded on the website of the Company at https://www.pocl.com/transfer-of-shares/

(q) Loans and Advances to Companies in which Directors were interested:

During the Financial year 2023-24, the following directors have advanced loan to the Company.

Name of the Director	Loan Advanced (₹ In Lacs)
Mr. Ashish Bansal, Managing Director	531.50
Mr. Anil Kumar Bansal, Whole-time Director	157.00
Mr. K Kumaravel, Whole-time Director	35.00

(r) Details of material subsidiary(ies) of the Company including the date and place of incorporation and the name and date of appointment of Statutory Auditors of such subsidiaries

There are no material subsidiaries for the Company. The details of Wholly Owned Subsidiaries (WOS) of the Company and their Statutory Auditor details are as follows:

Name of the WOS	Date of Incorporation	Place of Incorporation	Statutory Auditors	Date of Appointment
POCL Future Tech Private Limited	27th May 2022	Chennai	L Mukundan & Associates, Chartered Accountants	25th June 2022
Harsha Exito Engineering Private Limited	12th January 2023 Acquired through Hon'ble NCLT Order vide No. IA/248/CHE/2022 in ABA/471/2020 dated 12th January 2023	Chennai		11th May 2023

For and on behalf of the Board of Directors
Pondy Oxides and Chemicals Limited

Anil Kumar Bansal
Chairman & Whole-Time Director
DIN: 00232223

Ashish Bansal
Managing Director
DIN: 01543967

Date: 22nd July 2024
Place: Chennai

DECLARATION PURSUANT TO CLAUSE D OF SCHEDULE V TO SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015

I, Ashish Bansal, Managing Director of Pondy Oxides and Chemicals Limited, declare that all the Members of the Board of Director and Senior Management have affirmed compliance with the POCL Code of Conduct for the Financial Year ended 31st March 2024.

For **Pondy Oxides and Chemicals Limited**

Ashish Bansal
Managing Director
DIN: 01543967

Date: 22nd July 2024
Place: Chennai

CORPORATE GOVERNANCE REPORT (Contd.)

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

[Pursuant to Regulation 34 (3) read with Schedule V Para-C Sub clause (10) (i) of Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015]

To
The Members,
Pondy Oxides and Chemicals Limited
CIN: L24294TN1995PLC030586
4th Floor, KRM Centre
No. 2, Harrington Road, Chetpet
Chennai-600 031

We have examined the relevant registers, records, minute books, forms, returns declarations/disclosures received from the Directors and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorised representatives of Pondy Oxides and Chemicals Limited (CIN: L24294TN1995PLC030586), having its Registered Office at 4th Floor, KRM Centre, No. 2, Harrington Road, Chetpet, Chennai-600 031, Tamil Nadu, India (hereinafter referred to as "the Company") for the purpose of issue of this certificate pursuant to regulation 34(3) read with para C(10)(i) of Schedule V of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our knowledge and based on such examination/verifications including Directors Identification Number (DIN) status at the portal www.mca.gov.in as well as information and explanations furnished to us by the Company and its officers, we hereby certify that none of the Directors as stated below on the Board of the Company during 2023-24 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India (SEBI)/ Ministry of Corporate Affairs or any such other statutory authority.

SN	DIN	Name	Designation
1	00232223	Mr. Anil Kumar Bansal	Chairman and Whole-Time Director
2	01543967	Mr. Ashish Bansal	Managing Director
3	00664405	Mr. Kumaravel Krishnamoorthi	Director Finance
4	06431219	Mr. A Vijay Anand	Independent Director
5	02773030	Dr. Shoba Ramakrishnan	Independent Director
6	07999117	Dr. M Ramasubramani	Independent Director

Ensuring the eligibility for the appointment/continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these, based on our verification. We further state that this certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For KSM Associates, Company Secretaries

Krishna Sharan Mishra
Partner
FCS 6447; CP 7039
UDIN: F006447F000978693
Peer review cert no. 5868/2024

Place: Chennai
Date: 22nd July 2024

INDEPENDENT AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE

To the Members of Pondy Oxides and Chemicals Limited

1. We have examined the compliance of conditions of Corporate Governance by Pondy Oxides and Chemicals Limited ("the Company"), for the year ended on 31st March 2024, as stipulated in Regulations 17 to 27, clauses (b) to (i) of Regulation 46(2), and paragraphs C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations')

Management's Responsibility

2. The compliance of conditions of corporate governance is the responsibility of the Company's management Including the preparation and maintenance of all the relevant records and documents. This responsibility includes the designing, implementing and maintaining operating effectiveness of internal control to ensure compliance with the conditions of corporate governance as stipulated in the Listing Regulations.

Auditor's Responsibility

3. Pursuant to the requirements of the Listing Regulations, our responsibility is to express a reasonable assurance in the form of an opinion as to whether the Company has complied with the conditions of corporate governance as stated in paragraph 1 above. Our responsibility is limited to examining the procedures and implementation thereof, adopted by the Company for ensuring the compliance with the conditions of corporate governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

4. We have examined the relevant records of the Company in accordance with the applicable Generally Accepted Auditing Standards in India, the Guidance Note on Certification of Corporate Governance issued by the Institute of Chartered Accountants of India ('ICAI'), and Guidance Note on Reports or Certificates for Special Purposes issued by the ICAI which requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.

5. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

Opinion

6. Based on the procedures performed by us and to the best of our information and according to the explanations provided to us, in our opinion, the Company has complied, in all material respects, with the conditions of corporate governance as stipulated in the Listing Regulations during the year ended 31st March 2024.

7. We 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.

Restriction on use

8. This certificate is issued solely for the purpose of complying with the aforesaid regulations and may not be suitable for any other purpose. Accordingly, we do not accept or assume any liabilities. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this certificate is shown or into whose hands it may come without our prior consent in writing.

For **L Mukundan and Associates**
Chartered Accountants
Firm Registration No.010283S

L Mukundan
Partner
Membership No: 204372
UDIN: 24204372BKGDPE1602

Place : Chennai
Date : 28th May 2024

CEO & CFO CERTIFICATE

UNDER REGULATION 17(8) OF SEBI (LODR) REGULATIONS, 2015

To The Board of Directors
Pondy Oxides and Chemicals Limited

We, the undersigned, hereby certify the following:

1. We have reviewed the financial statements and the cash flow statement for the year ended 31st March 2024 and that to the best of our knowledge and belief:
   (a) These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
   (b) These statements together present a true and fair view of the Company's affairs and are in compliance with existing Accounting Standards, applicable laws and regulations.
2. To the best of our knowledge and belief, no transactions entered into by the Company during the year are fraudulent, illegal or violative of the Company's Code of Conduct.
3. We accept responsibility for establishing and maintaining the internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting, and we have not noticed any deficiency in the design of operation of internal controls, or of which we are aware that needs to be rectified or informed to the auditors and the Audit Committee.
4. During the year it was disclosed to the Auditors and the Audit Committee that:
   (a) There were no significant changes in internal control over financial reporting;
   (b) No significant changes in accounting policies were made during the year that require disclosure in the notes to the financial statements; and
   (c) No instances of significant fraud and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting, has come to our notice.

Place: Chennai	**Ashish Bansal**	**B Vijay**
Date: 28th May 2024	Managing Director	Chief Financial Officer

INDEPENDENT AUDITOR'S REPORT

To the Members of Pondy Oxides and Chemicals Limited

REPORT ON THE AUDIT OF THE STANDALONE FINANCIAL STATEMENTS

Opinion

We have audited the standalone financial statements of **Pondy Oxides And Chemicals Limited** ("the Company"), which comprise the Standalone Balance sheet as at 31st March 2024, and the Standalone statement of Profit and Loss (including Other Comprehensive Income), the Standalone statement of cash flows and the Standalone Statement of Changes in Equity for the year then ended, and notes to the standalone financial statements including a summary of significant accounting policies and other explanatory information (hereinafter referred to as standalone financial statements).

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 (the 'Act') in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including Indian Accounting Standards ('Ind AS') specified under Section 133 of the Act, of the state of affairs (financial position) of the Company as at 31st March 2024, and its profit (financial performance including other comprehensive income), its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ('ICAI') together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the rules there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Standalone financial statements of the current period. These matters were addressed in the context of our audit of the Standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. Based on the examination of books of accounts and explanation provided to us, we are of the opinion that there are no materially significant key audit matters that requires disclosure in this report.

Information Other than the Financials Statements and Auditor's Report thereon (Other Information)

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexure to Board's Report, Corporate Governance and Shareholders Information, but does not include the standalone financial statements and our auditor's report thereon.

Our opinion on the Standalone financial statements does not cover the other information and we do not express any form of assurance or conclusion thereon.

In connection with our audit of the Standalone financial statements, our responsibility is to read the other Information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibility of Management for Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, including other comprehensive income, changes in equity and cash flows of the Company in accordance with the Ind AS and other accounting principles generally accepted in India.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of 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; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

INDEPENDENT AUDITOR'S REPORT (Contd.)

In preparing the standalone financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

That Board of Directors is also responsible for overseeing the company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements.

Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Standards of Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.

As part of an audit in accordance with Standards on Auditing, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of The Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("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", a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, we 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 purposes of our audit.

INDEPENDENT AUDITOR'S REPORT (Contd.)

(b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books except for that matter stated in paragraph 2(h)(vi) below on reporting under rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 (as amended).

(c) The Standalone Balance Sheet, the Standalone Statement of Profit and Loss including Other Comprehensive Income, Standalone statement of Changes in Equity and the Standalone Statement of Cash Flows dealt with by this Report are in agreement with the books of account.

(d) In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under Section 133 of the Act.

(e) On the basis of the written representations received from the directors and taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2024 from being appointed as a director in terms of section 164(2) of the Act.

(f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.

(g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.

(h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014 (as amended), in our opinion and to the best of our information and according to the explanations given to us:

i. The Company does not have any materially significant pending litigations which would impact its financial position.

ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts.

iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

iv. (a) The Management has represented that, to the best of its knowledge and belief, as disclosed in note 46(f) to standalone financial statements, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(b) The Management has represented, that, to the best of its knowledge and belief, as disclosed in note 46(e) to standalone financial statements, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that

INDEPENDENT AUDITOR'S REPORT (Contd.)

has caused us to believe that the representations under sub-clause (a) and (b) above, contain any material misstatement.

v. The dividend paid by the Company during the year ended 31 March 2024 in respect of such dividend declared for the previous year is in accordance with section 123 of the Act to the extent it applies to payment of dividend.

vi. Based on our examination which included test checks, the Company has used accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the respective software, except that the audit trail was not enabled at the database level to log any direct data changes for such accounting software used for maintaining the books of account. Further, where audit trail (edit log) facility was enabled and operated throughout the year for the accounting software, we did not come across any instance of the audit trail feature being tampered with. As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable from April 1, 2023, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 on preservation of audit trail as per the statutory requirements for record retention is not applicable for the financial year ended March 31, 2024

For **L Mukundan and Associates**
Chartered Accountants
Firm Registration No: 010283S

L Mukundan
Partner
Membership No. 204372
UDIN: 24204372BKGDPC1491

Place: Chennai
Date: 28.05.2024

ANNEXURE - A

TO THE INDEPENDENT AUDITOR'S REPORT ON THE STANDALONE FINANCIAL STATEMENTS

Statement of matters specified in Para 3 & 4 of the order referred to in sub-section (11) of 143.

The annexure referred to in Para 1 under the heading of "Report on other Legal and Regulatory Requirements" of our report to the members of **PONDY OXIDES AND CHEMICALS LIMITED** of even date:

I. In respect of company's fixed assets:

a) (i) The Company has maintained proper records showing full particulars, including quantitative details and situation of Plant, property and equipment.

(ii) The Company has maintained proper records showing full particulars of intangible assets.

b) As per the information and explanation given to us, all the Property, plant and Equipment have been physically verified by the Company at reasonable intervals and no material discrepancies were noticed on such verification. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies as compared to book records were noticed on such verification.

c) According to the information and explanations given to us and the records examined by us and based on the examination of the registered conveyance deed provided to us (other than properties where the company is the lessee and lease agreements are duly executed in favour of the lessee), we report that, the title deeds, comprising all the immovable properties of land and building which are freehold, are held in the name of the Company as at the balance sheet date, except the following: -

Description of the Property	Gross Carrying value (Rs. In Lakhs)	Held in Name of	Whether promoter, director or their relative or employee	Period held- indicate range, where appropriate	Reason for not being held in the Name of the company
Freehold land held at Plot 78C Industrial Park, Gajulamandayam, Chittoor, Andhra Pradesh	293.15	Vedam Drugs Private Limited / Meloy Metals Private Limited	No	Since April 01,2019	The title deeds are in the name of merged Company that yet to be transferred in the name of resulting Company pursuant to the amalgamation as approved by Honourable NCLT, Chennai vide order dated 21st February 2020.

d) According to information and explanation given to us and on basis of our examination of the records of the Company, the company has not revalued its property, plant and equipment (including Rights-of-use assets) or Intangible assets both during the year.

e) According to information and explanation given to us and on basis of our explanation of the records of the Company, there are no proceedings initiated or pending against the company for holding any benami property under the "Prohibition of Benami Property Transaction Act 1988" and rule made -thereunder.

II. a) The inventories have been physically verified by the management during the year and in our opinion, the frequency of such verification is reasonable and adequate in relation to the size of the company and nature of its business. No discrepancies of 10% or more in aggregating each class of inventory were noticed as compared to the book records.

b) The company has been sanctioned working capital limits in excess of rupees five crores, in aggregate, from bank on the basis of security of current assets i.e. stocks and Debtors. In our opinion and according to the information and explanation given to us and on the basis of our examination of the records of the company, the quarterly returns or statements filed by the Company with such bank are generally in agreement with the books of accounts. We have not found any major discrepancies which may require reporting under this clause.

III. a) According to the information and explanations given to us and on the basis of our examination of the records of the company, the Company has not

ANNEXURE - A

TO THE INDEPENDENT AUDITOR'S REPORT ON THE STANDALONE FINANCIAL STATEMENTS (Contd.)

made investments during the year. The Company has provided guarantee for working facilities sanctioned for one Subsidiary and granted unsecured loans to Two subsidiary during the year. The aggregate amount during the year and balance as on balance sheet date with respect to such loans and guarantees to Subsidiaries are as per the table given below:

Particulars	Guarantee (in Lakhs)	Loans (in Lakhs)
Aggregate amount granted/provided during the year		
Subsidiaries	2800.00	2782.98
Balance outstanding (gross) as at the balance sheet date in respect of the above cases		
Subsidiaries*	2800.00	1361.02*

*Net of TDS is Rs 1356.53 lakhs

The above amounts are included in Notes 7 &14 on loans and Note 39 on Commitments and contingent liabilities to the Standalone Financial.

b) In respect of the aforesaid investments, guarantees and loans, the terms and conditions under which such investments were made, guarantees provided and loans were granted are not prejudicial to the Company's interest, based on the information and explanations provided by the Company.

C) In respect to loan granted by the company, the schedule of repayment of principle has been stipulated and receipts of interest have generally been regular as per stipulation.

d) Based on the information and explanation given to us, no loans outstanding as on Balance sheet date is overdue for more than ninety days.

e) According to the information and explanation given to us and on basis of our examination of the records of the company, there are no loans or advances in the nature of loans or advances in nature of loans granted falling due during the year which has been renewed or extended or fresh loans granted to settle the over dues of existing loan given to same parties.

f) The loans granted during the year to two of the subsidiary Harsha Exito Engineering Private limited & POCL Future tech private limited is repayable on demand. The amount of loan granted is Rs 656.53 Lacs. Other than this, the Company has not granted any loans or advances in the nature of loan either repayable on demand or without the specifying the terms or period of repayment.

IV. In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of section 185 of Companies Act 2013. In respect of loan, investment made and guarantees issued, the company has complied with the provisions of section 186 of companies Act 2013.

V. The Company has not accepted any deposits or amounts which are deemed to be deposits during the year from the public, within the meaning of Section 73 to 76 or any other relevant provisions of the Act and Rules framed there under and does not have any unclaimed deposits as at March 31, 2024 and accordingly reporting under clause 3 (v) of the Order are not applicable to the Company.

VI. We have broadly reviewed the books of accounts maintained by the Company pursuant to the rules prescribed by the Central Government for the maintenance of cost records under sub- Section (1) of section 148 of the Act in respect of its manufactured goods and services provided by it and are of the opinion that prima facie the prescribed accounts and records have been made and maintained. However, we have not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.

VII. According to the information and explanations given to us, in respect of statutory dues:

a) In our opinion, the amounts deducted / accrued in the books of account in respect of undisputed statutory dues including Goods and service tax ("GST"), Provident fund, Employee's state Insurance, Income Tax, sales tax, service tax, Customs Duty, cess and other material statutory dues, as applicable, have generally been regularly deposited with the appropriate authorities by the Company. Further, no undisputed amounts payable in respect thereof were outstanding at the year-end for a period of more than six months from the date they became payable.

b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no statutory dues referred in Sub-clause (a) which have not been deposited by the Company on account of disputes.

ANNEXURE - A
TO THE INDEPENDENT AUDITOR'S REPORT ON THE STANDALONE FINANCIAL STATEMENTS (Contd.)

VIII. According to the information and explanation given to us and basis of our examination of the records, the Company has not surrendered or disclosed any transaction, previously unrecorded as income in the books of accounts, in tax assessments under the Income tax Act 1961 as income during the year.

IX. a) According to the information and explanation given to us and on basis of our examination of records, the Company has not defaulted in repayment of loans or borrowings or in the payment of interest thereon to any lender during the year.

b) According to the information and explanation given to us and representation received from the management of the Company, and on basis of our examination of records, the company has not been declared a wilful defaulter by any bank or financial institution or government or government authority.

c) In our opinion and according to the information and explanation given to us, the Company has not availed any term loan from banks or financial institutions during the year. Accordingly reporting under this clause is not applicable for the company.

d) According to the information and explanation given to us, and the procedure performed by us, and on an overall examination of financial statements of the company, we report that no funds raised on short-term basis have been used for long-term purposes by the company.

e) According to the information and explanation given to us and on an overall examination of the financial statements of the company, we report that the company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures. Therefore, the provisions of clause 3(ix)(e) of the Order are not applicable

f) According to the information and explanation given to us and procedures performed by us, we report that the company has not raised loans during the year on pledge of securities held in its subsidiaries. Therefore, the provisions of clause 3(ix)(f) of the Order are not applicable.

X. a) The company has not raised any moneys by way of initial public offer or further public offer (including debt instruments) during the year. Accordingly, reporting under clause 3(x)(a) of the Order is not applicable to the Company

b) i) During the year, the company has raised Rs 50,00,01,879 through private placement by way of allotment of fully paid-up equity shares on preference basis. Utilisation of money raised by way of preferential allotment is given below.

Rs in Lakhs

Particular	Purpose	Original allocation	Funds Utilized	Balance	Comment
Preferential issue of Equity Shares	Purchase of fixed assets including plant & Machinery	2000.00	483.00	1517.00	Time limit for utilisation exist till 31st March 2026
	Deployment towards working capital	2000.00	2000.00	-	Nil
	General Corporate purpose	1000.00	1000.00	-	Nil

ii) During the year Company has issued 16,27,221 fully convertible warrants convertible into equal number of equity shares within a period of 18 months from the date of issuance and these warrants are outstanding for conversion as on the date of balance sheet. The company has received subscription money of Rs. 2062.5 Lacs equivalent to 25% of issue price and out of which Rs. 1183.00 lakhs have been utilised for the purpose for which the money was raised.

iii) The Company has complied with the provisions of section 42 & 62 of the Companies Act 2013.

XI. a) Based on examination of the books and records of the company and according to explanation given to us, considering the principles of materiality outlined in the standards of auditing, we report that no fraud by the company or on the company has been noticed or reported during the year under audit.

ANNEXURE - A
TO THE INDEPENDENT AUDITOR'S REPORT ON THE STANDALONE FINANCIAL STATEMENTS (Contd.)

b) According to the information and explanation given to us, no report under sub-section (12) of section 143 of the Companies Act, 2013 has been filed by us in form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.

c) As represented to us by the management and as per the information and explanation provided to us, there are no whistle blower complaints received by the company during the year.

XII. The Company is not a Nidhi Company and hence, reporting under clause 3(xii) of the order is not applicable to the company.

XIII. In our opinion and according to the information and explanation given to us, the transactions with related parties are in compliance with section 177 and 188 of the Companies Act, 2013, where applicable and the details of the related party transaction have been disclosed in the standalone financial statements as required under Indian Accounting standards 24 "Related Party Disclosures" specified in section 133 of the Act.

XIV. a) In our opinion and based on our examination, the Company has an internal audit system commensurate with the size and nature of its business.

b) We have considered the internal audit reports of the Company issued till date for the period under audit.

XV. In our opinion and according to the information and explanation given to us, the company has not entered into any non-cash transaction with its directors or persons connected to it directors and hence, the provisions of clause 3(xv) of the Order are not applicable.

XVI. The company is not required to be registered under section 45-I of the Reserve Bank of India Act 1934 Accordingly, clause 3(xvi)(a), 3(xvi)(b), 3(xvi)(c) & 3(xvi)(d) of the Order is not applicable.

XVII. The Company has not incurred cash losses in the current and in the immediately preceding financial year.

XVIII. There is no resignation of statutory auditors during the year. Accordingly, clause 3(xviii) of the Order is not applicable.

XIX. According to the information and explanations given to us and on basis of the financial ratios, ageing and expected dates of realisation of the financial assets and payment of financial liabilities , other information accompanying the standalone financial statements, our knowledge of the Board of directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which cause us to believe that any material uncertainty exist as on the date of the audit report that the Company is not capable of meeting its liabilities existing at the date of the balance sheet as and when they fall due within the period of one year from the balance sheet date. We, however, state that this not an assurance as to the future viability of the company, we further state that our reporting is based on the facts up to the date of audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the date of balance sheet date will get discharged by the Company as and when they fall due.

XX. In our opinion and according to information and explanation given to us, there is no unspent amount under the sub-section (5) of Section 135 pf the Companies Act 2013 pursuant to any project. Accordingly, clause 3(xx) (a) and 3(xx)(b) of the order are not applicable.

XXI. The reporting under clause 3(xxi) of the order is not applicable in respect of audit of standalone financial statements. Accordingly, no Comments in respect of the said clause has been included in this report.

For **L Mukundan and Associates**
Chartered Accountants
Firm Registration No: 010283S

L Mukundan
Partner
Membership No. 204372
UDIN: 24204372BKGDPC1491

Place: Chennai
Date: 28.05.2024

ANNEXURE - B

TO THE INDEPENDENT AUDITOR'S REPORT ON THE STANDALONE FINANCIAL STATEMENTS

(Referred to in paragraph 2(f) under 'Report on Other Legal and Regulatory Requirements' section of our report to the members of PONDY OXIDES AND CHEMICALS LIMITED of even date)

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the Internal Financial Controls over financial reporting of PONDY OXIDES AND CHEMICALS LIMITED ("the Company") as of March 31, 2024 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting (IFCoFR) criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the internal financial controls over financial reporting of the Company based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the standalone financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system with reference to the standalone financial statements.

Meaning of Internal Financial Controls over Financial Reporting

A Company's IFCoFR is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of standalone financial statements for external purposes in accordance with generally accepted accounting principles. A Company's IFCoFR includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of standalone financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorizations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the Company's assets that could have a material effect on the standalone financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of IFCoFR, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the IFCoFR to future periods are subject to the risk that IFCoFR may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, adequate internal financial controls over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March 2024, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Control over Financial Reporting issued by the ICAI.

For **L Mukundan and Associates**
Chartered Accountants
Firm Registration No: 010283S

L Mukundan
Partner
Membership No. 204372
UDIN: 24204372BKGDPC1491

Place: Chennai
Date: 28.05.2024

STANDALONE BALANCE SHEET

AS AT 31ST MARCH 2024

(All amounts are in Lacs of Indian Rupees, unless otherwise stated)

	Notes	As at 31st March 2024	As at 31st March 2023
ASSETS			
Non-current assets			
(a) Property, plant and equipment	4	10,345.18	8,560.36
(b) Capital work in progress	4	833.23	702.56
(c) Goodwill	5	965.46	965.46
(d) Intangible assets	4	52.00	61.22
(e) Financial assets			
(i) Investments	6	3,992.65	3,989.02
(ii) Other financial assets	7	893.86	165.38
(f) Deferred Tax Asset (net)	8	331.39	213.26
(g) Other non-current assets	9	849.07	387.14
Total non-current assets		**18,262.84**	**15,044.40**
Current assets			
(a) Inventories	10	12,386.38	15,097.78
(b) Financial assets			
(i) Trade receivables	11	10,119.61	9,919.68
(ii) Cash and cash equivalents	12	1,070.43	8.58
(iii) Bank balances other than above	13	1,913.72	12.04
(iv) Other Financial assets	14	760.72	5.51
(c) Other current assets	15	2,468.43	3,322.52
Total current assets		**28,719.29**	**28,366.11**
Total Assets		**46,982.13**	**43,410.51**
EQUITY AND LIABILITIES			
Equity			
(a) Equity share capital	16	1,261.10	1,162.48
(b) Other equity	17	34,223.13	24,252.08
Total equity		**35,484.23**	**25,414.56**
Liabilities			
Non-current liabilities			
(a) Financial liabilities			
(i) Borrowings	18	300.00	598.02
(b) Provisions	19	68.80	60.37
(c) Other liabilities	20	10.69	17.32
Total non-current liabilities		**379.49**	**675.71**
Current liabilities			
(a) Financial liabilities			
(i) Borrowings	21	9,146.44	13,604.62
(ii) Trade payables			
- Dues to Micro and Small enterprises	22	115.22	107.10
- Dues to Creditors other than Micro and Small enterprises		844.78	729.96
(iii) Other financial liabilities	23	29.21	25.29
(b) Provisions	24	171.43	32.16
(c) Other current liabilities	25	811.33	2,821.11
Total current liabilities		**11,118.41**	**17,320.24**
Total liabilities		**11,497.90**	**17,995.95**
Total Equity and Liabilities		**46,982.13**	**43,410.51**

The accompanying notes form an integral part of the financial statements

For and on behalf of the board

Anil Kumar Bansal
Chairman
DIN: 00232223

Ashish Bansal
Managing Director
DIN: 01543967

Vijay Balakrishnan
Chief Financial Officer

K.Kumaravel
Director Finance & Company Secretary

Place : Chennai
Date : 28th May 2024

As per our report of even date attached
For M/s. L. Mukundan and Associates
Chartered Accountants
(FRN No.010283S)

L. Mukundan
Partner
M.No.204372

Place : Chennai
Date : 28th May 2024

STANDALONE STATEMENT OF PROFIT AND LOSS

FOR THE YEAR ENDED 31ST MARCH 2024

(All amounts are in Lacs of Indian Rupees, unless otherwise stated)

	Notes	For the year ended 31st March 2024	For the year ended 31st March 2023
CONTINUING OPERATIONS			
A Income			
(a) Revenue from operations	26	1,52,381.53	1,47,166.84
(b) Other income	27	455.46	425.33
Total income		**1,52,836.99**	**1,47,592.17**
B Expenses			
(a) Cost of materials consumed	28	1,30,998.65	1,28,091.07
(b) Purchases of Stock in Trade	29	3,612.47	1,737.63
(c) Changes in inventories of finished goods and WIP	30	772.40	40.49
(d) Employee benefits expense	31	2,423.72	2,231.42
(e) Finance costs	32	1,636.20	684.12
(f) Depreciation and amortisation expense	33	921.75	1,006.33
(g) Other expenses	34	7,308.74	7,225.44
Total expenses		**1,47,673.93**	**1,41,016.50**
C Profit before exceptional items and tax		5,163.06	6,575.67
Exceptional items		-	-
D Profit before tax from continuing operations		5,163.06	6,575.67
Tax expense	35		
(a) Current tax		1,330.42	1,704.76
(b) Deferred tax charge/ (credit)		(118.88)	(49.21)
Profit for the year		**3,951.52**	**4,920.12**
E Other comprehensive income			
Items that will not be reclassified to profit or loss			
Remeasurement of post employment benefit obligations		3.01	(6.15)
Income tax (charge)/ credit relating to these items		(0.76)	1.55
Other comprehensive income for the year, net of tax		**2.25**	**(4.60)**
Total comprehensive income for the year		**3,953.77**	**4,915.52**
Earnings per share	36		
Basic earnings per share		33.73	42.32
Diluted earnings per share		33.63	42.32

The accompanying notes form an integral part of the financial statements

For and on behalf of the board

Anil Kumar Bansal
Chairman
DIN: 00232223

Ashish Bansal
Managing Director
DIN: 01543967

Vijay Balakrishnan
Chief Financial Officer

K.Kumaravel
Director Finance & Company Secretary

Place : Chennai
Date : 28th May 2024

As per our report of even date attached
For M/s. L. Mukundan and Associates
Chartered Accountants
(FRN No.010283S)

L. Mukundan
Partner
M.No.204372

Place : Chennai
Date : 28th May 2024

STANDALONE STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31ST MARCH 2024

(All amounts are in Lacs of Indian Rupees, unless otherwise stated)

Particulars	For the year ended 31st March 2024	For the year ended 31st March 2023
Cash Flow From Operating Activities		
Profit before income tax	5,163.06	6,575.67
Adjustments for		
Depreciation and amortisation expense	921.75	1,006.33
(Profit)/ loss on sale of fixed asset	(37.37)	38.83
(Increase)/ decrease in fair value of investments	(3.63)	(0.85)
Interest income	(51.14)	(4.56)
Dividend income	(0.16)	(0.06)
Finance costs	1,636.20	684.12
Operating Profit before working capital changes	**7,628.71**	**8,299.48**
Change in operating assets and liabilities		
(Increase)/ decrease in other financial assets	(1,483.69)	(94.78)
(Increase)/ decrease in inventories	2,711.40	(495.18)
(Increase)/ decrease in trade receivables	(199.93)	(1,184.99)
(Increase)/ decrease in other assets	859.82	(638.95)
Increase/ (decrease) in provisions and other liabilities	(1,984.60)	2,435.00
Increase/ (decrease) in trade payables	122.94	52.29
Cash generated from operations	7,654.65	8,372.87
Less : Income taxes paid (net of refunds)	(1,223.66)	(1,906.77)
Net cash from operating activities (A)	**6,430.99**	**6,466.10**
Cash Flows From Investing Activities		
Purchase of PPE (including changes in CWIP)	(3,407.61)	(5,258.85)
Sale proceeds of PPE	155.04	48.43
(Purchase)/ Disposal proceeds of Investments	-	(3,977.44)
(Investments in)/ Maturity of fixed deposits with banks	(1,901.68)	137.93
Dividend received	0.16	0.06
Interest received	45.41	7.37
Net cash used in investing activities (B)	**(5,108.68)**	**(9,042.50)**
Cash Flows From Financing Activities		
Proceeds from issue of shares (Net of expenses)	4,650.68	-
Subscription on issue of shares warrants	2,062.50	-
Proceeds from/ (repayment of) long term borrowings	(298.02)	(279.41)
Proceeds from/ (repayment of) short term borrowings	(4,458.18)	3,764.17
Finance costs	(1,636.20)	(684.12)
Dividend paid	(581.24)	(290.62)
Net cash from/ (used in) financing activities (C)	**(260.46)**	**2,510.02**
Net increase/decrease in cash and cash equivalents (A+B+C)	**1,061.85**	**(66.38)**
Cash and cash equivalents at the beginning of the financial year	8.58	74.96
Cash and cash equivalents at end of the year	**1,070.43**	**8.58**

STANDALONE STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31ST MARCH 2024

(All amounts are in Lacs of Indian Rupees, unless otherwise stated)

Notes:

1. The above cash flow statement has been prepared under indirect method prescribed in Ind AS 7 "Cash Flow Statements".
2. Components of cash and cash equivalents

Particulars	For the year ended 31st March 2024	For the year ended 31st March 2023
Balances with banks		
- in current accounts	10.47	7.60
- in EEFC Account	559.57	-
Cash on hand	0.75	0.98
Other Cash Equivalent	499.64	-
	1,070.43	**8.58**

For and on behalf of the board

Anil Kumar Bansal
Chairman
DIN: 00232223

Ashish Bansal
Managing Director
DIN: 01543967

Vijay Balakrishnan
Chief Financial Officer

K.Kumaravel
Director Finance & Company Secretary

Place : Chennai
Date : 28th May 2024

As per our report of even date attached
For M/s. L. Mukundan and Associates
Chartered Accountants
(FRN No.010283S)

L. Mukundan
Partner
M.No.204372

Place : Chennai
Date : 28th May 2024

STANDALONE STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31ST MARCH 2024

(All amounts are in Lacs of Indian Rupees, unless otherwise stated)

(A) EQUITY SHARE CAPITAL

Balance as at 1st April 2022	581.24
Changes in equity share capital during the year	581.24
Balance as at 31st March 2023	1,162.48
Changes in equity share capital during the year*	98.62
Balance as at 31st March 2024	**1,261.10**

* Refer Note 16(a)

(B) OTHER EQUITY

Particulars	General Reserve	Securities Premium	Money Received Against Share Warrants	Other comprehensive income	Retained Earnings	Total
Balance as at 1st April 2022	**1,785.92**	**1,092.52**	**-**	**-**	**17,354.99**	**20,233.43**
Additions/ (deductions) during the year	490.00	(581.24)	-	4.60	(810.23)	(896.87)
Total Comprehensive Income for the year	-	-	-	(4.60)	4,920.12	4,915.52
Balance as at 31st March 2023	**2,275.92**	**511.28**	**-**	**-**	**21,464.88**	**24,252.08**
Additions/ (deductions) during the year	395.00	4,552.06	2,062.50	(2.25)	(990.03)	6,017.28
Total Comprehensive Income for the year	-	-	-	2.25	3,951.52	3,953.77
Balance as at 31st March 2024	**2,670.92**	**5,063.34**	**2,062.50**	**-**	**24,426.37**	**34,223.13**

The accompanying notes form an integral part of the financial statements

For and on behalf of the board

Anil Kumar Bansal
Chairman
DIN: 00232223

Ashish Bansal
Managing Director
DIN: 01543967

Vijay Balakrishnan
Chief Financial Officer

K.Kumaravel
Director Finance & Company Secretary

Place : Chennai
Date : 28th May 2024

As per our report of even date attached
For M/s. L. Mukundan and Associates
Chartered Accountants
(FRN No.010283S)

L. Mukundan
Partner
M.No.204372

Place : Chennai
Date : 28th May 2024

NOTES ON THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2024

(All amounts are in Lacs of Indian Rupees, unless otherwise stated)

1. CORPORATE INFORMATION

POCL is a Public Limited Company incorporated under the Companies Act, 1956. the Company's Equity shares are listed at the Bombay Stock Exchange (BSE) and National Stock Exchange (NSE). The registered office of the Company is situated at KRM Centre, 4th Floor, #2, Harrington Road, Chetpet, Chennai, Tamil Nadu - 600031.

The Principle Activities of the Company are converting scraps of various forms of Lead, Alumnium and Copper into Lead Metal, Aluminium Metal, Copper and its Alloys. Lead battery scrap is smelted by the Company to produce secondary lead metal is then processed into pure lead and specific lead alloys.

The Company's products are exported across the globe mostly catering to Asian countries like Japan, South Korea, Thailand and Middle-East. POCL has established an unparalleled brand reputation in the lead industry over the years due to its exceptional quality, high degree of efficiency, dependability, technical support and service. POCL also supply its products to leading battery manufacturers in India.

2. BASIS OF PREPARATION OF FINANCIAL STATEMENTS

Statement of compliance

These financial statements are prepared in accordance with Indian Accounting Standards (Ind AS) under the historical cost convention on the accrual basis except for certain financial instruments which are measured at fair values, the provisions of the Companies Act, 2013 ('the Act') (to the extent notified) and guidelines issued by the Securities and Exchange Board of India (SEBI). The Ind AS are prescribed under Section 133 of the Act read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016.

Use of estimates

The preparation of financial statements in conformity with Generally Accepted Accounting Principles (GAAP) requires management to make judgments, estimates and assumptions that affect the application of accounting policies and reported amounts of assets, liabilities, income and expenses and the disclosure of contingent liabilities on the date of the financial statements. Actual results could differ from those estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Any revision to accounting estimates is recognised prospectively in current and future periods.

Functional and presentation currency

These financial statements are presented in Indian Rupees (₹), which is the Company's functional currency. All financial information presented in ₹ has been rounded to the nearest Lacs (up to two decimals). The financial statements are approved for issue by the Company's Board of Directors on 28th May 2024."

2A Critical accounting estimates and management judgments

In application of the accounting policies, which are described in note 2, the management of the Company is required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and assumptions are based on historical experience and other factors that are considered to be relevant.

Information about significant areas of estimation, uncertainty and critical judgements used in applying accounting policies that have the most significant effect on the amounts recognised in the financial statements is included in the following notes:

Property, Plant and Equipment (PPE), Intangible Assets and Investment Properties

The residual values and estimated useful life of PPEs, Intangible Assets and Investment Properties are assessed by the technical team at each reporting date by taking into account the nature of asset, the estimated usage of the asset, the operating condition of the asset, past history of replacement and maintenance support. Upon review, the management accepts the assigned useful life and residual value for computation of depreciation/amortisation. Also, management judgement is exercised for classifying the asset as investment properties or vice versa.

Current tax

Calculations of income taxes for the current period are done based on applicable tax laws and management's judgement by evaluating positions taken in tax returns and interpretations of relevant provisions of law.

Deferred Tax Assets

Significant management judgement is exercised by reviewing the deferred tax assets at each reporting date to determine the amount of deferred tax assets that can be retained/ recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

NOTES TO STANDALONE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31st March 2024 (Contd.)

(All amounts are in Lacs of Indian Rupees, unless otherwise stated)

Fair value

Management uses valuation techniques in measuring the fair value of financial instruments where active market quotes are not available. In applying the valuation techniques, management makes maximum use of market inputs and uses estimates and assumptions that are, as far as possible, consistent with observable data that market participants would use in pricing the instrument. Where applicable data is not observable, management uses its best estimate about the assumptions that market participants would make. These estimates may vary from the actual prices that would be achieved in an arm's length transaction at the reporting date.

Impairment of Trade Receivables

The impairment for trade receivables are done based on assumptions about risk of default and expected loss rates. The assumptions, selection of inputs for calculation of impairment are based on management judgement considering the past history, market conditions and forward looking estimates at the end of each reporting date.

Impairment of Non-financial assets (PPE/ Intangible Assets/ Investment Properties)

The impairment of non-financial assets is determined based on estimation of recoverable amount of such assets. The assumptions used in computing the recoverable amount are based on management judgement considering the timing of future cash flows, discount rates and the risks specific to the asset.

Defined Benefit Plans and Other long term employee benefits

The cost of the defined benefit plan and other long term employee benefits, and the present value of such obligation are determined by the independent actuarial valuer. An actuarial valuation involves making various assumptions that may differ from actual developments in future. Management believes that the assumptions used by the actuary in determination of the discount rate, future salary increases, mortality rates and attrition rates are reasonable. Due to the complexities involved in the valuation and its long term nature, this obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

Fair value measurement of financial instruments

When the fair values of financial assets and financial liabilities could not be measured based on quoted prices in active markets, management uses valuation techniques including the Discounted Cash Flow (DCF) model, to determine its fair value The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is exercised in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility.

Provisions and contingencies

The recognition and measurement of other provisions are based on the assessment of the probability of an outflow of resources, and on past experience and circumstances known at the reporting date. The actual outflow of resources at a future date may therefore vary from the figure estimated at end of each reporting period.

3. MATERIAL ACCOUNTING POLICIES

a) Current versus non-current classification

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification.

An asset is treated as current when it is:

i) Expected to be realised or intended to be sold or consumed in normal operating cycle

ii) Held primarily for the purpose of trading

iii) Expected to be realised within twelve months after the reporting period, or

iv) Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is current when:

i) It is expected to be settled in normal operating cycle

ii) It is held primarily for the purpose of trading

iii) It is due to be settled within twelve months after the reporting period, or

iv) There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

All other liabilities are classified as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

The operating cycle is the time between the acquisition of inventory for processing and their realisation in cash and cash equivalents.

NOTES TO STANDALONE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31st March 2024 (Contd.)

(All amounts are in Lacs of Indian Rupees, unless otherwise stated)

b) Fair value measurement

The Company has applied the fair value measurement wherever necessitated at each reporting period.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

i) In the principal market for the asset or liability;

ii) In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their best economic interest.

A fair value measurement of a non - financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and the best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1 : Quoted (unadjusted) market prices in active market for identical assets or liabilities;

Level 2 : Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable; and

Level 3 : Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

The Company has designated the respective team leads to determine the policies and procedures for both recurring and non - recurring fair value measurement. External valuers are involved, wherever necessary with the approval of Company's board of directors. Selection criteria include market knowledge, reputation, independence and whether professional standards are maintained.

For the purpose of fair value disclosure, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risk of the asset or liability and the level of the fair value hierarchy as explained above. The component wise fair value measurement is disclosed in the relevant notes.

c) Revenue Recognition

Sale of goods

The Company derives revenues primarily from sale of manufactured goods, traded goods and related services.

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured, regardless of when the payment is being made. Revenue on sale of goods is recognised when the risk and rewards of ownership is transferred to the buyer, which generally coincides with the despatch of the goods or as per the inco-terms agreed with the customers.

Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment. It comprises of invoice value of goods after deducting discounts, volume rebates and applicable taxes on sale. It also excludes value of self-consumption.

Sale of services

Income from sale of services is recognised when the services are rendered as per the terms of the agreement and when no significant uncertainty as to its determination or realisation exists.

Export entitlements

In respect of the exports made by the Company, the related export entitlements from Government authorities are recognised in the statement of profit and loss when the right to receive the incentives/ entitlements as per the terms of the scheme is established and where there is no significant uncertainty regarding the ultimate collection of the relevant export proceeds.

NOTES TO STANDALONE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31st March 2024 (Contd.)

(All amounts are in Lacs of Indian Rupees, unless otherwise stated)

Interest Income

Interest income is recorded using the effective interest rate (EIR) method. EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset or to the amortised cost of a financial liability. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses.

Dividend income

Dividend income is recognised when the Company's right to receive dividend is established by the reporting date, which is generally when shareholders approve the dividend.

d) Property, plant and equipment and capital work in progress

Presentation

Property, plant and equipment and capital work in progress are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. Such cost includes the cost of replacing part of the plant and equipment and borrowing costs of a qualifying asset, if the recognition criteria are met. When significant parts of plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. All other repair and maintenance costs are recognised in profit or loss as incurred.

Property, plant and equipment acquired in a business combination are recognised at fair value at the acquisition date.

Advances paid towards the acquisition of tangible assets outstanding at each balance sheet date, are disclosed as capital advances under long term loans and advances and the cost of the tangible assets not ready for their intended use before such date, are disclosed as capital work in progress.

Component Cost

All material/ significant components have been identified and have been accounted separately. The useful life of such component are analysed independently and wherever components are having different useful life other than plant they are part of, useful life of components are considered for calculation of depreciation.

The cost of replacing part of an item of property, plant and equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Company and its cost can be measured reliably. The costs of repairs and maintenance are recognised in the statement of profit and loss as incurred.

Machinery spares/ insurance spares that can be issued only in connection with an item of fixed assets and their issue is expected to be irregular are capitalised. Replacement of such spares is charged to revenue. Other spares are charged as revenue expenditure as and when consumed.

Derecognition

Gains or losses arising from derecognition of property, plant and equipment are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit and loss when the asset is derecognised.

e) Depreciation on property, plant and equipment

Depreciation is the systematic allocation of the depreciable amount of an asset over its useful life on a written down value method. The depreciable amount for assets is the cost of an asset, or other amount substituted for cost, less 5% being its residual value.

Depreciation is provided on written down value method, over the useful lives specified in Schedule II to the Companies Act, 2013, except in respect of certain assets, where useful life estimated based on internal assessment and/or independent technical evaluation carried out by external valuer, past trends and differs from the useful lives as prescribed under Part C of Schedule II of the Companies Act 2013.

Depreciation for PPE on additions is calculated on pro-rata basis from the date of such additions. For deletion/ disposals, the depreciation is calculated on pro-rata basis up to the date on which such assets have been discarded/ sold.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

Based on technical evaluation, the management believes that the useful lives as given below best represent the period over which the management expects to use the asset.

NOTES TO STANDALONE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31st March 2024 (Contd.)

(All amounts are in Lacs of Indian Rupees, unless otherwise stated)

Assets	Useful life in years
Buildings	5 - 60
Plant and Equipment	3 - 25
Electrical Fittings	3 - 10
Lab Equipment	3 - 10
Office Equipment	3 - 5
Furniture and Fixtures	3 - 10
Vehicles	3 - 10

f) Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. The cost of a separately acquired intangible asset comprises (a) its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates; and (b) any directly attributable cost of preparing the asset for its intended use.

Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses.

Goodwill is initially recognised based on the accounting policy for business combinations and is tested for impairment annually.

Useful life and amortisation of intangible assets

The useful lives of intangible assets are assessed as either finite or indefinite. Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period.

The amortisation expense on intangible assets with finite lives is recognised in the statement of profit and loss unless such expenditure forms part of carrying value of another asset.

Intangible assets with indefinite useful lives are not amortised, but are tested for impairment annually. The assessment of indefinite life is reviewed annually to determine whether the indefinite life continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis.

Subsequent cost and measurement

Subsequent costs are capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditures, including expenditure on internally-generated intangibles, are recognised in the statement of profit and loss as incurred.

Subsequent to initial recognition, internally-generated intangible assets are reported at cost less accumulated amortisation and accumulated impairment losses, on the same basis as intangible assets that are acquired separately.

The amortisation expense on intangible assets with finite lives is recognised in the statement of profit and loss unless such expenditure forms part of carrying value of another asset.

Derecognition

Gains or losses arising from derecognition of intangible assets are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit and loss when the asset is derecognised.

g) Investment property

Investment properties are properties held to earn rentals and/or for capital appreciation (including property under construction for such purposes).

Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are measured in accordance with Ind AS 16 - Property, plant and equipments requirements for cost model. The cost includes the cost of replacing parts and borrowing costs for long-term construction projects if the recognition criteria are met. When significant parts of the investment property are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. All other repair and maintenance costs are recognised in the statement of profit and loss as incurred.

Company depreciates investment property as per the useful life prescribed in Schedule II of the Companies Act, 2013.

Though the Company measures investment property using the cost-based measurement, the fair value of investment property is disclosed in the notes. Fair values are determined based on an annual evaluation applying a valuation model. External valuers are involved, wherever necessary with the approval of Company's board of directors. Selection criteria include market knowledge, reputation, independence and whether professional standards are maintained.

An investment property is derecognised upon disposal or when the investment property is permanently withdrawn from use and no future economic benefits are expected from the disposal. Any gain or loss arising on derecognition of the property (calculated as the difference between the net disposal proceeds

NOTES TO STANDALONE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31st March 2024 (Contd.)

(All amounts are in Lacs of Indian Rupees, unless otherwise stated)

and the carrying amount of the asset) is included in the statement of profit and loss in the period in which the property is derecognised.

h) Inventories

Inventories are carried at the lower of cost and net realisable value. Cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Costs are determined on weighted average method as follows:

(i) Raw materials, stock acquired for trading, packing materials and consumables: At purchase cost including other cost incurred in bringing materials/consumables to their present location and condition.

(ii) Work-in-process and intermediates: At material cost, conversion costs and appropriate share of production overheads

(iii) Finished goods: At material cost, conversion costs and an appropriate share of production overheads.

Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

i) Financial Instruments

Financial assets and Financial liabilities are recognised when an entity becomes a party to the contractual provisions of the instruments.

Financial assets

Initial recognition and measurement

All financial assets are initially recognised at fair value except for trade receivables which are initially measured at transaction price. However, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset are also added to the cost of the financial asset. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

The Company offsets a financial asset and a financial liability when it currently has a legally enforceable right to set off the recognised amounts and the Company intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified on the basis of their contractual cash flow characteristics and the entity's business model of managing them.

Financial assets are classified into the following categories:

- Debt instruments at amortised cost
- Debt instruments at fair value through other comprehensive income (FVTOCI)
- Debt instruments, derivatives and equity instruments at fair value through profit or loss (FVTPL)
- Equity instruments measured at fair value through other comprehensive income (FVTOCI)

Debt instruments at amortised cost

The Company classifies a debt instrument as at amortised cost, if both the following conditions are met:

a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows; and

b) Contractual terms of the asset give rise on specified dates to cash flows that are Solely Payments of Principal and Interest (SPPI) on the principal amount outstanding.

Such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the computation of EIR. The EIR amortisation is included in finance income in the profit or loss. The losses arising from impairment are recognised in the profit or loss.

Debt instrument at FVTOCI

The Company classifies a debt instrument at FVTOCI, if both of the following criteria are met:

a) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and

b) The asset's contractual cash flows represent SPPI.

Debt instruments included within the FVTOCI category are measured as at each reporting date at fair value. Fair value movements are recognised in the other comprehensive income (OCI). However, the Company recognises finance income, impairment losses and reversals and foreign exchange gain or loss in the profit and loss statement. On derecognition of the

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st March 2024 (Contd.)

(All amounts are in Lacs of Indian Rupees, unless otherwise stated)

asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to profit and loss. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method.

Debt instrument at FVTPL

The Company classifies all debt instruments, which do not meet the criteria for categorisation as at amortised cost or as FVTOCI, as at FVTPL.

Debt instruments included within the FVTPL category are measured at fair value with all changes recognised in the profit and loss.

Equity investments

The Company has accounted for Investment in subsidiaries at cost less impairment loss if any.

All equity investments under scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading are classified as at FVTPL. Where the Company makes an irrevocable election of classifying the equity instruments at FVTOCI, it recognises all subsequent changes in the fair value in OCI, without any recycling of the amounts from OCI to profit and loss, even on sale of such investments.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognised in the profit and loss.

Financial assets are measured at FVTPL except for those financial assets whose contractual terms give rise to cash flows on specified dates that represents SPPI, are measured as detailed below depending on the business model:

Classification	Name of the financial asset
Amortised cost	Trade receivables, Loans given to employees and others, deposits, interest receivable, unbilled revenue and other advances recoverable in cash.
FVTOCI	Equity investments in companies other than subsidiaries and associates if an option exercised at the time of initial recognition.
FVTPL	Other investments in equity instruments, mutual funds, forward exchange contracts (to the extent not designated as a hedging instrument).

Derecognition

A financial asset is primarily derecognised when:

- The rights to receive cash flows from the asset have expired, or
- The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

On derecognition of a financial asset in the entirety, the difference between the asset's carrying amount and the sum of the consideration received, receivable and the cumulative gain or loss that had been recognised in other comprehensive income and accumulated in equity, if any, is recognised in profit or loss, except in case of equity instruments classified as FVOCI, where such cumulative gain or loss is not recycled to statement of profit and loss.

Impairment of financial assets

In accordance with Ind AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

a) Financial assets that are debt instruments, and are measured at amortised cost e.g., loans, debt securities, deposits, receivables and bank balance.

b) Financial assets that are debt instruments and are measured at FVTOCI

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st March 2024 (Contd.)

(All amounts are in Lacs of Indian Rupees, unless otherwise stated)

c) Trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 115

The Company follows 'simplified approach' for recognition of impairment loss allowance on:

- Trade receivables or contract revenue receivables; and
- All lease receivables resulting from transactions within the scope of Ind AS 116

The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime Expected Credit Loss (ECL) at each reporting date, right from its initial recognition.

For recognition of impairment loss on other financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12 months ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognising impairment loss allowance based on 12-month ECL.

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12 months ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the reporting date.

ECL is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the entity expects to receive (i.e., all cash shortfalls), discounted at the original EIR. When estimating the cash flows, the Company considers all contractual terms of the financial instrument (including prepayment, extension, call and similar options) over the expected life of the financial instrument and Cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

ECL allowance (or reversal) recognised during the period is recognised as income/ expense in the statement of profit and loss. This amount is reflected under the head 'other expenses' in the profit and loss. The balance sheet presentation of ECL for various financial instruments is described below:

- **Financial assets measured as at amortised cost, contractual revenue receivables and lease receivables:** ECL is presented as an allowance, which reduces the net carrying amount. Until the asset meets write-off criteria, the Company does not reduce impairment allowance from the gross carrying amount.
- **Debt instruments measured at FVTOCI:** Since financial assets are already reflected at fair value, impairment allowance is not further reduced from its value. Rather, ECL amount is presented as 'accumulated impairment amount' in the OCI.

For assessing increase in credit risk and impairment loss, the Company combines financial instruments on the basis of shared credit risk characteristics with the objective of facilitating an analysis that is designed to enable significant increases in credit risk to be identified on a timely basis.

For impairment purposes, significant financial assets are tested on individual basis at each reporting date. Other financial assets are assessed collectively in groups that share similar credit risk characteristics. Accordingly, the impairment testing is done on the following basis:

Name of the financial asset	Impairment Testing Methodology
Trade Receivables	Expected Credit Loss model (ECL) is applied. The ECL over lifetime of the assets are estimated by using a provision matrix which is based on historical loss rates reflecting current conditions and forecasts of future economic conditions which are grouped on the basis of similar credit characteristics such as nature of industry, customer segment, past due status and other factors that are relevant to estimate the expected cash loss from these assets.
Other financial assets	When the credit risk has not increased significantly, 12 month ECL is used to provide for impairment loss. When there is significant change in credit risk since initial recognition, the impairment is measured based on probability of default over the life time. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognising impairment loss allowance based on 12 month ECL.

NOTES TO STANDALONE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31st March 2024 (Contd.)

(All amounts are in Lacs of Indian Rupees, unless otherwise stated)

Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at FVTPL and as at amortised cost.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the computation of EIR. The EIR amortisation is included as finance costs in the statement of profit and loss. For trade and other payables maturing within one year from the Balance Sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, financial guarantee contracts and derivative financial instruments.

The measurement of financial liabilities depends on their classification, as described below:

Financial liabilities at FVTPL

Financial liabilities at FVTPL include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading, if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Company that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments.

Gains or losses on liabilities held for trading are recognised in the profit or loss.

For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risk are recognised in OCI. These gains/ loss are not subsequently transferred to profit and loss. However, the Company may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the statement of profit or loss. The Company has not designated any financial liability as at fair value through profit and loss.

Classification	Name of the financial liability
Amortised cost	Borrowings, Trade payables, Interest accrued, Unclaimed / Disputed dividends, Security deposits and other financial liabilities not for trading.
FVTPL	Foreign exchange Forward contracts being derivative contracts do not qualify for hedge accounting under Ind AS 109 and other financial liabilities held for trading.

Loans and borrowings

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

Financial guarantee contracts

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payments when due in accordance with the terms of a debt instrument. Financial guarantee contracts issued by the Company are initially measured at their fair values and, if not designated as at fair value through profit or loss, are subsequently measured at higher of (i) The amount of loss allowance determined in accordance with impairment requirements of Ind AS 109 – Financial Instruments and (ii) The amount initially recognised less, when appropriate, the cumulative amount of income recognised in accordance with the principles of Ind AS 18 – Revenue.

Derivative financial instruments

The Company holds derivative financial instruments such as foreign exchange forward and options contracts to mitigate the risk of changes in exchange rates on foreign currency exposures. The counter party for these contracts is generally a bank.

(a) Derivatives fair valued through profit or loss

This category has derivative financial assets or liabilities which are not designated as hedges.

Although the Company believes that these derivatives constitute hedges from an economic perspective, they may not qualify for hedge accounting under Ind AS 109, Financial Instruments. Any derivative that is either not designated a hedge, or is so designated but is ineffective as per Ind AS 109, is categorised as

NOTES TO STANDALONE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31st March 2024 (Contd.)

(All amounts are in Lacs of Indian Rupees, unless otherwise stated)

a financial asset or financial liability, at fair value through profit or loss.

Derivatives not designated as hedges are recognised initially at fair value and attributable transaction costs are recognised in net profit in the Statement of Profit and Loss when incurred. Subsequent to initial recognition, these derivatives are measured at fair value through profit or loss and the resulting exchange gains or losses are included in profit or loss. Assets / liabilities in this category are presented as current assets / current liabilities if they are either held for trading or are expected to be realised within 12 months after the Balance Sheet date.

Derecognition of financial liabilities

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

Reclassification of financial assets

The Company determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. Changes to the business model are expected to be infrequent. The Company's senior management determines change in the business model as a result of external or internal changes which are significant to the Company's operations. Such changes are evident to external parties. A change in the business model occurs when the Company either begins or ceases to perform an activity that is significant to its operations. If the Company reclassifies financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of the immediately next reporting period following the change in business model. The Company does not restate any previously recognised gains, losses (including impairment gains or losses) or interest.

The following table shows various reclassification and how they are accounted for:

S. No	Original classification	Revised classification	Accounting treatment
1	Amortised cost	FVTPL	Fair value is measured at reclassification date. Difference between previous amortised cost and fair value is recognised in P&L.
2	FVTPL	Amortised Cost	Fair value at reclassification date becomes its new gross carrying amount. EIR is calculated based on the new gross carrying amount.
3	Amortised cost	FVTOCI	Fair value is measured at reclassification date. Difference between previous amortised cost and fair value is recognised in OCI. No change in EIR due to reclassification.
4	FVTOCI	Amortised cost	Fair value at reclassification date becomes its new amortised cost carrying amount. However, cumulative gain or loss in OCI is adjusted against fair value. Consequently, the asset is measured as if it had always been measured at amortised cost.
5	FVTPL	FVTOCI	Fair value at reclassification date becomes its new carrying amount. No other adjustment is required.
6	FVTOCI	FVTPL	Assets continue to be measured at fair value. Cumulative gain or loss previously recognised in OCI is reclassified to P&L at the reclassification date.

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet, if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

j) Foreign currency transactions and translations

Transactions and balances

Transactions in foreign currencies are initially recorded by the Company at the functional currency spot rates at the date at which the transaction first qualifies for recognition. However, for practical reasons, the Company uses an average rate, if

NOTES TO STANDALONE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31st March 2024 (Contd.)

(All amounts are in Lacs of Indian Rupees, unless otherwise stated)

the average approximates the actual rate at the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date. Exchange differences arising on settlement or translation of monetary items are recognised in profit or loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognised in OCI or profit or loss are also recognised in OCI or profit or loss, respectively).

The Company enters into forward exchange contract to hedge its risk associated with foreign currency fluctuations. The premium or discount arising at the inception of a forward exchange contract is amortised as expense or income over the life of the contract. In case of monetary items which are covered by forward exchange contract, the difference between the yearend rate and rate on the date of the contract is recognised as exchange difference. Any profit or loss arising on cancellation of a forward exchange contract is recognised as income or expense for that year.

k) Borrowing Costs

Borrowing cost include interest computed using Effective Interest Rate method, amortisation of ancillary costs incurred and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost.

Borrowing costs that are directly attributable to the acquisition, construction, production of a qualifying asset are capitalised as part of the cost of that asset which takes substantial period of time to get ready for its intended use. The Company determines the amount of borrowing cost eligible for capitalisation by applying capitalisation rate to the expenditure incurred on such cost. The capitalisation rate is determined based on the weighted average rate of borrowing cost applicable to the borrowings of the Company which are outstanding during the period, other than borrowings made specifically towards purchase of the qualifying asset. The amount of borrowing cost that the Company capitalises during the period does not exceed the amount of borrowing cost incurred during that period. All other borrowings costs are expensed in the period in which they occur.

Interest income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation. All other borrowing costs are recognised in the statement of profit and loss in the period in which they are incurred.

l) Government grants

Government grants are recognised at fair value where there is a reasonable assurance that the grant will be received and all the attached conditions are complied with.

In case of revenue related grant, the income is recognised on a systematic basis over the period for which it is intended to compensate an expense and is disclosed under "Other operating revenue" or netted off against corresponding expenses wherever appropriate. Receivables of such grants are shown under "Other Financial Assets". Export benefits are accounted for in the year of exports based on eligibility and when there is no uncertainty in receiving the same. Receivables of such benefits are shown under "Other Financial Assets".

Government grants related to assets, including non-monetary grants at fair value, shall be presented in the balance sheet by setting up the grant as deferred income. The grant set up as deferred income is recognised in profit or loss on a systematic basis over the useful life of the asset.

m) Taxes

Current income tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date in the countries where the Company operates and generates taxable income.

Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

NOTES TO STANDALONE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31st March 2024 (Contd.)

(All amounts are in Lacs of Indian Rupees, unless otherwise stated)

Uncertainty over Income Tax Treatments clarifies that while determinating the taxable profit (or loss), tax bases, unused tax losses, unused tax credits and tax rates, when there is uncertainty over income tax treatments under Ind AS 12, companies need to determine the probability of the relevant tax authority accepting each tax treatment, or group of tax treatments.

Deferred tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognised for all taxable temporary differences.

Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised. Where there is deferred tax assets arising from carry forward of unused tax losses and unused tax created, they are recognised to the extent of deferred tax liability.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

Where current tax or deferred tax arises from the initial accounting for a business combination, the tax effect is included in the accounting for the business combination.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

n) Retirement and other employee benefits

Short-term employee benefits

A liability is recognised for short-term employee benefit in the period the related service is rendered at the undiscounted amount of the benefits expected to be paid in exchange for that service.

Defined contribution plans

Retirement benefit in the form of provident fund is a defined contribution scheme. The Company has no obligation, other than the contribution payable to the provident fund. The Company recognises contribution payable to the provident fund scheme as an expense, when an employee renders the related service. If the contribution payable to the scheme for service received before the balance sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognised as a liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the balance sheet date, then excess is recognised as an asset to the extent that the pre-payment will lead to, for example, a reduction in future payment or a cash refund.

Defined benefit plans

The Company operates a defined benefit gratuity plan in India, which requires contributions to be made to a separately administered fund. The cost of providing benefits under the defined benefit plan is determined using the projected unit credit method.

Remeasurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Remeasurements are not reclassified to profit or loss in subsequent periods.

Employee Benefits in connection with Plan amendments, curtailments and settlements, to use updated assumptions to determine current service cost to be updated and to recognise in profit or loss as part of past service cost or gain or loss on settlement.

NOTES TO STANDALONE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31st March 2024 (Contd.)

(All amounts are in Lacs of Indian Rupees, unless otherwise stated)

Compensated absences

The Company has a policy on compensated absences which are both accumulating and non-accumulating in nature. The expected cost of accumulating compensated absences is determined by actuarial valuation performed by an independent actuary at each balance sheet date using projected unit credit method on the additional amount expected to be paid / availed as a result of the unused entitlement that has accumulated at the balance sheet date. Expense on non-accumulating compensated absences is recognised in the period in which the absences occur.

Other long term employee benefits

Liabilities recognised in respect of other long-term employee benefits are measured at the present value of the estimated future cash outflows expected to be made by the Company in respect of services provided by the employees up to the reporting date.

o) Leases

Company as a lessor

Leases in which the Company does not transfer substantially all the risks and rewards of ownership of an asset are classified as operating leases. Rental income from operating lease is recognised on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

Company as a lessee

The Company applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Company recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets

(i) Right of Use Assets

The Company recognises right-of-use assets at the commencement date of the lease (i.e., the date when the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. The right-of-use assets are also subject to impairment.

Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets.

(ii) Lease Liability

In calculating the present value of lease payments, the Company uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is generally not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

The Company's lease liabilities are included in Other Financial Liabilities.

(iii) Short term leases and leases of low value assets

Short term leases and leases for which the underlying asset is of low value, the lease payment is recognised as an expense based on straight line basis over the lease term

p) Impairment of non financial assets

The Company assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

q) Provisions, contingent liabilities and contingent asset

Provisions

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made to the amount of obligation.

NOTES TO STANDALONE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31st March 2024 (Contd.)

(All amounts are in Lacs of Indian Rupees, unless otherwise stated)

Provisions are discounted, if the effect of the time value of money is material, using pre-tax rates that reflects the risks specific to the liability. When discounting is used, an increase in the provisions due to the passage of time is recognised as finance cost. These provisions are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

Necessary provision for doubtful debts, claims, etc., are made, if realisation of money is doubtful in the judgement of the management.

Contingent liabilities

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognised because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognised because it cannot be measured reliably. Contingent liabilities are disclosed separately.

Show cause notices issued by various Government authorities are considered for evaluation of contingent liabilities only when converted into demand.

Contingent assets

Where an inflow of economic benefits is probable, the Company discloses a brief description of the nature of the contingent assets at the end of the reporting period, and, where practicable, an estimate of their financial effect.

Contingent assets are disclosed but not recognised in the financial statements.

r) Cash and cash equivalents

Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short-term balances with original maturity of less than 3 months, highly liquid investments that are readily convertible into cash, which are subject to insignificant risk of changes in value.

s) Cash Flow Statement

Cash flows are presented using indirect method, whereby profit / (loss) before tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments.

Bank borrowings are generally considered to be financing activities. However, where bank overdrafts which are repayable on demand form an integral part of an entity's cash management, bank overdrafts are included as a component of cash and cash equivalents for the purpose of Cash flow statement.

t) Earnings per share

The basic earnings per share are computed by dividing the net profit for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

Diluted EPS is computed by dividing the net profit after tax by the weighted average number of equity shares considered for deriving basic EPS and also weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares. Dilutive potential equity shares are deemed converted as of the beginning of the period, unless issued at a later date. Dilutive potential equity shares are determined independently for each period presented. The number of equity shares and potentially dilutive equity shares are adjusted for bonus shares, as appropriate.

u) Business Combination

Business combinations are accounted for using the acquisition method as at the date of the acquisition, which is the date at which control is transferred to the Company.

The consideration transferred in the acquisition and the identifiable assets acquired and liabilities assumed are recognised at fair values on their acquisition date. Goodwill is initially measured at cost being the excess of aggregate consideration transferred over the net identifiable assets and liabilities. Transaction costs are recognised in profit & loss account.

NOTES TO STANDALONE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31st March 2024 (Contd.)

(All amounts are in Lacs of Indian Rupees, unless otherwise stated)

4.

a) Property, plant and equipment

Particulars	Tangible Assets											Intangible Assets
	Owned Assets									Right of Use Asset	Total	
	Free hold Land	Buildings	Plant and Equipment	Lab Equipment	Furniture and Fixtures	Vehicles	Office Equipment	Electrical Fittings	Sub Total	Leasehold Land		
Deemed Cost as at 1st April, 2022	**719.10**	**2,993.10**	**3,343.28**	**119.14**	**179.51**	**324.32**	**191.70**	**405.31**	**8,275.46**	**237.82**	**8,513.28**	**160.36**
Additions	3,209.49	366.18	700.21	30.34	19.15	161.42	43.43	101.20	4,631.42	-	4,631.42	-
Disposals	-	-	(316.73)	(3.38)	(1.77)	(120.91)	(20.83)	(5.68)	(469.30)	-	(469.30)	-
Cost as at 31st March 2023	**3,928.59**	**3,359.28**	**3,726.76**	**146.10**	**196.89**	**364.83**	**214.30**	**500.83**	**12,437.58**	**237.82**	**12,675.40**	**160.36**
Additions	1,723.35	181.34	592.84	4.87	4.17	85.23	31.93	35.91	2,659.64	153.40	2,813.04	1.98
Disposals	-	-	(25.78)	-	-	(185.34)	-	-	(211.12)	-	(211.12)	-
Cost as at 31st March 2024	**5,651.94**	**3,540.62**	**4,293.82**	**150.97**	**201.06**	**264.72**	**246.23**	**536.74**	**14,886.10**	**391.22**	**15,277.32**	**162.34**
Depreciation/Amortisation												
As at 31st March 2022	**-**	**963.34**	**1,794.18**	**95.51**	**143.48**	**109.65**	**155.37**	**227.53**	**3,489.06**	**15.66**	**3,504.72**	**85.14**
Charge for the year	-	204.79	588.46	8.06	17.96	77.88	26.47	66.10	989.72	2.61	992.33	14.00
Disposals	-	-	(246.98)	(2.67)	(1.45)	(107.68)	(18.88)	(4.35)	(328.01)	-	(328.01)	-
As at 31st March 2023	**-**	**1,168.13**	**2,135.66**	**100.90**	**159.99**	**79.85**	**162.96**	**289.28**	**4,096.77**	**18.27**	**4,115.04**	**99.14**
Charge for the year	-	208.18	513.69	11.14	17.19	68.34	33.98	55.40	907.92	2.61	910.53	11.20
Disposals	-	-	(22.19)	-	-	(71.24)	-	-	(93.43)	-	(93.43)	-
As at 31st March 2024	**-**	**1,376.31**	**2,627.16**	**112.04**	**177.18**	**76.95**	**196.94**	**344.68**	**4,911.26**	**20.88**	**4,932.14**	**110.34**
Net Block												
As at 1st April, 2022	719.10	2,029.76	1,549.10	23.63	36.03	214.67	36.33	177.78	4,786.40	222.16	5,008.56	75.22
As at 31st March 2023	3,928.59	2,191.15	1,591.10	45.20	36.90	284.98	51.34	211.55	8,340.81	219.55	8,560.36	61.22
As at 31st March 2024	**5,651.94**	**2,164.31**	**1,666.66**	**38.93**	**23.88**	**187.77**	**49.29**	**192.06**	**9,974.84**	**370.34**	**10,345.18**	**52.00**

NOTES TO STANDALONE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31st March 2024 (Contd.)

(All amounts are in Lacs of Indian Rupees, unless otherwise stated)

b) Capital work-in-progress

Capital work-in-progress as at 31st March 2024 is ₹ 833.23 Lacs (Previous Year - ₹ 702.56 Lacs).

Ageing for capital work-in-progress groupwise as at 31st March 2024 is as follows

Particulars	Amount in work-in-progress for a period of				Total
	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	
Projects in progress	833.23	-	-	-	833.23
Projects temporarily suspended	-	-	-	-	-
Total	**833.23**	**-**	**-**	**-**	**833.23**

Ageing for capital work-in-progress groupwise as at 31st March 2023 is as follows

Particulars	Amount in work-in-progress for a period of				Total
	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	
Projects in progress	702.56	-	-	-	702.56
Projects temporarily suspended	-	-	-	-	-
Total	**702.56**	**-**	**-**	**-**	**702.56**

c) Title deeds of Immovable Properties not held in name of the Company as at 31st March 2024 and 31st March 2023

Title deeds of Immovable Properties not held in name of the Company as at 31st March 2024 and 31st March 2023

Relevant line item in the Balance sheet	Description of item of property	Gross carrying value	Title deeds held in the name of	Whether title deed holder is a promoter, director or relative of promoter/director or employee of promoter/director	Property held since which date	Reason for not being held in the name of the Company
Property, plant and equipment	Freehold land held at Plot 78C Industrial park, Gajulamandayam, Chittoor, Andhra Pradesh	293.15	Vedam Drugs Private Limited / Meloy Metals Private Limited	No	1st April 2019	The said transfer was pursuant to the Amalgamation as approved by Honourable NCLT, Chennai vide order dated 21st February 2020.

5. GOODWILL

	As at 31st March 2024	As at 31st March 2023
Acquisitions through business combination	965.46	965.46
	965.46	**965.46**

NOTES TO STANDALONE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31st March 2024 (Contd.)

(All amounts are in Lacs of Indian Rupees, unless otherwise stated)

6. NON-CURRENT INVESTMENTS

	As at 31st March 2024	As at 31st March 2023
Investments in subsidiaries (at cost)		
i. Investments in Equity Instruments (Unquoted)		
POCL Future Tech Private Limited 9,99,925 (9,99,925) shares @ ₹ 10 each	694.94	694.94
Harsha Exito Engineering Private Limited 50,00,000 (50,00,000) shares @ ₹ 100 each	3,282.50	3,282.50
Investments in companies other than subsidiaries, associates and joint ventures (at FVTPL)		
i. Investments in Equity Instruments (Quoted)		
2,000 (2,000) equity shares of ₹ 10 each in Amara Raja Energy & Mobility Ltd, fully paid	15.21	11.58
	3,992.65	**3,989.02**
Total non-current investments		
Aggregate amount of quoted investments	15.21	11.58
Aggregate market value of quoted investments	15.21	11.58
Aggregate cost of unquoted investments	3,977.44	3,977.44
Aggregate amount of impairment in value of investments	-	-

7. OTHER NON-CURRENT FINANCIAL ASSETS

	As at 31st March 2024	As at 31st March 2023
(Unsecured, considered good)		
Security deposits	193.86	165.38
Loan to Subsidiary		
Considered good - Unsecured*	700.00	-
	893.86	**165.38**

* Represents Loans to subsidiaries - Long term repayable after one year and interest is charged @ 8.00% p.a.

8. DEFERRED TAX ASSET / (LIABILITY) - NET

	As at 31st March 2024	As at 31st March 2023
Deferred Tax Asset		
On Fixed Assets	213.26	194.32
On expenses allowed under Income Tax on payment basis	118.13	18.94
Net deferred tax asset / (liability)	**331.39**	**213.26**

9. OTHER NON-CURRENT ASSETS

	As at 31st March 2024	As at 31st March 2023
Capital Advances	849.07	387.14
	849.07	**387.14**

NOTES TO STANDALONE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31st March 2024 (Contd.)

(All amounts are in Lacs of Indian Rupees, unless otherwise stated)

10. INVENTORIES

	As at 31st March 2024	As at 31st March 2023
Raw materials*	7,656.74	9,605.65
Work-in-progress	1,873.36	2,741.33
Finished goods**	2,587.88	2,492.31
Stores and spares	268.40	258.49
	12,386.38	**15,097.78**

*Includes stock in transit of ₹ 2644.27 Lacs (3272.84 Lacs)

**Includes stock in transit of ₹ 340.99 Lacs (Nil)

	As at 31st March 2024	As at 31st March 2023
Inventory comprise of		
Raw Materials		
Lead in all forms	7,051.66	8,475.57
Others	605.08	1,130.08
	7,656.74	**9,605.65**
Work in progress		
Lead in all forms	1,810.34	2,672.33
Others	63.02	69.00
	1,873.36	**2,741.33**
Finished Goods		
Lead Ingots	1,059.51	365.83
Lead Alloys	1,234.50	1,506.70
Others	293.87	619.78
	2,587.88	**2,492.31**

11. TRADE RECEIVABLES

	As at 31st March 2024	As at 31st March 2023
Considered good - Secured	-	55.20
Considered good - Unsecured	10,119.61	9,864.48
	10,119.61	**9,919.68**

Ageing for trade receivables – current outstanding as at 31st March 2024 is as follows :

Particulars	Not Due	Outstanding for following periods from due date of payment					Total
		Less than Six Months	6 Months – 1 Year	1-2 Years	2-3 Years	More than 3 Years	
(i) Undisputed Trade receivables – considered good	6,861.15	3,238.99	19.47	-	-	-	10,119.61
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-	-

NOTES TO STANDALONE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31st March 2024 (Contd.)
(All amounts are in Lacs of Indian Rupees, unless otherwise stated)

Particulars	Not Due	Outstanding for following periods from due date of payment					Total
		Less than Six Months	6 Months – 1 Year	1-2 Years	2-3 Years	More than 3 Years	
(iv) Disputed Trade Receivables– considered good	-	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-	-
Total	**6,861.15**	**3,238.99**	**19.47**	**-**	**-**	**-**	**10,119.61**

Ageing for trade receivables – current outstanding as at 31st March 2023 is as follows :

Particulars	Not Due	Outstanding for following periods from due date of payment					Total
		Less than Six Months	6 Months – 1 Year	1-2 Years	2-3 Years	More than 3 Years	
(i) Undisputed Trade receivables – considered good	9,369.56	550.00	-	0.12	-	-	9,919.68
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-	-
(iv) Disputed Trade Receivables– considered good	-	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-	-
Total	**9,369.56**	**550.00**	**-**	**0.12**	**-**	**-**	**9,919.68**

12. CASH AND CASH EQUIVALENTS

	As at 31st March 2024	As at 31st March 2023
Cash in hand	0.75	0.98
Balances with banks		
In current accounts	10.47	7.60
In EEFC account	559.57	-
Cash equivalents		
Overnight Fund	499.64	-
	1,070.43	**8.58**

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st March 2024 (Contd.)

(All amounts are in Lacs of Indian Rupees, unless otherwise stated)

13. OTHER BANK BALANCES

	As at 31st March 2024	As at 31st March 2023
In fixed deposits*	1,900.53	-
In earmarked accounts		
Unpaid dividend accounts	13.19	12.04
	1,913.72	**12.04**

* ₹ 0.53 Lacs Lien marked with banks and are restricted from being exchanged or used to settle a liability.

14. OTHER FINANCIAL ASSETS

	As at 31st March 2024	As at 31st March 2023
Loan to Subsidiary		
Considered good - Unsecured *	656.53	5.51
Others	104.19	-
	760.72	**5.51**

* Represents Loans to subsidiaries - Short term repayable on demand and interest is charged @ 8.00% p.a.

15. OTHER CURRENT ASSETS

	As at 31st March 2024	As at 31st March 2023
Other advances		
GST / Benefits Receivables	926.54	1,814.01
Interest accrued on Deposits	6.84	1.11
Prepaid expenses	44.10	43.82
Balances with government authorities	15.29	70.17
Advances to Employees	17.28	11.83
Others - Suppliers Advance (including for expenses)	1,456.50	1,378.45
Other current assets	1.88	3.13
	2,468.43	**3,322.52**

16. CAPITAL

	As at 31st March 2024	As at 31st March 2023
Authorised Share Capital		
2,01,50,000 (2,01,50,000) Equity shares of ₹ 10 each	2,015.00	2,015.00
	2,015.00	**2,015.00**
Issued Share Capital		
1,26,10,977 (1,16,24,780) Equity shares of ₹ 10 each	1,261.10	1,162.48
	1,261.10	**1,162.48**
Subscribed and fully paid up share capital		
1,26,10,977 (1,16,24,780) Equity shares of ₹ 10 each	1,261.10	1,162.48
	1,261.10	**1,162.48**

NOTES TO STANDALONE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31st March 2024 (Contd.)

(All amounts are in Lacs of Indian Rupees, unless otherwise stated)

Notes:

(a) Reconciliation of number of equity shares subscribed

	As at 31st March 2024	As at 31st March 2023
Balance as at the beginning of the year	1,16,24,780	58,12,390
Add: Issued on account of Preferential issue	9,86,197	-
Add: Issued on account of Bonus issue	-	58,12,390
Balance at the end of the year	**1,26,10,977**	**1,16,24,780**

During the year, the Company has raised additional share capital aggregating ₹ 5,000.02 Lacs (includes share premium of ₹ 4,650.68 Lacs net of expenses of ₹ 349.34 Lacs) (Refer Note 17 b) by way of preferential allotment of equity shares. The Company has allotted 9,86,197 fully paid up Equity shares of ₹ 10 each at a premium of ₹ 497 per share through private placement to investors as per the approval of the members in the EGM held on 06th February 2024. Accordingly the Company's paid up share capital have increased from 1,16,24,780 Equity Shares of ₹ 10/- each to 1,26,10,977 Equity Shares of ₹ 10/- each.

(b) Shareholders holding more than 5% of the total share capital

Name of the share holder	31st March 2024		31st March 2023	
	No of shares	%	No of shares	%
Ashish Bansal	17,19,183	13.63	17,17,924	14.78
Anil Kumar Bansal	12,53,622	9.94	12,53,622	10.78
Manju Bansal	10,95,254	8.68	10,95,254	9.42
Saroj Bansal	13,58,240	10.77	13,58,240	11.68

(c) Rights, preferences and restrictions in respect of equity shares issued by the Company

The Company has only one class of equity shares having a par value of ₹ 10 each. The equity shares of the Company having par value of ₹ 10/- rank pari-passu in all respects including voting rights and entitlement to dividend.

(d) Disclosure of shareholding of promoters as at 31st March 2024 is as follows

Name of the share holder	31st March 2024		31st March 2023		% change during the year *
	No of shares	%	No of shares	%	
Ashish Bansal	17,19,183	13.63	17,17,924	14.78	(1.15)
Anil Kumar Bansal	12,53,622	9.94	12,53,622	10.78	(0.84)
Manju Bansal	10,95,254	8.68	10,95,254	9.42	(0.74)
Saroj Bansal	13,58,240	10.77	13,58,240	11.68	(0.91)
Pawankumar Bansal	2,46,580	1.96	2,46,580	2.12	(0.17)
Megha Choudhari	11,136	0.09	11,136	0.10	(0.01)
Total	**56,84,015**	**45.07**	**56,82,756**	**48.88**	**(3.81)**

*Reduction due to preferential allotment of shares and not on account sale

17. OTHER EQUITY

	As at 31st March 2024	As at 31st March 2023
a) General reserve	2,670.92	2,275.92
b) Securities Premium*	5,063.34	511.28
c) Money Received Against Share Warrants*	2,062.50	-
d) Other comprehensive income	-	-
e) Retained Earnings	24,426.37	21,464.88
	34,223.13	**24,252.08**

NOTES TO STANDALONE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31st March 2024 (Contd.)

(All amounts are in Lacs of Indian Rupees, unless otherwise stated)

a) General reserve

	As at 31st March 2024	As at 31st March 2023
Balance at the beginning of the year	2,275.92	1,785.92
Additions during the year	395.00	490.00
Balance at the end of the year	**2,670.92**	**2,275.92**

b) Securities Premium

	As at 31st March 2024	As at 31st March 2023
Balance at the beginning and end of the year	511.28	1,092.52
Additions on account of business combination	-	(581.24)
Additions on account of preferential allotment*	4,901.40	-
New Share Issue Charges	(349.34)	-
Balance at the end of the year	**5,063.34**	**511.28**

c) Money Received Against Share Warrants

	As at 31st March 2024	As at 31st March 2023
Opening balance		
Additions during the year*	2,062.50	-
Deductions/Adjustments during the year	-	-
Closing balance	**2,062.50**	**-**

d) Other comprehensive income

	As at 31st March 2024	As at 31st March 2023
Opening balance	-	-
Additions during the year	2.25	(4.60)
Deductions/Adjustments during the year	(2.25)	4.60
Closing balance	**-**	**-**

e) Retained Earnings

	As at 31st March 2024	As at 31st March 2023
Opening balance	21,464.88	17,354.99
Net profit for the period	3,951.51	4,920.12
Transfer from Other Comprehensive Income	2.25	(4.60)
Transfers to General Reserve	(395.00)	(490.00)
Excess/(Short) provision for taxes reversed	(16.04)	(25.01)
Ind AS adjustments	-	-
Dividend paid (including tax on dividends)	(581.24)	(290.62)
Closing balance	**24,426.36**	**21,464.88**

*Consequent to the approval of the Board of Directors in its meeting held on 12th January 2024 and subsequent approval by the shareholders through special resolution in general meeting held on 06th February 2024, the board on 28th February 2024 has allotted 9,86,197 equity shares and 16,27,221 convertible warrants carrying an entitlement to subscribe to an equivalent number of equity shares at face value of ₹ 10 each at a price of ₹ 507 per warrant (including a premium of ₹ 497 per warrant) to promoter and non-promoter allottees. Each warrant is convertible into one equity share within a period

NOTES TO STANDALONE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31st March 2024 (Contd.)

(All amounts are in Lacs of Indian Rupees, unless otherwise stated)

of 18 months from the date of allotment at the option of warrant holder. As per the terms of allotment, the Company has received subscription money equivalent to 25% of issue price and balance 75% shall be paid by the warrant holder at the time of allotment of equity share pursuant to exercise of option. None of the warrant holders have exercised their option till 31st March 2024.

18. LONG TERM BORROWINGS

	As at 31st March 2024	As at 31st March 2023
Secured *		
From Banks	-	127.43
Unsecured Loans		
From Related Parties **	300.00	500.00
Less: Current maturities of Long Term Debt (refer Note 21)	-	(29.41)
	300.00	**598.02**

* Refer Note 41 for repayment terms and security details

** Represents loan from Directors

19. PROVISIONS (NON-CURRENT)

	As at 31st March 2024	As at 31st March 2023
Provision for Employee Benefits		
Gratuity	35.19	19.93
Compensated absences	33.61	40.44
	68.80	**60.37**

20. OTHER NON-CURRENT LIABILITIES

	As at 31st March 2024	As at 31st March 2023
Deferred Government Grants	10.69	17.32
	10.69	**17.32**

21. CURRENT LIABILITIES - FINANCIAL LIABILITIES: BORROWINGS

	As at 31st March 2024	As at 31st March 2023
Secured		
Loans repayable on Demand		
From banks		
Rupee Loans	4,743.94	12,050.47
Foreign Currency Loans	3,792.95	887.19
Current maturities of long-term debt	-	29.41
Unsecured		
Loans from directors	494.47	527.06
Inter Corporate Deposits	115.08	110.49
	9,146.44	**13,604.62**

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st March 2024 (Contd.)

(All amounts are in Lacs of Indian Rupees, unless otherwise stated)

Notes:

(a) Working Capital loans are secured by hypothecation of present and future stock of raw materials, stock-in-process, finished goods, stores and spares, book debts, materials in transit, etc. The above working capital facilities availed from banks are additionally secured by a charge / mortgage on all fixed assets of the Company. The loans carry interest in the range of 7% to 9%.

(b) Inter-corporate and other deposits carry interest in the range of 10% payable annually, repayable as per the terms of repayment agreed.

(c) The Company has filed periodical statements with banks for the working capital facilities availed which are in generally agreement with books of accounts with no material discrepancies.

22. TRADE PAYABLES

	As at 31st March 2024	As at 31st March 2023
Dues to Micro and Small enterprises *	115.22	107.10
Dues to Creditors other than Micro and Small enterprises	844.79	729.96
	960.01	**837.06**

* Dues to Micro and Small Enterprises have been determined to the extent such parties have been identified on the basis of information collected by the management, representing the principal amount payable to these enterprises. There are no interest due and outstanding as at the reporting date. Please refer Note 38.

Ageing for trade payables – current outstanding as at 31st March 2024 is as follows :

Particulars	Not Due	Outstanding for following periods from due date of payment				Total
		Less than one Year	1-2 Years	2-3 Years	More than 3 Years	
i) MSME	114.07	1.15				115.22
ii) Others	575.52	43.52	2.92	0.09		622.05
iii) Disputed dues – MSME						-
iv) Disputed dues – Others						-
v) Accrued Expenses	222.73					222.73
Total	**912.32**	**44.67**	**2.92**	**0.09**	**-**	**960.00**

Ageing for trade payables – current outstanding as at 31st March 2023 is as follows :

Particulars	Not Due	Outstanding for following periods from due date of payment				Total
		Less than one Year	1-2 Years	2-3 Years	More than 3 Years	
i) MSME	92.78	14.32	-	-	-	107.10
ii) Others	486.13	178.75	3.93	1.56	-	670.37
iii) Disputed dues – MSME	-	-	-	-	-	-
iv) Disputed dues – Others	-	-	-	-	-	-
v) Accrued Expenses	59.59	-	-	-	-	59.59
Total	**638.50**	**193.07**	**3.93**	**1.56**	**-**	**837.06**

NOTES TO STANDALONE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31st March 2024 (Contd.)

(All amounts are in Lacs of Indian Rupees, unless otherwise stated)

23. OTHER CURRENT FINANCIAL LIABILITIES

	As at 31st March 2024	As at 31st March 2023
Forward Contract Payable	16.02	13.25
Unpaid/Unclaimed dividends	13.19	11.96
Unclaimed Fractional Shares dividends	-	0.08
	29.21	**25.29**

24. PROVISIONS (CURRENT)

	As at 31st March 2024	As at 31st March 2023
Provision for Tax (net of advance tax and TDS)	140.02	17.26
Provision for employee benefits		
Gratuity	6.00	6.20
Compensated absences	25.41	8.70
	171.43	**32.16**

25. OTHER CURRENT LIABILITIES

	As at 31st March 2024	As at 31st March 2023
Statutory Dues Payable	366.31	97.58
Employee benefits payable	125.23	131.06
Advance and deposits from customers/suppliers	303.03	2,568.06
Deferred Government Grants	6.62	6.62
Other payables	10.14	17.79
	811.33	**2,821.11**

26. REVENUE FROM OPERATIONS

	For the year ended 31st March 2024	For the year ended 31st March 2023
Sale of Products		
Manufactured Goods	1,46,987.82	1,43,589.06
Traded Goods	3,903.84	1,913.36
Sale of Services		
Conversion Charges Received	1,420.27	1,593.31
	1,52,311.93	**1,47,095.73**
Other Operating Revenue	69.60	71.11
	1,52,381.53	**1,47,166.84**

NOTES TO STANDALONE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31st March 2024 (Contd.)

(All amounts are in Lacs of Indian Rupees, unless otherwise stated)

Details of Manufactured and Traded Goods

	For the year ended 31st March 2024	For the year ended 31st March 2023
i. Manufactured Goods:		
Metals	1,46,075.70	1,42,641.31
Others	912.12	947.75
	1,46,987.82	**1,43,589.06**
ii. Traded Goods		
Metals	3,791.32	1,876.88
Others	112.52	36.48
	3,903.84	**1,913.36**

27. OTHER INCOME

	For the year ended 31st March 2024	For the year ended 31st March 2023
Interest Income	51.14	4.56
MTM gain on forward contacts	-	43.86
Income from Subsidy	6.62	6.62
Gain on foreign exchange fluctuation (net)	77.97	334.62
Profit on fixed assets sold / scrapped / written off	37.37	-
Miscellaneous income	282.36	35.67
	455.46	**425.33**

28. COST OF MATERIALS CONSUMED

	For the year ended 31st March 2024	For the year ended 31st March 2023
Opening inventory of raw materials*	6,332.81	6,741.04
Add : Purchases*	1,30,247.47	1,27,886.01
Less : Closing inventory of raw materials*	(5,012.46)	(6,332.81)
Add: (Gain)/Deficit in Hedging operations of price of raw materials	(569.17)	(203.17)
Cost of materials consumed	**1,30,998.65**	**1,28,091.07**

*Excludes stock in transit of ₹ 2,644.27 Lacs (3,272.84 Lacs)

29. PURCHASES OF STOCK IN TRADE

	For the year ended 31st March 2024	For the year ended 31st March 2023
Metals	3,612.47	1,737.63
	3,612.47	**1,737.63**

NOTES TO STANDALONE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31st March 2024 (Contd.)

(All amounts are in Lacs of Indian Rupees, unless otherwise stated)

30. CHANGES IN INVENTORIES OF WORK-IN-PROGRESS, STOCK IN TRADE AND FINISHED GOODS

	For the year ended 31st March 2024	For the year ended 31st March 2023
Opening Balance		
Work-in-progress	2,741.33	1,787.64
Finished goods*	2,492.31	3,486.49
	5,233.64	**5,274.13**
Closing Balance		
Work-in-progress	1,873.36	2,741.33
Finished goods*	2,587.88	2,492.31
	4,461.24	**5,233.64**
Net (increase)/decrease in inventories	**772.40**	**40.49**

*Includes stock in transit of ₹ 340.99 Lacs (Nil)

31. EMPLOYEE BENEFITS EXPENSE

	For the year ended 31st March 2024	For the year ended 31st March 2023
Salaries and wages	2,109.04	1,919.49
Contribution to provident and other funds	136.11	128.11
Staff welfare expenses	178.57	183.82
	2,423.72	**2,231.42**

32. FINANCE COST

	For the year ended 31st March 2024	For the year ended 31st March 2023
Interest on Bank Borrowings	1,506.68	544.25
Interest on Others	129.52	139.87
	1,636.20	**684.12**

33. DEPRECIATION AND AMORTISATION EXPENSE

	For the year ended 31st March 2024	For the year ended 31st March 2023
Depreciation on Property, Plant and Equipment	910.55	992.32
Amortisation of Intangible Assets	11.20	14.01
	921.75	**1,006.33**

NOTES TO STANDALONE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31st March 2024 (Contd.)

(All amounts are in Lacs of Indian Rupees, unless otherwise stated)

34. OTHER EXPENSES

	For the year ended 31st March 2024	For the year ended 31st March 2023
Power and Fuel	3,350.12	3,106.45
Consumption of Packing Materials	61.56	53.94
Environmental Control Expenses	679.84	603.09
Conversion Charges	85.95	-
Contract Wages	447.47	384.55
Repairs and Maintenance		
Buildings	68.99	92.74
Plant and Machinery	523.23	662.39
Vehicles	29.74	21.08
Others	37.36	34.89
Factory expenses	207.43	182.98
Freight and Forwarding	886.54	1,152.93
Insurance	67.08	62.25
Laboratory Expenses	17.82	19.60
Legal and professional charges	80.83	86.97
Payments to Auditors [refer note 34 (a)]	19.64	19.94
Communication expenses	25.43	24.13
Printing and Stationery	9.76	10.43
Rates and Taxes	93.98	69.21
Rent	127.67	82.53
Advertisement and business promotion	13.43	36.36
Sales Commission	180.66	166.60
Travelling and Conveyance	90.05	71.65
MTM loss on forward contract	2.77	-
Loss on fixed assets sold / scrapped / written off	-	38.83
Bank charges	43.54	140.00
Expenditure on Corporate Social Responsibility [refer note 34 (b)]	96.03	65.70
Miscellaneous Expenses	61.82	36.20
	7,308.74	**7,225.44**

34 (a) Payment to auditors

	For the year ended 31st March 2024	For the year ended 31st March 2023
Statutory Audit fees	14.00	14.00
Taxation fee	3.00	3.00
Limited Review Audit	1.60	1.30
Other Certifications	1.94	1.64
	20.54	**19.94**

NOTES TO STANDALONE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31st March 2024 (Contd.)

(All amounts are in Lacs of Indian Rupees, unless otherwise stated)

34 (b) Expenditure on Corporate Social Responsibility

Particulars	For the year ended 31st March 2024	For the year ended 31st March 2023
Amount required to be spent by the Company during the year	95.55	66.17
Excess amount spent in previous year	0.02	0.49
Total amount to be spent during the year	95.53	65.68
Amount of expenditure incurred on:		
(i) Construction/ acquisition of any asset	-	-
(ii) On purposes other than (i) above	95.99	65.70
Excess spent during the year	0.46	0.02
Shortfall at the end of the year	-	-
Total of previous years shortfall	-	-
Reason for shortfall	NA	NA
Nature of CSR activities	Activities mentioned under Schedule VII of the Companies Act 2013 viz. Disaster management, Rural Infrastructure Development, reducing inequalities faced by socially and economically backward groups, etc.	
Details of related party transactions in relation to CSR expenditure as per relevant Accounting Standard	NA	NA

35. INCOME TAX EXPENSE

(a) Income tax expense

	For the year ended 31st March 2024	For the year ended 31st March 2023
Current tax		
Current tax on profits for the year	1,330.42	1,704.76
MAT Paid	-	-
Total current tax expense	**1,330.42**	**1,704.76**
Deferred tax		
Deferred tax adjustments	(118.88)	(49.21)
Total deferred tax expense/(benefit)	**(118.88)**	**(49.21)**
Income tax expense	**1,211.54**	**1,655.55**

b) The income tax expense for the year can be reconciled to the accounting profit as follows:

	For the year ended 31st March 2024	For the year ended 31st March 2023
Profit before tax from continuing operations	5,163.06	6,575.67
Income tax expense calculated at 25.168% (2022-23: 25.168%)	1,299.44	1,654.96
Effect of expenses/income that are not deductible/taxable in determining taxable profit	30.98	49.80
Income tax expense	**1,330.42**	**1,704.76**

NOTES TO STANDALONE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31st March 2024 (Contd.)

(All amounts are in Lacs of Indian Rupees, unless otherwise stated)

c) Income tax recognised in other comprehensive income

	For the year ended 31st March 2024	For the year ended 31st March 2023
Deferred tax		
Remeasurement of defined benefit obligation	(0.76)	1.55
Total income tax recognised in other comprehensive income	**(0.76)**	**1.55**

d) Movement of deferred tax expense for the year ended 31st March 2024

Deferred tax (liabilities)/assets in relation to:	Opening balance	Recognised in profit or loss	Recognised in Other comprehensive income	Closing balance
Property, plant, and equipment and Intangible Assets	194.32	42.27	-	236.59
Expenses allowable on payment basis under the Income Tax Act	18.94	76.62	(0.76)	94.80
Total	**213.26**	**118.89**	**(0.76)**	**331.39**

e) Movement of deferred tax expense during the year ended 31st March 2023

Deferred tax (liabilities)/assets in relation to:	Opening balance	Recognised in profit or loss	Recognised in Other comprehensive income	Closing balance
Property, plant, and equipment and Intangible Assets	158.93	35.39	-	194.32
Expenses allowable on payment basis under the Income Tax Act	3.58	13.81	1.55	18.94
Total	**162.51**	**49.20**	**1.55**	**213.26**

36. EARNINGS PER SHARE

	For the year ended 31st March 2024	For the year ended 31st March 2023
Profit for the year attributable to owners of the Company	3,951.52	4,920.12
Weighted average number of ordinary shares outstanding	1,17,13,699	1,16,24,780
Basic earnings per share (₹)	33.73	42.32
Weighted average of Dilutive Shares outstanding	1,17,49,270	-
Diluted earnings per share (₹)	33.63	42.32

NOTES TO STANDALONE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31st March 2024 (Contd.)

(All amounts are in Lacs of Indian Rupees, unless otherwise stated)

37. VALUE OF IMPORTED AND INDIGENOUS RAW MATERIAL CONSUMED DURING THE FINANCIAL YEAR AND THE PERCENTAGE OF EACH TO THE TOTAL CONSUMPTION

Particulars	Year ended 31st March 2024		Year ended 31st March 2023	
	₹ In Lacs	Percentage (%)	₹ In Lacs	Percentage (%)
Raw Materials				
Imported	1,15,385.36	88.00	95,727.28	75.00
Others	15,613.29	12.00	32,363.79	25.00
	1,30,998.65	**100.00**	**1,28,091.07**	**100.00**

38. DISCLOSURES REQUIRED BY THE MICRO, SMALL AND MEDIUM ENTERPRISES DEVELOPMENT (MSMED) ACT, 2006 ARE AS UNDER

Particulars	Year ended 31st March 2024	Year ended 31st March 2023
(a) The principal amount remaining unpaid at the end of the year	115.22	107.10
(b) The delayed payments of principal amount paid beyond the appointed date during the year	-	-
(c) Interest actually paid under Section 16 of MSMED Act	-	-
(d) Normal Interest due and payable during the year, for all the delayed payments, as per the agreed terms	-	-
(e) Total interest accrued during the year and remaining unpaid	-	-

*This information has been determined to the extent such parties have been identified on the basis of information available with the Company.

39. COMMITMENTS AND CONTINGENT LIABILITY

Particulars	Year ended 31st March 2024	Year ended 31st March 2023
Contingent Liability		
Performance/ Finance Guarantees		
Liability in respect of Letter of Credit/ Bank Guarantee Opened		
Guarantee given for Bank Loan to Subsidiary	2,800.00	2,800.00
Commitments		
Estimated amount of contracts remaining to be executed on capital account and not provided for	3,096.93	252.75

NOTES TO STANDALONE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31st March 2024 (Contd.)

(All amounts are in Lacs of Indian Rupees, unless otherwise stated)

40. OPERATING SEGMENTS

The operations of the Company falls under Lead & Lead alloys and other non-ferrous metals. However for the purpose of segment reporting Ind AS 108, the other non-ferrous metals segment does not meet the criteria laid down in the standard as a reportable segment, the operations are reported under one segment "lead and lead alloys".

Information relating to geographical areas

(a) Revenue from external customers

Particulars	Year ended 31st March 2024	Year ended 31st March 2023
India	65,560.77	63,915.42
Rest of the world	86,820.76	83,251.42
Total	**1,52,381.53**	**1,47,166.84**

(b) Non current assets

The manufacturing facilities of the Company is situated in India and no non-current assets are held outside India

(c) Information about major customers

Particulars	Year ended 31st March 2024	Year ended 31st March 2023
Number of external customers each contributing more than 10% of total revenue	3	3
Total revenue from the above customers	95,103.62	1,06,947.42

41. TERMS AND CONDITIONS OF LONG TERM BORROWINGS

Financial Institution	Loan Outstanding 31st March 2024	Tenor	Repayment Commences from	Security	Guarantee
HDFC Bank	Nil (127.43)	60 Months	March, 2022	First Charge on Vehicle Purchased	NIL

The above loans carry interest @ 6.75%

(Figures in brackets represent previous year numbers)

42. FINANCIAL INSTRUMENTS

Capital management

The Company manages its capital to ensure that entities in the Company will be able to continue as going concern, while maximising the return to stakeholders through the optimisation of the debt and equity balance.

The Company determines the amount of capital required on the basis of annual operating plans and long-term product and other strategic investment plans. The funding requirements are met through equity, long-term borrowings and other short-term borrowings.

For the purposes of the Company's capital management, capital includes issued capital, share premium and all other equity reserves attributable to the equity holders.

Gearing Ratio:	31st March 2024	31st March 2023
Debt	300.00	627.43
Less: Cash and bank balances	2,984.15	20.62
Net debt	**-**	**606.81**
Total equity	35,484.23	25,414.56
Gearing ratio (%)	-	2.39%

NOTES TO STANDALONE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31st March 2024 (Contd.)
(All amounts are in Lacs of Indian Rupees, unless otherwise stated)

Categories of Financial Instruments	31st March 2024	31st March 2023
Financial assets		
a. Measured at amortised cost		
Other non-current financial assets	893.86	165.38
Trade receivables	10,119.61	9,919.68
Cash and cash equivalents	1,070.43	8.58
Bank balances other than above	1,913.72	12.04
b. Measured at cost		
Investments	3,977.44	3,977.44
c. Mandatorily measured at FVTPL		
Investments	15.21	11.58
Derivative instruments	-	-
Financial liabilities		
a. Measured at amortised cost		
Borrowings (non-current)	300.00	598.02
Borrowings (current)	9,146.44	13,604.62
Trade payables	960.01	837.06
Other financial liabilities	13.19	12.04
b. Mandatorily measured at FVTPL		
Derivative instruments	16.02	13.25

Financial risk management objectives

The treasury function provides services to the business, co-ordinates access to domestic and international financial markets, monitors and manages the financial risks relating to the operations through internal risk reports which analyse exposures by degree and magnitude of risks. These risks include market risk (including currency risk, interest rate risk and other price risk), credit risk and liquidity risk.

The Company seeks to minimise the effects of these risks by using natural hedging financial instruments and forward contracts to hedge risk exposures. The use of financial derivatives is governed by the Company's policies approved by the board of directors, which provide written principles on foreign exchange risk, the use of financial derivatives, and the investment of excess liquidity. The Company does not enter into or trade financial instruments, including derivative financial instruments, for speculative purposes.

Market risk

Market risk is the risk of any loss in future earnings, in realisable fair values or in future cash flows that may result from a change in the price of a financial instrument. The Company's activities expose it primarily to the financial risks of changes in foreign currency exchange rates and interest rates. The Company actively manages its currency and interest rate exposure through its finance division and uses derivative instruments such as forward contracts, wherever required, to mitigate the risks from such exposures. The use of derivative instruments is subject to limits and regular monitoring by appropriate levels of management.

Foreign currency risk management

The Company undertakes transactions denominated in foreign currencies; consequently, exposures to exchange rate fluctuations arise. The Company actively manages its currency rate exposures through a centralised treasury division and uses natural hedging principles to mitigate the risks from such exposures. The use of derivative instruments, if any, is subject to limits and regular monitoring by appropriate levels of management.

NOTES TO STANDALONE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31st March 2024 (Contd.)

(All amounts are in Lacs of Indian Rupees, unless otherwise stated)

Forward foreign exchange contracts

It is the policy of the Company to enter into forward foreign exchange contracts to cover (a) repayments of specific foreign currency borrowings; (b) the risk associated with anticipated sales and purchase transactions, taking into account the natural hedging on imports & exports and cost of currency to be recovered from the customers as per Sale Contract.

Disclosure of hedged and unhedged foreign currency exposure

The carrying amounts of the Company's foreign currency denominated monetary assets and monetary liabilities at the end of the reporting period are as follows:

As on 31st March 2024

Currency	Liabilities			Assets			Net overall exposure on the currency - net assets / (net liabilities)
	Gross exposure	Exposure hedged using derivatives	Net liability exposure on the currency	Gross exposure	Exposure hedged using derivatives	Net asset exposure on the currency	
USD	2.06	2.06	-	66.70	66.70	-	-
In ₹	171.37	171.37	-	5,559.75	5,559.75	-	-

As on 31st March 2023

Currency	Liabilities			Assets			Net overall exposure on the currency - net assets / (net liabilities)
	Gross exposure	Exposure hedged using derivatives	Net liability exposure on the currency	Gross exposure	Exposure hedged using derivatives	Net asset exposure on the currency	
USD	0.62	-	0.62	70.77	-	70.77	70.15
In ₹	50.85	-	50.85	5,815.09	-	5,815.09	5,764.24

Foreign currency sensitivity analysis

Movement in the functional currencies of the various operations of the Company against major foreign currencies may impact the Company's revenues from its operations. Any weakening of the functional currency may impact the Company's cost of imports and cost of borrowings and consequently may increase the cost of financing the Company's capital expenditures. The foreign exchange rate sensitivity is calculated for each currency by aggregation of the net foreign exchange rate exposure of a currency and a simultaneous parallel foreign exchange rates shift in the foreign exchange rates of each currency by 2%, which represents management's assessment of the reasonably possible change in foreign exchange rates. The sensitivity analysis includes only outstanding foreign currency denominated monetary items and adjusts their translation at the period end for a 2% change in foreign currency rates.

In management's opinion, the sensitivity analysis is unrepresentative of the inherent foreign exchange risk because the exposure at the end of the reporting period does not reflect the exposure during the year.

Interest rate risk management

The Company is exposed to interest rate risk because it borrow funds at both fixed and floating interest rates. The risk is managed by the Company by maintaining an appropriate mix between fixed and floating rate borrowings. Hedging activities are evaluated regularly to align with interest rate views and defined risk appetite, ensuring the most cost-effective hedging strategies are applied. Further, in appropriate cases, the Company also effects changes in the borrowing arrangements to convert floating interest rates to fixed interest rates.

Interest rate sensitivity analysis

The sensitivity analyses below have been determined based on the exposure to interest rates for both derivatives and non-derivative instruments at the end of the reporting period. For floating rate liabilities, the analysis is prepared assuming the amount of the liability outstanding at the end of the reporting period was outstanding for the whole year. A 25 basis point increase or decrease is used when reporting interest rate risk internally to key management personnel and represents management's assessment of the reasonably possible change in interest rates.

The 25 basis point interest rate changes will impact the profitability by ₹ 50.32 Lacs for the year (Previous ₹ 20.50 Lacs)

NOTES TO STANDALONE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31st March 2024 (Contd.)

(All amounts are in Lacs of Indian Rupees, unless otherwise stated)

Credit risk management

Credit risk arises when a customer or counterparty does not meet its obligations under a customer contract or financial instrument, leading to a financial loss. The Company is exposed to credit risk from its operating activities primarily trade receivables and from its financing/ investing activities, including deposits with banks, mutual fund investments and foreign exchange transactions. The Company has no significant concentration of credit risk with any counterparty.

Exposure to credit risk

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure is the total of the carrying amount of balances with banks, short term deposits with banks, trade receivables, margin money and other financial assets excluding equity investments.

(a) Trade Receivables

The Company has credit evaluation policy for each customer and, based on the evaluation, credit limit of each customer is defined. Wherever the Company assesses the credit risk as high, the exposure is backed by either bank, guarantee/letter of credit or security deposits.

The Company does not have higher concentration of credit risks to a single customer. As per simplified approach, the Company makes provision of expected credit losses on trade receivables using a provision matrix to mitigate the risk of default in payments and makes appropriate provision at each reporting date wherever outstanding is for longer period and involves higher risk.

(b) Investments, Derivative Instruments, Cash and Cash Equivalents and Bank Deposits

Credit Risk on cash and cash equivalents, deposits with the banks/financial institutions is generally low as the said deposits have been made with the banks/financial institutions, who have been assigned high credit rating by international and domestic rating agencies.

Credit Risk on Derivative Instruments is generally low as the Company enters into the Derivative Contracts with the reputed Banks.

Investments of surplus funds are made only with approved banks/ financial institutions/ counterparty. Investments primarily include bank deposits, investment in units of quoted mutual funds issued by high investment grade funds etc. These bank deposits, mutual funds and counterparties have low credit risk. The Company has standard operating procedures and investment policy for deployment of surplus liquidity, which allows investment in bank deposits, debt securities and mutual fund schemes of debt and arbitrage categories and restricts the exposure in equity markets.

Offsetting related disclosures

Offsetting of cash and cash equivalents to borrowings as per the consortium agreement is available only to the bank in the event of a default. Company does not have the right to offset in case of the counter party's bankruptcy, therefore, these disclosures are not required.

Liquidity risk management

Liquidity risk refers to the risk that the Company cannot meet its financial obligations. The objective of liquidity risk management is to maintain sufficient liquidity and ensure that funds are available for use as per requirements. The Company invests its surplus funds in bank fixed deposit and mutual funds, which carry minimal mark to market risks. The Company also constantly monitors funding options available in the debt and capital markets with a view to maintaining financial flexibility.

Liquidity tables

The following tables detail the Company's remaining contractual maturity for its non-derivative financial liabilities with agreed repayment periods. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Company can be required to pay.

NOTES TO STANDALONE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31st March 2024 (Contd.)

(All amounts are in Lacs of Indian Rupees, unless otherwise stated)

31st March 2024	Due in 1st year	Due in 2nd to 5th year	Due after 5th year	Carrying amount
Trade payables	956.99	3.01	-	960.00
Borrowings (including interest accrued thereon up to the reporting date)	-	300.00	-	300.00
	956.99	**303.01**	**-**	**1,260.00**

31st March 2023	Due in 1st year	Due in 2nd to 5th year	Due after 5th year	Carrying amount
Trade payables	831.57	5.49	-	837.06
Borrowings (including interest accrued thereon up to the reporting date)	29.41	598.02	-	627.43
	860.98	**603.51**	**-**	**1,464.49**

43. RELATED PARTY DISCLOSURE

a) List of parties having significant influence

Holding company	The Company does not have any holding company
Subsidiaries, associates and joint ventures	POCL Future Tech Private Limited (FTPL)
	Harsha Exito Engineering Private Limited (HEEL)
Entities in which director/relatives are interested	Metier Enterprises (India) Private Limited
Employees Trust where there is significant influence	Pondy Oxides and Chemicals Limited Group Gratuity Trust

Key management personnel (KMP)

Mr. Anil Kumar Bansal	Chairman
Mr. Ashish Bansal	Managing Director
Mr. K Kumaravel	Director Finance & Company Secretary
Mr. Vijay Balakrishnan	Chief Financial Officer

Relative of Key Management personnel

Ms. K Mahalakshmi	Wife of Mr. K.Kumaravel

b) Transactions during the year as at 31st March 2024 is as follows :

Nature of transactions	Subsidiary Companies	KMP	Close member of the KMP	Companies in which Directors are interested	Other Related Parties
Investment in Subsidiary	3,944.94	-	-	-	-
Interest Received	44.81	-	-	-	-
Interest Paid	-	118.66	-	10.86	-
Remuneration	-	460.41	-	-	-
Professional Charges Paid	-	-	8.00	-	-
Loan Given by the Company	2,782.98	-	-	-	-
Loan Repaid to the Company	1,472.30	-	-	-	-
Loan Taken by the Company	-	723.50	-	-	-
Loan Repaid by the Company	-	1,062.89	-	5.17	-
Sales	265.16	-	-	-	-
Purchase	245.07	-	-	-	-
Contribution to Gratuity Trust	-	-	-	-	0.15

*Represents short term benefit given to KMPs and does not include provisions made for Gratuity and Leave benefits as they are determined on an actuarial basis for the Company as a whole.

NOTES TO STANDALONE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31st March 2024 (Contd.)
(All amounts are in Lacs of Indian Rupees, unless otherwise stated)

Transactions during the year as at 31st March 2023 is as follows :

Nature of transactions	Subsidiary Companies	KMP	Close member of the KMP	Companies in which Directors are interested	Other Related Parties
Investment in Subsidiary	3,944.94	-	-	-	-
Interest Paid	-	133.01	-	6.86	-
Remuneration	-	411.51	-	-	-
Professional Charges Paid	-	-	6.00	-	-
Loan Taken by the Company	-	567.00	-	119.27	-
Loan Repaid by the Company	-	1,597.52	-	128.23	-
Sales	170.16	-	-	-	-
Purchase	21.27	-	-	68.26	-
Contribution to Gratuity Trust	-	-	-	-	11.60

c) **Balances at the end of the year**

Particulars	As at 31st March 2023	As at 31st March 2023
Loans (Payables)/Receivables		
Mr. Anil Kumar Bansal	(555.21)	(825.93)
Mr. Ashish Bansal	(217.31)	(201.13)
Mr. K Kumaravel	(33.82)	-
Harsha Exito Engineering Private Limited	40.13	5.51
POCL Future Tech Private Limited	1,320.89	-
Metier Enterprises (India) Private Limited	(116.17)	(110.49)

44. RETIREMENT BENEFIT PLANS

Defined contribution plans

In accordance with Indian law, eligible employees of the Company are entitled to receive benefits in respect of Gratuity fund, a defined contribution plan, in which both employees and the Company make monthly contributions at a specified percentage of the covered employees' salary. The contributions, as specified under the law, are made to the Gratuity fund as well as Employee State Insurance Fund

The total expense recognised in profit or loss of ₹ 136.11 Lacs (previous year ₹ 128.11 Lacs) represents contribution paid to these plans by the Company at rates specified in the rules of the plan.

Defined benefit plans

(a) Gratuity

The employees' gratuity fund scheme managed by a trust namely 'Pondy oxides and chemicals limited employees group gratuity trust'. Gratuity is payable as per Payment of Gratuity Act, 1972. In terms of the same, gratuity is computed by multiplying last drawn salary (basic salary including dearness Allowance if any) by completed years of continuous service with part thereof in excess of six months and again by 15/26. The Act provides for a vesting period of 5 years for withdrawal and retirement and a monetary ceiling on gratuity payable to an employee on separation, as may be prescribed under the Payment of Gratuity Act, 1972, from time to time. However, in cases where an enterprise has more favourable terms in this regard the same has been adopted.

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st March 2024 (Contd.)

(All amounts are in Lacs of Indian Rupees, unless otherwise stated)

These plans typically expose the Company to actuarial risks such as: investment risk, interest rate risk and salary risk.

Investment risk	The present value of the defined benefit plan liability is calculated using a discount rate determined by reference to the market yields on government bonds denominated in Indian Rupees. If the actual return on plan asset is below this rate, it will create a plan deficit.
Interest risk	A decrease in the bond interest rate will increase the plan liability. However, this will be partially offset by an increase in the return on the plan's debt investments.
Longevity risk	The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and after their employment. An increase in the life expectancy of the plan participants will increase the plan's liability.
Salary risk	The present value of the defined benefit plan liability is calculated by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the plan's liability.

The principal assumptions used for the purposes of the actuarial valuations were as follows:

Particulars	31st March 2024	31st March 2023
Discount Rate	6.97%	7.25%
Rate of increase in compensation level	7.00%	7.00%
Expected Average Remaining Working Lives of Employees (years)	28.75	28.48

The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

Amounts recognised in total comprehensive income in respect of these defined benefit plans are as follows:

	31st March 2024	31st March 2023
	₹ Lacs	₹ Lacs
Amount recognised under Employee Benefits Expense in the Statement of profit and Loss:		
Current service cost	16.42	13.88
Net interest expense	10.69	9.74
Return on plan assets (excluding amounts included in net interest expense)	(8.89)	(9.08)
Components of defined benefit costs recognised in profit or loss	**18.22**	**14.54**
Amount recognised in Other Comprehensive Income (OCI) for the Year		
Remeasurement on the net defined benefit liability comprising:		
Actuarial (gains)/losses recognised during the period	(3.01)	6.15
Components of defined benefit costs recognised in other comprehensive income	**(3.01)**	**6.15**
	15.21	**20.69**

NOTES TO STANDALONE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31st March 2024 (Contd.)
(All amounts are in Lacs of Indian Rupees, unless otherwise stated)

The amount included in the balance sheet arising from the Company's obligation in respect of its defined benefit plans is as follows:

	31st March 2024 ₹ Lacs	31st March 2023 ₹ Lacs
Present value of defined benefit obligation	160.88	158.27
Fair value of plan assets	(119.69)	(132.14)
Net liability/ (asset) arising from defined benefit obligation	**41.19**	**26.13**
Funded	-	-
Unfunded	41.19	26.13
	41.19	**26.13**

The above provisions are reflected under 'Provision for employee benefits - gratuity'[Refer note 24 & 19].

Movements in the present value of the defined benefit obligation in the current year were as follows:

	31st March 2024 ₹ Lacs	31st March 2023 ₹ Lacs
Opening defined benefit obligation	158.27	135.96
Current service cost	16.42	13.88
Interest cost	10.69	9.74
Actuarial (gains)/losses	(3.01)	6.16
Benefits paid	(21.49)	(7.47)
Closing defined benefit obligation	**160.88**	**158.27**

Movements in the fair value of the plan assets in the current year were as follows:

	31st March 2024 ₹ Lacs	31st March 2023 ₹ Lacs
Opening fair value of plan assets	132.14	121.74
Return on plan assets	8.89	7.56
Contributions	0.15	10.31
Benefits paid	(21.49)	(7.47)
Actuarial gains/(loss)	-	-
Closing fair value of plan assets	**119.69**	**132.14**

Sensitivity analysis

In view of the fact that the Company for preparing the sensitivity analysis considers the present value of the defined benefit obligation which has been calculated using the projected unit credit method at the end of the reporting period, which is the same as that applied in calculating the defined benefit obligation liability recognised in the balance sheet.

(b) Compensated absences

The expected cost of accumulating compensated absences is determined at each balance sheet date using projected unit credit method on the additional amount expected to be paid / availed as a result of the unused entitlement that has accumulated at the balance sheet date is ₹ 59.02 Lacs (previous year ₹ 49.14 Lacs). Expense recognised during the year is ₹ 15.45 Lacs (previous year ₹ 13.53 Lacs).

NOTES TO STANDALONE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31st March 2024 (Contd.)

(All amounts are in Lacs of Indian Rupees, unless otherwise stated)

45.

Ratio	Numerator	Denominator	For the year ended 31st March 2024	For the year ended 31st March 2023	Change	Reason
a) Current ratio (in times)	Current asset	Current liabilities *	2.58	1.64	57.32%	Due to reduction of liability at the year end
b) Debt equity ratio (in times)	Long term debt **	Shareholder's Equity	0.01	0.02	(50%)	Due to repayment of debt
c) Debt service coverage ratio (in times)	Earning available for debt service #	Debt service	4.74	11.67	(59.38%)	Due to increase in utilisation of funds
d) Return on equity ratio (in times)	Net profit after tax	Shareholder's Equity	0.11	0.19	(42.11%)	Due to increase in net worth
e) Inventory turnover ratio (in times)	Sale of Products	Average inventory	10.98	9.80	12.04%	Due to marginal reduction in inventory
f) Trade receivable turnover ratio (in times)	Revenue from operations	Average trade receivable	15.21	15.78	(3.61)%	Marginal variation
g) Trade payable turnover ratio (in times)	Net purchases	Average trade payable	148.98	159.85	(6.807%)	Marginal variation
h) Net capital turnover ratio (in times)	Revenue from operations	Working capital @	5.70	5.97	(4.52)%	Due to change in turnover
i) Net profit ratio (in %)	Profit after taxes	Revenue from operations	2.59	3.34	(22.46%)	Due to reduction of profit
j) Return on capital employed (in times)	Profit before exceptional items, tax and finance cost	Capital employed @@	0.19	0.28	(32.14)%	Due to reduction of profit
k) Return on investments (in times)	Returns from investment ^	Cost of investment	1.00	1.00	0.00%	-

* Current liabilities excluding Current maturities of Long Term Debt

** Long term debt including Current maturities of Long Term Debt

Earning available for Debt service = Net profit after tax + Non cash expenses like depreciation and amortisation + Interest + other adjustments like loss on sale of fixed assets, etc

Debt service = Finance cost + Principal repayment made for non current borrowing

@ Working capital = Current assets - Current liabilities (excluding Borrowings)

@@ Capital employed = Net worth + Debt + Deferred tax liability

^ Return from investment = Increase/(Decrease) in value of investment + Income from investment

NOTES TO STANDALONE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31st March 2024 (Contd.)

(All amounts are in Lacs of Indian Rupees, unless otherwise stated)

46. OTHER STATUTORY INFORMATION

a) The Company does not have any Benami property, where any proceeding has been initiated or pending against the Company

b) The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period

c) The Company has not traded or invested in Crypto currency or Virtual currency during the financial year

d) There is no income surrendered or disclosed during the year in tax assessments under the Income Tax Act, 1961 (such as search or survey), that has not been recorded in the books of account.

e) The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall: (i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or (ii) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

f) The Company has not advanced or loaned or invested any fund to any person(s) or entity(ies), including foreign entities (intermediaries) with the understanding (whether recorded in writing or otherwise) that the intermediary shall: (i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or (ii) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

g) The Company does not have holding, but has subsidiary companies. However the requirement with respect to number of layers as prescribed under section 2(87) of the Companies Act, 2013 read with the Companies (Restriction on number of layers) Rules, 2017 have complied with.

h) The Company is not declared as willful defaulter by any bank or financial institution (as defined under the Companies Act, 2013) or consortium thereof or other lender in accordance with the guidelines on willful defaulters issued by the Reserve Bank of India.

i) The Company does not have any transactions with companies which are struck off as per Companies Act, 2013.

j) The Company has not revalued any of its Property, Plant and Equipment (including Right-of-Use Assets) during the year.

For and on behalf of the board

Anil Kumar Bansal
Chairman
DIN: 00232223

Ashish Bansal
Managing Director
DIN: 01543967

Vijay Balakrishnan
Chief Financial Officer

K.Kumaravel
Director Finance & Company Secretary

Place : Chennai
Date : 28th May 2024

As per our report of even date attached
For M/s. L. Mukundan and Associates
Chartered Accountants
(FRN No.010283S)

L. Mukundan
Partner
M.No.204372

Place : Chennai
Date :28th May 2024

INDEPENDENT AUDITOR'S REPORT

To the Members of Pondy Oxides and Chemicals Limited

REPORT ON THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

Opinion

We have audited the Consolidated financial statements of Pondy Oxides And Chemicals Limited ("the Holding Company") and its subsidiaries (the holding Company and its subsidiaries together referred as 'the Group'), which comprise the Consolidated balance sheet as at 31st March 2024, the Consolidated statement of Profit and Loss (including Other Comprehensive Income), the Consolidated statement of cash flows, the Consolidated Statement of Changes in Equity for the year then ended and notes to consolidated financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Consolidated financial statements give the information required by the Companies Act, 2013 (the 'Act') in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including Indian Accounting Standards ('Ind AS') specified under Section 133 of the Act, of the consolidated state of affairs (financial position) of the Group as at 31st March 2024, and their consolidated profit (financial performance including other comprehensive income), their Consolidated cash flows and their Consolidated changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the Consolidated financial statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ('ICAI') together with the ethical requirements that are relevant to our audit of the Consolidated financial statements under the provisions of the Act and the rules made there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the consolidated financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. Based on the examination of books of accounts and explanation provided to us, we are of the opinion that there are no materially significant key audit matters that requires disclosure in this report.

Information Other than the Consolidated Financial Statements and Auditor's Report thereon (Other Information)

The Holding Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexure to Board's Report, Corporate Governance and Shareholders Information, but does not include the consolidated financial statements and our auditor's report thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other Information identified above when it becomes available, and in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained during the course of audit or otherwise appears to be materially misstated.

If, based on the work we have performed and based on the work done/audit report of other auditors, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibility of Management for Financial Statements

The Holding Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation and presentation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance, including other comprehensive income, consolidated changes in equity and consolidated cash flows of the Company in accordance with the Ind AS and other accounting principles generally accepted in India.

The Holding company's Board of directors are also responsible for ensuring accuracy of records including financial information considered necessary for preparation and presentation of consolidated financial statements. Further, in terms of provision of the Act, the respective, Board of directors of companies included in the group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group 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; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

In preparing the Consolidated financial statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those respective Board of Directors are also responsible for overseeing the financial reporting process of the companies included in the Group.

Auditor's Responsibilities for the Audit of the Financial Statements.

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Standards of Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with Standards on Auditing, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of The Act, we are also responsible for expressing our opinion on whether the Holding Company and its subsidiaries has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements, of which we are the independent auditors. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

INDEPENDENT AUDITOR'S REPORT (Contd.)

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. With respect to the matters specified in clause (xxi) of paragraph 3 and paragraph 4 of the Companies (Auditor's Report) Order, 2020 ("CARO"/ "the Order") issued by the Central Government in terms of Section 143(11) of the Act, according to the information and explanations given to us, and based on the CARO reports issued by us included in the consolidated financial statements to which reporting under CARO is applicable, as provided to us by the Management, we report that there are no qualifications or adverse remarks by the auditors in the CARO reports of the said companies included in the consolidated financial statements.

2. As required by Section 143(3) of the Act, to the extent applicable we 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 purposes of our audit of aforesaid consolidated financial statements.

    (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statement have been kept so far as it appears from our examination of those books and the reports of the other companies in the group except for that matter stated in paragraph 2(h)(vi) below on reporting under rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 (as amended).

    (c) The consolidated Balance Sheet, the consolidated Statement of Profit and Loss including Other Comprehensive Income, consolidated Statement of Changes in Equity and the consolidated Statement of Cash Flows dealt with by this Report are in agreement with the relevant books of account and records maintained for the purpose of preparation of the consolidated financial statements.

    (d) In our opinion, the aforesaid financial statements comply with the Ind AS specified under Section 133 of the Act. Read with relevant rules made thereunder;

    (e) On the basis of the written representations received from the directors of the Holding Company as on March 31, 2024 taken on record by the Board of Directors of the Holding Company and the statutory auditors report of its subsidiary company issued by us, incorporated in India, none of the directors of the Group companies incorporated in India is disqualified as on March 31, 2024 from being appointed as a director in terms of Section 164(2) of the Act.

    (f) With respect to the adequacy of the internal financial controls over financial reporting with respect to consolidated financial statements of the Group and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Group's internal financial controls over financial reporting.

    (g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

        In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Holding Company, to its directors during the year is in accordance with the provisions of section 197 of the Act read with Schedule V to the Act. However, no remuneration has been paid to the directors of subsidiary companies during the year under audit.

    (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014 (as amended), in our opinion and to the best of our information and according to the explanations given to us:

        i. The Group does not have any materially significant pending litigations which would impact its financial position.

        ii. Provision has been made in the consolidated financial statements as on 31st March 2024, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts;

        iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company during the year ended 31st march, 2024 in accordance with the relevant provisions of the Act and Rules

INDEPENDENT AUDITOR'S REPORT (Contd.)

made there under. Subsidiary companies are not required to transfer any money to the Investor Education and Protection Fund as they have not declared any dividends so far.

iv. (a) The respective management of holding company and its subsidiaries which are incorporated in India, whose financial statements have been audited under the act, have represented to us that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Holding Company or any of such subsidiaries to or other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the holding company or its subsidiary companies ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(b) The respective management of holding company and its subsidiaries which are incorporated in India, whose financial statements have been audited under the Act, have represented to us , that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the holding company or any of such subsidiaries from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the holding company or any such subsidiaries shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries, and

(c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, performed by us and those performed by the auditors of subsidiaries, nothing has come to our notice that has caused us to believe that the representations under sub-clause (a) and (b) above, contain any material misstatement.

v. The dividend paid by the holding company during the year ended 31st March 2024 in respect of such dividend declared for the previous year is in accordance with section 123 of the Act to the extent it applies to payment of dividend.

vi. Based on our examination which included test checks, the Group has used accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software except:

a) The audit trail was not enabled at the database level to log any direct data changes for such accounting software used for maintaining the books of account by holding company.

b) In case of two subsidiary, the subsidiaries have used accounting software for maintaining its books of account which does not have the feature of recording audit trail (edit log) facility, and accordingly, we are unable to comment upon tampering and preservation of audit trail.

As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable from April 1, 2023, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 on preservation of audit trail as per the statutory requirements for record retention is not applicable for the financial year ended March 31, 2024

For **L Mukundan and Associates**
Chartered Accountants
Firm Registration No: 010283S

L Mukundan
Partner
Membership No. 204372
UDIN: 24204372BKGDPD4200

Place: Chennai
Date: 28.05.2024

ANNEXURE - A

TO THE INDEPENDENT AUDITORS' REPORT

(REFERRED TO IN PARAGRAPH 2(F) UNDER 'REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS' SECTION OF OUR REPORT TO THE MEMBERS OF PONDY OXIDES AND CHEMICALS LIMITED OF EVEN DATE)

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the Internal Financial Controls over financial reporting of PONDY OXIDES AND CHEMICALS LIMITED ("the holding Company") and its subsidiaries (The Holding company and its subsidiaries are referred as 'Group') as of March 31, 2024 in conjunction with our audit of the Consolidated financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the Holding Company and its subsidiaries, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting (IFCoFR) criteria established by the respective Companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the internal financial controls over financial reporting with reference to Consolidated Financial Statements of the Holding Company and its subsidiaries based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. 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.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Holding company's internal financial controls system with reference to consolidated financial statements.

Meaning of Internal Financial Controls Over Financial Reporting

A Company's IFCoFR is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A Company's IFCoFR includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorizations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls with reference to financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to financial statements to future periods are subject to the risk that the internal financial control with reference to financial

ANNEXURE - A TO THE INDEPENDENT AUDITORS' REPORT (Contd.)

statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, to the best of our information and according to the explanation given to us and based on the reports of other auditors, the Holding Company and its subsidiary companies have, in all material respects, an adequate internal financial controls system with reference to consolidated financial statements and such internal financial controls with reference to consolidated financial statements were operating effectively as at 31st March 2024, based on the internal control with reference to consolidated financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

Other Matters

Our aforesaid reports under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to consolidated financial statements of holding company, insofar as it relates to the subsidiary companies, which are companies incorporated in India, is based on the corresponding report issued by us. Our opinion is not modified in respect of this matter.

For **L Mukundan and Associates**
Chartered Accountants
Firm Registration No: 010283S

L Mukundan
Partner
Membership No. 204372
UDIN: 24204372BKGDPD4200

Place: Chennai
Date: 28.05.2024

CONSOLIDATED BALANCE SHEET

AS AT 31ST MARCH 2024

(All amounts are in Lacs of Indian Rupees, unless otherwise stated)

	Notes	As at 31st March 2024	As at 31st March 2023
ASSETS			
Non-current assets			
(a) Property, plant and equipment	4	15,205.02	13,795.81
(b) Capital work in progress	4	889.73	1,166.73
(c) Goodwill	5	965.46	965.46
(d) Intangible assets	4	52.00	61.22
(e) Financial assets			
(i) Investments	6	15.21	11.58
(ii) Other financial assets	7	371.54	373.15
(f) Deferred Tax Asset (net)	8	506.31	390.76
(g) Other non-current assets	9	851.32	387.14
Total non-current assets		**18,856.59**	**17,151.85**
Current assets			
(a) Inventories	10	12,952.38	16,082.39
(b) Financial assets			
(i) Trade receivables	11	10,448.41	10,154.76
(ii) Cash and cash equivalents	12	1,071.17	9.13
(iii) Bank balances other than above	13	1,926.97	12.04
(iv) Other Financial assets	13	104.19	-
(c) Asset held for sale	14	-	19.00
(d) Other current assets	15	2,812.92	3,820.16
Total current assets		**29,316.04**	**30,097.48**
Total Assets		**48,172.63**	**47,249.33**
EQUITY AND LIABILITIES			
Equity			
(a) Equity share capital	16	1,261.10	1,162.48
(b) Other equity	17	34,463.34	25,256.59
Total equity		**35,724.44**	**26,419.07**
Liabilities			
Non-current liabilities			
(a) Financial liabilities			
(i) Borrowings	18	300.00	598.02
(ia) Lease Liability	19	66.69	764.92
(b) Provisions	20	68.80	60.37
(c) Other liabilities	21	10.69	17.32
Total non-current liabilities		**446.18**	**1,440.63**
Current liabilities			
(a) Financial liabilities			
(i) Borrowings	22	9,759.32	14,104.74
(ia) Lease Liability	23	172.19	113.72
(ii) Trade payables			
- Dues to Micro and Small enterprises	24	126.22	139.08
- Dues to Creditors other than Micro and Small enterprises		905.83	790.45
(iii) Other financial liabilities	25	29.21	25.29
(b) Provisions	26	171.43	32.16
(c) Other current liabilities	27	837.81	4,184.19
Total current liabilities		**12,002.01**	**19,389.63**
Total liabilities		**12,448.19**	**20,830.26**
Total Equity and Liabilities		**48,172.63**	**47,249.33**

The accompanying notes form an integral part of the financial statements

For and on behalf of the board

Anil Kumar Bansal
Chairman
DIN: 00232223

Ashish Bansal
Managing Director
DIN: 01543967

Vijay Balakrishnan
Chief Financial Officer

K.Kumaravel
Director Finance & Company Secretary

Place : Chennai
Date : 28th May 2024

As per our report of even date attached
For M/s. L. Mukundan and Associates
Chartered Accountants
(FRN No.010283S)

L. Mukundan
Partner
M.No.204372

Place : Chennai
Date : 28th May 2024

CONSOLIDATED STATEMENT OF PROFIT AND LOSS

FOR THE YEAR ENDED 31ST MARCH 2024

(All amounts are in Lacs of Indian Rupees, unless otherwise stated)

			Notes	As at 31st March 2024	For the year ended 31st March 2023
CONTINUING OPERATIONS					
A	**Income**				
	(a)	Revenue from operations	28	1,54,059.67	1,47,618.09
	(b)	Other income	29	411.08	427.28
	Total income			**1,54,470.75**	**1,48,045.37**
B	**Expenses**				
	(a)	Cost of materials consumed	30	1,31,995.50	1,28,263.42
	(b)	Purchases of Stock in Trade	31	4,095.83	2,314.57
	(c)	Changes in inventories of finished goods and WIP	32	735.10	(369.69)
	(d)	Employee benefits expense	33	2,538.34	2,272.93
	(e)	Finance costs	34	1,718.38	684.25
	(f)	Depreciation and amortisation expense	35	1,318.41	1,109.17
	(g)	Other expenses	36	7,667.87	7,434.41
	Total expenses			**1,50,069.43**	**1,41,709.06**
C	**Profit before exceptional items and tax**			4,401.32	6,336.31
	Exceptional items		37	-	2,851.23
D	**Profit before tax from continuing operations**			4,401.32	9,187.54
	Tax expense		38		
	(a)	Current tax		1,330.42	1,704.76
	(b)	Deferred tax charge/ (credit)		(116.32)	(22.28)
	Profit for the year			**3,187.22**	**7,505.06**
E	**Other comprehensive income**				
	Items that will not be reclassified to profit or loss				
	Remeasurement of post employment benefit obligations			3.01	(6.15)
	Income tax (charge)/ credit relating to these items			(0.76)	1.55
	Other comprehensive income for the year, net of tax			**2.25**	**(4.60)**
Total comprehensive income for the year				**3,189.47**	**7,500.46**
Profit for the year attributable to:					
Owners of the Company				3,187.22	7,505.06
Other comprehensive income for the year attributable to:					
Owners of the Company				2.25	(4.60)
Total comprehensive income for the year attributable to:					
Owners of the Company				3,189.47	7,500.46
Earnings per share			39		
Basic earnings per share				27.21	64.56
Diluted earnings per share				27.13	64.56

The accompanying notes form an integral part of the financial statements

For and on behalf of the board

Anil Kumar Bansal
Chairman
DIN: 00232223

Ashish Bansal
Managing Director
DIN: 01543967

Vijay Balakrishnan
Chief Financial Officer

K.Kumaravel
Director Finance & Company Secretary

Place : Chennai
Date : 28th May 2024

As per our report of even date attached
For M/s. L. Mukundan and Associates
Chartered Accountants
(FRN No.010283S)

L. Mukundan
Partner
M.No.204372

Place : Chennai
Date : 28th May 2024

CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31ST MARCH 2024

(All amounts are in Lacs of Indian Rupees, unless otherwise stated)

Particulars	For the year ended 31st March 2024	For the year ended 31st March 2023
Cash Flow From Operating Activities		
Profit before income tax	4,401.32	9,187.54
Adjustments for		
Depreciation and amortisation expense	1,318.41	1,109.17
(Profit)/ loss on sale of fixed asset	(10.78)	38.83
(Increase)/ decrease in fair value of investments	(3.63)	(0.85)
Interest income	(7.61)	(6.51)
Dividend income	(0.16)	(0.06)
Finance costs	1,718.38	684.25
Capital Reserve and CIRP Adjustment	-	(1,784.84)
Operating Profit before working capital changes	7,415.93	9,227.53
Change in operating assets and liabilities		
(Increase)/ decrease in other financial assets	(102.58)	(297.04)
(Increase)/ decrease in inventories	3,130.01	(1,479.79)
(Increase)/ decrease in trade receivables	(293.65)	(1,420.07)
(Increase)/ decrease in other assets	1,014.14	(1,153.61)
Increase/ (decrease) in provisions and other liabilities	(3,512.23)	4,676.70
Increase/ (decrease) in trade payables	102.52	144.76
Cash generated from operations	7,754.14	9,698.48
Less : Income taxes paid (net of refunds)	(1,223.66)	(1,906.77)
Net cash from operating activities (A)	**6,530.48**	**7,791.71**
Cash Flows From Investing Activities		
Purchase of PPE (including changes in CWIP)	(3,682.11)	(11,061.31)
Sale proceeds of PPE	313.51	48.43
(Investments in)/ Maturity of fixed deposits with banks	(1,914.93)	137.93
Dividend received	0.16	0.06
Interest received	0.71	7.34
Net cash used in investing activities (B)	**(5,282.66)**	**(10,867.55)**
Cash Flows From Financing Activities		
Proceeds from issue of shares (Net of expenses)	4,650.68	-
Proceeds from issue of shares warrants	2,062.50	-
Proceeds from/ (repayment of) long term borrowings	(298.02)	(279.41)
Proceeds from/ (repayment of) short term borrowings	(4,345.42)	4,264.29
Finance costs	(1,674.28)	(684.25)
Dividend paid	(581.24)	(290.62)
Net cash from/ (used in) financing activities (C)	**(185.78)**	**3,010.01**
Net increase/decrease in cash and cash equivalents (A+B+C)	**1,062.04**	**(65.83)**
Cash and cash equivalents at the beginning of the financial year	9.13	74.96
Cash and cash equivalents at end of the year	**1,071.17**	**9.13**

CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31ST MARCH 2024

(All amounts are in Lacs of Indian Rupees, unless otherwise stated)

Notes:

1. The above cash flow statement has been prepared under indirect method prescribed in Ind AS 7 "Cash Flow Statements".
2. Components of cash and cash equivalents

Particulars	For the year ended 31st March 2024	For the year ended 31st March 2023
Balances with banks		
- in current accounts	10.88	7.70
- in EEFC Account	559.57	-
Cash on hand	1.08	1.43
Other Cash Equivalent	499.64	
	1,071.17	**9.13**

For and on behalf of the board

Anil Kumar Bansal
Chairman
DIN: 00232223

Ashish Bansal
Managing Director
DIN: 01543967

Vijay Balakrishnan
Chief Financial Officer

K.Kumaravel
Director Finance & Company Secretary

Place : Chennai
Date : 28th May 2024

As per our report of even date attached
For M/s. L. Mukundan and Associates
Chartered Accountants
(FRN No.010283S)

L. Mukundan
Partner
M.No.204372

Place : Chennai
Date : 28th May 2024

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31ST MARCH 2024

(All amounts are in Lacs of Indian Rupees, unless otherwise stated)

(A) EQUITY SHARE CAPITAL

Balance as at 1st April 2022	581.24
Changes in equity share capital during the year	581.24
Balance as at 1st April 2023	1,162.48
Changes in equity share capital during the year	98.62
Balance as at 31st March 2024	**1,261.10**

* Refer Note 16(a)

(B) OTHER EQUITY

Particulars	General Reserve	Securities Premium	Capital Reserve	Money Received Against Share Warrants	Other comprehensive income	Retained Earnings	Total
Balance as at 1st April 2022	**1,785.92**	**1,092.52**	**-**	**-**	**-**	**17,354.99**	**20,233.43**
Additions/ (deductions) during the year	490.00	(581.24)	-	-	4.60	(810.23)	(896.87)
Additions/ (deductions) on account of Business Combination	-	-	1,303.52	-	-	(2,883.95)	(1,580.43)
Total Comprehensive Income for the year	-	-	-	-	(4.60)	7,561.84	7,557.24
Balance as at 1st April 2023	**2,275.92**	**511.28**	**1,303.52**	**-**	**-**	**21,165.87**	**25,256.59**
Additions/ (deductions) during the year	**395.00**	**4,552.06**	**-**	**2,062.50**	**(2.25)**	**(990.03)**	**6,017.28**
Additions/ (deductions) on account of Business Combination	-	-	-	-	-	-	-
Total Comprehensive Income for the year	-	-	-	-	2.25	3,187.22	3,189.47
Balance as at 31st March 2024	**2,670.92**	**5,063.34**	**1,303.52**	**2,062.50**	**-**	**23,363.06**	**34,463.34**

The accompanying notes form an integral part of the financial statements

For and on behalf of the board

Anil Kumar Bansal
Chairman
DIN: 00232223

Ashish Bansal
Managing Director
DIN: 01543967

Vijay Balakrishnan
Chief Financial Officer

K.Kumaravel
Director Finance & Company Secretary

Place : Chennai
Date : 28th May 2024

As per our report of even date attached
For M/s. L. Mukundan and Associates
Chartered Accountants
(FRN No.010283S)

L. Mukundan
Partner
M.No.204372

Place : Chennai
Date : 28th May 2024

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2024

(All amounts are in Lacs of Indian Rupees, unless otherwise stated)

1. GROUP INFORMATION

The Consolidated Financial Statements comprise financial statements of Pondy Oxides And Chemicals Limited ("the parent Company" or "the Company") and its subsidiaries (collectively, "the Group").

The Principle Activities of the Group are converting Scraps of various forms of Lead, Alumnium and Copper into Lead Metal, Aluminium Metal, Copper and its Alloys. Lead battery scrap is smelted by the company to produce secondary lead metal is then processed into pure lead and specific lead alloys.

2. BASIS OF PREPARATION OF FINANCIAL STATEMENTS

Statement of compliance

These financial statements are prepared in accordance with Indian Accounting Standards (Ind AS) under the historical cost convention on the accrual basis except for certain financial instruments which are measured at fair values, the provisions of the Companies Act, 2013 ('the Act') (to the extent notified) and guidelines issued by the Securities and Exchange Board of India (SEBI). The Ind AS are prescribed under Section 133 of the Act read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016.

Use of estimates

The preparation of financial statements in conformity with Generally Accepted Accounting Principles (GAAP) requires management to make judgments, estimates and assumptions that affect the application of accounting policies and reported amounts of assets, liabilities, income and expenses and the disclosure of contingent liabilities on the date of the financial statements. Actual results could differ from those estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Any revision to accounting estimates is recognised prospectively in current and future periods.

Functional and presentation currency

These financial statements are presented in Indian Rupees (₹), which is the Group's functional currency. All financial information presented in INR has been rounded to the nearest Lacs (up to two decimals). The financial statements are approved for issue by the Company's Board of Directors on 28th May 2024.

2A Critical accounting estimates and management judgments

In application of the accounting policies, which are described in note 2, the management of the Company is required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and assumptions are based on historical experience and other factors that are considered to be relevant.

Information about significant areas of estimation, uncertainty and critical judgements used in applying accounting policies that have the most significant effect on the amounts recognised in the financial statements is included in the following notes:

Property, Plant and Equipment (PPE), Intangible Assets and Investment Properties

The residual values and estimated useful life of PPEs, Intangible Assets and Investment Properties are assessed by the technical team at each reporting date by taking into account the nature of asset, the estimated usage of the asset, the operating condition of the asset, past history of replacement and maintenance support. Upon review, the management accepts the assigned useful life and residual value for computation of depreciation/amortisation. Also, management judgement is exercised for classifying the asset as investment properties or vice versa.

Current tax

Calculations of income taxes for the current period are done based on applicable tax laws and management's judgement by evaluating positions taken in tax returns and interpretations of relevant provisions of law.

Deferred Tax Assets

Significant management judgement is exercised by reviewing the deferred tax assets at each reporting date to determine the amount of deferred tax assets that can be retained/ recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

Fair value

Management uses valuation techniques in measuring the fair value of financial instruments where active market quotes are not available. In applying the valuation techniques, management makes maximum use of market inputs and uses estimates and assumptions that are, as far as possible, consistent with observable data that market participants would use in pricing the instrument. Where applicable data is not observable, management uses its best estimate about the assumptions that market participants would make. These estimates may vary from the actual prices

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st March 2024 (Contd.)

(All amounts are in Lacs of Indian Rupees, unless otherwise stated)

that would be achieved in an arm's length transaction at the reporting date.

Impairment of Trade Receivables

The impairment for trade receivables are done based on assumptions about risk of default and expected loss rates. The assumptions, selection of inputs for calculation of impairment are based on management judgement considering the past history, market conditions and forward looking estimates at the end of each reporting date.

Impairment of Non-financial assets (PPE/ Intangible Assets/ Investment Properties)

The impairment of non-financial assets is determined based on estimation of recoverable amount of such assets. The assumptions used in computing the recoverable amount are based on management judgement considering the timing of future cash flows, discount rates and the risks specific to the asset.

Defined Benefit Plans and Other long term employee benefits

The cost of the defined benefit plan and other long term employee benefits, and the present value of such obligation are determined by the independent actuarial valuer. An actuarial valuation involves making various assumptions that may differ from actual developments in future. Management believes that the assumptions used by the actuary in determination of the discount rate, future salary increases, mortality rates and attrition rates are reasonable. Due to the complexities involved in the valuation and its long term nature, this obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

Fair value measurement of financial instruments

When the fair values of financial assets and financial liabilities could not be measured based on quoted prices in active markets, management uses valuation techniques including the Discounted Cash Flow (DCF) model, to determine its fair value The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is exercised in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility.

Provisions and contingencies

The recognition and measurement of other provisions are based on the assessment of the probability of an outflow of resources, and on past experience and circumstances known at the reporting date. The actual outflow of resources at a future date may therefore vary from the figure estimated at end of each reporting period.

Principles of Consolidation

The Consolidated financial statements relate to the Parent Company and its Subsidiaries. The Consolidated financial statements have been prepared on the following basis:

The financial statements of the Parent Company and its Subsidiaries have been combined on a line-by-line basis by adding together like items of assets, liabilities, income and expenses, after eliminating material intra-group balances, intragroup transactions and resulting unrealised profits or losses, unless cost cannot be recovered.

The Consolidated financial statements have been prepared using uniform accounting policies for like transactions and other events in similar circumstances are presented to the extent possible, in the same manner as the Parent Company's standalone financial statements.

The details of the companies considered in the preparation of the consolidated financial statements are given below

Subsidiary companies	Country of Incorporation	Ownership Interest as at 31st March 2024
POCL Future Tech Private Limited	India	100%
Harsha Exito Engineering Private Limited	India	100%

3. MATERIAL ACCOUNTING POLICIES

a) Current versus non-current classification

The Group presents assets and liabilities in the balance sheet based on current/ non-current classification.

An asset is treated as current when it is:

i) Expected to be realised or intended to be sold or consumed in normal operating cycle

ii) Held primarily for the purpose of trading

iii) Expected to be realised within twelve months after the reporting period, or

iv) Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31st March 2024 (Contd.)

(All amounts are in Lacs of Indian Rupees, unless otherwise stated)

All other assets are classified as non-current.

A liability is current when:

i) It is expected to be settled in normal operating cycle

ii) It is held primarily for the purpose of trading

iii) It is due to be settled within twelve months after the reporting period, or

iv) There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

All other liabilities are classified as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents.

b) Fair value measurement

The Group has applied the fair value measurement wherever necessitated at each reporting period.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

i) In the principal market for the asset or liability;

ii) In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible by the Group.

The fair value of an asset or liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non - financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and the best use or by selling it to another market participant that would use the asset in its highest and best use.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1 : Quoted (unadjusted) market prices in active market for identical assets or liabilities;

Level 2 : Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable; and

Level 3 : Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

The Group has designated the respective team leads to determine the policies and procedures for both recurring and non - recurring fair value measurement. External valuers are involved, wherever necessary with the approval of Group's board of directors. Selection criteria include market knowledge, reputation, independence and whether professional standards are maintained.

For the purpose of fair value disclosure, the Group has determined classes of assets and liabilities on the basis of the nature, characteristics and risk of the asset or liability and the level of the fair value hierarchy as explained above. The component wise fair value measurement is disclosed in the relevant notes.

c) Revenue Recognition

Sale of goods

The Group derives revenues primarily from sale of manufactured goods, traded goods and related services.

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured, regardless of when the payment is being made. Revenue on sale of goods is recognised when the risk and rewards of ownership is transferred to the buyer, which generally coincides with the despatch of the goods or as per the inco-terms agreed with the customers.

Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment. It comprises of invoice value of goods after deducting discounts, volume rebates and applicable taxes on sale. It also excludes value of self-consumption.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st March 2024 (Contd.)

(All amounts are in Lacs of Indian Rupees, unless otherwise stated)

Sale of services

Income from sale of services is recognised when the services are rendered as per the terms of the agreement and when no significant uncertainty as to its determination or realisation exists.

Export entitlements

In respect of the exports made by the Group, the related export entitlements from Government authorities are recognised in the statement of profit and loss when the right to receive the incentives/ entitlements as per the terms of the scheme is established and where there is no significant uncertainty regarding the ultimate collection of the relevant export proceeds.

Interest Income

Interest income is recorded using the effective interest rate (EIR) method. EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset or to the amortised cost of a financial liability. When calculating the effective interest rate, the Group estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses.

Dividend income

Dividend income is recognised when the Group's right to receive dividend is established by the reporting date, which is generally when shareholders approve the dividend.

d) Property, plant and equipment and capital work in progress

Presentation

Property, plant and equipment and capital work in progress are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. Such cost includes the cost of replacing part of the plant and equipment and borrowing costs of a qualifying asset, if the recognition criteria are met. When significant parts of plant and equipment are required to be replaced at intervals, the Group depreciates them separately based on their specific useful lives. All other repair and maintenance costs are recognised in profit or loss as incurred.

Property, plant and equipment acquired in a business combination are recognised at fair value at the acquisition date.

Advances paid towards the acquisition of tangible assets outstanding at each balance sheet date, are disclosed as capital advances under long term loans and advances and the cost of the tangible assets not ready for their intended use before such date, are disclosed as capital work in progress.

Component Cost

All material/ significant components have been identified and have been accounted separately. The useful life of such component are analysed independently and wherever components are having different useful life other than plant they are part of, useful life of components are considered for calculation of depreciation.

The cost of replacing part of an item of property, plant and equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Group and its cost can be measured reliably. The costs of repairs and maintenance are recognised in the statement of profit and loss as incurred.

Machinery spares/ insurance spares that can be issued only in connection with an item of fixed assets and their issue is expected to be irregular are capitalised. Replacement of such spares is charged to revenue. Other spares are charged as revenue expenditure as and when consumed.

Derecognition

Gains or losses arising from derecognition of property, plant and equipment are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit and loss when the asset is derecognised.

e) Depreciation on property, plant and equipment

Depreciation is the systematic allocation of the depreciable amount of an asset over its useful life on a written down value method. The depreciable amount for assets is the cost of an asset, or other amount substituted for cost, less 5% being its residual value.

Depreciation is provided on written down value method, over the useful lives specified in Schedule II to the Companies Act, 2013, except in respect of certain assets, where useful life estimated based on internal assessment and/or independent technical evaluation carried out by external valuer, past trends and differs from the useful lives as prescribed under Part C of Schedule II of the Companies Act 2013.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31st March 2024 (Contd.)

(All amounts are in Lacs of Indian Rupees, unless otherwise stated)

Depreciation for PPE on additions is calculated on pro-rata basis from the date of such additions. For deletion/ disposals, the depreciation is calculated on pro-rata basis up to the date on which such assets have been discarded/ sold. Additions to fixed assets, costing ₹ 5000 each or less are fully depreciated retaining its residual value.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

Based on technical evaluation, the management believes that the useful lives as given below best represent the period over which the management expects to use the asse

Assets	Useful life in years
Buildings	5 - 60
Plant and Equipment	3 - 25
Electrical Fittings	3 - 10
Lab Equipment	3 - 10
Office Equipment	3 - 5
Furniture and Fixtures	3 - 10
Vehicles	3 - 10

f) Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. The cost of a separately acquired intangible asset comprises (a) its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates; and (b) any directly attributable cost of preparing the asset for its intended use. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses.

Goodwill is initially recognised based on the accounting policy for business combinations and is tested for impairment annually.

Useful life and amortisation of intangible assets

The useful lives of intangible assets are assessed as either finite or indefinite. Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period.

The amortisation expense on intangible assets with finite lives is recognised in the statement of profit and loss unless such expenditure forms part of carrying value of another asset.

Intangible assets with indefinite useful lives are not amortised, but are tested for impairment annually. The assessment of indefinite life is reviewed annually to determine whether the indefinite life continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis.

Subsequent cost and measurement

Subsequent costs are capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditures, including expenditure on internally-generated intangibles, are recognised in the statement of profit and loss as incurred.

Subsequent to initial recognition, internally-generated intangible assets are reported at cost less accumulated amortisation and accumulated impairment losses, on the same basis as intangible assets that are acquired separately.

The amortisation expense on intangible assets with finite lives is recognised in the statement of profit and loss unless such expenditure forms part of carrying value of another asset.

Derecognition

Gains or losses arising from derecognition of intangible assets are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit and loss when the asset is derecognised.

g) Investment property

Investment properties are properties held to earn rentals and/or for capital appreciation (including property under construction for such purposes).

Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are measured in accordance with Ind AS 16 - Property, plant and equipments requirements for cost model. The cost includes the cost of replacing parts and borrowing costs for long-term construction projects if the recognition criteria are met. When significant parts of the investment property are required to be replaced at intervals, the Group depreciates them separately based on their specific useful lives. All other repair and maintenance costs are recognised in the statement of profit and loss as incurred.

Group depreciates investment property as per the useful life prescribed in Schedule II of the Companies Act, 2013.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31st March 2024 (Contd.)

(All amounts are in Lacs of Indian Rupees, unless otherwise stated)

Though the Group measures investment property using the cost-based measurement, the fair value of investment property is disclosed in the notes. Fair values are determined based on an annual evaluation applying a valuation model. External valuers are involved, wherever necessary with the approval of Group's board of directors. Selection criteria include market knowledge, reputation, independence and whether professional standards are maintained.

An investment property is derecognised upon disposal or when the investment property is permanently withdrawn from use and no future economic benefits are expected from the disposal. Any gain or loss arising on derecognition of the property (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit and loss in the period in which the property is derecognised.

h) Inventories

Inventories are carried at the lower of cost and net realisable value. Cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Costs are determined on weighted average method as follows:

(i) Raw materials, stock acquired for trading, packing materials and consumables:

At purchase cost including other cost incurred in bringing materials/consumables to their present location and condition.

(ii) Work-in-process and intermediates:

At material cost, conversion costs and appropriate share of production overheads

(iii) Finished goods: At material cost, conversion costs and an appropriate share of production overheads.

Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

i) Financial Instruments

Financial assets and financial liabilities are recognised when an entity becomes a party to the contractual provisions of the instruments.

Financial assets

Initial recognition and measurement

All financial assets are initially recognised at fair value except for trade receivables which are intially measured at transaction price. However, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset are also added to the cost of the financial asset. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

The Company offsets a financial asset and a financial liability when it currently has a legally enforceable right to set off the recognised amounts and the Company intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified on the basis of their contractual cash flow characteristics and the entity's business model of managing them.

Financial assets at amortised cost

- Debt instruments at amortised cost
- Debt instruments at fair value through other comprehensive income (FVTOCI)
- Debt instruments, derivatives and equity instruments at fair value through profit or loss (FVTPL)
- Equity instruments measured at fair value through other comprehensive income (FVTOCI)

Debt instruments at amortised cost

The Group classifies a debt instrument as at amortised cost, if both the following conditions are met:

a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows; and

b) Contractual terms of the asset give rise on specified dates to cash flows that are Solely Payments of Principal and Interest (SPPI) on the principal amount outstanding.

Such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the profit or loss. The losses arising from impairment are recognised in the profit or loss.

Debt instrument at FVTOCI

The Group classifies a debt instrument at FVTOCI, if both of the following criteria are met:

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31st March 2024 (Contd.)

(All amounts are in Lacs of Indian Rupees, unless otherwise stated)

a) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and

b) The asset's contractual cash flows represent SPPI.

Debt instruments included within the FVTOCI category are measured as at each reporting date at fair value. Fair value movements are recognised in the other comprehensive income (OCI). However, the Group recognises finance income, impairment losses and reversals and foreign exchange gain or loss in the profit and loss statement. On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to profit and loss. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method.

Debt instrument at FVTPL

The Company classifies all debt instruments, which do not meet the criteria for categorisation as at amortised cost or as FVTOCI, as at FVTPL.

Debt instruments included within the FVTPL category are measured at fair value with all changes recognised in the profit and loss.

Equity investments

All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading are classified as at FVTPL. Where the Group makes an irrevocable election of classifying the equity instruments at FVTOCI, it recognises all subsequent changes in the fair value in OCI, without any recycling of the amounts from OCI to profit and loss, even on sale of such investments.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognised in the profit and loss.

Financial assets are measured at FVTPL except for those financial assets whose contractual terms give rise to cash flows on specified dates that represents SPPI, are measured as detailed below depending on the business model:

Classification	Name of the financial asset
Amortised cost	Trade receivables, Loans given to employees and others, deposits, interest receivable, unbilled revenue and other advances recoverable in cash.
FVTOCI	Equity investments in companies other than subsidiaries and associates if an option exercised at the time of initial recognition.
FVTPL	Other investments in equity instruments, mutual funds, forward exchange contracts (to the extent not designated as a hedging instrument).

Derecognition

A financial asset is primarily derecognised when:

- The rights to receive cash flows from the asset have expired, or
- The Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Group has transferred substantially all the risks and rewards of the asset, or (b) the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Group has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Group continues to recognise the transferred asset to the extent of the Group's continuing involvement. In that case, the Group also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Group could be required to repay.

On derecognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in other comprehensive income and accumulated in equity, if any, is recognised in profit or loss, except in case of equity instruments classified as FVTOCI, where such cumulative gain or loss is not recycled to statement of profit and loss.

Impairment of financial assets

In accordance with Ind AS 109, the Group applies expected credit loss (ECL) model for measurement

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st March 2024 (Contd.)

(All amounts are in Lacs of Indian Rupees, unless otherwise stated)

and recognition of impairment loss on the following financial assets and credit risk exposure:

a) Financial assets that are debt instruments, and are measured at amortised cost e.g., loans, debt securities, deposits, receivables and bank balance.

b) Financial assets that are debt instruments and are measured at FVTOCI

c) Trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 11 and Ind AS 18.

The Group follows 'simplified approach' for recognition of impairment loss allowance on:

- Trade receivables or contract revenue receivables; and
- All lease receivables resulting from transactions within the scope of Ind AS 116

The application of simplified approach does not require the Group to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime Expected Credit Loss (ECL) at each reporting date, right from its initial recognition.

For recognition of impairment loss on other financial assets and risk exposure, the Group determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12 months ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognising impairment loss allowance based on 12-month ECL.

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12 months ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the reporting date.

ECL is the difference between all contractual cash flows that are due to the Group in accordance with the contract and all the cash flows that the entity expects to receive (i.e., all cash shortfalls), discounted at the original EIR. When estimating the cash flows, the Group considers all contractual terms of the financial instrument (including prepayment, extension, call and similar options) over the expected life of the financial instrument and Cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

ECL allowance (or reversal) recognised during the period is recognised as income/ expense in the statement of profit and loss. This amount is reflected under the head 'other expenses' in the profit and loss. The balance sheet presentation of ECL for various financial instruments is described below:

- Financial assets measured as at amortised cost, contractual revenue receivables and lease receivables: ECL is presented as an allowance, which reduces the net carrying amount. Until the asset meets write-off criteria, the Group does not reduce impairment allowance from the gross carrying amount.
- Debt instruments measured at FVTOCI: Since financial assets are already reflected at fair value, impairment allowance is not further reduced from its value. Rather, ECL amount is presented as 'accumulated impairment amount' in the OCI.

For assessing increase in credit risk and impairment loss, the Group combines financial instruments on the basis of shared credit risk characteristics with the objective of facilitating an analysis that is designed to enable significant increases in credit risk to be identified on a timely basis.

For impairment purposes, significant financial assets are tested on individual basis at each reporting date. Other financial assets are assessed collectively in groups that share similar credit risk characteristics. Accordingly, the impairment testing is done on the following basis:

Name of the financial asset	Impairment Testing Methodology
Trade Receivables	Expected Credit Loss model (ECL) is applied. The ECL over lifetime of the assets are estimated by using a provision matrix which is based on historical loss rates reflecting current conditions and forecasts of future economic conditions which are grouped on the basis of similar credit characteristics such as nature of industry, customer segment, past due status and other factors that are relevant to estimate the expected cash loss from these assets.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31st March 2024 (Contd.)

(All amounts are in Lacs of Indian Rupees, unless otherwise stated)

Name of the financial asset	Impairment Testing Methodology
Other financial assets	When the credit risk has not increased significantly, 12 month ECL is used to provide for impairment loss. When there is significant change in credit risk since initial recognition, the impairment is measured based on probability of default over the life time. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognising impairment loss allowance based on 12 month ECL.

Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at FVTPL and as at amortised cost.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the computation of EIR. The EIR amortisation is included as finance costs in the statement of profit and loss. For trade and other payables maturing within one year from the Balance Sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Group's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, financial guarantee contracts and derivative financial instruments.

The measurement of financial liabilities depends on their classification, as described below:

Financial liabilities at FVTPL

Financial liabilities at FVTPL include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading, if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Group that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments.

Gains or losses on liabilities held for trading are recognised in the profit or loss.

For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risk are recognised in OCI. These gains/ loss are not subsequently transferred to profit and loss. However, the Group may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the statement of profit or loss. The Group has not designated any financial liability as at fair value through profit and loss.

Classification	Name of the financial liability
Amortised cost	Borrowings, Trade payables, Interest accrued, Unclaimed / Disputed dividends, Security deposits and other financial liabilities not for trading.
FVTPL	Foreign exchange Forward contracts being derivative contracts do not qualify for hedge accounting under Ind AS 109 and other financial liabilities held for trading.

Loans and borrowings

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

Financial guarantee contracts

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payments when due in accordance with the terms of a debt instrument. Financial guarantee contracts issued by the Group are initially measured at their fair values and, if not designated as at fair value through profit or loss, are subsequently measured at higher of (i) The amount of loss allowance determined in accordance with impairment requirements of Ind AS 109 – Financial Instruments and (ii) The amount initially recognised less, when appropriate, the cumulative amount of income recognised in accordance with the principles of Ind AS 18 – Revenue.

Derivative financial instruments

The Group holds derivative financial instruments such as foreign exchange forward and options contracts to mitigate the risk of changes in exchange rates on foreign currency exposures. The counterparty for these contracts is generally a bank.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31st March 2024 (Contd.)

(All amounts are in Lacs of Indian Rupees, unless otherwise stated)

(a) Derivatives fair valued through profit or loss

This category has derivative financial assets or liabilities which are not designated as hedges.

Although the Group believes that these derivatives constitute hedges from an economic perspective, they may not qualify for hedge accounting under Ind AS 109, Financial Instruments. Any derivative that is either not designated a hedge, or is so designated but is ineffective as per Ind AS 109, is categorised as a financial asset or financial liability, at fair value through profit or loss.

Derivatives not designated as hedges are recognised initially at fair value and attributable transaction costs are recognised in net profit in the Statement of Profit and Loss when incurred. Subsequent to initial recognition, these derivatives are measured at fair value through profit or loss and the resulting exchange gains or losses are included in other income. Assets / liabilities in this category are presented as current assets / current liabilities if they are either held for trading or are expected to be realised within 12 months after the Balance Sheet date.

Derecognition of financial liabilities

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

Reclassification of financial assets

The Group determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. Changes to the business model are expected to be infrequent. The Group's senior management determines change in the business model as a result of external or internal changes which are significant to the Group's operations. Such changes are evident to external parties. A change in the business model occurs when the Group either begins or ceases to perform an activity that is significant to its operations. If the Group reclassifies financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of the immediately next reporting period following the change in business model. The Group does not restate any previously recognised gains, losses (including impairment gains or losses) or interest.

The following table shows various reclassification and how they are accounted for:

S. No	Original classification	Revised classification	Accounting treatment
1	Amortised cost	FVTPL	Fair value is measured at reclassification date. Difference between previous amortised cost and fair value is recognised in P&L.
2	FVTPL	Amortised Cost	Fair value at reclassification date becomes its new gross carrying amount. EIR is calculated based on the new gross carrying amount.
3	Amortised cost	FVTOCI	Fair value is measured at reclassification date. Difference between previous amortised cost and fair value is recognised in OCI. No change in EIR due to reclassification.
4	FVTOCI	Amortised cost	Fair value at reclassification date becomes its new amortised cost carrying amount. However, cumulative gain or loss in OCI is adjusted against fair value. Consequently, the asset is measured as if it had always been measured at amortised cost.
5	FVTPL	FVTOCI	Fair value at reclassification date becomes its new carrying amount. No other adjustment is required.
6	FVTOCI	FVTPL	Assets continue to be measured at fair value. Cumulative gain or loss previously recognised in OCI is reclassified to P&L at the reclassification date.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31st March 2024 (Contd.)

(All amounts are in Lacs of Indian Rupees, unless otherwise stated)

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet, if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

j) Foreign currency transactions and translations

Transactions and balances

Transactions in foreign currencies are initially recorded by the Group at the functional currency spot rates at the date at which the transaction first qualifies for recognition. However, for practical reasons, the Group uses an average rate, if the average approximates the actual rate at the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date. Exchange differences arising on settlement or translation of monetary items are recognised in profit or loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognised in OCI or profit or loss are also recognised in OCI or profit or loss, respectively).

The Group enters into forward exchange contract to hedge its risk associated with foreign currency fluctuations. The premium or discount arising at the inception of a forward exchange contract is amortised as expense or income over the life of the contract. In case of monetary items which are covered by forward exchange contract, the difference between the year end rate and rate on the date of the contract is recognised as exchange difference. Any profit or loss arising on cancellation of a forward exchange contract is recognised as income or expense for that year.

k) Borrowing Costs

Borrowing cost include interest computed using Effective Interest Rate method, amortisation of ancillary costs incurred and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost.

Borrowing costs that are directly attributable to the acquisition, construction, production of a qualifying asset are capitalised as part of the cost of that asset which takes substantial period of time to get ready for its intended use. The Group determines the amount of borrowing cost eligible for capitalisation by applying capitalisation rate to the expenditure incurred on such cost. The capitalisation rate is determined based on the weighted average rate of borrowing cost applicable to the borrowings of the Group which are outstanding during the period, other than borrowings made specifically towards purchase of the qualifying asset. The amount of borrowing cost that the Group capitalises during the period does not exceed the amount of borrowing cost incurred during that period. All other borrowings costs are expensed in the period in which they occur.

Interest income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation. All other borrowing costs are recognised in the statement of profit and loss in the period in which they are incurred.

l) Government grants

Government grants are recognised at fair value where there is a reasonable assurance that the grant will be received and all the attached conditions are complied with.

In case of revenue related grant, the income is recognised on a systematic basis over the period for which it is intended to compensate an expense and is disclosed under “Other operating revenue” or netted off against corresponding expenses wherever appropriate. Receivables of such grants are shown under “Other Financial Assets”. Export benefits are accounted for in the year of exports based on eligibility and when there is no uncertainty in receiving the same. Receivables of such benefits are shown under “Other Financial Assets”.

Government grants related to assets, including non-monetary grants at fair value, shall be presented in the balance sheet by setting up the grant as deferred income. The grant set up as deferred income is recognised in profit or loss on a systematic basis over the useful life of the asset.

m) Taxes

Current income tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31st March 2024 (Contd.)

(All amounts are in Lacs of Indian Rupees, unless otherwise stated)

used to compute the amount are those that are enacted or substantively enacted, at the reporting date in the countries where the Group operates and generates taxable income.

Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Minimum Alternate Tax (MAT) paid in accordance with the tax laws, which gives future economic benefits in the form of adjustment to future tax liability, is recognised as an asset viz. MAT Credit Entitlement, to the extent there is convincing evidence that the Group will pay normal Income tax and it is highly probable that future economic benefits associated with it will flow to the Group during the specified period. The Group reviews the "MAT Credit Entitlement" at each Balance Sheet date and writes down the carrying amount of the same to the extent there is no longer convincing evidence to the effect that the Group will pay normal Income tax during the specified period.

Uncertainty over Income Tax Treatments clarifies that while determinating the taxable profit (or loss), tax bases, unused tax losses, unused tax credits and tax rates, when there is uncertainty over income tax treatments under Ind AS 12, companies need to determine the probability of the relevant tax authority accepting each tax treatment, or group of tax treatments.

Deferred tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognised for all taxable temporary differences.

Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised. Where there is deferred tax assets arising from carry forward of unused tax losses and unused tax created, they are recognised to the extent of deferred tax liability.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

Where current tax or deferred tax arises from the initial accounting for a business combination, the tax effect is included in the accounting for the business combination.

Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred tax assets and deferred tax liabilities relate to the same taxable entity and the same taxation authority.

n) Retirement and other employee benefits

Short-term employee benefits

A liability is recognised for short-term employee benefit in the period the related service is rendered at the undiscounted amount of the benefits expected to be paid in exchange for that service.

Defined contribution plans

Retirement benefit in the form of provident fund is a defined contribution scheme. The Group has no obligation, other than the contribution payable to the provident fund. The Group recognises contribution payable to the provident fund scheme as an expense, when an employee renders the related service. If the contribution payable to the scheme for service received before the balance sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognised as a liability after deducting the contribution

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st March 2024 (Contd.)

(All amounts are in Lacs of Indian Rupees, unless otherwise stated)

already paid. If the contribution already paid exceeds the contribution due for services received before the balance sheet date, then excess is recognised as an asset to the extent that the pre-payment will lead to, for example, a reduction in future payment or a cash refund.

Defined benefit plans

The Group operates a defined benefit gratuity plan in India, which requires contributions to be made to a separately administered fund. The cost of providing benefits under the defined benefit plan is determined using the projected unit credit method.

Remeasurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Remeasurements are not reclassified to profit or loss in subsequent periods.

Employee Benfits in connection with Plan amendments, curtailments and settlements, to use updated assumptions to determine current service cost to be updated and to recognise in profit or loss as part of past service cost or gain or loss on settlement.

Compensated absences

The Group has a policy on compensated absences which are both accumulating and non-accumulating in nature. The expected cost of accumulating compensated absences is determined by actuarial valuation performed by an independent actuary at each balance sheet date using projected unit credit method on the additional amount expected to be paid / availed as a result of the unused entitlement that has accumulated at the balance sheet date. Expense on non-accumulating compensated absences is recognised in the period in which the absences occur.

Other long term employee benefits

Liabilities recognised in respect of other long-term employee benefits are measured at the present value of the estimated future cash outflows expected to be made by the Group in respect of services provided by the employees up to the reporting date.

o) Leases

Company as a lessor

Leases in which the Company does not transfer substantially all the risks and rewards of ownership of an asset are classified as operating leases. Rental income from operating lease is recognised on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

Company as a lessee

The Company applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Company recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets

(i) Right of Use Assets

The Company recognises right-of-use assets at the commencement date of the lease (i.e., the date when the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. The right-of-use assets are also subject to impairment.

Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets.

(ii) Lease Liability

In calculating the present value of lease payments, the Company uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is generally not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

The Company's lease liabilities are included in Other Financial Liabilities.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st March 2024 (Contd.)

(All amounts are in Lacs of Indian Rupees, unless otherwise stated)

(iii) Short term leases and leases of low value assets

Short term leases and leases for which the underlying asset is of low value, the lease payment is recognised as an expense based on straight line basis over the lease term.

p) Impairment of non financial assets

The Company assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

q) Provisions, contingent liabilities and contingent asset

Provisions

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

Provisions are discounted, if the effect of the time value of money is material, using pre-tax rates that reflects the risks specific to the liability. When discounting is used, an increase in the provisions due to the passage of time is recognised as finance cost. These provisions are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

Necessary provision for doubtful debts, claims, etc., are made, if realisation of money is doubtful in the judgement of the management.

Contingent liabilities

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Group or a present obligation that is not recognised because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognised because it cannot be measured reliably. Contingent liabilities are disclosed separately.

Show cause notices issued by various Government authorities are considered for evaluation of contingent liabilities only when converted into demand.

Contingent assets

Where an inflow of economic benefits is probable, the Group discloses a brief description of the nature of the contingent assets at the end of the reporting period, and, where practicable, an estimate of their financial effect.

Contingent assets are disclosed but not recognised in the financial statements.

r) Cash and cash equivalents

Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short-term balances with original maturity of less than 3 months, highly liquid investments that are readily convertible into cash, which are subject to insignificant risk of changes in value.

s) Cash Flow Statement

Cash flows are presented using indirect method, whereby profit / (loss) before tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments.

Bank borrowings are generally considered to be financing activities. However, where bank overdrafts which are repayable on demand form an integral part of an entity's cash management, bank overdrafts are included as a component of cash and cash equivalents for the purpose of Cash flow statement.

t) Earnings per share

The basic earnings per share are computed by dividing the net profit for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

Diluted EPS is computed by dividing the net profit after tax by the weighted average number of equity shares considered for deriving basic EPS and also weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares. Dilutive potential equity shares are deemed converted as of the beginning of the period, unless issued at a later date. Dilutive potential equity shares are determined independently for each period presented. The number of equity shares and potentially dilutive equity shares are adjusted for bonus shares, as appropriate.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31st March 2024 (Contd.)

(All amounts are in Lacs of Indian Rupees, unless otherwise stated)

u) Business Combination

Business combinations are accounted for using the acquisition accounting method as at the date of the acquisition, which is the date at which control is transferred to the Company.

The consideration transferred in the acquisition and the identifiable assets acquired and liabilities assumed are recognised at fair values on their acquisition date. Goodwill is initially measured at cost being the excess of aggregate consideration transferred over the net identifiable assets and liabilities. Transaction costs are recognised in profit & loss account.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31st March 2024 (Contd.)

(All amounts are in Lacs of Indian Rupees, unless otherwise stated)

4.

a) Property, plant and equipment

Particulars	Tangible Assets											Intangible Assets
	Owned Assets									Right of Use Asset	Total	
	Free hold Land	Buildings	Plant and Equipment	Lab Equipment	Furniture and Fixtures	Vehicles	Office Equipment	Electrical Fittings	Sub Total	Leasehold Land		
Deemed Cost as at 1st April 2022	**719.10**	**2,993.10**	**3,343.28**	**119.14**	**179.51**	**324.32**	**191.70**	**405.31**	**8,275.46**	**237.82**	**8,513.28**	**160.36**
Additions	3,209.49	366.18	700.21	35.33	23.15	190.16	78.24	167.17	4,769.93	878.63	5,648.56	-
Acquisition through business combination		3,289.39	1,366.11	-	-	193.63	3.81	402.76	5,255.70	700.82	5,956.52	
Disposals	-	-	(316.73)	(3.38)	(1.77)	(139.91)	(20.83)	(5.68)	(488.30)	-	(488.30)	-
Cost as at 31st March 2023	**3,928.59**	**6,648.67**	**5,092.87**	**151.09**	**200.89**	**568.20**	**252.92**	**969.56**	**17,812.79**	**1,817.27**	**19,630.06**	**160.36**
Additions	1,723.35	224.64	1,218.19	17.40	4.17	90.23	32.33	48.26	3,358.57	153.40	3,511.97	1.98
Adjustments										(492.76)		
Disposals	-	-	(228.64)	-	-	(185.34)	(0.02)	(1.64)	(415.64)	-	(415.64)	-
Cost as at 31st March 2024	**5,651.94**	**6,873.31**	**6,082.42**	**168.49**	**205.06**	**473.09**	**285.23**	**1,016.18**	**20,755.72**	**1,477.91**	**22,233.63**	**162.34**
Depreciation/Amortisation												
As at 31st March 2022	**-**	**963.34**	**1,794.18**	**95.51**	**143.48**	**109.65**	**155.37**	**227.53**	**3,489.06**	**15.66**	**3,504.72**	**85.14**
Charge for the year	-	272.43	593.62	8.28	18.86	80.97	32.05	78.57	1,084.78	10.40	1,095.18	14.00
Disposals	-	-	(246.98)	(2.67)	(1.45)	(107.68)	(18.88)	(4.35)	(382.01)	-	(382.01)	-
As at 31st March 2023	**-**	**1,235.77**	**3,295.69**	**101.12**	**160.89**	**252.56**	**172.33**	**589.83**	**5,808.19**	**26.06**	**5,834.25**	**99.14**
Charge for the year	-	311.21	563.96	15.46	19.15	81.13	52.36	99.17	1,142.44	164.75	1,307.19	11.20
Disposals	-	-	(41.16)	-	-	(71.24)	(0.01)	(0.42)	(112.83)	-	(112.83)	-
As at 31st March 2024	**-**	**1,546.98**	**3,818.49**	**116.58**	**180.04**	**262.45**	**224.68**	**688.58**	**6,837.80**	**190.81**	**7,028.61**	**110.34**
Net Block												
As at 1st April, 2022	719.10	2,029.76	1,549.10	23.63	36.03	214.67	36.33	177.78	4,786.40	222.16	5,008.56	75.22
As at 31st March 2023	3,928.59	5,412.90	1,797.18	49.97	40.00	315.64	80.59	379.73	12,004.60	1,791.21	13,795.81	61.22
As at 31st March 2024	**5,651.94**	**5,326.33**	**2,263.93**	**51.91**	**25.02**	**210.64**	**60.55**	**327.60**	**13,917.92**	**1,287.10**	**15,205.02**	**52.00**

Disposals during the current year include property, plant and equipment classified as assets held for sale. Refer note 14.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31st March 2024 (Contd.)

(All amounts are in Lacs of Indian Rupees, unless otherwise stated)

b) Capital work-in-progress

Capital work-in-progress as at 31st March 2024 is ₹ 889.73 Lacs (Previous Year - ₹ 1166.73 Lacs).

Ageing for capital work-in-progress groupwise as at 31st March 2024 is as follows

Particulars	Amount in work-in-progress for a period of				Total
	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	
Projects in progress	889.73	-	-	-	889.73
Projects temporarily suspended	-	-	-	-	-
Total	**889.73**	**-**	**-**	**-**	**889.73**

Ageing for capital work-in-progress groupwise as at 31st March 2023 is as follows

Particulars	Amount in work-in-progress for a period of				Total
	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	
Projects in progress	1,166.73	-	-	-	1,166.73
Projects temporarily suspended	-	-	-	-	-
Total	**1,166.73**	**-**	**-**	**-**	**1,166.73**

c) Title deeds of Immovable Properties not held in name of the Group as at 31st March 2024

Title deeds of Immovable Properties not held in name of the Group as at 31st March 2024

Relevant line item in the Balance sheet	Description of item of property	Gross carrying value	Title deeds held in the name of	Whether title deed holder is a promoter, director or relative of promoter/director or employee of promoter/director	Property held since which date	Reason for not being held in the name of the Group
Property, plant and equipment	Freehold land held at Plot 78C Industrial park, Gajulamandayam, Chittoor, Andhra Pradesh	293.15	Vedam Drugs Private Limited / Meloy Metals Private Limited	No	1st April 2019	The said transfer was pursuant to the Amalgamation as approved by Honourable NCLT, Chennai vide order dated 21st February 2020.

5. GOODWILL

	As at 31st March 2024	As at 31st March 2023
Acquisitions through business combination	965.46	965.46
	965.46	**965.46**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31st March 2024 (Contd.)

(All amounts are in Lacs of Indian Rupees, unless otherwise stated)

6. NON-CURRENT INVESTMENTS

	As at 31st March 2024	As at 31st March 2023
i. Investments in Equity Instruments (Quoted)		
2,000 equity shares (previous year 2,000) of ₹ 10 each in Amararaja Batteries Ltd, fully paid	15.21	11.58
	15.21	**11.58**
Total non-current investments		
Aggregate amount of quoted investments	15.21	11.58
Aggregate market value of quoted investments	15.21	11.58

7. OTHER NON-CURRENT FINANCIAL ASSETS

	As at 31st March 2024	As at 31st March 2023
(Unsecured, considered good)		
Fixed Deposits (maturing after 12 months from end of reporting date)*	-	13.25
Security deposits	371.54	359.90
	371.54	**373.15**

* Lien marked with banks and are restricted from being exchanged or used to settle a liability.

8. DEFERRED TAX ASSET / (LIABILITY) - NET

	As at 31st March 2024	As at 31st March 2023
Deferred Tax Asset		
On Fixed Assets	388.18	371.66
On expenses allowed under Income Tax on payment basis	118.13	19.10
	506.31	**390.76**

9. OTHER NON-CURRENT ASSETS

	As at 31st March 2024	As at 31st March 2023
Capital Advances	851.32	387.14
	851.32	**387.14**

10. INVENTORIES

	As at 31st March 2024	As at 31st March 2023
Raw materials*	7,763.89	10,171.10
Work-in-progress	2,115.18	2,741.33
Finished goods**	2,755.12	2,786.68
Stock in trade	38.42	114.74
Stores and spares	279.77	268.54
	12,952.38	**16,082.39**

*Includes stock in transit of ₹ 2644.27 Lacs (3272.84 Lacs)

**Includes stock in transit of ₹ 340.99 Lacs (Nil)

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31st March 2024 (Contd.)
(All amounts are in Lacs of Indian Rupees, unless otherwise stated)

	As at 31st March 2024	As at 31st March 2023
Inventory comprise of		
Raw Materials		
Lead in all forms	7,051.65	8,475.57
Others	712.24	1,695.53
	7,763.89	**10,171.10**
Work in progress		
Lead in all forms	1,810.34	2,672.33
Others	304.84	69.00
	2,115.18	**2,741.33**
Finished Goods		
Lead Ingots	1,059.51	365.83
Lead Alloys	1,234.51	1,506.70
Others	461.10	914.15
	2,755.12	**2,786.68**

11. TRADE RECEIVABLES

	As at 31st March 2024	As at 31st March 2023
Considered good - Secured	-	55.20
Considered good - Unsecured	10,448.41	10,099.56
	10,448.41	**10,154.76**

Ageing for trade receivables – current outstanding as at 31st March 2024 is as follows :

Particulars	Not Due	Outstanding for following periods from due date of payment					Total
		Less than Six Months	6 Months – 1 Year	1-2 Years	2-3 Years	More than 3 Years	
(i) Undisputed Trade receivables – considered good	7,089.43	3,339.51	19.47	-	-	-	10,448.41
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-	-
(iv) Disputed Trade Receivables– considered good	-	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-	-
Total	**7,089.43**	**3,339.51**	**19.47**	**-**	**-**	**-**	**10,448.41**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31st March 2024 (Contd.)

(All amounts are in Lacs of Indian Rupees, unless otherwise stated)

Ageing for trade receivables – current outstanding as at 31st March 2023 is as follows :

Particulars	Not Due	Outstanding for following periods from due date of payment					Total
		Less than Six Months	6 Months – 1 Year	1-2 Years	2-3 Years	More than 3 Years	
(i) Undisputed Trade receivables – considered good	9,369.56	785.08	-	0.12	-	-	10,154.76
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-	-
(iv) Disputed Trade Receivables– considered good	-	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-	-
Total	**9,369.56**	**785.08**	**-**	**0.12**	**-**	**-**	**10,154.76**

12. CASH AND CASH EQUIVALENTS

	As at 31st March 2024	As at 31st March 2023
Cash in hand	1.08	1.43
Balances with banks		
In current accounts	10.88	7.70
In EEFC account	559.57	-
Cash equivalents		
Overnight Fund	499.64	-
	1,071.17	**9.13**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31st March 2024 (Contd.)

(All amounts are in Lacs of Indian Rupees, unless otherwise stated)

13. OTHER BANK BALANCES

	As at 31st March 2024	As at 31st March 2023
Fixed deposits	1,913.78	-
In earmarked accounts		
Unpaid dividend accounts	13.19	12.04
	1,926.97	**12.04**

* ₹ 13.78 Lacs Lien marked with banks and are restricted from being exchanged or used to settle a liability.

	As at 31st March 2024	As at 31st March 2023
Other Financial assets		
Others	104.19	-
	104.19	**-**

14. ASSET HELD FOR SALE

	As at 31st March 2024	As at 31st March 2023
Vehicles	-	19.00
	-	**19.00**

15. OTHER CURRENT ASSETS

	As at 31st March 2024	As at 31st March 2023
Other advances		
GST / Benefits Receivables	1,127.40	2,057.26
Interest accrued on Deposits	9.99	3.09
Prepaid expenses	50.81	43.82
Balances with government authorities	18.23	71.51
Advances to Employees	17.39	12.58
Others - Suppliers Advance (including for expenses)	1,587.22	1,627.20
Other current assets	1.88	4.70
	2,812.92	**3,820.16**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31st March 2024 (Contd.)

(All amounts are in Lacs of Indian Rupees, unless otherwise stated)

16. CAPITAL

	As at 31st March 2024	As at 31st March 2023
Authorised Share Capital		
2,01,50,000 (2,01,50,000) Equity shares of ₹ 10 each	2,015.00	2,015.00
	2,015.00	**2,015.00**
Issued Share Capital		
1,26,10,977 (1,16,24,780) Equity shares of ₹ 10 each	1,261.10	1,162.48
	1,261.10	**1,162.48**
Subscribed and fully paid up share capital		
1,26,10,977 (1,16,24,780) Equity shares of ₹ 10 each	1,261.10	1,162.48
	1,261.10	**1,162.48**

Notes:

(a) Reconciliation of number of equity shares subscribed

	As at 31st March 2024	As at 31st March 2023
Balance as at the beginning of the year	1,16,24,780	58,12,390
Add: Issued on account of Preferential issue	9,86,197	-
Add: Issued on account of Bonus issue	-	58,12,390
Balance at the end of the year	**1,26,10,977**	**1,16,24,780**

During the year, the holding company has raised addtional share capital aggregating ₹ 5,000.02 Lacs (includes share premium of ₹ 4,650.68 Lacs net of expenses of ₹ 349.34 Lacs) (Refer Note 17 b) by way of preferential allotment of equity shares and alloted 9,86,197 fully paid up Equity shares of ₹ 10 each at a premium of ₹ 497 per share through private placement to investors as per the approval of the members in the EGM held on 06-Feb-2024. Accordingly the holding company's paid up share capital have increased from 1,16,24,780 Equity Shares of ₹ 10/- each to 1,26,10,977 Equity Shares of ₹ 10/- each.

(b) Shareholders holding more than 5% of the total share capital

Name of the share holder	31st March 2024		31st March 2023	
	No of shares	%	No of shares	%
Ashish Bansal	17,19,183	13.63	17,17,924.00	14.78
Anil Kumar Bansal	12,53,622	9.94	12,53,622.00	10.78
Manju Bansal	10,95,254	8.68	10,95,254.00	9.42
Saroj Bansal	13,58,240	10.77	13,58,240.00	11.68

(c) Rights, preferences and restrictions in respect of equity shares issued by the Company

The Company has only one class of equity shares having a par value of ₹ 10 each. The equity shares of the Company having par value of ₹ 10/- rank pari-passu in all respects including voting rights and entitlement to dividend.

(d) Disclosure of shareholding of promoters as at 31st March 2024 is as follows

Name of the share holder	31st March 2024		31st March 2023		% change during the year *
	No of shares	%	No of shares	%	
Ashish Bansal	17,19,183	13.63	17,17,924	14.78	(1.15)
Anil Kumar Bansal	12,53,622	9.94	12,53,622	10.78	(0.84)
Manju Bansal	10,95,254	8.68	10,95,254	9.42	(0.74)
Saroj Bansal	13,58,240	10.77	13,58,240	11.68	(0.91)
Pawankumar Bansal	2,46,580	1.96	2,46,580	2.12	(0.17)
Megha Choudhari	11,136	0.09	11,136	0.10	(0.01)
Total	**56,84,015**	**45.07**	**56,82,756**	**48.88**	**(3.81)**

*Reduction due to preferential allotment of shares and not on account sale

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31st March 2024 (Contd.)

(All amounts are in Lacs of Indian Rupees, unless otherwise stated)

17. OTHER EQUITY

	As at 31st March 2024	As at 31st March 2023
a) General reserve	2,670.92	2,275.92
b) Securities Premium	5,063.34	511.28
c) Capital Reserve	1,303.52	1,303.52
d) Money Received Against Share Warrants*	2,062.50	-
e) Other comprehensive income	-	-
f) Retained Earnings	23,363.06	21,165.87
	34,463.34	**25,256.59**

a) General reserve

	As at 31st March 2024	As at 31st March 2023
Balance at the beginning of the year	2,275.92	1,785.92
Additions during the year	395.00	490.00
Deductions/Adjustments during the year	-	-
Balance at the end of the year	**2,670.92**	**2,275.92**

b) Securities Premium

	As at 31st March 2024	As at 31st March 2023
Balance at the beginning and end of the year	511.28	1,092.52
Additions on account of business combination	-	(581.24)
Additions on account of preferential allotment*	4,901.40	-
Deductions/Adjustments during the year	-	-
New Share Issue Charges	(349.34)	-
Balance at the end of the year	**5,063.34**	**511.28**

c) Capital Reserve

	As at 31st March 2024	As at 31st March 2023
Opening balance		
Additions during the year	1,303.52	1,303.52
Deductions/Adjustments during the year	-	-
Closing balance	**1,303.52**	**1,303.52**

d) Money Received Against Share Warrants

	As at 31st March 2024	As at 31st March 2023
Opening balance		
Additions during the year*	2,062.50	-
Deductions/Adjustments during the year	-	-
Closing balance	**2,062.50**	**-**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st March 2024 (Contd.)

(All amounts are in Lacs of Indian Rupees, unless otherwise stated)

e) Other comprehensive income

	As at 31st March 2024	As at 31st March 2023
Opening balance	-	-
Additions during the year	2.25	(4.60)
Deductions/Adjustments during the year	(2.25)	4.60
	-	**-**

f) Retained Earnings

	As at 31st March 2024	As at 31st March 2023
Opening balance	21,165.91	17,354.99
Net profit for the period	3,187.22	7,505.06
Additions/ (deductions) on account of Business Combination	-	(2,883.95)
Transfer from Other Comprehensive Income	2.25	(4.60)
Transfers to General Reserve	(395.00)	(490.00)
Excess/(Short) provision for taxes reversed	(16.04)	(25.01)
Dividend paid (including tax on dividends)	(581.24)	(290.62)
Closing balance	**23,363.10**	**21,165.87**

*Consequent to the approval of the Board of Directors of holding company in its meeting held on 12th January 2024 and subsequent approval by the shareholders through special resolution in general meeting held on 06th February 2024, the board on 28th February 2024 has allotted 9,86,197 equity shares and 16,27,221 convertible warrants carrying an entitlement to subscribe to an equivalent number of equity shares at face value of ₹ 10 each at a price of ₹ 507 per warrant (including a premium of ₹ 497 per warrant) to promoter and non-promoter allottees.Each warrant is convertible into one equity share within a period of 18 months from the date of allotment at the option of warrant holder. As per the terms of allotment, the company has received subscription money equivalent to 25% of issue price and balance 75% shall be paid by the warrant holder at the time of allotment of equity share pursuant to exercise of option. None of the warrant holders have exercised their option till 31st March 2024.

18. LONG TERM BORROWINGS

	As at 31st March 2024	As at 31st March 2023
Secured *		
From Banks	-	127.43
Unsecured Loans		
From Related Parties **	300.00	500.00
Less: Current maturities of Long Term Debt (refer Note 22)	-	(29.41)
	300.00	**598.02**

* Refer Note 44 for repayment terms and security details

** Represents loan from Directors

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31st March 2024 (Contd.)
(All amounts are in Lacs of Indian Rupees, unless otherwise stated)

19. LEASE LIABILITY

	As at 31st March 2024	As at 31st March 2023
Non Current	66.69	764.92
	66.69	**764.92**

The average incremental borrowing rate applied to lease liabilities during the year is 8.75%

20. PROVISIONS (NON-CURRENT)

	As at 31st March 2024	As at 31st March 2023
Provision for Employee Benefits		
Gratuity	35.19	19.93
Compensated absences	33.61	40.44
	68.80	**60.37**

21. OTHER NON-CURRENT LIABILITIES

	As at 31st March 2024	As at 31st March 2023
Deferred Government Grants	10.69	17.32
	10.69	**17.32**

22. CURRENT LIABILITIES - FINANCIAL LIABILITIES: BORROWINGS

	As at 31st March 2024	As at 31st March 2023
Secured		
From banks		
Rupee Loans	5,356.82	12,550.59
Foreign Currency Loans	3,792.95	887.19
Current maturities of long-term debt	-	29.41
Unsecured		
Loans from directors	494.47	527.06
Inter Corporate Deposits	115.08	110.49
	9,759.32	**14,104.74**

Notes:

(a) Working Capital loans are secured by hypothecation of present and future stock of raw materials, stock-in-process, finished goods, stores and spares, book debts, materials in transit, etc. The above working capital facilities availed from banks are additionally secured by a charge / mortgage on all fixed assets of the company. The loans carry interest in the range of 7% to 9%

(b) Inter-corporate and other deposits carry interest in the range of 10% payable annually, repayable as per the terms of repayment agreed.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31st March 2024 (Contd.)

(All amounts are in Lacs of Indian Rupees, unless otherwise stated)

23. LEASE LIABILITY

	As at 31st March 2024	As at 31st March 2023
Building	172.19	113.72
	172.19	**113.72**

The average incremental borrowing rate applied to lease liabilities during the year is 8.75%

24. TRADE PAYABLES

	As at 31st March 2024	As at 31st March 2023
Dues to Micro and Small enterprises *	126.22	139.08
Dues to Creditors other than Micro and Small enterprises	905.83	790.45
	1,032.05	**929.53**

* Dues to Micro and Small Enterprises have been determined to the extent such parties have been identified on the basis of information collected by the management represents the principal amount payable to these enterprises. There are no interest due and outstanding as at the reporting date.

Ageing for trade payables – current outstanding as at 31st March 2024 is as follows :

Particulars		Not Due	Outstanding for following periods from due date of payment				Total
			Less than one Year	1-2 Years	2-3 Years	More than 3 Years	
i)	MSME	125.07	1.15	-	-	-	126.22
ii)	Others	612.00	56.35	2.92	0.09	-	671.36
iii)	Disputed dues – MSME	-	-	-	-	-	-
iv)	Disputed dues – Others"	-	-	-	-	-	-
v)	Accrued Expenses	234.47	-	-	-	-	234.47
Total		**971.54**	**57.50**	**2.92**	**0.09**	**-**	**1,032.05**

Ageing for trade payables – current outstanding as at 31st March 2023 is as follows :

Particulars		Not Due	Outstanding for following periods from due date of payment				Total
			Less than one Year	1-2 Years	2-3 Years	More than 3 Years	
i)	MSME	101.11	37.97	-	-	-	139.08
ii)	Others	496.13	227.22	3.93	1.56	-	728.84
iii)	Disputed dues – MSME	-	-	-	-	-	-
iv)	Disputed dues – Others	-	-	-	-	-	-
v)	Accrued Expenses	61.61	-	-	-	-	61.61
Total		**658.85**	**265.19**	**3.93**	**1.56**	**-**	**929.53**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st March 2024 (Contd.)

(All amounts are in Lacs of Indian Rupees, unless otherwise stated)

25. OTHER CURRENT FINANCIAL LIABILITIES

	As at 31st March 2024	As at 31st March 2023
Forward Contract Payable	16.02	13.25
Unpaid/Unclaimed dividends	13.19	11.96
Unclaimed Fractional Shares dividends	-	0.08
	29.21	**25.29**

26. PROVISIONS (CURRENT)

	As at 31st March 2024	As at 31st March 2023
Provision for Tax (net of advance tax and TDS)	140.02	17.26
Provision for employee benefits		
Gratuity	6.00	6.20
Compensated absences	25.41	8.70
	171.43	**32.16**

27. OTHER CURRENT LIABILITIES

	As at 31st March 2024	As at 31st March 2023
Statutory Dues Payable	374.05	100.75
Employee benefits payable	135.40	140.86
Advance and deposits from customers/suppliers	310.30	2,568.09
Deferred Government Grants	6.62	6.62
Current account credit balance	-	1,309.55
Other payables	11.44	58.32
	837.81	**4,184.19**

28. REVENUE FROM OPERATIONS

	For the year ended 31st March 2024	For the year ended 31st March 2023
Sale of Products		
Manufactured Goods	1,48,320.72	1,43,576.15
Traded Goods	4,249.18	2,377.52
Sale of Services		
Conversion Charges Received	1,420.17	1,593.31
	1,53,990.07	**1,47,546.98**
Other Operating Revenue	69.60	71.11
	1,54,059.67	**1,47,618.09**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st March 2024 (Contd.)

(All amounts are in Lacs of Indian Rupees, unless otherwise stated)

Details of Manufactured and Traded Goods

	For the year ended 31st March 2024	For the year ended 31st March 2023
i. Manufactured Goods:		
Metals	1,46,075.70	1,42,641.31
Others	2,245.02	934.84
	1,48,320.72	**1,43,576.15**
ii. Traded Goods		
Metals	3,791.32	1,876.88
Others	457.86	500.64
	4,249.18	**2,377.52**

29. OTHER INCOME

	For the year ended 31st March 2024	For the year ended 31st March 2023
Interest receipts	7.61	6.51
MTM gain on forward contacts	-	43.86
Incomed from Subsidy	6.62	6.62
Gain on foreign exchange fluctuation (net)	81.67	334.62
Profit on fixed assets sold / scrapped / written off	37.37	-
Miscellaneous income	277.81	35.67
	411.08	**427.28**

30. COST OF MATERIALS CONSUMED

	For the year ended 31st March 2024	For the year ended 31st March 2023
Opening inventory of raw materials*	6,898.26	6,741.04
Add : Purchases*	1,30,786.02	1,28,623.81
Less : Closing inventory of raw materials*	(5,119.61)	(6,898.26)
Add: (Gain)/Deficit in Hedging operations of price of raw materials	(569.17)	(203.17)
	1,31,995.50	**1,28,263.42**

*Excludes stock in transit of ₹ 2,644.27 Lacs (3,272.84 Lacs)

31. PURCHASES OF STOCK IN TRADE

	For the year ended 31st March 2024	For the year ended 31st March 2023
Metals	4,095.83	1,737.63
Others	-	576.94
	4,095.83	**2,314.57**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31st March 2024 (Contd.)

(All amounts are in Lacs of Indian Rupees, unless otherwise stated)

32. CHANGES IN INVENTORIES OF WORK-IN-PROGRESS, STOCK IN TRADE AND FINISHED GOODS

	For the year ended 31st March 2024	For the year ended 31st March 2023
Opening Balance		
Work-in-progress	2,741.33	1,787.64
Finished goods*	2,787.75	3,486.49
Stock in trade	114.74	-
	5,643.82	**5,274.13**
Closing Balance		
Work-in-progress	2,115.18	2,741.33
Finished goods*	2,755.12	2,787.75
Stock in trade	38.42	114.74
	4,908.72	**5,643.82**
Net (increase)/decrease in inventories	**735.10**	**(369.69)**

*Includes stock in transit of ₹ 340.99 Lacs (Nil)

33. EMPLOYEE BENEFITS EXPENSE

	For the year ended 31st March 2024	For the year ended 31st March 2023
Salaries and wages	2,204.98	1,954.21
Contribution to provident and other funds	140.27	128.11
Staff welfare expenses	193.09	190.61
	2,538.34	**2,272.93**

34. FINANCE COST

	For the year ended 31st March 2024	For the year ended 31st March 2023
Interest on Bank Borrowings	1,544.76	544.37
Interest on Others	129.52	139.88
Interest on Lease Liabilty	44.10	-
	1,718.38	**684.25**

35. DEPRECIATION AND AMORTISATION EXPENSE

	For the year ended 31st March 2024	For the year ended 31st March 2023
Depreciation on Property, Plant and Equipment	1,152.86	1,095.16
Amortisation of Intangible Assets	165.55	14.01
	1,318.41	**1,109.17**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31st March 2024 (Contd.)

(All amounts are in Lacs of Indian Rupees, unless otherwise stated)

36. OTHER EXPENSES

	For the year ended 31st March 2024	For the year ended 31st March 2023
Power and Fuel	3,477.99	3,127.42
Consumption of Packing Materials	68.62	64.75
Environmental Control Expenses	679.84	603.09
Conversion Charges	112.64	62.66
Contract Wages	492.08	390.19
Repairs and Maintenance		
Buildings	68.99	92.74
Plant and Machinery	531.13	662.92
Vehicles	36.37	25.40
Others	38.18	35.45
Factory expenses	246.27	216.38
Freight and Forwarding	917.40	1,162.92
Insurance	68.92	66.16
Laboratory Expenses	18.50	19.74
Legal and professional charges	90.84	87.23
Payments to Auditors [refer note 36 (a)]	22.11	22.12
Communication expenses	29.81	25.97
Printing and Stationery	11.27	10.77
Rates and Taxes	97.05	75.36
Rent	135.12	117.94
Advertisement and business promotion	13.43	36.36
Sales Commission	180.93	166.60
Travelling and Conveyance	94.36	77.13
MTM loss on forward contract	2.77	-
Loss on fixed assets sold / scrapped / written off	26.65	38.83
Bank charges	44.05	142.23
Expenditure on Corporate Social Responsibility [refer note 36 (b)]	96.03	65.70
Miscellaneous Expenses	66.52	38.35
	7,667.87	**7,434.41**

36. (a) Payment to auditors

	For the year ended 31st March 2024	For the year ended 31st March 2023
Statutory Audit fees	16.00	16.00
Taxation fee	3.00	3.00
Limited Review Audit	2.00	1.30
Other Certifications	2.00	1.82
	23.00	**22.12**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st March 2024 (Contd.)

(All amounts are in Lacs of Indian Rupees, unless otherwise stated)

36. (b) Expenditure on Corporate Social Responsibility

Particulars	Year ended 31st March 2024	Year ended 31st March 2023
Amount required to be spent by the Group during the year	95.55	66.17
Excess amount spent in previous year	0.02	0.49
Total amount to be spent during the year	95.53	65.68
Amount of expenditure incurred on:	-	-
(i) Construction/ acquisition of any asset	-	-
(ii) On purposes other than (i) above	95.99	65.70
Excess spent during the year	0.46	0.02
Shortfall at the end of the year	-	-
Total of previous years shortfall	-	-
Reason for shortfall	NA	NA
Nature of CSR activities	Activities mentioned under Schedule VII of the Companies Act 2013 viz. Disaster management, Rural Infrastructure Development, reducing inequalities faced by socially and economically backward groups, etc.	Activities mentioned under Schedule VII of the Companies Act 2013 viz. Disaster management, Rural Infrastructure Development, reducing inequalities faced by socially and economically backward groups, etc.
Details of related party transactions in relation to CSR expenditure as per relevant Accounting Standard	NA	NA

37. EXCEPTIONAL ITEMS

	For the year ended 31st March 2024	For the year ended 31st March 2023
Extinguishment of trade payables, current financial liabilities, non current liabilities and short term borrowings	-	(7,624.32)
Irrecoverable Advance/ deposits/ receivables/current assets	-	2,172.87
Property, Plant & Equipment written off	-	2,542.28
CIRP expenses	-	57.94
	-	**(2,851.23)**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31st March 2024 (Contd.)

(All amounts are in Lacs of Indian Rupees, unless otherwise stated)

38. INCOME TAX EXPENSE

(a) Income tax expense

	For the year ended 31st March 2024	For the year ended 31st March 2023
Current tax		
Current tax on profits for the year	1,330.42	1,704.76
Total current tax expense	**1,330.42**	**1,704.76**
Deferred tax		
Deferred tax adjustments	(116.32)	(22.28)
Total deferred tax expense/(benefit)	**(116.32)**	**(22.28)**
Income tax expense	**1,214.10**	**1,682.48**

b) The income tax expense for the year can be reconciled to the accounting profit as follows:

	For the year ended 31st March 2024	For the year ended 31st March 2023
Profit before tax from continuing operations	4,401.31	9,187.54
Income tax expense calculated at 25.168% (2022-23: 25.168%)	1,107.72	2,326.53
Effect of expenses/income that are not deductible/taxable in determining taxable profit	222.70	(621.77)
Income tax expense	**1,330.42**	**1,704.76**

c) Income tax recognised in other comprehensive income

	For the year ended 31st March 2024	For the year ended 31st March 2023
Deferred tax		
Remeasurement of defined benefit obligation	(0.76)	1.55
Total income tax recognised in other comprehensive income	**(0.76)**	**1.55**

d) Movement of deferred tax expense for the year ended 31st March 2024

Deferred tax (liabilities)/assets in relation to:	Opening balance	Additions/ (deductions) on account of Business Combination	Recognised in Other comprehensive income	Closing balance
Property, plant, and equipment and Intangible Assets	371.65			411.51
Expenses allowable on payment basis under the Income Tax Act	19.11	-	(0.76)	95.11
Total	**390.76**	**-**	**(0.76)**	**506.62**

e) Movement of deferred tax expense during the year ended 31st March2023

Deferred tax (liabilities)/assets in relation to:	Opening balance	Additions/ (deductions) on account of Business Combination	Recognised in Other comprehensive income	Closing balance
Property, plant, and equipment and Intangible Assets	158.93	204.41		371.65
Expenses allowable on payment basis under the Income Tax Act	3.58	-	1.55	19.11
Other temporary differences				-
Total*	**162.51**	**204.41**	**1.55**	**390.76**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31st March 2024 (Contd.)
(All amounts are in Lacs of Indian Rupees, unless otherwise stated)

39. EARNINGS PER SHARE

	For the year ended 31st March 2024	For the year ended 31st March 2023
Profit for the year attributable to owners of the Group	3,187.22	7,505.06
Weighted average number of ordinary shares outstanding	1,17,13,699	1,16,24,780
Basic earnings per share (₹)	27.21	64.56
Weighted average of Dilutive Shares outstanding	1,17,49,270	-
Diluted earnings per share (₹)	27.13	64.56

40. VALUE OF IMPORTED AND INDIGENOUS RAW MATERIAL CONSUMED DURING THE FINANCIAL YEAR AND THE PERCENTAGE OF EACH TO THE TOTAL CONSUMPTION

Particulars	Year ended 31st March 2024		Year ended 31st March 2023	
	₹ In Lacs	Percentage (%)	₹ In Lacs	Percentage (%)
Raw Materials				
Imported	1,16,646.62	88.00	95,581.88	75.00
Others	15,348.88	12.00	32,681.54	25.00
	1,31,995.50	**100.00**	**1,28,263.42**	**100.00**

41. DISCLOSURES REQUIRED BY THE MICRO, SMALL AND MEDIUM ENTERPRISES DEVELOPMENT (MSMED) ACT, 2006 ARE AS UNDER

Particulars	Year ended 31st March 2024	Year ended 31st March 2023
(a) The principal amount remaining unpaid at the end of the year	126.22	139.08
(b) The delayed payments of principal amount paid beyond the appointed date during the year	-	-
(c) Interest actually paid under Section 16 of MSMED Act	-	-
(d) Normal Interest due and payable during the year, for all the delayed payments, as per the agreed terms	-	-
(e) Total interest accrued during the year and remaining unpaid	-	-

*This information has been determined to the extent such parties have been identified on the basis of information available with the Group.

42. COMMITMENTS AND CONTINGENT LIABILITY

Particulars	Year ended 31st March 2024	Year ended 31st March 2023
Contingent Liability		
Performance/ Finance Guarantees		
Liability in respect of Letter of Credit/ Bank Guarantee Opened	-	13.25
Guanrantee given for Bank Loan to Subsidiary	2,800.00	2,800.00
Commitments		
Estimated amount of contracts remaining to be executed on capital account and not provided for	3,096.93	261.81

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st March 2024 (Contd.)

(All amounts are in Lacs of Indian Rupees, unless otherwise stated)

43. OPERATING SEGMENTS

The operations of the Company falls under Lead & Lead alloys and other non-ferrous metals. However for the purpose of segment reporting Ind AS 108, the other non-ferrous metals segment does not meet the criteria laid down in the standard as a reportable segment, the operations are reported under one segment "lead and lead alloys".

Information relating to geographical areas

(a) Revenue from external customers

Particulars	Year ended 31st March 2024	Year ended 31st March 2023
India	67,238.91	64,366.67
Rest of the world	86,820.76	83,251.42
Total	**1,54,059.67**	**1,47,618.09**

(b) Non current assets

The manufacturing facilities of the Group is situated in India and no non-current assets are held outside India

(c) Information about major customers

Particulars	Year ended 31st March 2024	Year ended 31st March 2023
Number of external customers each contributing more than 10% of total revenue	3	3
Total revenue from the above customers	95,104	1,06,967.42

44. TERMS AND CONDITIONS OF LONG TERM BORROWINGS

Financial Institution	Loan Outstanding	Tenor	Repayment Commences from	Security	Guarantee
HDFC Bank	0.00 (154.93)	60 Months	March, 2022	First Charge on Vehicle Purchased	Nil

The above loans carry interest @ 6.75%

(Figures in brackets represent previous year numbers)

45. FINANCIAL INSTRUMENTS

Capital management

The Group manages its capital to ensure that entities in the Group will be able to continue as going concern, while maximising the return to stakeholders through the optimisation of the debt and equity balance.

The Group determines the amount of capital required on the basis of annual operating plans and long-term product and other strategic investment plans. The funding requirements are met through equity, long-term borrowings and other short-term borrowings.

For the purposes of the Group's capital management, capital includes issued capital, share premium and all other equity reserves attributable to the equity holders.

Gearing Ratio:	31st March 2024	31st March 2023
Debt	300.00	627.43
Less: Cash and bank balances	2,998.14	77.95
Net debt	**-**	**549.48**
Total equity	35,724.44	26,419.07
Gearing ratio (%)	-	2.08%

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31st March 2024 (Contd.)
(All amounts are in Lacs of Indian Rupees, unless otherwise stated)

Categories of Financial Instruments	31st March 2024
Financial assets	
a. Measured at amortised cost	
Other non-current financial assets	371.54
Trade receivables	10,448.41
Cash and cash equivalents	1,071.17
Bank balances other than above	1,926.97
b. Mandatorily measured at FVTPL	
Investments	15.21
Derivative instruments	-
Financial liabilities	
a. Measured at amortised cost	
Borrowings (non-current)	300.00
Borrowings (current)	9,759.32
Trade payables	1,032.05
Other financial liabilities	13.19
b. Mandatorily measured at FVTPL	
Derivative instruments	16.02

Financial risk management objectives

The treasury function provides services to the business, co-ordinates access to domestic and international financial markets, monitors and manages the financial risks relating to the operations through internal risk reports which analyse exposures by degree and magnitude of risks. These risks include market risk (including currency risk, interest rate risk and other price risk), credit risk and liquidity risk.

The Group seeks to minimise the effects of these risks by using natural hedging financial instruments and forward contracts to hedge risk exposures. The use of financial derivatives is governed by the Group's policies approved by the board of directors, which provide written principles on foreign exchange risk, the use of financial derivatives, and the investment of excess liquidity. The Group does not enter into or trade financial instruments, including derivative financial instruments, for speculative purposes.

Market risk

Market risk is the risk of any loss in future earnings, in realisable fair values or in future cash flows that may result from a change in the price of a financial instrument. The Group's activities expose it primarily to the financial risks of changes in foreign currency exchange rates and interest rates. The Group actively manages its currency and interest rate exposure through its finance division and uses derivative instruments such as forward contracts, wherever required, to mitigate the risks from such exposures. The use of derivative instruments is subject to limits and regular monitoring by appropriate levels of management.

Foreign currency risk management

The Group undertakes transactions denominated in foreign currencies; consequently, exposures to exchange rate fluctuations arise. The Group actively manages its currency rate exposures through a centralised treasury division and uses natural hedging principles to mitigate the risks from such exposures. The use of derivative instruments, if any, is subject to limits and regular monitoring by appropriate levels of management.

Forward foreign exchange contracts

It is the policy of the Group to enter into forward foreign exchange contracts to cover (a) repayments of specific foreign currency borrowings; (b) the risk associated with anticipated sales and purchase transactions, taking into account the natural hedging on imports & exports and cost of currency to be recovered from the customers as per Sale Contract.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31st March 2024 (Contd.)

(All amounts are in Lacs of Indian Rupees, unless otherwise stated)

Disclosure of hedged and unhedged foreign currency exposure

The carrying amounts of the Group's foreign currency denominated monetary assets and monetary liabilities at the end of the reporting period are as follows:

As on 31st March 2024

Currency	Liabilities			Assets			Net overall exposure on the currency - net assets / (net liabilities)
	Gross exposure	Exposure hedged using derivatives	Net liability exposure on the currency	Gross exposure	Exposure hedged using derivatives	Net asset exposure on the currency	
USD	2.15	2.06	0.09	66.70	66.70	-	(0.09)
In ₹	179.14	171.37	7.77	5,559.75	5,559.75	-	(7.77)

As on 31st March 2023

Currency	Liabilities			Assets			Net overall exposure on the currency - net assets / (net liabilities)
	Gross exposure	Exposure hedged using derivatives	Net liability exposure on the currency	Gross exposure	Exposure hedged using derivatives	Net asset exposure on the currency	
USD	0.76		0.76	70.77		70.77	70.01
In ₹	62.56		62.56	5,815.09		5,815.09	5,752.53

Foreign currency sensitivity analysis

Movement in the functional currencies of the various operations of the Group against major foreign currencies may impact the Group's revenues from its operations. Any weakening of the functional currency may impact the Group's cost of imports and cost of borrowings and consequently may increase the cost of financing the Group's capital expenditures. The foreign exchange rate sensitivity is calculated for each currency by aggregation of the net foreign exchange rate exposure of a currency and a simultaneous parallel foreign exchange rates shift in the foreign exchange rates of each currency by 2%, which represents management's assessment of the reasonably possible change in foreign exchange rates. The sensitivity analysis includes only outstanding foreign currency denominated monetary items and adjusts their translation at the period end for a 2% change in foreign currency rates.

In management's opinion, the sensitivity analysis is unrepresentative of the inherent foreign exchange risk because the exposure at the end of the reporting period does not reflect the exposure during the year.

Interest rate risk management

The Group is exposed to interest rate risk because it borrow funds at both fixed and floating interest rates. The risk is managed by the Group by maintaining an appropriate mix between fixed and floating rate borrowings. Hedging activities are evaluated regularly to align with interest rate views and defined risk appetite, ensuring the most cost-effective hedging strategies are applied. Further, in appropriate cases, the Group also effects changes in the borrowing arrangements to convert floating interest rates to fixed interest rates.

Interest rate sensitivity analysis

The sensitivity analysis below have been determined based on the exposure to interest rates for both derivatives and non-derivative instruments at the end of the reporting period. For floating rate liabilities, the analysis is prepared assuming the amount of the liability outstanding at the end of the reporting period was outstanding for the whole year. A 25 basis point increase or decrease is used when reporting interest rate risk internally to key management personnel and represents management's assessment of the reasonably possible change in interest rates.

The 25 basis point interest rate changes will impact the profitability by ₹ 51.51 Lacs for the year (Previous ₹ 20.51 Lacs)

Credit risk management

Credit risk arises when a customer or counterparty does not meet its obligations under a customer contract or financial instrument, leading to a financial loss. The Group is exposed to credit risk from its operating activities primarily trade receivables and from its financing/ investing activities, including deposits with banks, mutual fund investments and foreign exchange transactions. The Group has no significant concentration of credit risk with any counterparty.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31st March 2024 (Contd.)

(All amounts are in Lacs of Indian Rupees, unless otherwise stated)

Exposure to credit risk

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure is the total of the carrying amount of balances with banks, short term deposits with banks, trade receivables, margin money and other financial assets excluding equity investments.

(a) Trade Receivables

The Group has credit evaluation policy for each customer and, based on the evaluation, credit limit of each customer is defined. Wherever the Group assesses the credit risk as high, the exposure is backed by either bank, guarantee/letter of credit or security deposits.

The Group does not have higher concentration of credit risks to a single customer. As per simplified approach, the Group makes provision of expected credit losses on trade receivables using a provision matrix to mitigate the risk of default in payments and makes appropriate provision at each reporting date wherever outstanding is for longer period and involves higher risk.

(b) Investments, Derivative Instruments, Cash and Cash Equivalents and Bank Deposits

Credit Risk on cash and cash equivalents, deposits with the banks/financial institutions is generally low as the said deposits have been made with the banks/financial institutions, who have been assigned high credit rating by international and domestic rating agencies.

Credit Risk on Derivative Instruments is generally low as the Group enters into the Derivative Contracts with the reputed Banks.

Investments of surplus funds are made only with approved banks/ financial institutions/ counterparty. Investments primarily include bank deposits, investment in units of quoted mutual funds issued by high investment grade funds etc. These bank deposits, mutual funds and counterparties have low credit risk. The Group has standard operating procedures and investment policy for deployment of surplus liquidity, which allows investment in bank deposits, debt securities and mutual fund schemes of debt and arbitrage categories and restricts the exposure in equity markets.

Offsetting related disclosures

Offsetting of cash and cash equivalents to borrowings as per the consortium agreement is available only to the bank in the event of a default. Group does not have the right to offset in case of the counter party's bankruptcy, therefore, these disclosures are not required.

Liquidity risk management

Liquidity risk refers to the risk that the Group cannot meet its financial obligations. The objective of liquidity risk management is to maintain sufficient liquidity and ensure that funds are available for use as per requirements. The Group invests its surplus funds in bank fixed deposit and mutual funds, which carry minimal mark to market risks. The Group also constantly monitors funding options available in the debt and capital markets with a view to maintaining financial flexibility.

Liquidity tables

The following tables detail the Group's remaining contractual maturity for its non-derivative financial liabilities with agreed repayment periods. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Group can be required to pay.

31st March 2024	**Due in 1st year**	**Due in 2nd to 5th year**	**Due after 5th year**	**Carrying amount**
Trade payables	1,029.04	3.01	-	1,032.05
Borrowings (including interest accrued thereon upto the reporting date)	-	300.00	-	300.00
	1,029.04	**303.01**	**-**	**1,332.05**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st March 2024 (Contd.)

(All amounts are in Lacs of Indian Rupees, unless otherwise stated)

31st March 2023	Due in 1st year	Due in 2nd to 5th year	Due after 5th year	Carrying amount
Trade payables	924.04	5.49	-	929.53
Borrowings (including interest accrued thereon upto the reporting date)	29.41	598.02	-	627.43
	953.45	**603.51**	**-**	**1,556.96**

46. RELATED PARTY DISCLOSURE

a) List of parties having significant influence

Entities in which director/relatives are interested	Metier Enterprises (India) Private Limited
Employees Trust where there is significant influence	Pondy Oxides and Chemicals Limited Group Gratuity Trust

Key management personnel (KMP)

Mr. Anil Kumar Bansal	Chairman
Mr. Ashish Bansal	Managing Director
Mr. K Kumaravel	Director Finance & Company Secretary
Mr. Vijay Balakrishnan	Chief Financial Officer

Relative of Key Management personnel

Ms. K Mahalakshmi	Wife of Mr. K.Kumaravel

b) Transactions during the year as at 31st March 2024 is as follows :

Nature of transactions	KMP	Close member of the KMP	Companies in which Directors are interested	Other Related Parties
Interest Paid	118.66	-	10.86	-
Remuneration	460.41	-	-	-
Professional Charges Paid	-	8.00	-	-
Loan taken by POCL	723.50	-	-	-
Loans repaid by POCL	1,062.89	-	5.17	-
Contribution to Gratuity Trust	-	-	-	0.15

Transactions during the year as at 31st March 2023 is as follows :

Nature of transactions	KMP	Close member of the KMP	Companies in which Directors are interested	Other Related Parties
Interest Paid	133.01	-	6.86	-
Remuneration	411.51	-	-	-
Professional Charges Paid	-	6.00	-	-
Loan taken by POCL	567.00	-	119.27	-
Loans repaid by POCL	1,597.52	-	128.23	-
Purchase	-	-	68.26	-
Contribution to Gratuity Trust	-	-	-	11.60

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31st March 2024 (Contd.)

(All amounts are in Lacs of Indian Rupees, unless otherwise stated)

c) Balances at the end of the year

Particulars	As at 31st March 2023	As at 31st March 2023
Loans		
Mr. Anil Kumar Bansal	(555.21)	(825.93)
Mr. Ashish Bansal	(217.31)	(201.13)
Mr. K Kumaravel	(33.82)	-
Metier Enterprises (India) Private Limited	(116.17)	(110.49)

47. RETIREMENT BENEFIT PLANS

Defined contribution plans

In accordance with Indian law, eligible employees of the Group are entitled to receive benefits in respect of Gratuity fund, a defined contribution plan, in which both employees and the Group make monthly contributions at a specified percentage of the covered employees' salary. The contributions, as specified under the law, are made to the Gratuity fund as well as Employee State Insurance Fund

The total expense recognised in profit or loss of ₹ 140.27 Lacs (previous year ₹ 128.11 Lacs) represents contribution paid to these plans by the Group at rates specified in the rules of the plan.

Defined benefit plans

(a) Gratuity

Gratuity is payable as per Payment of Gratuity Act, 1972. In terms of the same, gratuity is computed by multiplying last drawn salary (basic salary including dearness Allowance if any) by completed years of continuous service with part thereof in excess of six months and again by 15/26. The Act provides for a vesting period of 5 years for withdrawal and retirement and a monetary ceiling on gratuity payable to an employee on separation, as may be prescribed under the Payment of Gratuity Act, 1972, from time to time. However, in cases where an enterprise has more favourable terms in this regard the same has been adopted.

These plans typically expose the Group to actuarial risks such as: investment risk, interest rate risk and salary risk.

Investment risk	The present value of the defined benefit plan liability is calculated using a discount rate determined by reference to the market yields on government bonds denominated in Indian Rupees. If the actual return on plan asset is below this rate, it will create a plan deficit.
Interest risk	A decrease in the bond interest rate will increase the plan liability. However, this will be partially offset by an increase in the return on the plan's debt investments.
Longevity risk	The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and after their employment. An increase in the life expectancy of the plan participants will increase the plan's liability.
Salary risk	The present value of the defined benefit plan liability is calculated by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the plan's liability.

The principal assumptions used for the purposes of the actuarial valuations were as follows:

Particulars	31st March 2024	31st March 2023
Discount Rate	6.97%	7.25%
Rate of increase in compensation level	7.00%	7.00%
Expected Average Remaining Working Lives of Employees (years)	28.75	28.48

The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st March 2024 (Contd.)

(All amounts are in Lacs of Indian Rupees, unless otherwise stated)

Amounts recognised in total comprehensive income in respect of these defined benefit plans are as follows:

	31st March 2024	31st March 2023
	₹ Lacs	₹ Lacs
Amount recognised under Employee Benefits Expense in the Statement of profit and Loss:		
Current service cost	16.42	13.88
Net interest expense	10.69	9.74
Return on plan assets (excluding amounts included in net interest expense)	(8.89)	(9.08)
Components of defined benefit costs recognised in profit or loss	**18.22**	**14.54**
Amount recognised in Other Comprehensive Income (OCI) for the Year		
Remeasurement on the net defined benefit liability comprising:		
Actuarial (gains)/losses recognised during the period	(3.01)	6.15
Components of defined benefit costs recognised in other comprehensive income	**(3.01)**	**6.15**
	15.21	**20.69**

The amount included in the balance sheet arising from the Group's obligation in respect of its defined benefit plans is as follows:

	31st March 2024	31st March 2023
	₹ Lacs	₹ Lacs
Present value of defined benefit obligation	160.88	158.27
Fair value of plan assets	(119.69)	(132.14)
Net liability/ (asset) arising from defined benefit obligation	41.19	26.13
Funded	-	-
Unfunded	41.19	26.13
	41.19	**26.13**

The above provisions are reflected under 'Provision for employee benefits- gratuity' (long-term provisions) [Refer note 20 & 26].

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31st March 2024 (Contd.)
(All amounts are in Lacs of Indian Rupees, unless otherwise stated)

Movements in the present value of the defined benefit obligation in the current year were as follows:

	31st March 2024	31st March 2023
	₹ Lacs	₹ Lacs
Opening defined benefit obligation	158.27	135.96
Current service cost	16.42	13.88
Interest cost	10.69	9.74
Actuarial (gains)/losses	(3.01)	6.16
Benefits paid	(21.49)	(7.47)
Closing defined benefit obligation	**160.88**	**158.27**

Movements in the fair value of the plan assets in the current year were as follows:

	31st March 2024	31st March 2023
	₹ Lacs	₹ Lacs
Opening fair value of plan assets	132.14	121.74
Return on plan assets	8.89	7.56
Contributions	0.15	10.31
Benefits paid	(21.49)	(7.47)
Actuarial gains/(loss)	-	-
Closing fair value of plan assets	**119.69**	**132.14**

Sensitivity analysis

In view of the fact that the Group for preparing the sensitivity analysis considers the present value of the defined benefit obligation which has been calculated using the projected unit credit method at the end of the reporting period, which is the same as that applied in calculating the defined benefit obligation liability recognised in the balance sheet.

(b) Compensated absences

The expected cost of accumulating compensated absences is determined at each balance sheet date using projected unit credit method on the additional amount expected to be paid / availed as a result of the unused entitlement that has accumulated at the balance sheet date is ₹ 59.02 Lacs (previous year ₹ 49.14 Lacs). Expense recognised during the year is ₹ 15.45 Lacs (previous year ₹ 13.53 Lacs).

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31st March 2024 (Contd.)
(All amounts are in Lacs of Indian Rupees, unless otherwise stated)

48. DISCLOSURE OF ADDITIONAL INFORMATION PERTAINING TO THE PARENT COMPANY, SUBSIDIARIES AND JOINT VENTURES AS PER SCHEDULE III OF COMPANIES ACT, 2013

Name of Entities	Net Assets (Total Assets minus Total Liabilities)		Share in Profit or (Loss)		Share in Other Comprehensive Income		Share in Total Comprehensive Income	
	As a % of Consolidation	Amount	As a % of Consolidation	Amount	As a % of Consolidation	Amount	As a % of Consolidation	Amount
Parent								
Pondy Oxides and Chemicals Limited	88.19%	31,506.79	123.98%	3,951.52	100.00%	2.25	123.96%	3,953.77
Wholly Owned Subsdiary								
POCL Future Tech Private Limited	0.02%	6.85	(17.05%)	(543.50)	-	-	(17.04%)	(543.50)
Harsha Exito Engineering Private Limited	11.79%	4,210.80	(6.93%)	(220.80)	-	-	(6.92%)	(220.80)
	100.00%	**35,724.44**	**100.00%**	**3,187.22**	**100.00%**	**2.25**	**100.00%**	**3,189.47**

Note: The balances and amounts presented above are net of intercompany eliminations and consolidation adjustments.

For and on behalf of the board

Anil Kumar Bansal
Chairman
DIN: 00232223

Ashish Bansal
Managing Director
DIN: 01543967

Vijay Balakrishnan
Chief Financial Officer

K.Kumaravel
Director Finance & Company Secretary

Place : Chennai
Date : 28th May 2024

As per our report of even date attached
For M/s. L. Mukundan and Associates
Chartered Accountants
(FRN No.010283S)

L. Mukundan
Partner
M.No.204372

Place : Chennai
Date : 28th May 2024

NOTICE TO THE 29TH ANNUAL GENERAL MEETING

Notice is hereby given that the Twenty Nineth (29th) Annual General Meeting of the Members of **PONDY OXIDES AND CHEMICALS LIMITED** will be held on Wednesday, 18th September 2024 at 03:00 P.M through Video Conferencing/Other Audio-Visual Means ("OAVM") to transact the following businesses:

ORDINARY BUSINESSES:

1. **To receive, consider and adopt the Standalone and Consolidated Audited Financial Statements of the Company for the Financial Year ended March 31, 2024, together with the reports of Board of Directors' and Auditors' thereon:**

   To consider and if thought fit, to pass, the following resolution as **Ordinary Resolution:**

   "**RESOLVED THAT** the Audited Standalone and Consolidated Financial statements for the year ended March 31, 2024, and Board's Report and Auditor's Report thereon be and are hereby considered and adopted."

2. **Declaration of Final Dividend of ₹ 5.00/- (i.e. 50%) per equity share of ₹ 10/- each for the Financial Year ended 31st March 2024:**

   To consider and if thought fit, to pass, the following resolution as **Ordinary Resolution:**

   "**RESOLVED THAT** the final dividend of ₹ 5.00/- per equity share of ₹ 10/- each (50%) as recommended by the Board of Directors in their meeting held on 28th May 2024, be and is hereby declared for the financial year ended 31st March 2024 and that the same be paid out of the profits of the Company for the said Financial Year to those shareholders whose names appear in the Register of Members and the beneficial holders of the dematerialized shares as on Wednesday, 11th September 2024 as per the details provided by the Depositories for this purpose."

3. **To Appoint a Director in the place of Mr. K Kumaravel (DIN: 00664405), who retires by rotation and being eligible, offers himself for reappointment:**

   To consider and if thought fit, to pass, the following resolution as **Ordinary Resolution:**

   "**RESOLVED THAT** pursuant to the provisions of Section 152 of the Companies Act 2013, Mr. K Kumaravel (DIN: 00664405), who retires by rotation and being eligible for re-appointment, be and is hereby re-appointed as a Director of the Company and he shall continue to be the Whole-time Director in the capacity of Director Finance of the Company in accordance with his terms of appointment."

SPECIAL BUSINESSES:

4. **Re- appointment of Mr. K Kumaravel (DIN: 00664405) as Whole-time Director in the capacity of Director Finance and fixing his remuneration.**

   To consider and if thought fit, to pass with or without modification, the following resolution as a **Special Resolution:**

   "**RESOLVED THAT** pursuant to the provisions of Section 196, 197, 203 other applicable provisions, if any, of the Companies Act, 2013 ("the Act") read with Schedule V of the Act and the Companies (Appointment and Qualification of Directors) Rules, 2014, (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), the relevant provisions of the Articles of Association of the Company, the SEBI (LODR) Regulations, 2015, as amended from time to time and based on the recommendations of the Nomination and Remuneration Committee, the consent of members of the Company be and is hereby accorded for re-appointment of Mr. K Kumaravel (DIN: 00664405) as Whole-time Director in the capacity of Director Finance of the Company for a period of 3 (three) years with effect from December 30, 2024, having been so appointed by the Board of Directors in their meeting held on 22nd July 2024, liable to retire by rotation;

   RESOLVED FURTHER THAT during the tenure of his re-appointment, the remuneration payable to Mr. K Kumaravel as Director Finance & Company Secretary, shall not exceed the following limits, notwithstanding inadequacy of profits:

   I. **Basic Salary:** ₹ 48,00,000/- (Rupees Forty-eight lakhs only) per annum;

   II. **Perquisites and allowances:** Such as House Rent Allowance, Medical Allowance, Provident Fund, Conveyance, Medical Reimbursement for self and family, Bonus, Leave Travel Concession, EL Encashment Gratuity, ESOPs etc., as may be provided by the Company, as duly agreed upon by the Board of Directors of the Company and Mr. K Kumaravel provided that the total value of allowances and perquisites payable in a year shall not exceed the amount of annual basic salary;

   III. **Reimbursement of expenses incurred for official purposes:** On actual basis;

   IV. **Annual Increment:** not exceeding 20% of the Basic Salary;

   RESOLVED FURTHER THAT the above remuneration shall be subject to modification, as may be deemed

NOTICE TO THE 29TH ANNUAL GENERAL MEETING (Contd.)

fit by the Board from time to time and subject to the limits and stipulations prescribed by the Companies Act, 2013 read with Schedule V thereto, and/or any guidelines prescribed by the Government from time to time.

RESOLVED FURTHER THAT wherein any financial year, during the tenure of the Whole-time Director, the Company has no profits, or its profits are inadequate, the Company shall pay the remuneration by way of salary, perquisites and allowances subject to the limits and conditions specified under Schedule V of the Companies Act, 2013, as may be amended from time to time.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to do all such acts, deeds and things, to enter into such agreement(s), deed(s) of amendment(s) or any such document(s), as the Board may, in its absolute discretion, consider necessary, expedient or desirable including power to sub-delegate, in order to give effect to this resolution or as otherwise considered by the Board to be in the best interest of the Company, as it may deem fit."

5. **Appointment of Ms. Shanti Balamurugan (DIN: 07730909) as Non-executive Independent Director.**

To consider and if thought fit, to pass with or without modification, the following resolution as an **Ordinary Resolution:**

"RESOLVED THAT pursuant to Section 149, 150, 152 and other applicable provision(s) of the Companies Act, 2013 read with Schedule IV and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and SEBI (LODR) Regulations, 2015, as amended from time to time, and based on the recommendations of the Nomination and Remuneration Committee and the Board of directors, the consent of the members be and is hereby accorded to appoint Ms. Shanti Balamurugan (DIN: 07730909) as Independent Director of the Company who has submitted a declaration that she meets the criteria of independence under Section 149(6) of the Companies Act, 2013 and being eligible for appointment for a term of 5 years and in respect of whom the Company has received a notice in writing from a member proposing his candidature for the office of the Director pursuant to Section 160 of the Companies Act, 2013, with effect from 22nd July 2024 to 21st July 2029 and the term shall not be subject to retirement by rotation.

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board be and is hereby authorized to do all such acts, deeds, matters and things as it may in its absolute discretion and to settle any question, difficulty, doubt that may arise in respect of the aforesaid re-appointment and further to do all such acts, deeds and things and to execute all documents and writings as may be necessary, proper, desirable or expedient to give effect to this Resolution."

6. **Re-appointment of Dr. M Ramasubramani (DIN: 07999117) as Non-Executive Independent Director of the Company:**

To consider and if thought fit, to pass with or without modification, the following resolution as a **Special Resolution:**

"**RESOLVED THAT** pursuant to Section 149, 150, 152 and other applicable provision(s) of the Companies Act, 2013 read with Schedule IV and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time, and based on the recommendations of the Nomination and Remuneration Committee and the Board of Directors, Dr. M Ramasubramani (DIN: 07999117) Independent Director of the Company, whose period of office is liable to expire on 12th March 2025, and who has submitted a declaration that he meets the criteria of independence under Section 149(6) of the Companies Act, 2013 and who is eligible for reappointment for a second term and in respect of whom the Company has received a notice in writing from a member proposing his candidature for the office of the Director pursuant to Section 160 of the Companies Act, 2013, be and is hereby re-appointed as an Independent Director of the Company with effect from 13th March 2025 to 12th March 2030 and the term shall not be subject to retirement by rotation."

7. **Alteration of capital of the company by Sub-division/ split of existing equity Shares of the Company**

To consider and if thought fit, to pass with or without modification, the following resolution as an **Ordinary Resolution:**

"RESOLVED THAT pursuant to Section 61(1)(d) and other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) read with the applicable provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, and subject to the provisions of the Memorandum and Articles of Association of the Company and such other approval(s), consent(s), permission(s) and sanction(s) as may be necessary from the appropriate statutory authority(ies), the consent of the Members of the Company be and is hereby accorded for sub-dividing the equity shares of the Company, such that each equity share having nominal value of ₹ 10/- (Rupees Ten Only) each be sub-divided into Equity Shares having nominal value of ₹ 5/- (Rupee Five Only) each fully paid-up, with effect from the 'Record Date' to be determined by the Board of Directors for this purpose.

RESOLVED FURTHER THAT pursuant to the Sub-division of equity shares of the Company, the Authorized, Issued, Subscribed and Paid-up Equity Share Capital of nominal value of ₹ 10/- (Rupees Ten Only) each, shall stands sub-divided into Equity Shares of nominal value of ₹ 5/- (Rupee Five Only) each.

RESOLVED FURTHER THAT upon sub-division of equity shares as aforesaid, the existing share certificates of the equity shares of the face value of ₹ 10/- (Rupees Ten Only) each both in the electronic form and in the physical form shall be deemed to have been automatically cancelled and be of no effect on and from the record date (to be decided by the Board of Directors) and the Company may without requiring the surrender of the old share certificates, directly use and dispatch the new share certificates of the Company, in lieu of such old share certificates and give proportionate credit of shares, wherever required to those shareholders in demat form.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to do all such acts, deeds, matters and things including to fix and announce the Record Date, to make appropriate adjustments on account of sub-division of Equity Shares, to accept and make any alteration(s), modification(s) to the terms and conditions as they may deem necessary, concerning any aspect of the sub-division of Equity Shares, in accordance with the statutory requirements as well as to delegate all or any of its/their powers herein conferred to any other Officer(s)/Authorised Representative(s) of the Company, to give such directions as may be necessary or desirable, to apply for necessary approvals, to settle any questions, difficulties or doubts that may arise and generally, to do all acts, deeds, matters and things as they may, in their absolute discretion deem necessary, expedient, usual or proper in relation to or in connection with or for matters in relation or consequential to the sub-division of Equity Shares including execution and filing of all the relevant documents with the Registrar of Companies, Stock Exchanges, Depositories and other appropriate authorities, in due compliance of the applicable rules and regulations, without seeking any further consent or approval of the Members or otherwise to the end and intent that they shall be deemed to have given their approval thereto expressly by the authority of this resolution."

8. Alteration of Memorandum of Association of the Company

To consider and if thought fit, to pass with or without modification, the following resolution as an **Ordinary Resolution:**

"RESOLVED THAT pursuant to the provisions of Section 4, 13 and other applicable provisions, if any, of the Companies Act, 2013 ("the Act"), read with the necessary Rules, including any statutory modification(s) or re-enactment thereof, for the time being in force and necessary Schedules to the Act, consent of the Members be and is hereby accorded subject to the approval of the Registrar of Companies, for altering the Capital Clause of Memorandum of Association of the Company under Clause V by replacing the existing clause with the following clause:

V. The Authorised Share Capital of the Company shall be ₹ 20,15,00,000/- (Rupees Twenty Crores and Fifteen Lakhs only) divided into 4,03,00,000 (Four Crores and Three Lakh) equity shares of ₹ 5/- (Rupees Five) each, with the rights, privileges and conditions in attaching thereto as are provided by the regulations of the Company for the time being with powers to increase or reduce the Capital for the time being into several classes, and to attach thereto respectively such preferential, qualified or special rights, privileges or conditions as may be determined by or in accordance with the regulations of the company to vary, modify or abrogate, any such rights, privileges or conditions in such manner as may for the time being be provided for by the regulations of the Company.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to do all such acts, deeds and things, to enter into such agreement(s), deed(s) of amendment(s) or any such document(s), as the Board may, in its absolute discretion, consider necessary, expedient or desirable including power to

NOTICE TO THE 29TH ANNUAL GENERAL MEETING (Contd.)

sub-delegate, in order to give effect to this resolution or as otherwise considered by the Board to be in the best interest of the Company, as it may deem fit.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is authorised severally to do all such acts, deeds, matters and things as may be deemed proper, necessary, or expedient, including filing the requisite forms with Ministry of Corporate Affairs or submission of documents with any other authority, for the purpose of giving effect to this Resolution and for matters connected therewith or incidental thereto."

9. **To ratify the remuneration of the Cost Auditors for the Financial Year 2023-24:**

To consider and if thought fit, to pass with or without modification, the following resolution as an **Ordinary Resolution:**

"**RESOLVED THAT** pursuant to the provisions of Section 148 and all applicable provisions, if any, of the Companies Act, 2013, read with the Companies (Audit and Auditors) Rules, 2014 as amended from time to time, the consent of the members be and hereby accorded to ratify the remuneration of ₹ 40,000/- (Rupees Forty Thousand only) in addition to applicable taxes and out of pocket expenses, fixed by the Board of Directors, to M/s. Vivekanandan Unni & Associates, Cost Accountants, Chennai (having Firm Registration Number 00085), appointed by the Board of Directors as Cost Auditors to conduct the Audit of the cost records of the Company for the Financial Year 2023-24."

By Order of the Board
For **Pondy Oxides and Chemcials Limited**

K. Kumaravel
Director Finance & Company Secretary

Place : Chennai
Date : 8th August 2024

NOTICE TO THE 29TH ANNUAL GENERAL MEETING (Contd.)

NOTES:

1. The Ministry of Corporate Affairs ("MCA") has vide its General Circular No. 9/2023 dated 25th September 2023, General Circular No. 11/2022 dated 28th December 2022, circular no. 21/2021 dated December 14, 2021 and 2/2022 dated May 5, 2022 read with circulars dated January 13, 2021, May 5, 2020, April 8, 2020 and April 13, 2020 (collectively referred to as "MCA Circulars") and the Securities and Exchange Board of India ('SEBI') vide its circular nos. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated May 12, 2020, SEBI/HO/CFD/CMD2/CIR/ P/2021/11 dated January 15, 2021, SEBI/HO/CFD/CMD2/CIRP/P/2022/62 dated May 13, 2022, SEBI/HO/CFD/PoD-2/P/CIR/2023/4 dated January 5, 2023 and SEBI/HO/CFD/CFD-PoD-2/P/CIR/2023/167 dated October 7, 2023 (Collectively referred to as 'SEBI Circulars') has permitted the holding of the Annual General Meeting ("AGM") through Video Conferencing ("VC") / Other Audio Visual Means ("OAVM"), without the physical presence of the Members at a common venue. In compliance with these MCA and SEBI Circulars, applicable provisions of the Act (including any statutory modifications or re-enactments thereof for the time being in force) read with Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended and pursuant to Regulation 44 of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 ('SEBI Listing Regulations'), the 29th AGM of the Company is being conducted through VC/OAVM on Wednesday, 18th September 2024 at 03:00 PM

2. Pursuant to the provisions of the Act, a member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his/her behalf and the proxy need not be a Member of the Company. Since this AGM is being held pursuant to the MCA Circulars through VC / OAVM, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for the AGM and hence the Attendance Slip and Proxy Form are not annexed to this Notice.

3. The Members can join the AGM through VC/OAVM mode 30 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation in the AGM through VC/OAVM will be made available for 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc., who are allowed to attend the AGM without restriction on account of first come first served basis. The detailed instructions for joining the Meeting through VC/OAVM forms part of the Notes to this Notice;

4. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Act;

5. The relative Explanatory Statement pursuant to Section 102 of the Act, setting out material facts concerning the special business under Item No. 4 to 9 of the Notice, is annexed hereto. The relevant details, pursuant to Regulations 36(3) of the Listing Regulations and Secretarial Standard on General Meetings issued by the Institute of Company Secretaries of India, in respect of Director seeking appointment / re-appointment at this AGM is also annexed;

6. Book Closure, Dividend and Bonus Shares:

   (a) The Register of Members and the Share Transfer Books of the Company will remain closed from Thursday, 12th September 2024 till Wednesday, 18th September 2024 (both days inclusive) for the purpose of payment of dividend;

   (b) If dividend on Equity Shares, as recommended by the Board, is approved at the 29th Annual General Meeting, the payment of such dividend will be made as under:

      (i) to all beneficial owners in respect of Shares held in electronic form as per details furnished by the Depositories for this purpose as at the end of Wednesday, 11th September 2024

      (ii) to all Members in respect of Shares held in physical form, after giving effect to valid transfer, transmission or transposition requests lodged with the Company on or before Wednesday, 11th September 2024

7. SEBI vide its notification dated January 24, 2022, has mandated that all requests for transfer of securities including transmission and transposition requests shall be processed only in dematerialized form. In view of the same and to eliminate all risks associated with physical shares and for ease of portfolio management, members holding shares in physical form are advised to dematerialize the shares held by them. Members can contact the Company or Company's Registrars and Transfer Agents - M/s. Cameo Corporate Services Limited for assistance in this regard;

NOTICE TO THE 29TH ANNUAL GENERAL MEETING (Contd.)

8. Members may please note that SEBI vide its circular No. SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2022/8 dated January 25, 2022, has mandated the listed companies to issue securities in dematerialized form only while processing service request viz., Issue of duplicate securities certificates; claim from Unclaimed Suspense Account; Renewal / Exchange of securities certificate; Endorsement; Sub-division / Splitting of securities certificate; consolidation of securities certificate/folios; Transmission; Transposition. Accordingly, members are requested to make service requests by submitting a duly filled and signed Form ISR-4, on the website of the Company's Registrar and Share Transfer Agent, M/s. Cameo Corporate Services Limited at https://cameoindia.com/registry-and-share-transfer. It may be noted that any service request can be processed only after the folio is KYC Compliant.

9. To support the "Green Initiative", Members who have not registered their email addresses are requested to register the same with the Company's Registrar and Share Transfer Agent/their Depository Participants, in respect of shares held in physical/electronic mode, respectively, for receiving all communication(s) including Annual Report, Notices, Circulars, etc. from the Company electronically;

10. Members are requested to intimate changes, if any, pertaining to their name, postal address, email address, telephone/ mobile numbers, Permanent Account Number (PAN), mandates, nominations, power of attorney, bank details such as, name of the bank and branch details, bank account number, MICR code, IFSC code, etc., to their Depository Participant in case the shares are held in electronic form and in case the shares are held in physical form to M/s. Cameo Corporate Services Limited in prescribed form ISR-1 and other forms pursuant to SEBI Circular No. SEBI/HO/MIRSD_RTAMB/P/CIR/2021/655 dated November 3, 2021, SEBI/HO/MIRSD_RTAMB/P/CIR/2021/687 dated November 14, 2021, SEBI/HO/MIRSD/MIRSD-PoD-1/P/CIR/2023/37 dated March 16, 2023 and SEBI Circular No. SEBI/HO/MIRSD/POD-1/P/CIR/2023/181 dated November 17, 2023;

11. In case of joint holders attending the AGM, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote;

12. Members seeking any information with regard to the financial statements are requested to write to the Company at kk@pocl.com at least 7 days before the Annual General Meeting so as to enable the management to keep the information ready at the Annual General Meeting;

13. **Transfer of Unclaimed/Unpaid amounts to the Investor Education and Protection Fund (IEPF):**

    (a) Members are requested to note that dividends not encashed or remaining unclaimed for a period of 7 (seven) years from the date of transfer to the Company's Unpaid Dividend Account, shall be transferred to the Investor Education and Protection Fund ("IEPF") established by the Central Government. Further, pursuant to the provisions of Section 124 of the Act read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ("IEPF Rules") as amended to date, all shares on which dividend has not been paid or claimed for seven consecutive years or more shall be transferred to IEPF Authority as notified by the Ministry of Corporate Affairs.

    The Members/Claimants whose shares and/or unclaimed dividend amount have been transferred to IEPF may claim the shares or apply for refund by making an application to IEPF Authority in Form IEPF-5 (available on www.iepf.gov.in). The Member/Claimant can file only one consolidated claim in a Financial Year as per the IEPF Rules.

    It is in the Members' interest to claim any uncashed dividends and for future, opt for Electronic Clearing Service, so that dividends paid by the Company are credited to the Members' account on time.

    Members who have not yet encashed the dividend warrants, from the Financial Year ended 31st March 2017 onwards are requested to forward their claims to the Company's Registrar and Share Transfer Agents. Members are requested to contact the Company's Registrar and Share Transfer Agent at the following address, to claim the unclaimed/ unpaid dividends:

    M/s. Cameo Corporate Services Limited
    "Subramanian Building",
    No.1, Club House Road
    Chennai – 600002
    Tamil Nadu, India
    Tel: +91-44-4002 0700
    Email: murali@cameoindia.com
    Online Investor Portal:
    https://wisdom.cameoindia.com/
    Website: https://cameoindia.com/

NOTICE TO THE 29TH ANNUAL GENERAL MEETING (Contd.)

(b) Pursuant to the provisions of Section 124 of the Companies Act, 2013, read with applicable rules, the Company has transferred the unpaid or unclaimed dividends for the financial year 2015-16 on due dates, to the Investor Education and Protection Fund (the IEPF) established by the Central Government;

(c) Pursuant to the provisions of Section 124 of the Companies Act, 2013, the Company has uploaded the details of unpaid and unclaimed amounts lying with the Company as on 31st March 2024 on the website of the Company (https://pocl.com/portfolio/investor-relations/).

(d) Pursuant to provisions of Section 124 of the Companies Act, 2013 read with applicable rules, unpaid dividend due for transfer to the Investor Education and Protection Fund (IEPF) are as follows:

Dividend for the year ended	Date of Declaration	Proposed date of Transfer*
March 31, 2017	September 27, 2017	November 2, 2024
March 31, 2018	September 22, 2018	October 28, 2025
March 31, 2019	September 18, 2019	October 24, 2026
March 31, 2020	March 13, 2020	April 18, 2027
March 31, 2021	September 18, 2021	October 24, 2028
March 31, 2022	September 21, 2022	October 27, 2029
March 31, 2023	September 22, 2023	October 28, 2030

*Indicative dates, actual dates may vary.

(e) Pursuant to the notification of Section 124(6) of the Companies Act, 2013 read with the Investor Education and Protection Authority Fund (Accounting, Audit, Transfer and Refund) Rules, 2016, the Company is required to transfer the shares in respect of which dividend has not been paid or claimed for seven consecutive years or more. The Company has issued notice to the concerned shareholders intimating them of the impending transfer of shares and simultaneously published a notice in the newspapers. The Company has also uploaded the details of the same on the website of the Company for the benefit of the shareholders. Members are requested to verify the status in the Company's website (https://pocl.com/transfer-of-shares/).

14. Payment of Dividend through electronic means:

(a) To avoid loss of dividend warrants in transit and undue delay in receipt of dividend warrants, the Company provides the facility to the Members for remittance of dividend directly in electronic mode through National Automated Clearing House (NACH). Members holding shares in physical form and desirous of availing this facility of electronic remittance are requested to provide their latest bank account details (Core Banking Solutions Enabled Account Number, 9-digit MICR and 11-digit IFS Code), along with their Folio Number and original cancelled cheque leaf bearing the name of the first-named shareholder as account holder, to the Company's Registrar and Share Transfer Agent - M/s. Cameo Corporate Services Limited;

(b) Members holding shares in electronic form are requested to provide the said details to their respective Depository Participants;

(c) Members holding shares in electronic form are hereby informed that bank particulars registered against their respective depository accounts will be used by the Company for payment of dividend. The Company or its Registrars cannot act on any request received directly from the Members holding shares in electronic form for any change of bank particulars or bank mandates. Such changes are to be advised only to the respective Depository Participant of the Members;

(d) Pursuant to Finance Act, 2020, dividend income will be taxable in the hands of shareholders w.e.f. 1st April 2020 and the Company is required to deduct tax at source from dividend paid to shareholders at the prescribed rates. For the prescribed rates for various categories, the shareholders are requested to refer to the Finance Act, 2020 and amendments thereof. The shareholders are requested to update their PAN with the Company / Registrar and Transfer Agent (in case of shares held in physical mode) and with the Depository Participants (in case of shares held in Demat mode).

A Resident individual shareholder with PAN and who is not liable to pay income tax, can submit a yearly declaration in Form No. 15G/15H, to avail the benefit of non-deduction of tax at source

NOTICE TO THE 29TH ANNUAL GENERAL MEETING (Contd.)

by sending an email to murali@cameoindia.com latest by 11:59 P.M. (IST) on Wednesday, 11th September 2024.

Shareholders are requested to note that incase their PAN is not registered, the tax will be deducted at a higher rate of 20%.

Non-resident shareholders can avail beneficial rates under tax treaty between India and their country of residence, subject to providing necessary documents i.e. No Permanent Establishment and Beneficial Ownership Declaration, Tax Residency Certificate, Form 10F, any other document which may be required to avail the tax treaty benefits by sending an email to murali@cameoindia.com. The aforesaid declarations and documents need to be submitted by the shareholders latest by 11:59 P.M. (IST) on Wednesday, 11th September 2024

15. Members holding shares in physical form are requested to advise any change of address immediately to the Company's Registrar and Share Transfer Agent. Members holding shares in electronic form must send the advice about change in address to their respective Depository Participant only and not to the Company or the Company's Registrar and Share Transfer Agent.

16. **Updation of Members' Details:**

    The format of the Register of Members prescribed by the Ministry of Corporate Affairs under the Act requires the Company / Registrar and Share Transfer Agent to record additional details of Members, including their PAN details, email address, bank details for payment of dividend, etc. Members holding shares in physical form are requested to submit the details to the Company or to its Registrar and Share Transfer Agent. Members holding shares in electronic form are requested to submit the details to their respective Depository Participant.

17. **Nomination Facility:**

    As per the provisions of Section 72 of the Act and Rule 19(1) of the Companies (Share Capital and Debentures) Rules, 2014, as amended, Members holding shares in physical form may file nomination in the prescribed Form SH-13 with the Company's Registrar and Share Transfer Agent. In respect of shares held in dematerialized form, the nomination form may be filed with the respective Depository Participant.

18. All documents referred to in the accompanying Notice and the Explanatory Statement shall be open for inspection by the Members by writing an e-mail to the Company Secretary at kk@pocl.com;

19. **Online Dispute Resolution Portal ("ODR PORTAL"):**

    SEBI vide Master Circular No. SEBI/HO/ OIAE/OIAE_IAD-3/P/CIR/2023/195 dated 31st July 2023 (updated as on 28th December 2023), has established a common Online Dispute Resolution Portal ("ODR Portal") for resolution of disputes arising in the Indian Securities Market.

    Pursuant to above-mentioned circular, post exhausting the option to resolve their grievances with the RTA/ Company directly and through existing SCORES platform, the investors can initiate dispute resolution through the ODR Portal (https://smartodr.in/login)

    The aforesaid SEBI Circular can be viewed on the following link https://pocl.com/public-announcements/

20. In compliance with the aforesaid MCA Circulars and SEBI Circulars, Notice of the AGM along with Annual Report 2023-24 is being sent only through electronic mode to those Members whose e-mail addresses are registered with the Company / Depository Participants. Members may note that the Notice of AGM and the Annual Report 2023-24 will also be available on the Company's website at www.pocl.com, on the website of the Stock Exchanges i.e. BSE Limited at www.bseindia.com, National Stock Exchange of India Limited at https://www.nseindia.com/ and on the website of CDSL https://www.cdslindia.com/;

21. Since the AGM will be held through VC / OAVM, the Route Map is not annexed to this Notice.

VOTING THROUGH ELECTRONIC MEANS:

1. In compliance with the provisions of Section 108 of the Act and the Rules framed thereunder, as amended to date and Regulation 44 of the Listing Regulations, the Members are provided with the facility to cast their vote electronically, through the e-Voting services provided by CDSL, on all the resolutions set forth in this Notice. The instructions for e-Voting are given herein below:

2. The remote e-Voting period commences at 09:00 AM (IST) on Sunday, 15th September 2024 and ends at 05:00 PM (IST) on Tuesday, 17th September 2024. The e-Voting module shall be disabled by CDSL for voting thereafter. During this period, Members holding shares either in physical or de-materialized form as on the Cut-Off Date i.e., Wednesday, 11th September 2024, may cast their votes electronically. Any person who is not a Member as on the cut- off date should treat this

NOTICE TO THE 29TH ANNUAL GENERAL MEETING (Contd.)

Notice for information purposes only. Those Members, who will be present in the AGM through VC / OAVM facility and have not cast their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system during the AGM. The voting rights of shareholders shall be in proportion to their share in the paid-up equity share capital of the Company as on the Cut-off date.

3. The Company has appointed Mr. Krishna Sharan Mishra of M/s. KSM & Associates., Company Secretaries (Membership No. FCS 6447) as the Scrutinizer to scrutinize the voting at the meeting and remote e-voting process, in a fair and transparent manner and they have communicated their willingness to be appointed and will be available for the purpose;

4. The Members who have cast their vote by remote e-Voting prior to the AGM may also attend / participate in the AGM through VC / OAVM, but shall not be entitled to cast their vote again;

5. The voting rights of Members shall be in proportion to their share in the paid-up equity share capital of the Company as on Wednesday, 11th September 2024 ("Cut-Off Date");

6. Any person, who are other than individual shareholders holding securities in Demat mode and shareholders holding securities in physical mode, who acquires shares of the Company and become member of the Company after dispatch of the notice and holding shares as of the Cut-off date i.e. Wednesday, 11th September 2024, may obtain the login ID and password by sending a request at helpdesk.evoting@cdslindia.com. However, if you are already registered with CDSL for remote e-Voting then you can use your existing user ID and password for casting your vote. If you have forgotten your password, you could reset your password by using "Forgot User Details/Password" or "Physical User Reset Password" option available on www.evotingindia.com. In case of Individual shareholders holding securities in Demat mode, who acquires shares of the Company and become member of the Company after dispatch of the Notice and holding shares as of the Cut-off date i.e. Wednesday, 11th September 2024 are requested to follow the login method mentioned below in point (A) under e-Voting instructions;

7. E-Voting Instructions:

The way to vote electronically on CDSL/NSDL e-Voting system consists of "Two Steps" which are mentioned below:

Step 1: Access to CDSL/NSDL e-Voting system

(A) Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in Demat mode:

In terms of SEBI circular dated December 9, 2020, on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in Demat mode is allowed to vote through their Demat Account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email ID in their Demat Accounts in order to access e-Voting facility.

Login method for Individual shareholders holding securities in Demat mode is given below:

Type of Shareholders	Login Method
Individual Shareholders holding securities in Demat mode with CDSL	(i) Existing users who have opted for Easi / Easiest, they can login through their user ID and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are https://web.cdslindia.com/myeasitoken/Home/Login or www.cdslindia.com and click on New System - Myeasi. (ii) After successful login of Easi/Easiest the user will be also able to see the E Voting Menu. The Menu will have links of e-Voting service provider i.e. NSDL. Click on NSDL to cast your vote. (iii) If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasitoken/Home/Login (iv) Alternatively, the user can directly access e-Voting page by providing demat Account Number and PAN No. from a link in www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the demat Account. After successful authentication, user will be provided links for the respective ESP i.e. NSDL where the e-Voting is in progress

NOTICE TO THE 29TH ANNUAL GENERAL MEETING (Contd.)

Type of Shareholders	Login Method
Individual Shareholders holding securities in Demat mode with NSDL.	(i) If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: https://eservices.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the "Beneficial Owner" icon under "Login" which is available under "IDeAS" section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on options available against company name or e-Voting service provider - NSDL and you will be re-directed to NSDL e-Voting website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. (ii) If the user is not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. (iii) Select "Register Online for IDeAS" Portal or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp (iv) Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen-digit Demat account number held with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on options available against company name or e-Voting service provider - NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.
Individual Shareholders (holding securities in Demat mode) login through their depository participants	You can also login using the login credentials of your Demat account through your Depository Participant registered with CDSL/NSDL for e-Voting facility. Once login is complete, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to CDSL/NSDL Depository site after successful authentication, wherein you can see e-Voting feature. Click on options available against company name or e-Voting service provider-CDSL and you will be redirected to e-Voting website of CDSL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

Important note: Members who are unable to retrieve User ID/ Password are advised to use Forgot User ID and Forgot Password option available at the above-mentioned website.

Helpdesk for Individual Shareholders holding securities in Demat mode for any technical issues related to login through Depository i.e. CDSL and NSDL.

Login Type	Helpdesk details
Individual Shareholders holding securities in Demat mode with CDSL	Members facing any technical issue to login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at +91 22 2305 8738 or +91 22 2305 8542-43
Individual Shareholders holding securities in Demat mode with NSDL	Members facing any technical issue to login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: 1800 1020 990 and 1800 224 430

(B) Login Method for e-Voting and joining virtual meeting for shareholders other than Individual shareholders holding securities in Demat mode and shareholders holding securities in physical mode.

(i) The shareholders should log on to the e-voting website www.evotingindia.com.

(ii) Once the Home page of e-Voting system is launched, Click on "Shareholders" module.

(iii) Now enter your User ID

a. For CDSL: 16 digits beneficiary ID,

b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,

c. Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.

(iv) Next enter the Image Verification as displayed and Click on Login.

If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier e-voting of any company, then your existing password is to be used.

(v) If you are a first-time user follow the steps given below:

Particulars	For Shareholders holding shares in Demat Form other than individual and Physical Form
PAN	Enter your 10-digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) Shareholders who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number sent by Company/RTA or contact Company/RTA.
Dividend Bank Details OR Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. If both the details are not recorded with the depository or company, please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (v).

(vi) After entering these details appropriately, click on "SUBMIT" tab.

(vii) Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

(viii) For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.

(ix) Click on the EVSN for the relevant on which you choose to vote.

(x) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.

(xi) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.

(xii) After selecting the resolution, you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.

(xiii) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.

(xiv) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.

(xv) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.

NOTICE TO THE 29TH ANNUAL GENERAL MEETING (Contd.)

(C) Facility for Non – Individual Shareholders and Custodians –Remote Voting:

(i) Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to www.evotingindia.com and register themselves in the "Corporates" module.

(ii) A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.

(iii) After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.

(iv) The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.

(v) A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.

(vi) Alternatively Non-Individual shareholders are required to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer at evoting.ksmassociates@gmail.com and to the Company at the email address viz; kk@pocl.com, if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

INSTRUCTIONSTOMEMBERSFORE-VOTINGONTHEDAY OF THE AGM ARE AS UNDER:

1. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for remote e-Voting.

2. Only those Members/ Shareholders, who will be present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the AGM.

3. Members who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.

4. The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the AGM shall be the same person mentioned for Remote e-Voting.

GENERALINSTRUCTIONS/INFORMATIONFORMEMBERS FOR VOTING ON THE RESOLUTIONS:

1. Corporate / Institutional Members (i.e., other than Individuals, HUF, NRI, etc.) are also required to send scanned certified true copy (PDF / JPG Format) of the relevant Board Resolution/ Authority Letter, etc., together with attested specimen signature(s) of the duly authorized representative(s) who are authorized to vote, to the Scrutinizer at the email address: evoting.ksmassociates@gmail.com with a copy marked to helpdesk.evoting@cdslindia.com;

2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-Voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/Password" or "Physical User Reset Password" option available on www.evotingindia.com to reset the password.

3. In case of any query pertaining to e-voting, Members may refer to the Frequently Asked Questions (FAQs) for shareholders and e-Voting user manual for shareholders available at the download section of www.evotingindia.com or call on 022-23058738 and 022-23058542/43 or send a request at helpdesk Any query or grievance connected with the remote e-voting may be addressed to Mr. Rakesh Dalvi, Sr. Manager, CDSL, Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurex Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East) Mumbai – 400013 or send an email to helpdesk.evoting@cdslindia.com.

4. Any grievance or clarifications with regard to voting by electronic means may be addressed to Mr. K. Kumaravel, Company Secretary at KRM Centre, 4th Floor, No. 2, Harrington Road, Chetpet, Chennai – 600031, Tamil Nadu, India. Phone: 044-42965454, Email ID: kk@pocl.com.

PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL IDSARENOTREGISTEREDWITHTHEDEPOSITORIESFOR PROCURINGUSERIDANDPASSWORDANDREGISTRATION OF E-MAIL IDS FOR E-VOTING FOR THE RESOLUTIONS SET OUT IN THIS NOTICE:

1. In case shares are held in physical mode please provide a request letter duly signed by the first-named shareholder stating Folio No., Name of shareholder,

NOTICE TO THE 29TH ANNUAL GENERAL MEETING (Contd.)

copy of the share certificate (front and back), PAN (self-attested copy of PAN card), AADHAR (self-attested copy of Aadhar Card) to the Registrars and Transfer Agents – Cameo Corporate Services Limited;

2. In case shares are held in Demat mode, please contact your Depository Participant (DP) and register your email address in your demat account, as per the process advised by your DP;

3. If you are an Individual shareholder holding securities in Demat mode, you are requested to refer to the login method explained under Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in Demat mode;

4. Alternatively, shareholder / members may send a request to helpdesk.evoting@cdslindia.com for procuring user ID and password for e-voting by providing above mentioned documents;

5. In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in Demat mode are allowed to vote through their Demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their Demat account in order to access e-Voting facility.

INSTRUCTIONSTOMEMBERSFORATTENDINGTHEAGM THROUGH VC / OAVM, ARE AS UNDER:

1. Member will be provided with a facility to attend the AGM through VC/OAVM through the CDSL e-Voting system. Members may access by following the steps mentioned above for Access to CDSL e-Voting system. After successful login, you can see link of "VC/OAVM link" placed under "Join General meeting" menu against company name. You are requested to click on VC/OAVM link placed under Join General Meeting menu. The link for VC/OAVM will be available in Shareholder/Member login where the EVSN of Company will be displayed.

2. Members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush.

3. Members are encouraged to join the Meeting through Laptops for better experience.

4. Further, Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting

5. Please note that Participants connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.

6. Facility of joining the AGM through VC / OAVM shall open 30 minutes before the time scheduled for the AGM and will be available for Members on first come first served basis.

7. Members who need assistance before or during the AGM, can contact CDSL on +91 22 2305 8738 or +91 22 2305 8542-43 or contact Mr. Rakesh Dalvi, Sr. Manager at helpdesk.evoting@cdslindia.com.

8. Members who would like to express their views or ask questions during the AGM may register themselves as a speaker by sending their request from their registered email address mentioning their name, DP ID and Client ID/folio number, PAN, mobile number at kk@pocl.com at least 7 working days prior to the AGM. Those Members who have registered themselves as a speaker will only be allowed to express their views/ask questions during the AGM. The Company reserves the right to restrict the number of speakers depending on the availability of time for the AGM.

OTHER INFORMATION:

1. The Scrutinizer shall, immediately after the conclusion of voting at the AGM, count the votes cast at the Meeting, thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses who are not in the employment of the Company and make, not later than 48 hours of conclusion of the Meeting, a consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, to the Chairman or to a person authorized by the Chairman in writing who shall countersign the same;

2. The Chairman or the person authorized by him in writing shall forthwith on receipt of the consolidated Scrutinizer's Report, declare the Results of the voting. The Results declared, along with the Scrutinizer's Report, shall be placed on the Company's website and on the website of CDSL immediately after the results is declared and communicated to the Stock Exchanges where the equity shares of the Company are listed;

3. Subject to the receipt of requisite number of votes, the Resolutions forming part of the Notice of Annual General Meeting shall be deemed to be passed on the date of the AGM i.e. Wednesday, 18th September 2024.

NOTICE TO THE 29TH ANNUAL GENERAL MEETING (Contd.)

EXPLANATORY STATEMENT

(Pursuant to Section 102 of the Companies Act, 2013)

As required under Section 102 of the Companies Act, 2013 (Act), the following explanatory statement sets out all the material facts relating to the Special Businesses mentioned under Item No. 4 to Item no. 9 of the accompanying 29th AGM Notice:

ITEM No. 4

Re-appointment of Mr. K Kumaravel (DIN: 00664405) as Whole-time Director in the capacity of Director Finance and fixing his remuneration.

The tenure of Mr. K Kumaravel expires on December 30, 2024. Taking into consideration, the valuable services rendered by him and his rich and varied knowledge and experience in the field of finance, accounting, compliances and law, and based on the recommendation of Nomination and Remuneration Committee, the Board of Directors in their meeting held on 22nd July 2024 approved their re-appointment for a further period of three years with effect from, with a revised remuneration, subject to the approval of the shareholders of the Company.

Pursuant to the provisions of Sections 196 and 197 read with Schedule V of the Companies Act, 2013, approval of the shareholders by way of Special resolution is being sought for the re-appointment of Mr. K Kumaravel as Whole-time Director and payment of remuneration to him.

A summary of the material terms and conditions relating to the appointment of above directors is as follows:

Director	Mr. K Kumaravel
Tenure	For a period of three years with effect from 31st December 2024 till 30th December 2027
Basic Salary	₹ 48,00,000/- p.a. (Rupees Forty-eight Lakhs only)
Perquisites & Allowances	House Rent Allowance, Medical Allowance, Provident Fund, Conveyance, Medical Reimbursement for self and family, Bonus, Leave Travel Concession, EL Encashment, Gratuity, ESOPs etc., and other allowances as may be decided by the Company and as agreed upon by the Board of Directors of the Company and Mr. K Kumaravel provided that the total value of allowances and perquisites shall not exceed the amount of annual salary.
Reimbursement of Official Expenses	On actual basis
Annual Increments	Not Exceeding 20% of the Basic Salary

The Disclosures required to be given under Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standards on General Meeting (SS-2) is provided at Annexure A of this Notice.

Minimum Remuneration:

In the years where the Company has no profits or the profits are inadequate, the remuneration to the managerial personnel will be within the limits set out in Part II - Section II of Schedule V to the Companies Act, 2013 as amended from time to time. The Board of Directors of the Company may also be authorized to determine and modify from time to time the remuneration payable to the said directors in accordance with the provisions of Sections 197 of the Companies Act, 2013 read with Schedule V thereof and stipulations contained in and any other applicable provision of the Companies Act, 2013. In view of above, the Company is seeking approval of the Shareholders by way of special resolution.

Information as required under the Part II - Section II of Schedule V to the Companies Act, 2013 in respect of each appointee is produced below:

I. General Information

1. **Nature of Industry**

   The Company is engaged in the manufacture of Lead Metal and Alloys and other Non-ferrous metals.

2. **Date or expected date of commencement of commercial production**

   The Company has been in business for the past 29 years and focusing on the manufacturing metals and alloys and other non-ferrous metals.

3. **Financial performance based on given indicators**

₹ in Lakhs

Particulars	FY 2023-24	FY 2022-23	FY 2021-22
Sales (Net)	1,52,381.53	1,47,166.84	1,45,480.10
Profit Before Tax	5,163.06	6,575.67	6,435.65
Profit After Tax	3,951.52	4,920.12	4,824.76
Shareholders' Funds	35,484.23	25,414.56	20,814.67

4. **Foreign investments or collaborations, if any:** NIL

II Information about Mr. K Kumaravel, Director Finance and Company Secretary

1. **Background details**

   Mr. K Kumaravel, aged about 61 years, is a part of the Board since December 2021 and served in the Company for about 29 years since the year 1995. He is the member of both the Institute of Company secretaries of India and Institute of Cost and Management Accountants of India.

2. **Past remuneration**

   The total remuneration drawn by Mr. K Kumaravel during the financial year 2023-24 was ₹ 49.51 Lakhs.

3. **Job profile and his suitability**

   Mr. K Kumaravel has experience of more than 38 years in Finance, Accounts and Secretarial departments of Public Sector Undertakings.

5. **Remuneration proposed**

   The remuneration proposed for Mr. K Kumaravel is as stated in the resolution at Item No. 4 of this Notice.

6. **Comparative remuneration profile with respect to industry, size of the company, profile of the position and person**

   The remuneration of Mr. K Kumaravel is as commensurate with remuneration paid in the manufacturing sector, in India for similar sized roles, taking into consideration the responsibility shouldered by him. Pecuniary relationship directly or indirectly with the Company, or relationship with managerial personnel, if any.

7. **Pecuniary relationship directly or indirectly with the company, or relationship with managerial personnel, if any**

   Mr. K Kumaravel has advanced unsecured loan of ₹ 35 Lakhs to the Company. He holds 18,105 equity shares as on 31st March 2024 in the Company.

   He is not related to any Director or Managerial Personnel of the Company.

III. OTHER INFORMATION

1. **Reasons for inadequate profits**

   Managing growth and price stability are the major challenges of macroeconomic policy making. Your company has taken steps to mitigate the challenge and improved the turnover and profitability during the past 3 years. Though the profitability of the Company is adequate to pay the remuneration, in many of the years, taking into account the eventuality of inadequate profit approval of the members is obtained for payment of minimum remuneration, if required.

2. **Steps taken or proposed to be taken for improvement**

   To overcome the above problems, the Company started locking the price for import of raw materials on average LME basis every month as the sale realization also based on the average LME price of the previous month. Further, the Company also introduced value added products to maximize the profitability. Hedging Mechanism is in place to safeguard against volatility risk.

3. **Expected increase in productivity and Profits in measurable terms**

   In view of the steps taken by the Company, turnover has increased in the year 2023-24 compared to the previous years. Further, the company is also aiming to increase the profitability in coming years as per the initiatives taken by the Management.

IV. DISCLOSURES.

As required, the following disclosures are provided under Corporate Governance Section of the Annual Report.

(i) All elements of remuneration package such as Salary, benefits, bonuses, stock options, pension etc., of all the directors;

(ii) Details of fixed component and performance linked incentives along with the performance criteria

(iii) Service contracts, notice period, severance fees; and

(iv) Stock option details, if any, and whether the same has been issued at a discount as well as the period over which accrued and over which exercisable.

The Explanatory Statement together with the accompanying Notice may be treated as an abstract of the terms of appointment of Mr. K Kumaravel, Whole-time Director and payment of remuneration and the Memorandum of interest under Section 190 of the Companies Act, 2013.

Your Directors recommends the resolutions set out in Item Nos. 4 of the Notice for approval by the Members as a Special resolution.

NOTICE TO THE 29TH ANNUAL GENERAL MEETING (Contd.)

Except for Mr. K Kumaravel, none of the other Directors and Key Managerial Personnel of the Company and their relatives are concerned or interested, financially or otherwise, in the resolution set out in item no. 4.

ITEM NO. 5

Appointment of Ms. Shanti Balamurugan (DIN: 07730909) as Non-Executive Independent Director of the Company:

Pursuant to the recommendations of the Nomination and Remuneration Committee, the Board of Directors of the Company, in their Meeting held on 22nd July 2024, appointed Ms. Shanti Balamurugan as an Additional Director in the capacity of Independent Director of the Company for a period of 5 years commencing from 22nd July 2024 till 21st July 2029. Ms. Shanti Balamurugan is a senior professional with more than 30 years of experience in Finance, Accounts & Compliance domains. She has held leadership roles as CFO overseeing these functions in industries such as - manufacturers of Chemicals, Automobile industry, Engineering equipment for the Paper industry, Power & Energy sector – Renewable – Solar & Wind & Non-Renewable – Thermal Power, UPS, NBFCs and the Services industry. Taking into account, the expertise and experience, the Board proposes to appoint her as an Independent Director for a term of 5 years commencing from 22nd July 2024 to 21st July 2029.

In the opinion of the Board, Ms. Shanti Balamurugan fulfills the conditions for appointment as Independent Director as specified in the Companies Act, 2013 and SEBI Listing Regulations. The Details as required by the Secretarial Standard on the General Meetings and SEBI Listing Regulations are provided in the Annexure to this Notice.

Other than Ms. Shanti Balamurugan, none of the other Directors, Key Managerial Personnel or their respective relatives are, in any way, concerned or interested, financially or otherwise, in this resolution. Your directors recommend the resolution set out in Item No. 5 of the Notice for approval by the Members as an Ordinary Resolution.

ITEM NO. 6

Re-appointment of Dr. M. Ramasubramani (DIN: 07999117) as Independent Director of the Company

The Shareholders of the Company in their meeting held on 28th September 2020, appointed Dr. M Ramasubramani as an Independent Director of the Company for a period of 5 years commencing from 13th March 2020 to 12th March 2025. Dr. M. Ramasubramani IPS is a well-known Police Officer and esteemed Sports Administrator and has worked in various places from Chennai to Kanyakumari in various capacities as SP, DC, DIG of many ranges and also as IGP. Taking into account his contributions to the Board, the experience and expertise he possess in various fields and as per the recommendations of the Nomination and Remuneration Committee, the Board in its meeting dated 22nd July 2024 re-appointed him as an Independent Director for a second term of 5 years commencing from 13th March 2025 to 12th March 2030 which is subject to the approval of the Shareholders.

In the opinion of the Board, Dr. M Ramasubramani fulfills the conditions for appointment as Independent Director as specified in the Companies Act, 2013 and SEBI Listing Regulations. The details as required by the Secretarial Standard on the General Meeting and SEBI Listing Regulations are provided in the Annexure to the Notice.

Other than Dr. M Ramasubramani, none of the other Directors, Key Managerial Personnel or their respective relatives are in any way concerned or interested, financially or otherwise, in this resolution. Your directors recommend the resolution set out in Item No. 6 of the Notice for approval by the members as a Special Resolution.

ITEM NO. 7 & 8

Sub-division/ split of existing equity Shares of the Company And Subsequent alteration of Memorandum of Association of the Company:

The Equity Shares of the Company are listed and traded on the National Stock Exchange of India Limited and BSE Limited. The Company's strong performance and the faith of the investors has led to significant increase in the market price of its Equity Shares. In order to provide enhanced liquidity in the capital market through widening shareholder base and to make it more affordable for small investors, it is proposed to sub-divide, Fully paid-up equity Shares having nominal value ₹ 10/- (Rupees Ten Only) each into fully paid-up equity shares of nominal value of ₹ 5/- (Rupee Five Only) each pursuant to the provisions of Section 61(1)(d) of the Companies Act, 2013, the rules made thereunder and other applicable provisions.

The Record Date for the aforesaid sub-division of Ordinary (equity) Shares shall be fixed by the Board (including any Committee thereof) after the approval of the Members is obtained for the proposed sub-division. In the opinion of the Board, proposed sub-division of the Ordinary (equity) Shares is in the best interest of the Company and the investors and therefore the Board at its meeting held on August 8, 2024, approved the aforesaid sub-division subject to requisite approval of the shareholders.

The proposed sub-division of fully paid-up Ordinary (equity) Shares will not result in any change in the amount of Authorized, Issued, Subscribed and Paid-up Ordinary (equity) Share Capital of the Company.

NOTICE TO THE 29TH ANNUAL GENERAL MEETING (Contd.)

The pre and post equity share Capital of the Company will be as under:

PRE-SUB-DIVISION		POST SUB-DIVISION	
Share Capital	**Amount (₹)**	**Share Capital**	**Amount (₹)**
Authorised Capital 2,01,50,000 Equity Shares of ₹ 10 each	20,15,00,000	**Authorised Capital** 4,03,00,000 Equity Shares of ₹ 5 each	20,15,00,000
Issued Capital 1,30,25,179 Equity Shares of ₹ 10 each	13,02,51,790	**Issued Capital** 2,60,50,358 Equity Shares of ₹ 5 each	13,02,51,790
Subscribed & Fully Paid-Up Capital 1,30,25,179 Equity Shares of ₹ 10 each	13,02,51,790	**Subscribed & Fully Paid-Up Capital** 2,60,50,358 Equity Shares of ₹ 5 each	13,02,51,790

The sub-division of Equity Shares proposed under Item No. 7 of this Notice shall also require consequential amendments to the existing Clause V (Capital Clause) of the Memorandum of Association of the Company as set out in Item no. 8 of this Notice to reflect change in the nominal value of Equity Shares of the Company.

Accordingly, the consent of the Members is sought for passing of Ordinary Resolution for sub-division of Ordinary (equity) Shares as mentioned at Item No.7 and for carrying out amendments to the Memorandum of Association of the Company as mentioned at Item No. 8;

A draft copy of the modified Memorandum of Association and Articles of Association is available for inspection by the Members of the Company.

None of the other Directors, Key Managerial Personnel or their respective relatives are in any way concerned or interested, financially or otherwise, in Item No. 7 and 8. Your directors recommend the resolution set out in Item No. 7 and 8 of the Notice for approval by the members as an Ordinary Resolution.

ITEM NO. 9

Ratification of remuneration of the Cost Auditors for the Financial Year ended 31st March 2024:

In accordance with the provisions of Section 148 of the Act read with the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditors as recommended by the Audit Committee and approved by the Board of Directors, has to be ratified by the members of the Company.

The Board, on the recommendation of the Audit Committee, has approved the appointment and remuneration of M/s. Vivekanandan Unni & Associates as the Cost Auditor (having Firm Registration Number 00085) to conduct the audit of the cost records of the Company for the Financial Year ended 31st March 2024. The remuneration payable to the cost auditor is ₹ 40,000/- (Rupees Forty Thousand Only) excluding taxes and reimbursement of incidental expenses incurred by the Auditor for carrying out the cost audit

Accordingly, the Directors recommend the consent of the members for passing an Ordinary Resolution as set out in Item No.9 of the Notice for ratification of the remuneration payable to the Cost Auditors for the Financial Year ended 31st March 2024.

None of the Directors, Key Managerial Personnel or their relatives are, in any way, concerned or interested in the resolution.

Inspection of documents:

The Documents pertaining to the above Special Business are available for inspection at the Registered Office of the Company on any day prior to the meeting during working hours.

By Order of the Board
For **Pondy Oxides and Chemicals Limited**

Place : Chennai
Date : 8th August 2024

K. Kumaravel
Director Finance & Company Secretary

ANNEXURE TO THE 29TH AGM NOTICE

DETAILS OF DIRECTOR SEEKING APPOINTMENT / RE-APPOINTMENT AT THE 28th ANNUAL GENERAL MEETING

[Pursuant to 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, and Secretarial Standard on General Meetings issued by the Institute of Company Secretaries of India]

Name of the Director	Mr. K Kumaravel	Ms. Shanti Balamurugan	Dr. M Ramasubramani
DIN	00232223	07730909	07999117
Date of Birth/ Age	09th May 1963 / 61 years	05th March 1970/ 54 Years	3rd July 1958 / 66 years
Designation / Category of Director	Director Finance & Company Secretary - Whole-time Director	Independent Non-Executive Director	Independent Non- Executive Director
Original date of Appointment on the Board	30th December 2021	22nd July 2024	13th March 2020
Last drawn remuneration (FY ended 31st March 2024 per annum)	49.51 lakhs	NA	NA
Qualification and Brief resume of the Director	Mr. K Kumaravel is an associate member of ICSI (A10921) and ICMAI (A10033). He did his Bachelor's and Master's degree in commerce from Annamalai University. Also holds Diplomo in Labour Laws from Annamalai University.	Ms. Shanti Balamurugan is a Fellow member of ICAI (F102734), an associate member of ICSI (A23142) and ICMAI (A32949). She did her Masters in Commerce and also has a LLB Degree.	Dr. M Ramasubrmani IPS is an accomplished Police officer and also a high-level Sports Administrator.
Relationship with other Directors, Manager and other Key Managerial Personnel of the Company	Mr. K Kumaravel is not related to any of the other Directors or Key Managerial Personnel of the Company	Ms. Shanti Balamurugan is not related to any of the other Directors or Key Managerial Personnel of the Company	Dr. M. Ramasubramani is not related to any of the other Directors or Key Managerial Personnel of the Company
Expertise in Specific Functional areas	38 years of experience in finance, Accounts, Taxation, Legal and Secretarial Departments of Public Sector Undertakings and Public Limited Companies. Expert	30 years of experience in Finance, Accounts & Compliance domains across various industries such as Chemicals, Automobile industry, Engineering equipment for the Paper industry, Power & Energy sector – Renewable – Solar & Wind & Non-Renewable – Thermal Power, UPS, NBFCs and the Services industry	Specialization in the field of Education & Technology mainly into Virtual Reality (VR) & Augmented Reality (AR) Technology concepts.
Directorship in other Public Companies (Excluding Foreign, Private and Section 8 Companies)	1) POCL Future Tech Private Limited 2) Harsha Exito Engineering Private Limited	NA	NA
Listed companies from where the Directors resigned during the past 3 years	NA	NA	NA
No. of Shares held in the Company as on 31st March 2024	18,105 shares	---	---

ANNEXURE TO THE 29TH AGM NOTICE (Contd.)

Name of the Director	Mr. K Kumaravel	Ms. Shanti Balamurugan	Dr. M Ramasubramani
Memberships / Chairmanships of Committees of other Public Companies (includes only Audit Committee and Stakeholders Relationship Committee)	NA	NA	NA
Terms and Conditions of Appointment along with the Remuneration proposed to be paid	As stated in the notice of the 29th AGM & explanatory statement	As stated in the notice of the 29th AGM & explanatory statement	As stated in the notice of the 29th AGM & explanatory statement
Number of Board Meetings held and attended during the year (FY 2023-24)	Held – 5 Attended – 5	NA	Held – 5 Attended – 5

FIVE YEARS FINANCIAL HIGHLIGHTS

[₹ In Lacs]

Particulars	2023-24	2022-23	2021-22	2020-21	2019-20
OPERATING RESULTS					
Net Sales	1,52,381.53	1,47,166.84	1,45,480.10	1,00,427.16	1,21,987.10
Profit Before Tax and Exceptional items [PBTE]	5,163.06	6,575.67	6,435.65	1,377.50	2,122.78
Profit Before Tax [PBT]	5,163.06	6,575.67	6,435.65	1,377.50	2,122.78
Profit After Tax [PAT]	3,951.52	4,920.12	4,824.76	1,077.78	1,634.56
Total Comprehensive Income	3,953.77	4,915.52	4,836.03	1,105.32	1,644.15
Net Cash Accrual	4,873.27	5,926.45	5,723.42	1,917.00	2,421.23
Dividend [incl. Div. Tax]	630.55	581.24	290.62	145.31	201.05
SOURCES AND APPLICATION OF FUNDS					
SOURCES OF FUNDS					
Equity Share Capital [1]	1,261.10	1,162.48	581.24	581.24	581.24
Reserves & Surplus [1]	9,796.76	2,787.20	2,878.44	2,398.44	2,288.44
Profit and Loss Account	24,426.37	21,464.88	17,354.99	13,152.61	12,175.30
Net Worth	35,484.23	25,414.56	20,814.67	16,132.29	15,044.98
Loan Funds	9,446.44	14,202.60	10,717.88	14,368.96	5,127.91
Deferred Tax Liability [Net]	-	-	-	-	-
Funds Employed	44,930.67	39,617.16	31,532.55	30,501.25	20,172.89
APPLICATION OF FUNDS					
Fixed Assets: Net [Incl. WIP]	11,230.41	9,324.14	5,430.39	4,964.25	5,278.57
Deferred Tax Assets [Net]	331.39	213.26	162.51	72.24	11.47
Net Non Current Assets	6,673.55	5,438.41	1,113.34	1,117.32	1,266.55
Net Current Assets	26,747.30	24,641.39	24,826.31	24,347.44	13,616.30
Net Assets	44,982.65	39,617.20	31,532.55	30,501.25	20,172.89
RATIOS					
PBTE to Sales (%)	3.39	4.47	4.42	1.37	1.74
PAT to Sales (%)	2.59	3.34	3.32	1.07	1.34
Return on Assets [2] (%)	18.87	22.05	23.95	7.49	13.52
Return on Net worth [3] (%)	12.98	21.29	26.12	6.91	11.64
Return on Capital Employed [4] (%)	15.13	18.32	23.09	6.00	15.45
Debt : Equity (times)	0.01	0.02	0.04	0.12	0.05
Fixed Assets Turnover (times)	13.57	15.78	26.79	20.23	23.11
Earning per share (BASIC)	33.73	42.32	83.01	18.54	29.28
Earning per share (DILUTED)	33.63	42.32	83.01	18.54	29.28
Dividend (%)	50.00	50.00	50.00	25.00	30.00
Dividend per share	5.00	5.00	5.00	2.50	3.00
Book value per share	281.38	218.62	358.11	277.55	258.84

Notes:

1. During the year, the Company has issued and alloted 9,86,197 fully paid up Equity shares of ₹ 10 each through private placement to investors.
2. Return on assets is PBIT divided by Average Net Operating Assets. Net operating assets exclude Capital work in progress, Cash and Non-trade investments.
3. Return on Net worth is computed based on average net worth.
4. Return on Capital Employed is PBIT divided by Funds employed.
5. All the Figures are in compliance with IndAS.

POCL®

Pondy Oxides and Chemicals Limited

Recycling is our forte

REGISTERED OFFICE :

KRM Centre, 4th Floor, 2, Harrington Road
Chetpet, Chennai - 600 031, Tamil Nadu
Phone No. : +91-044-4296 5454
Fax No. :+91-044-4296 5455
E-mail: info@pocl.com
Website: www.pocl.com