

PONDY OXIDES AND CHEMICALS LIMITED **POCL**[®]

POCL:MD:2019-20

18.09.2019

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

Dear Sir,

Sub: Proceedings of the 24th Annual General Meeting of our Company along with Chairman's speech

Ref: Script code- 532626

The 24th Annual General Meeting of our Company was held on September 18, 2019 at 11.30 a.m at Kasturi Srinivasan Hall (Mini Hall), Music Academy, 306, TTK Road, Chennai – 600 014.

In Compliance with the provisions of Regulation 30, Part A, Para A (13) of Schedule III to the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 we enclose herewith the Proceedings of the 24th Annual General Meeting of our Company held on September 18, 2019 along with Chairman's speech at the meeting.

We request you to take the same on record.

Thanking you,

Yours faithfully,

For **Pondy Oxides and Chemicals Limited**



K.Kumaravel
GM Finance & Company Secretary

Encls.: as above.



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**SUMMARY OF THE PROCEEDINGS OF THE 24TH ANNUAL GENERAL
MEETING OF PONDY OXIDES AND CHEMICALS LIMITED**

The Twenty Fourth Annual General Meeting (“AGM”) of Pondy Oxides and Chemicals Limited (“the Company”) was held on September 18th, 2019 at 11.30 a.m at Kasturi Srinivasan Hall (Mini Hall), Music Academy, 306, TTK Road, Chennai – 600 014.

The meeting commenced at 11.30 a.m with Mr. Anil Kumar Bansal, Chairman occupying the chair. The Chairman introduced Mr. Ashish Bansal, Managing Director, Mr. R.P.Bansal, Whole Time Director, Mr. Anil Kumar Sachdev, Independent Director, Mr. G.P.Venkateswaran, Independent Director, Dr. Shoba Ramakrishnan, Independent Director, Mr. A Vijay Anand, Independent Director and Mr. K.Kumaravel, GM Finance and Company Secretary sitting on the dais. He welcomed the shareholders and declared that the quorum was present and called the meeting to order.

The Chairman introduced Mr. L. Mukundan, representing M/s. L. Mukundan and Associates, Chartered Accountants, the Statutory Auditors and Mr. Krishna Sharan Mishra representing M/s. KSM Associates, the Secretarial Auditors and the Scrutinizer for the meeting and the e-voting process.

The Chairman requested Mr. K.Kumaravel, GM Finance and Company Secretary to continue with the proceedings of the meeting. The GM Finance and Company Secretary welcomed the shareholders to the 24th Annual General Meeting of the Company.

The GM Finance and Company Secretary, with the permission of the members present took the notice convening the 24th Annual General Meeting along with the explanatory statement as read. The GM Finance and Company Secretary informed the shareholders that the relevant registers as per the provisions of the Companies Act, 2013 are open for inspection. The GM Finance and Company Secretary requested the Chairman to address the shareholders.

The Chairman delivered his speech. The GM Finance and Company Secretary with the permission of the members present took the Auditors Report issued by the Statutory Auditors and the Secretarial Audit Report issued by the Secretarial Auditors as read since the said reports did not contain any qualification or reservations or adverse remarks.

The GM Finance and Company Secretary then invited the members, who wished to ask queries on the Annual Report 2018-19. Few shareholders raised certain queries to which he gave detailed reply.

The GM Finance and Company Secretary also informed that as per the provisions of Section 108 of the Companies Act, 2013, read with rules framed thereunder, the Company has extended remote e-voting facility through CDSL to the members in respect of the businesses to be transacted at the Annual General Meeting. He further informed that the e-voting commenced at 9.00 a.m on Sunday, September 15, 2019 and ended at 5.00 p.m on Tuesday, September 17, 2019.



The Chairman announced that the Company has arranged for voting through Ballot Paper on all the resolutions to be passed at the meeting and those shareholders, who have not exercised their vote through remote e-voting may choose to vote by way of Ballot paper.

Mr. Krishna Sharan Mishra, Practicing Company Secretary of M/s.KSM Associates had been appointed as the Scrutinizer for the remote e-voting and ballot voting process.

The following items of business, as per the notice dated August 12, 2019 were transacted at the meeting:

ORDINARY BUSINESS-

Ordinary Resolution:

1. To receive, consider and adopt the Audited Financial Statements of the Company for the financial year ended March 31, 2019 together with the reports of Board of Directors' and Auditors' thereon.
2. To declare final dividend of Rs. 4.00 (i.e. 40%) per equity share of Rs. 10/- each for the financial year ended March 31, 2019.
3. To appoint a Director in the place of Mr. R.P.Bansal (DIN: 00232708), who retires by rotation and being eligible, offers himself for reappointment.

SPECIAL BUSINESS-

Ordinary Resolution:

4. To appoint Mr. A Vijay Anand (DIN: 06431219) as an Independent Director of the Company

Special Resolution:

5. To re-appoint Dr. Shoba Ramakrishnan (DIN: 02773030) as an Independent Director of the Company.

Ordinary Resolution:

6. To ratify the remuneration of the Cost Auditors for the financial year 2018-19.

The GM Finance & Company Secretary informed the shareholders that those who have already availed the remote e-voting facility need not vote again by way of ballot paper.



The Chairman informed the shareholders that the combined results of the remote e-voting and voting by poll will be placed on the website of the Company and on the website of CDSL. He informed that the same will also be intimated to BSE.

The Chairman along with the Board Members thanked the shareholders for attending the meeting and declared the meeting as closed at 1.00 p.m

For **Pondy Oxides and Chemicals Limited**



K. Kumaravel

GM Finance & Company Secretary



PONDY OXIDES AND CHEMICALS LIMITED

CHAIRMAN'S SPEECH

Dear Shareholders, Ladies and Gentlemen,

It gives me great pleasure to welcome you all to the 24th Annual General Meeting of the Company and I would like to thank each and every individual involved in our journey so far, for their continued trust in the Company. I look forward for the same support and confidence for the years to come.

ECONOMIC OVERVIEW

After strong growth in 2017 and early 2018, global economic activity slowed notably in the second half of the last year on the fears of trade wars between US and China and political tensions across the regions. Subdued investment in emerging market and developing economies is also dampening potential growth prospects. The International Monetary Fund (IMF) projected the global economic growth to further slowdown to 3.2% in 2019 and is projected to gradually rise to 3.5% in 2020.

India has emerged as the fastest growing major economy in the world and is expected to be one of the top three economic powers of the world over the next 10-15 years, backed by its strong democracy and partnerships. India's economy grew at an impressive 8.2% in the first quarter of 2018-19 and reduced to 7.2% in the rest of the financial year. The slowdown in the Indian Economy is mainly from sectors like Housing, Agriculture, Automobiles etc.

In spite of slight variations in the GDP growth, India continues to be the fastest growing major economy in the world with an average growth of 7.5 per cent in the last 5 years.

INDUSTRY OUTLOOK

LEAD

India consumes about 1.1 million tonnes of lead annually from primary and secondary segments. Industry wise use of lead indicated that it has been largely used for battery making to an extent of about 80% of total lead consumption which includes automobiles, Industrial UPS/ Inverter batteries used in homes and in railways.

The demand for Lead continues to be stable for the coming years with a large part of the same coming from the replacement market and industrial usage.

ZINC

Zinc is the most widely used metal after steel, aluminium and copper. It is mainly used in tyre manufacturing and in galvanizing steel. In 2018, the global Zinc supply increased by 1.5% to 13.4 Million tonnes. Increase in demand from countries like China, Germany, the US and Belgium were the major factors behind the increase in global demand. In the coming years (2019-2022) the global Zinc supply is expected to grow at a compound annual growth rate of 3.8% to 15.7 Million tonnes in 2022.

COMPANY PERFORMANCE

Your company delivered outstanding and highest performance in the history of POCL during the financial year 2018-19 with a turnover of Rs. 1043.82 crore with an increase of 10% over the previous year and becoming one among the thousand crore turnover companies in India. The above includes the export turnover of Rs. 549.30 crore with an increase of 24% over the previous year.



The profit before tax increased to Rs. 68.29 crore and the net profit after tax has gone up to Rs.33.73 crore compared to Rs.29.18 crore in the previous year showing an increase of 15% over the previous year.

The Company is in the process of merging Meloy Metals Private Limited with your company to expand its business operations to a bigger land bank to accommodate the manufacture of additional 48000 MT of Lead metal and alloys with Rotary Furnace, Refining kettle, Battery Breaking facility etc.

AWARDS AND RECOGNITIONS

During the year, the Company has emerged as the winner of the first edition of The Economic Times Awards, Tamilnadu for Excellence in Business performance in the Rs.751-2000 crore category.

COMPANY OUTLOOK

During the year 2018-19, the Company increased its overall production capacity and significant improvements have been done in capacity utilisation. The Company increased its annual production of Lead Metal and Alloys from 53,148 MT in the year 2017-18 to 58,863 MT in 2018-19 in all its units, showing an increase of 11% over the previous year with an average capacity utilization of 89%. During the year the Company increased its installed capacity in its Andhra Pradesh plant from 24,000 MT to 36,000 MT and obtained consent for operations for the same. Further your Company received consent for establishment from Tamil Nadu Pollution Control Board to increase the plant capacity from 36,000 MT to 48,000 MT and is in the process of installing Machineries at higher capacity, thereby overall Lead manufacturing capacity of all units together will reach 84,000 MT per annum. Further, your Company targets to reach a total capacity of 1,32,000 MT per annum by 2019-20 after the successful completion of the merger of Meloy Metals Private Limited with your Company during the year 2019-20.

ACKNOWLEDGEMENT

I would like to place on record our sincere acknowledgement and appreciation to the company's managerial and operating team both at Registered Office and Factory for all their efforts during the year 2018-19 to become a thousand crore company. I deeply appreciate all our employees for their resilience and continued support.

I would like to thank my colleagues on the Board for their valuable guidance and contribution for the growth of the Company to higher levels of achievement.

I would also like to acknowledge the support of our customers, suppliers and bankers for their continued support.

Finally, I am grateful to our community of shareholders for the trust and the confidence reposed by them in the Company.

Warm Regards.

Place: Chennai
Date: 18/09/2019



Anil Kumar Bansal
Chairman