PONDY OXIDES AND CHEMICALS LIMITED **POCL®**

29th August 2022

BSE Limited
Corporate Relationship Department,
Phiroze Jeejeebhoy Towers,
Dalal Street,
Mumbai – 400001

Ref: Scrip Code- 532626

Dear Sir/Madam,

Sub: Submission of 27th Annual Report for the Financial Year 2021-22 and Notice of Annual General Meeting (AGM)

In continuation to our letter dated 10th August 2022 and pursuant to Regulation 34 of SEBI (Listing Obligations and disclosure Requirements) Regulations 2015 we enclose herewith the 27th Annual Report of our company for the Financial Year 2021-22 along with the Notice of the AGM to be held on Wednesday, 21st September 2022 at 03:00 P.M. through Video conferencing / Other Audio Visual Means.

In compliance with section 108 of the Companies Act 2013 and Regulation 44 of SEBI (Listing Obligations and disclosure Requirements) Regulations 2015, the Company is providing the facility of Remote E-voting and E-voting at the 27th AGM through Central Depository Services Limited (CDSL) for the resolutions proposed to be passed at the 27th AGM. The remote E-voting shall commence from Sunday, 18th September 2022 at 09.00 A.M. and end on Tuesday, 20th September 2022 at 05.00 P.M. The cut-off date for determining the eligibility of the Shareholders to cast their vote is Wednesday, 14th September 2022.

The 27th Annual Report along with the Notice of AGM is also uploaded on the Company's website as per the details given below:

https://www.pocl.com/wp-content/uploads/2022/08/POCL-Annual-Report-FY-2021-22.pdf

https://www.pocl.com/wp-content/uploads/2022/08/27th-AGM-Notice.pdf

Kindly take note of the above information on record.

Thanking you,

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

K. Kumaravel
Director Finance & Company Secretary

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e-mail : info@pocl.co.in Web : www.pocl.co.in
CIN No. : L24294TN1995PLC030586
GSTIN : 33AAACP5102D4Z4

POCL®

Pondy Oxides and Chemicals Limited

Annual Report 2021-22

Embracing diversified opportunities with responsibility and commitment

Across the Pages

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

Scan this QR code to access the online version of this Report

Investor Information

Market Capitalisation as on March 31, 2022	₹ 118.69 Crore
CIN	L24294TN1995PLC030586
BSE Code	532626
Dividend Declared	50% (₹ 5/- per Equity Share)
AGM Date and Time	Wednesday, September 21, 2022; 3:00 PM IST
AGM Venue	Video Conferencing (VC) / Other Audio-Visual Means (OAVM)

Embracing Diversified Opportunities with Responsibility & Commitment

The delicate ecology is suffering greatly as a result of rigorous mining. Earth's ecosystem is not the only element that is harmed by this, humans are also getting affected along with planet earth. Due to the same, industries all over the world have started using recycling to meet their raw material demands in order to reduce the risks associated with intensive mining. Recycling, thereby becomes the new mining for the present responsible manufacturing technologies to meet the same. In terms of environmental sustainability and cost-effectiveness, it is the most efficient approach to obtain raw materials.

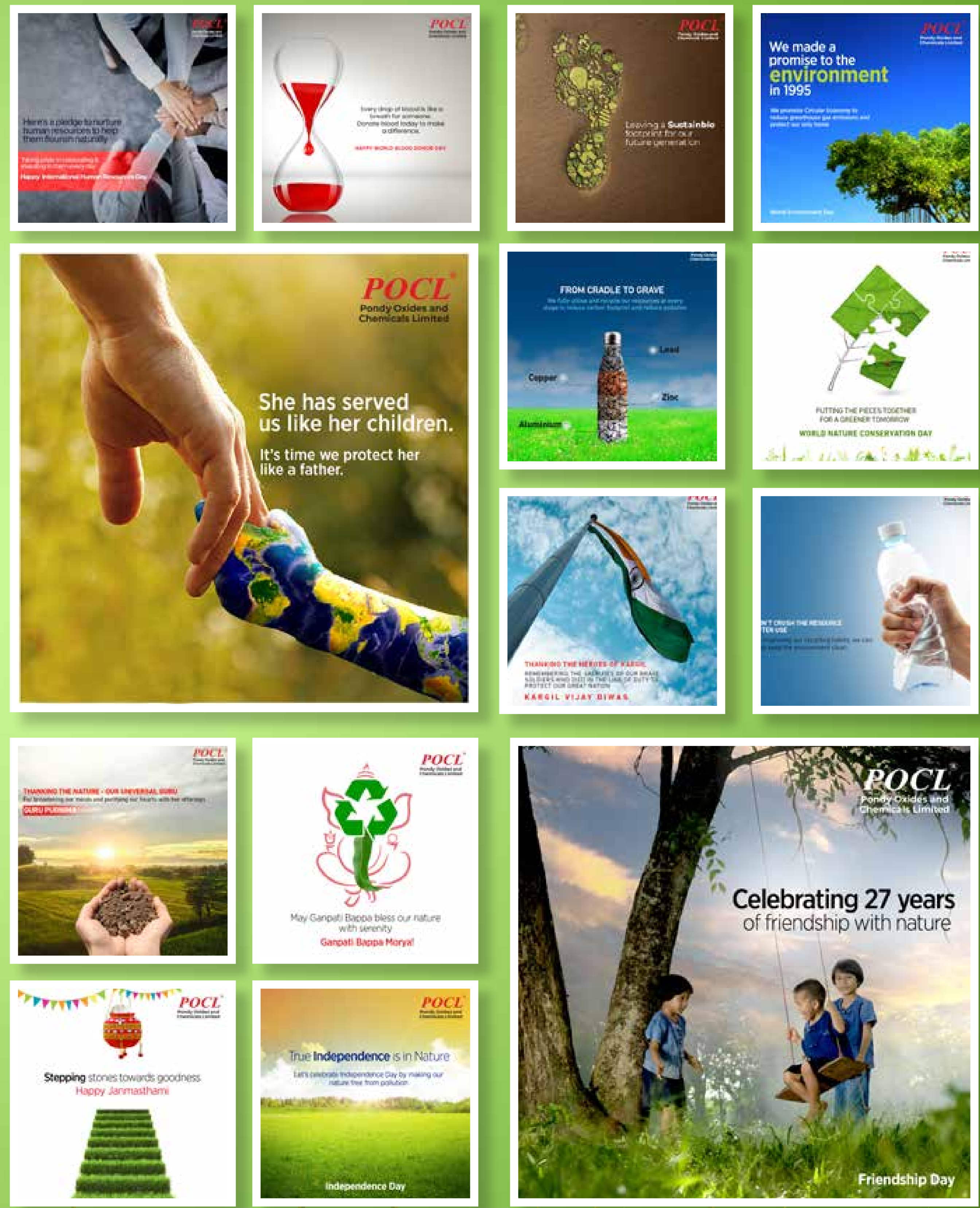
We, at POCL, support environmental sustainability through our business practices i.e., recycling and adopting responsible manufacturing practices. We aspire to do business without harming the nature. We procure scrap metals and market our processed products globally. Our endeavour is to enable the circular economy via adding verticals other than metals into our business line. We always emphasise our responsibilities towards the environment. Working with the new and improvised definition of mining, we, at POCL, call ourselves the Urban Miners.

3P — People, Planet, Profit

Our business processes are conceptualised from the triple bottom line concept i.e. People, Planet, and Profit. We ensure to create value for our stakeholders with this 3P concept. We are determined to protect the environment as well as our people who are associated with us, by providing them a safe and healthy work environment. We always keep ourselves one step ahead in the quest for environmental sustainability by utilising more environment-friendly technologies.

Through enabling ourselves with wider recycling verticals, we embrace the diversified business opportunities that lie within the recycling industry. Taking in to account the current environmental conditions, these recycling prospects will open-up our access to higher profitability, which we will eventually utilise in our future endeavours and improve adherence to our sustainability pledge. Our constant endeavours for a sustainable future and commitment towards conserving the environment motivates us to 'Embracing Diversified Opportunities with Responsibility and Commitment'.


POCL
IT WAS A HAPPENING MONTH FOR US
Donation of Van for community service to Village Panchayat
Leading our way towards a safe nation
TODAY & EVERYDAY
#NationalSafetyWeek
What started out in 21st March, 1995 as a manufacturer of chemicals & metals is also a
PRESERVER OF THE ENVIRONMENT
CELEBRATING 27 YEARS OF SUSTAINABLE THINKING & ALL THE GLORIES & TRIUMPHS
RE
POCL WINS TOP EXPORTER
Celebrate Green. Celebrate Safe.
Happy Green Holi
With innovation comes greatness
WINS the EEPC Gold Award
STRONGEST FOOT FORWARD
Invest Today. Save Tomorrow.
Eid Mubarak
Her 7.9 billion children are the only hope now
Happy Mother's Day
CHANGING THE FATE
#ChangingTheFate


POCL
We made a promise to the environment in 1995
She has served us like her children.
It's time we protect her like a father.
Pondy Oxides and Chemicals Limited
FROM CRADLE TO GRAVE
Copper
Lead
Zinc
Aluminium
PUTTING THE PIECES TOGETHER FOR A GREENER TOMORROW
WORLD NATURE CONSERVATION DAY
THANKING THE HEROES OF KARGIL
KARGIL VIJAY DIWAS
May Ganpati Bappa bless our nature with serenity
Ganpati Bappa Morya!
Celebrating 27 years of friendship with nature
Friendship Day
Stepping stones towards goodness
Happy Janmasthami
True Independence is in Nature
Independence Day

In loving memory of

Shri R. P. Bansal

September 09, 1946 to December 03, 2021

Whole-time Director and one of the Promoters of
Pondy Oxides and Chemicals Limited,
who inspired us throughout his life's journey

Shri R. P. Bansal was a visionary who guided the Company with his vast knowledge and experience in the sector. He led the Company toward its glory with ethics, integrity, and transparency. He was one of the key drivers in bringing out the changes in our technical aspects of manufacturing processes and strengthening our marketing capabilities.

He was a kind hearted person who was known for his discipline and passion towards his duties. The contribution of Shri R. P. Bansal to the Company's success is unparalleled.

He will remain in our hearts forever.
May his soul rest in peace.

About Pondy Oxides

Pondy Oxides and Chemicals Limited ('We' or 'POCL' or 'the Company') is India's largest secondary lead manufacturer and holds a leading position in lead and alloys. Our forte is recycling. Incorporated in the year 1995, we have crafted our identity as a quality driven, highly efficient, and reliable brand for our customers. We are a domestic and international player with 60% of our products being exported to multiple destinations across the world status quo. We thrive to achieve our desired operational excellence through constant technology adoption, upgradation and process transformation. Our robust R&D plays a pivotal role in developing new products and processes in our business and helps us to evaluate the dynamic customer trends.

Headquartered in Chennai, POCL is India's first and only 3N7 London Metal Exchange (LME) Registered Lead brand. Throughout the journey, our Company has received various such recognitions that act as the testimonials of our success and excellence. Our manufacturing units are located in Tamil Nadu and Andhra Pradesh. Our recycling strength, our dedicated workforce and proficient management team at, drives us towards becoming the most valuable company in the metallic and non-metallic recycling industry.

Our Mission

To be amongst the top 5 global companies in recycling by 2027 and achieve a turnover of over USD 1 Billion before the end of this decade

Our Vision 3D 2027

3D
Decades
Dimensional Approach
Dimensional Growth

- Increase portfolio in metals and associated alloys i.e. copper, zinc and other non-ferrous metals
- Contribute to circular economy through creating recycling verticals in e-waste, lithium-ion recycling, rubber, oil, glass, paper, and value-added products
- POCL continuously endeavours to emphasise on the importance of a circular economy and to support and focus on environmental responsibility
- Increase financial metrics with 25%+ CAGR, 20% ROCE, 10%+ EBITDA margins
- Increase share of business in other non-ferrous metals and plastics to 25% to have a diverse portfolio
- Expand footprint overseas to capture the untapped non-ferrous metal segment and create a 1.0 Billion USD top line before the end of this decade

Our Goal and Purpose

- To provide an outstanding level in terms of quality and continuous improvement to ensure we do not fall behind our customers' requirements
- To ensure optimum recycling of metallic waste to conserve minerals of earth

POCL is optimistic about the future of recycling as well as of India's economic growth in the coming times. Based on these opportunities, we are looking at other business areas within the POCL Group, including e-waste, lithium-ion recycling, rubber, oil, glass, paper, and value-added products. We are also planning to strategise and carry out mergers and acquisitions, alongside the establishment of an R&D lab for commercialisation. Based on the upcoming opportunities, we would see some positive headway into the aforementioned products. Recycling is something which our Company is synonymous with and we are determined to enhance our presence by undertaking such measures.

Our Potential

- India's leading Lead Smelter with a capacity of 132,000 tons p.a. of finished goods
- India's first and only 3N7 LME registered lead brand
- Smelting capacities (>95,000 tons p.a.) and Automated Battery Breaking capacities (>50,000 tons p.a.) which is scalable
- Brand approvals from all the major battery manufacturers and a diverse portfolio in customised alloys
- Uses strategic locations with respect to proximity to ports
- Strong procurement base and customer network across the globe
- One of the first companies in the lead manufacturing space to adopt the Green Technology in smelting process that release no GHG

Only Indian Company

Listed in **London Metal Exchange** (India's first and only 3N7 LME registered lead brand)

ISO 9001:2015 Certified and 14001:2015 (for TN Unit)

We will have an integrated management system for all our units before the end of the ensuing financial year

Prestigious T3 Certification

As authorised Economic Operator Certificate (Importer and Exporter) by Indian Customs, Ministry of Finance

Star Export House

2-Star Export Status given by Directorate General of Foreign Trade, Ministry of Commerce and Industry – Government of India and crossed USD 100 Million in the same financial year and has now applied for 3 Star Status.

120K+

Metric tons scraps recycled per year

20+

Exporting to countries in Asia-Pacific, Europe and USA

200+

Partners across the globe

500+

Employees

3

Manufacturing units

Headquarter:
Chennai, Tamil Nadu

Smelter Division I:
Tamil Nadu

Division G-1:
Tamil Nadu

Smelter Division II:
Andhra Pradesh

CRISIL A-/Stable (Assigned)

As long-term credit rating

CRISIL A2+ (Assigned)

As short-term credit rating

Rating Rationale

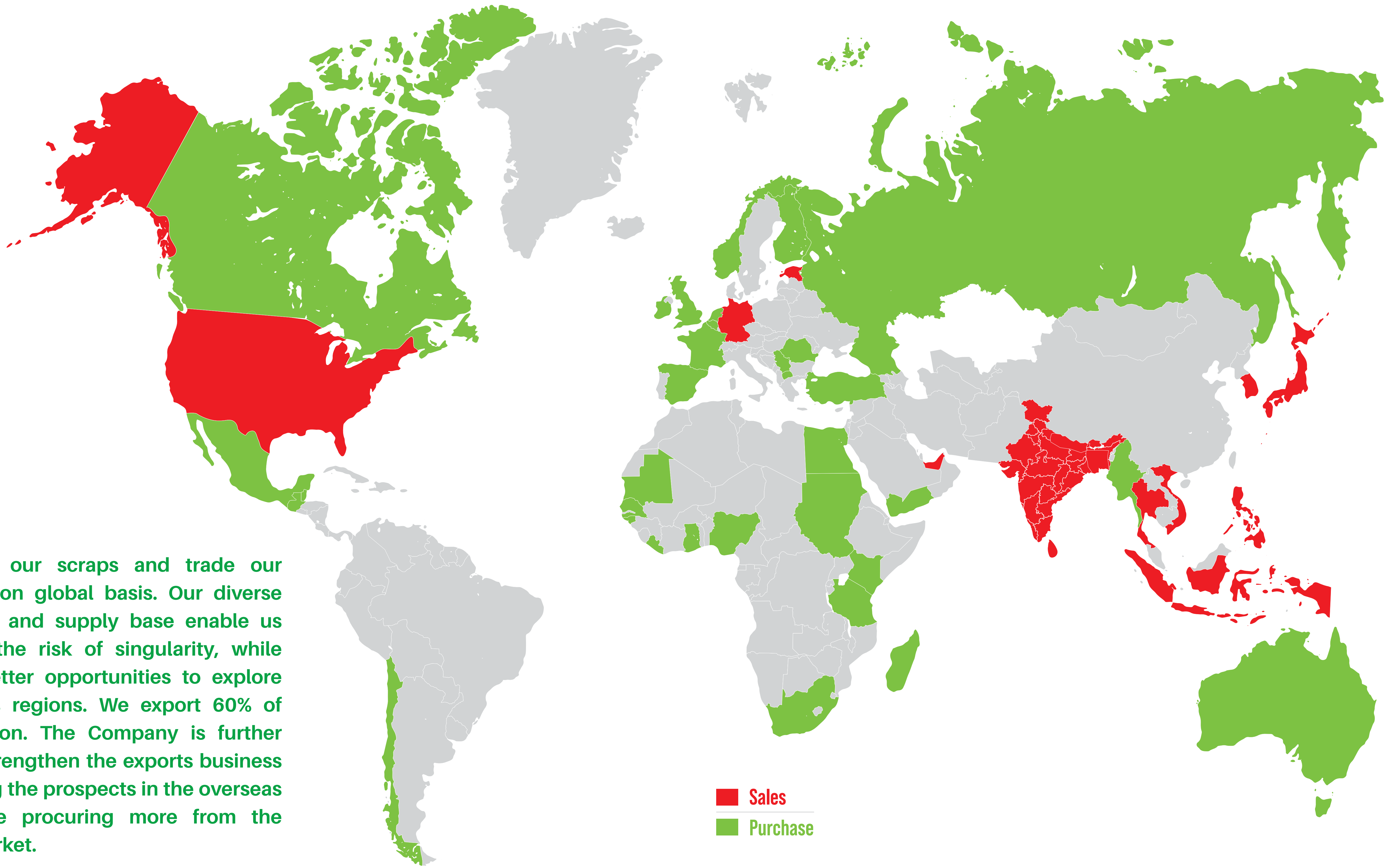
The rating reflects the strength in POCL's business model, which is derived from our strong business risk profile, supported by well-entrenched relationships with key customers, diversified procurement and supply base, moderate entry barriers and established manufacturing capabilities. The rating also factors in the comfortable financial risk profile, supported by adequate debt protection metrics, as our Company largely uses debt for the working capital, while holding minimal-term debt obligations. These strengths are partially off-set by exposure to stiff competition from both unorganised and organised players, susceptibility to fluctuations in raw material prices impacting profitability and risks associated with changes in Government policies.

Business Divisions

The Company manufactures a range of products under the category of lead metal and alloys which finds application in various industrial sectors. Primarily, our Company is active in production of lead, zinc, and copper alloys. Recently, we introduced our plastic recycling division as a step ahead in diversifying our product portfolio. Some of the main products manufactured by our Company are given below:

- Pure Lead, Lead Calcium Alloy, Lead Antimony Alloy, Lead Master Alloy, Lead Tin Alloy, and other specialised value-added Alloys
- Copper Billets, Copper Clove, Copper Cobra, and more
- Zinc Metal and Zinc Oxide
- Plastic-PPCP, Plastic-ABS, PVC, Industrial and Engineering Plastics

Our Global Reach



We procure our scraps and trade our productions on global basis. Our diverse procurement and supply base enable us to mitigate the risk of singularity, while providing better opportunities to explore the overseas regions. We export 60% of our production. The Company is further looking to strengthen the exports business by evaluating the prospects in the overseas market while procuring more from the domestic market.

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 to its accuracy or completeness.

Journey Since Inception

1995
Incorporated as a public limited Company in Tamil Nadu and listed on the Madras and Coimbatore Stock Exchanges (Regional)

1996
Set up Litharge, Red Lead and Zinc Oxide production plant in Pondicherry

1997
Started a joint venture in Malaysia for Zinc Oxide

1998
Set up second lead stabiliser unit in Pondicherry

2002
Completed disinvestment from the joint venture in Malaysia

2003
Set up new unit in Tamil Nadu for lead acid batteries

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
Capacity expansion 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
Set up 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

2017
Commencement of Zinc and Zinc Oxide plant 12,600 MTPA in Tamil Nadu

2018
Capacity expansion of SMD-II from 24,000 MTPA to 36,000 MTPA

2019
First Indian 99.97 lead brand registered on the London Metal Exchange

2020
Took over Meloy Metals Private Limited with the capacity of 48,000 MTPA to reach combined lead and lead alloy capacity to 120,000+ MTPA

2021
Implemented SMD-I expansion from 36,000 to 48,000 MTPA, bringing total capacity to 132,000 MTPA

Carried out further expansion in Copper and Plastic, increasing portfolio of metals by 2025

Vision 2030
Contribute to circular economy by creating recycling verticals in lithium-ion recycling, e-waste, plastics, rubber, oil, glass, paper, and value-added products

Chairman's Message

Dear Shareholders,

I hope this letter finds you safe and healthy. The previous fiscal year was no less than a year of uneven uphill journey. We encountered a series of challenging events that tested our resilience to a greater extent. But we, as a nation, have shown great adaptability while transforming ourselves with the paradigm shift and projected ourselves as the fastest-growing economy in the world. We have achieved this feat because of the remarkable work done by our frontline force to tackle the odds of the Covid-19 pandemic backed by adequate support from the Government during the tough time. The people of our nation have shown great confidence to boost the revival of the economy as well. Cumulatively, all these factors helped us on our way to emerge as a distinctive entity in the world. The outlook seems quite positive for us, as we have done an in-depth analysis of the industry and categorised various recycling projects under pre-feasibility, feasibility and execution stages, while our team is working towards achieving the vision set by our Company.

Recycling is substituting the traditional methods of mining for raw material procurement. Industries around the globe are procuring more of its demand from the recycled sources, than procuring it from conventional mining, ultimately contributing in the preservation of our environment. Driven by this mindset, global metal recycling industry is gradually gaining momentum after being hit by the pandemic. The widespread rapid urbanisation and industrialisation is fuelling the growth of the metal recycling market. Also, the worldwide adoption of effective utilisation of the resources is helping the growth of metal and other recycling industries. Procuring recycled raw material is both, more cost-effective and energy efficient, than sourcing it from mining for the manufacturers. All these factors are contributing to the growth of metal scrap market's in the world. Though the Asia-Pacific region is the most significant growth region for the market, Indian metal scrap market growth is relatively less, when compared globally, which gives POCL room for substantial growth. The recent infrastructural development in the construction, automobile, electronics, and many other sectors have shown a light of hope for the industry. They shall always remain factors for any economy to emerge tall amidst the various business crests and troughs. This opens windows of opportunities for POCL Group to grow in the near future and we, as a domestic entity, are looking to utilise this opportunity and give the industry a new look in terms of recycling.

POCL has almost a three-decade-long existence in the metal recycling industry. Our constant endeavour towards our overall development has established us as the leading secondary lead smelter and lead alloy manufacturer of India. We always intend to grow as a quality-driven, highly efficient, and reliable brand that the customers can rely upon. One of the key factors that helped us establish our brand image is the well-nourished relationship with our customers and business partners. Industries like lead acidic batteries, electrical and electronics, chemicals and paints, plastic moulders and extruders, pharma and cosmetics amongst other industries form a part of our portfolio to whom we cater our best quality products. We have long-term contracts with most of the leading and premium Original Equipment Manufacturers (OEMs) and world's largest traders across the globe.

This shows the trust we have nurtured within our organisation, which helps us in delivering constant value to our stakeholders at large.

We are a domestic and an international brand, as we export 60% of the production to numerous countries. As a testimony of our operational excellence, we are India's first and only 3N7 LME registered lead brand. We have been honoured with the prestigious T3 certification as Authorised Economic Operator Certificate by the Ministry of Finance. Also, we possess 2-star export house status provided by the Government of India. Such recognitions are the result of our continuous efforts towards achieving the desired business prodigy.

Constant engagement with our customers and business partners, alongside robust business practices, has gained helped us gain an edge over the competition. Through extensive R&D, we evaluate the dynamic market trends and upgrade our developmental processes, accordingly, so that we can always deliver the best. Our R&D practices help us to be conversant with the new edge technologies. We understand the importance of technology in our line of business and constantly look forward to adopt the latest mechanisms to enhance our capabilities.

By integrating our core values into our business practices, we have led ourselves to the path of success. Integrity forms one of our core foundations, with which we work to provide the best to our customers. A successful organisation is built with the collective effort of a dedicated workforce. With a visionary management team and efficient workforce on board, we always intend to learn and do better with our endeavours. A safer work environment is what we always intended to provide to our employees. We take every possible action to safeguard our employees inside and even outside of our workstations.

Preserving the nature is one of our integral responsibilities towards a sustainable future. So while we are fulfilling our commitments to our people, we also remain rigid towards our environmental responsibilities. We, at POCL, constantly emphasise the importance of a circular economy. Our plan is to introduce new recycling verticals in lithium-ion and e-waste, to keep contributing to a circular economy. We came up with a strategic partnership with ACE Green Recycling Inc. to set up the world's largest greenhouse gas emission-free battery recycling facility in Chittoor, Andhra Pradesh. We are the maiden entity to adopt such technology. Alongside, we are always focusing to reduce our environmental footprint and promote environmental stewardship through our activities.

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

With best regards.

Mr. Anil Kumar Bansal
Chairman & Whole-time Director

Managing Director's Communique

It brings me great pleasure to report that POCL had a successful year, even under such uncertain circumstances. I am proud of our team's efforts and how they tackled the obstacles. POCL has delivered a historical annual result with a growth rate of 45% YoY and 33% on a quarter to previous year's quarter basis on top line, and has delivered an EBITDA of ₹ 81.79 Crore for the financial year 2021-22 vs ₹ 26.68 Crore from the previous year, showcasing a growth rate of 207% on a YoY basis. We have achieved an all-time highest top line of ₹ 1,455 Crore vs ₹ 1,004 Crore in the previous year. We are happy to share that we have crossed a turnover of USD 100 Million in exports in FY 2021-22. The future outlook of the industry remains relatively positive, as POCL is bullish about recycling and our future. We also firmly believe that India will continue to be an emerging market.

This will support our vision of a circular economy while also assisting us in diversifying our business. Additionally, we entered into an agreement with ACE Green Recycling Inc. to build the biggest battery recycling facility without the release of greenhouse gases in Chittoor, Andhra Pradesh. Through this advancement, we plan to avoid emitting 500 Million KGs of greenhouse gases over the course of ten years. With these initiatives, we are moving closer to fulfilling our environmental commitments. Marching forward, we are concentrating on developing an impressive and responsible corporate identity that constantly engages to generate value for our stakeholders. We intend to enter into segments, like plastics (in-house and industrial), e-waste, lithium-ion recycling, rubber, oil, glass, paper, and value-added products, along with Mergers and Acquisitions. Alongside this, we will set up R&D lab for commercialisation, such that the investments are realised with a faster payback period under the umbrella of POCL Group, based on the growth prospects in the industry. FY 2022-23 will remain significant in many aspects, as we will set the tone for our Company's vision till 2027. POCL will continue to look into other sectors with stronger EBITDA margins, and will focus on growing our Company's present portfolio capacity. We would continue to concentrate on value-added and specialised alloys that give us incremental margins.

POCL's performance during the year

We have had an excellent year on many fronts. POCL delivered a historical annual revenue growth rate of 45% on a YoY basis.. What makes this performance even more significant, is the backdrop against which it was achieved.

We were rewarded with the replace Top Export Award during the previous fiscal. This was mostly related to the consistent performance of POCL. Our EBITDA for FY 2021-22 was ₹ 81.79 Crore, up from ₹ 26.68 Crore from the year before, representing a growth rate of 207% on a YoY basis. We beat last year's top-line of ₹ 1,004 Crore to achieve an all-time high of ₹ 1,455 Crore. We are pleased to announce that during the previous fiscal, our export revenue surpassed USD 100 Million. Since our inception, POCL has consistently paid dividends, and this year, the Board has recommended a 50% dividend increase compared to a 25% pay out last year.

Take on the overall macro environment

The Covid-19 pandemic's second wave and ensuing lockdown occurred in FY 2021-22. However, despite the setback, the economic drivers gradually began to improve, giving the economy's outlook a watchful hope. Furthermore, reopening international borders and the restart of regular trade and travel improved public confidence. However, threats and concerns still exist regarding issues with the global supply chain, the availability of raw materials, increased inflationary pressure, and rising commodity prices.

India has posted the best economic growth rate in the world with 8.7% in FY 2021-22. We are experiencing an increase in economic activities across sectors as we gear for further improvement. The macroeconomic

indicators all portray a positive growth momentum. However, potential Covid-19 outbreaks and the ongoing geopolitical crisis, keep on adding to the uncertainties.

The metal recycling industry is gaining its momentum back globally. But the growth in India is yet to catch up and reach global levels which will give the industry a boost and room for increased capacities. Though ramped-up infrastructural development and greater consumption trends are more likely to add on the growth prospectus of the domestic metal scrap industry. The Government is also trying to bring policy reforms through being a domestic and a global player, we would like to explore every possible opportunity and utilise it to our full extent.

Recent developments the Company has undertaken in FY 2021-22

We have further, collaborated with ACE Green Recycling Inc. The technology is mainly focused on environmental protection. Implementing the same will not allow any release of greenhouse gas during the recycling process of used lead acid batteries. POCL is the first company in the manufacturing space to adopt this technology in the recycling process for used lead acid batteries to lead ingots.

Our focus on innovation and R&D

Innovation and R&D is what drives the positive growth at POCL. We are constantly trying to innovate and develop products that meet our customers' evolving requirements, without disturbing the balance between the business, society, and environment. We are aiming to get beyond the metal recycling business and add other divisions in our portfolio. Our R&D team keeps us updated with the latest technological trends. We always intend to utilise most on the technological front to deliver the best to our customers.

Outlook for FY 2022-23

We established POCL Future Tech Private Limited as a subsidiary of our business in FY 2022-23. It will operate in industries such as plastics (both domestic and industrial), e-waste, lithium ion recycling, rubber, oil, glass, paper, and other value-added products. Also, this will handle the mergers and acquisitions for us and establish an R&D lab for commercialisation.

The outlook, in terms of recycling industry, looks quite optimistic for India and the world. One industry that guarantees ongoing prospects for corporate growth, is recycling. We consider recycling as a futuristic term for traditional mining. We also see ourselves as a new urban miner. We carry a futuristic approach and envisage that metals (both non-ferrous and ferrous), plastics, lithium-ion batteries and other recyclable materials are recycled and brought back into the value chain. We are quite bullish about our growth in future.

POCL is looking towards increasing the business' wallet share from the new and existing customer base, while tapping into new regions of businesses and capture more of the overseas markets. Our focus will be on consistently growing our abilities through opportunities that add to our stability, as we hope the coming years to bode well for POCL. Moreover, our special attention to growing our business sustainability while adopting sustainable ways of manufacturing, testifies our unshakeable commitment in supporting our environment. We were, are and will always be keen to promote and adopt sustainability as a catalyst to a safe future.

It is going to be a significant year for us. We cannot ignore the fact that Russia-Ukraine Conflict affected the oil prices, currency and disrupted the overall supply chain network. On a high level, it is to be noted that there are direct correlations with the commodities in metals, raw materials and additives for us, which affects the sentiments of the market as a whole, and also impacts the cost of manufacturing. Yet, mitigating all the risks, we have emerged with good growth figures all around our businesses.

Shaping up of Industry based on current market volatility and geopolitical issues in the coming years

In such times of unrest, where markets become extremely volatile, without underlying principles, and plunge to historical lows, there is definitely a pressure on the overall supply chain.

Notwithstanding the aforesaid, our Company is well equipped to withstand and mitigate risks to a larger extent. Further, in view of POCL's competitive advantage in procurement, logistics, and our widespread network of suppliers and customers across the globe help us balance out risk of geographical concentration.

We reaffirm that our growth targets and vision shall be achieved and will be in line with the expectations of all our stakeholders. The geopolitical issues will be a cause of concern for any industry and ours is not immune to it as well. There is a direct correlation in cross industrial factors such as infrastructure, metals, automobiles, agriculture, among others. However, India as a country is proving to be an exception. India's growth rate is higher among all major economies, which is above 7% mark. As per IMF, India is ranked second in terms of the nominal GDP using the Purchasing Power Parity (PPP) Model. India has been resilient to recession as compared to our neighbours in the Asia-Pacific region and also globally. The global recycled lead market is expected to account for USD 19.35 Billion by 2027. As per Wood Mackenzie in their recent projections for the coming quarters, the global refined lead consumption has also increased substantially.

Going forward, in order to survive such macroeconomic forces that are now hurting the entire sector and not just non-ferrous metals and recycling alone, our core focus will be on portfolio diversification in non-ferrous metals and other recycling materials in the upcoming quarters.

I express my sincere thanks and gratitude to the shareholders and stakeholders on behalf of POCL, for their faith in us and look forward to their continued support, as we continue to guide our business towards higher success.

With best regards,

Ashish Bansal
Managing Director

Letter from our Director-Finance

Previous couple of years have reaffirmed the resilience of POCL's business, wherein we carefully chalked out operating strategies with robust financial planning and prudent management to achieve overall operational excellence during the toughest of times. Our revenue from operations grew historically by 47% YoY in the previous fiscal. During the year, our EBITDA gained a stupendous growth of 207% on YoY basis. Though the last quarter of FY 2021-22 was under a bit of pressure due to the escalated geopolitical unrest, causing massive supply chain disruptions, the overall year was significantly good for our business. We gained momentum for this fiscal year as well as for our upcoming journey. Moving forward, we aspire to strengthen our business and expand our market share both on the domestic and international front.

POCL has delivered a historical annual result in the previous fiscal year. Our topline grew to ₹ 1,455 Crore in FY 2021-22 compared to ₹ 1,004 Crore in the previous fiscal. EBITDA for FY 2021-22 was ₹ 89.71 Crore compared to ₹ 26.68 Crore in FY 2020-21. For the entire financial year, the earnings before tax grew by 367%. There has been a phenomenal growth in EPS by 348% i.e. from ₹ 18.54 to ₹ 83.01. We have incurred some incremental operating costs in FY 2021-22 due to the increased cost of smelting additives like coal, soda ash, cast iron, and furnace oil. Also, the cost of the refining additives like caustic soda, sodium nitrate, and RGS powder witnessed a rise. There was a significant price increase in the cost of smelting, refining, ocean freight, and utilities (power and fuel) which further added to the overall cost of production. Yet, our profitability registered a notable growth in FY 2021-22 where it stood at ₹ 48.25 Crore while it was ₹ 10.78 Crore in FY 2020-21. Overall, our financial figures remained very positive in the last fiscal year. We have gained good momentum and financial stability to further accelerate our journey with newly defined verticals and hope to project better figures in the future as well.

To provide a deeper insight into our profitability and liquidity position, we would like to mention that, our return on assets improved to 23.88% from 7.46% in the previous fiscal year. Return on net worth stood 26.18% vs 6.91% and return on capital employed stood at 23.09% compared to 5.96% during the previous fiscal year. Our debt-equity ratio has also improved from 0.12 to 0.04 in FY 2021-22. We would like to continue with the trend we have set in our profitability in FY 2021-22 while keep delivering consistent performance and remain prepared for any such market volatility and economic factors.

During the FY 2021-22, our revenue share from our exports and domestic business stood at 54% and 46%, respectively. Primary sourcing of raw materials for the previous year was 77% from international markets and 23% from domestic markets. Further, we are strengthening our domestic procurement to acquire more of our raw materials domestically. This will drastically reduce our procurement cost by saving on the export duties.

During FY 2021-22, we undertook exercises to enhance our operational efficiencies. We will be setting up some key performance indicators which will further help us evaluate our overall efficiencies. We commenced the operations with our new furnace in June 2022. In continuation of our expansion programme, as mentioned earlier, we have collaborated with Ace Green Recycling. We will be going live with two modules with a capacity of 1,200 tons per annum to start with our Andhra plant by Q3 of FY 2022-23. Our focus in FY 2022-23 will be mainly on effective capacity utilisation and procuring optimum raw material mix for refining.

A series of internal exercises are being carried out regarding brand architecture, engraining core values, in-house training, R&D for specialised alloys, grooming and investing in creating/enhancing our talented pool of employees. In addition to keeping a strong focus on operational efficiency, we will also continue to emphasise cost savings and cost avoidance. Considering the positive demand environment for recycled waste (metal and non-metal), we see FY 2022-23 as a time to sharpen execution across all parameters to capitalise on the business opportunities. To put POCL on a strong growth path for the future, we plan to incrementally invest in talent, facilities, and technologies.

Going forward, I am confident of our well-positioned business to bring in long-term profitability and in enabling us to create value for all our stakeholders. I would like to express my gratitude for our stakeholders' confidence and continued support in our journey and look forward to an exciting year ahead.

With regards,

K Kumaravel
Director - Finance

Industrial Outlook

POCL is India's leading non-ferrous metal recycling and largest-secondary lead manufacturing company. The Company recycles lead acid batteries and other different forms of non-ferrous metal scraps and plastic scraps.

Recycling is an integral part of the 3R initiative which the companies are adopting globally to ensure efficient waste management. Through recycling, we can use the waste as a resource in an efficient way. We, at POCL, have developed our business legacy around this concept to enable the world with the efficient use of resources while stabilising the use of minerals of our planet. Thereby, contributing towards a circular economy and fulfilling our environmental responsibilities.

Global Recycling Industry Overview

Global recycling industry outlook is quite optimistic as the world is rapidly adopting more stringent recycling policies. The growth is mainly attributed to the expansion of the building and construction industry. Rapid industrialisation and urbanisation are driving the growth of metal market across the world. There is a rise in environmental concerns over the negative impact of mining. Governments around the world are also undertaking such initiatives to lower the dependency on mining procurements and promote recycled products for better utilisation of raw materials.

> "Joining hands for greater good, industries around the globe have shifted towards procuring its raw materials from recycled sources, hence contributing in global economy and environmental conservation."

Recycled Metal Market Size, 2020 to 2030 (USD Billion)

(Source: https://www.precedenceresearch.com/recycled-metal-market)

Asia-Pacific (APAC) Recycling Industry Overview

The Asia-Pacific is turning out to be the largest and fastest-growing recycled metal market in the world. The growth in APAC is the result of rapid economic expansion of India and China. These two countries together comprise the largest population share of the world. The APAC region has witnessed a handsome growth in the manufacturing segment and has significantly occupied a position in purchasing managers' index 2021.

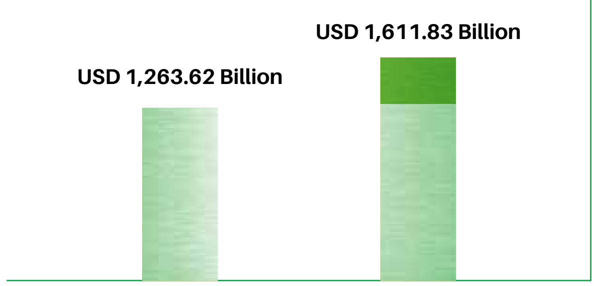
> During 2021-26, the manufacturing industry in APAC is expected to witness a CAGR of 7.57%.

Global Non-Ferrous Metal Market Overview

Non-ferrous metals majorly consist of copper, aluminium, lead, and zinc. The market witnessed a muted growth during the pandemic. After two years of the pandemic, the market is now witnessing significant growth. This growth is a result of high demand for castings from industrial machinery, automobile, construction, power and steel sector. The global non-ferrous metal market is expected to showcase a CAGR of 5.9% between 2021-26.

Global Processed Non-Ferrous Metal Market

Market forecasted to register a CAGR of 6%



(Source: https://www.researchandmarkets.com/reports/5238044/processed-nonferrous-metal-global-market-report)

Global Lead Market Overview

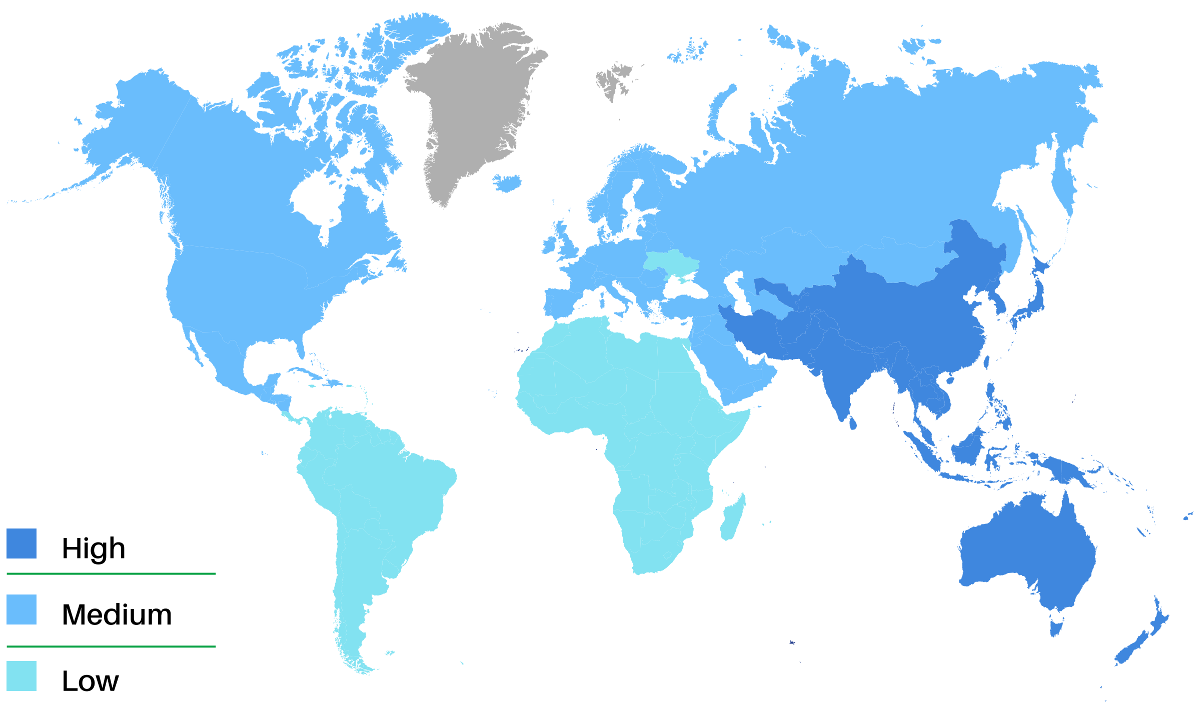
The lead market is primarily driven by the construction industry due to its high corrosive characteristic and is highly used for renovation purposes. Meanwhile, the automobile sector is generating a high demand for the same. Lead acid batteries are commonly used in the conventional and electric vehicles (EV). Given that EVs are likely to dominate the market in future, the demand for lead acid-based batteries will eventually go up. This will be a huge intensifier for the global lead market.

As per the International Lead Association, ~50% of the global lead demand is sourced from recycled lead. Procuring recycled lead is simpler, more cost-effective and energy-efficient in nature. Also, disposal of lead poses a great health-related threat for humans. Governments around the world are undertaking strict measures to recycle lead and are encouraging its use to other industries.

These measures are expected to boost the recycled lead market, and enable the market to grow by USD 19.35 Billion in 2027.

Over 1 Billion vehicles in the world rely on lead-based batteries (to start engines), and power the on-board electronics. Lead batteries provide for 70% of all rechargeable battery energy storage capacity worldwide. Lead's unique radiation shielding properties protect workers in hospitals, dental surgeries, laboratories and nuclear installations. As a 'carrier' metal, lead helps recycle other critical raw materials. Lead-based products are essential to Trillion-dollar industries that power the global economy — from automotive to data storage, and from telecoms to renewable energy production. 99% of the lead batteries are collected at end of life and recycled, creating a closed loop circular economy. It is the world's most recycled metal and the pathway to a low-carbon future.

Lead Market - Growth Rate by Region, 2021-26



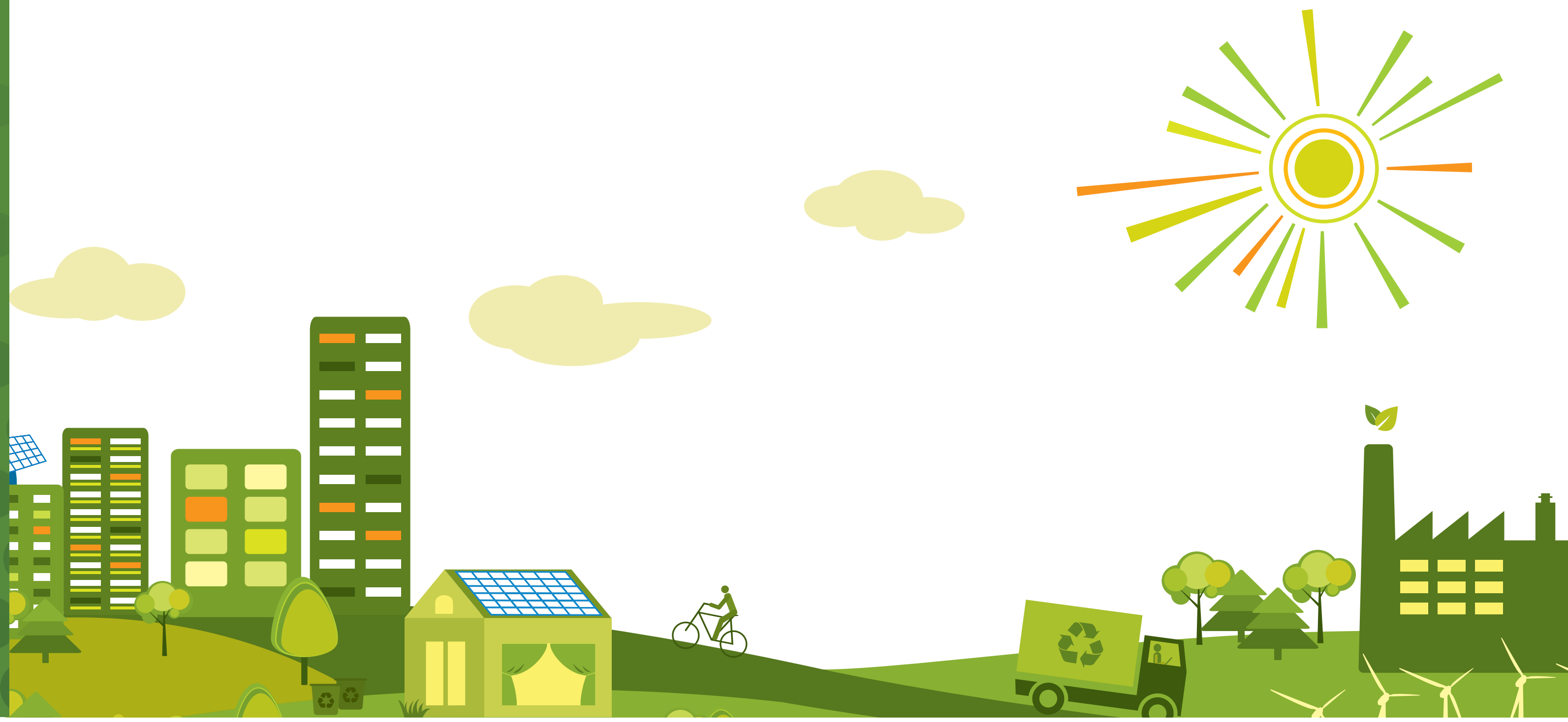
Asia-Pacific (APAC) Lead Industry Overview

The APAC region is also expected to witness a significant growth in the lead industry. The growth can be mainly attributed to the infrastructural growth in the region. Countries, like India and China are seeing an increase in the number of EVs. In India, the increasing number of solar power projects and the continuous expansion of telecommunication infrastructure are expected to cause a hike in the demand for lead-acid batteries, along with the gradually growing penetration of EVs. Furthermore, China has undertaken multiple policies to promote EVs. All these factors are anticipated to be the catalyst of growth the lead market.

Global Copper Scrap Market Overview

Following the pandemic-related recession, the recycled copper market is gradually regaining its momentum globally. Copper is the third-most commonly used metal in the world, after steel and aluminium. It is also among the most recycled metals. This non-ferrous metal has numerous industrial uses. Electrical appliances are the main source of copper's demand. The transportation sector is the second-largest consumer of recycled scrap copper and can be used in manufacturing of vehicles.

Globally, the copper scarp market is expected to reach USD 8.1 Billion by 2030, from USD 5.7 Billion in 2017, with a CAGR of 3.4%, between 2018-2030.



Our Sustainable Value Creation Model

Capital	FY 2021-22 KPIs
FINANCIAL CAPITAL Prudent allocation of monetary resources obtained through various sources to ensure a strong balance sheet for POCL, to generate constant value creation for our shareholders	Equity share capital: ₹ 5.81 Crore Net debt: ₹ 8.77 Crore Reserves and surplus: ₹ 202.33 Crore
INTELLECTUAL CAPITAL Focused R&D to generate brand value that gives us a competitive edge	Total R&D expenditure: ₹ 0.71 Crore
MANUFACTURING CAPITAL State-of-the-art manufacturing facilities to produce the best products for our customers	No. of manufacturing facilities: 3 Total CAPEX: ₹ 85.13 Crore
NATURAL CAPITAL Efforts to reduce our environmental footprint through optimal resource utilisation and effective technology adoption	Total no. of alternate energy sources: 2 Total investment for greener technology adoption: ₹ 96.00 Crore
HUMAN CAPITAL Diverse skill set of employees across the operation, enabling us to grow	Total no. of employees: 490 on payroll (plus additional indirect employment of more than 1000 personnel)
SOCIAL AND RELATIONSHIP CAPITAL Inclusive approach to address our stakeholders' community to fulfil our commitments towards them	Total CSR expenditure: ₹ 0.55 Crore

Our Key Focus Areas

Our Strategic Pillars

3P Framework

People: A purpose-driven dynamic workforce that enables us to maintain our leadership position in the external market environment

Planet: Conserving the planet's ecology by reducing the waste deposit along with maintaining the earth's mineral balance

Profit: Emphasising strategic capital allocation and reinvestment methodologies to fuel the long-term growth aspirations of our Company

Our Value Drivers

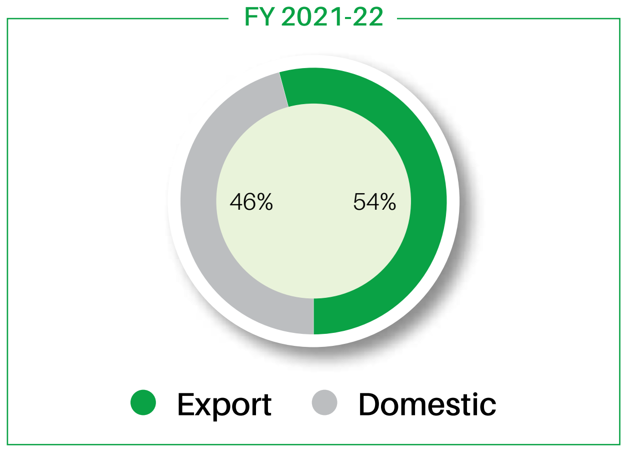
Robust Manufacturing Units: Modern eco-friendly technology equipped efficient manufacturing units to process the waste, to reproduce high quality metal and non-metal by-products, while reducing the emissions

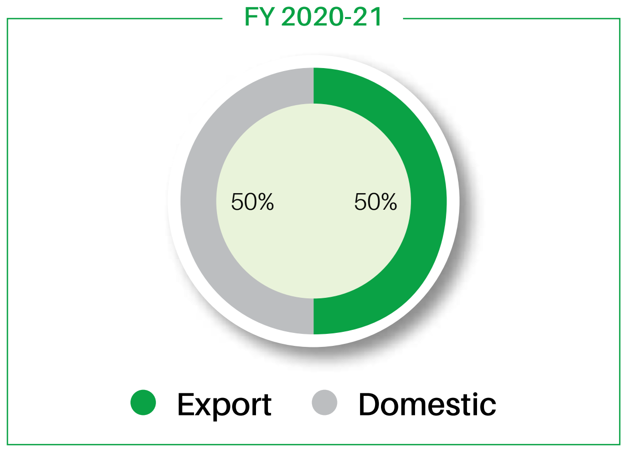
Burgeoning Market Demand: High demand in the market to procure raw materials from recycling processes, which is both, environment-friendly and cost-effective

Capital	FY 2021-22 KPIs
FINANCIAL CAPITAL	
Market capitalisation as on March 31, 2022	₹ 119 Crore
Total sales	₹ 1,455 Crore
Net profit	₹ 48 Crore
Return on capital employed	23%
Earnings per share	₹ 83.01
INTELLECTUAL CAPITAL	
No. of prominent market leaders as customers	25
Legacy	27 years
MANUFACTURING CAPITAL	
Total scrap recycled	120,000 MT plus
HUMAN CAPITAL	
Total hours for employee training	3,900 hours
No. of women in the workforce	52
SOCIAL CAPITAL	
No. of lives benefited	2,940

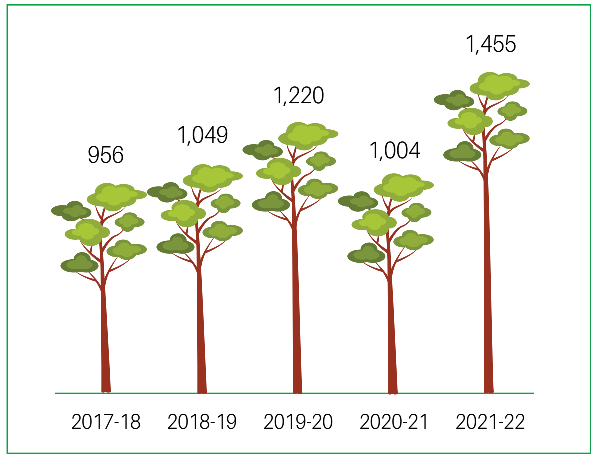
Our Financial Capabilities

Revenue Mix (%)

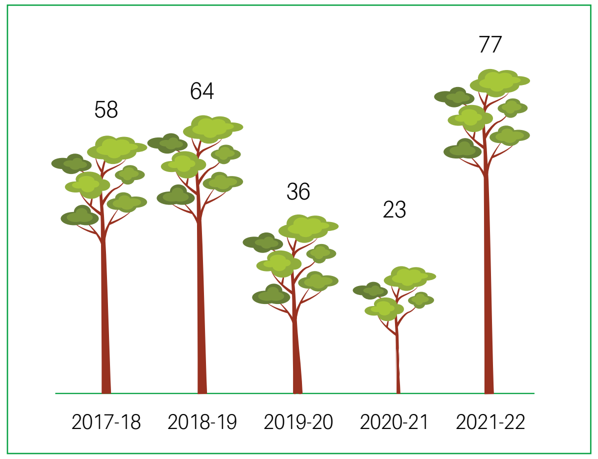




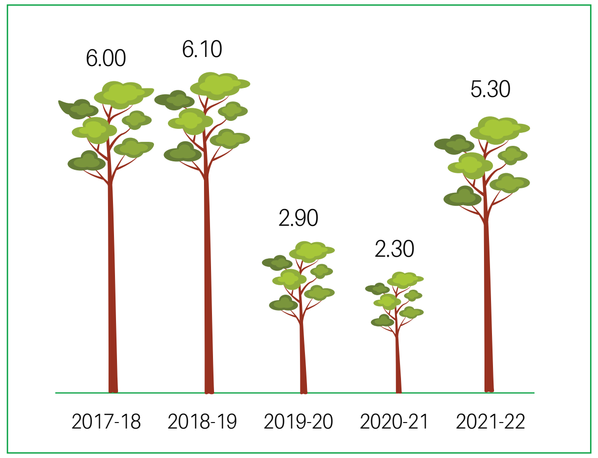
Revenue from Operations (₹ in Crore)



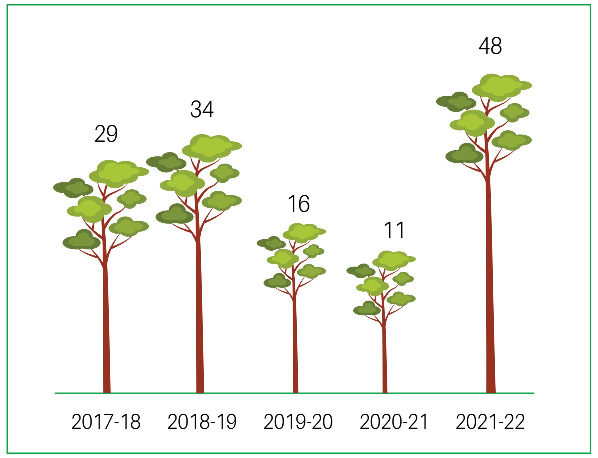
EBITDA (₹ in Crore)



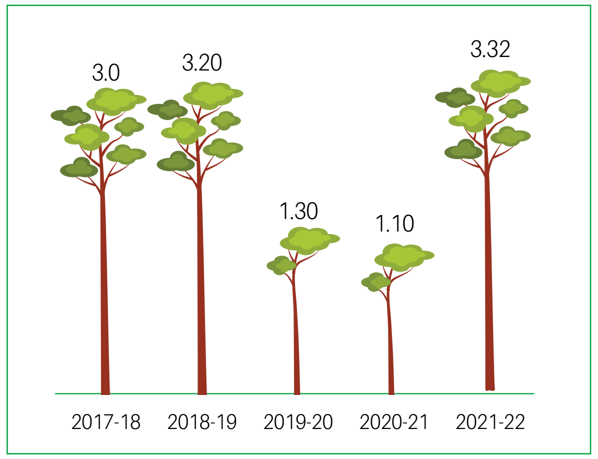
EBITDA Margin (%)



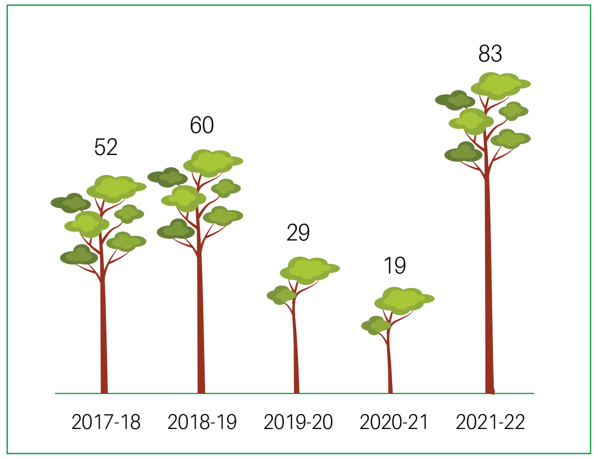
Net Profit After Tax (PAT) (₹ in Crore)



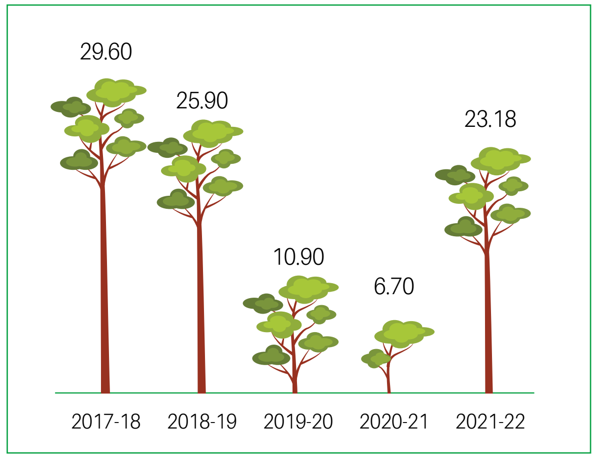
PAT Margin (%)



Earnings Per Share (₹)



Return on Equity (%)



Our Environmental Initiatives

Business sustainability is linked to that of the planet's. Following good environmental practices results in greater operational efficiency, adding to financial sustainability. **A financially strong, viable business that adapts to changing technology landscapes, ensures sustainable business profitability while remaining relevant to customers. Thus, growing revenues year-on-year to meet longer term expectations of stakeholders.**

Sustainable Business Practices

Adoption of new technologies and policies have helped us to increase resource efficiency in the metal recycling industry. It helps us in reducing CO_2 emissions, saving energy, and contributing to the circular economy. All these include constant innovation while ideating and re-shaping our products, and reducing the amount of material input. As an example, CO_2 emissions from the production of aluminium drink cans can be reduced by an average of 31% over a ten-year period.

Our endeavours at POCL are firmly directed towards enabling the circular economy. We have embedded our sustainability principles in our everyday operations so that we may transform ourselves with a greater focus towards minimising our environmental footprint. We are expanding our presence in various recycling verticals, with an intention to conserve the nature, eventually helping in maintaining the delicate ecological balance of the planet.

Keeping sustainability as the primary focus of POCL, we have undertaken pioneering initiatives aligned with United Nations Sustainable Development Goals (UN SDGs) guidelines, that help us to contribute more towards environmental conservation.

Green Lead Technology

Our Collaboration with ACE Green Recycling

During the year under review, POCL signed a deal for a duration of 10 years worth USD 12 Million, with ACE Green Recycling for equipment supply and licensing, to set up the world's largest Greenhouse Gas (GHG) emission-free battery recycling facility in Chittoor, Andhra Pradesh, India.

This facility will potentially recycle more than 28 Million lead-acid batteries over 10 years and prevent 500 Million kg of GHG emissions.

The green technology start-up will licence its proprietary zero-emission lead-acid battery recycling technology to India's leading lead battery recycling company to recycle 40,000 tons of batteries which translates to around USD 60 Million every year.

Traditionally, lead-acid battery recycling is done via the smelting process which involves operating temperatures of more than 1,000 degree Celsius, producing a significant amount of GHG emissions. Compared to smelting, the green lead recycling technology operates at room temperature, runs using electricity, produces zero GHG, releases oxygen into the air, and minimises solid waste by more than 80%.

This technology will reduce the carbon footprint on a global scale as POCL exports their products to international customers in South Korea, Japan, Thailand, Indonesia, the Middle East, the US and Europe. The lead-acid battery is a key element in the automotive industry while also playing a crucial role in the renewable power storage and telecommunications industry. Our collaboration with ACE is a positive headway into the green technology space.

Over ten years, the 30,000 sq. m facility is projected to recycle more than 28 Million lead-acid batteries, prevent the emission of 500 million kg of GHG, produce 17 Million kg of oxygen enough for 55,000 people, prevent 40 Million kg of solid waste from going into landfills, recycle 28 Million kg of plastic, and provide green jobs for the community. In the long term, POCL plans to utilise solar power for the facility, thereby also reducing its Scope 2 GHG emissions.

Air and Water Pollution Mitigation

To mitigate the potential air and water pollution that may arise from the emissions and wastes generated from our plant, we have taken effective measures to ensure proper redressal of the problem. We strive to develop newer and innovative ideas to improve the modus operandi of the aforesaid machineries in each of our plants.

- Installed state-of-the-art Air Pollution Control (APC) Systems and Effluent Treatment Plants (ETP) which are in line with the environmental norms of both the State and Central Pollution Control Boards
- Implemented robust risk management procedures to avoid risks that may arise due to the exposure of hazardous/toxic materials

Waste Management

At POCL, we place high priority on effectively managing waste, and we strictly adhere to all relevant laws and regulations. Our effective waste management solutions include waste classifications, segregation, minimisation, handling as well as monitoring, regulation, and control of the processes therein. Also, our stringent internal procedures ensure that the waste is collected by authorised entities registered with the regulatory authorities to guarantee a safe disposal.

- Regular recycling of waste materials that generates through every day plant operations
- Secured transportation of hazardous waste to authorised waste management entities for safe and secure disposal

Ensuring Efficient Energy Management

We monitor our energy usage patterns as we scale up our production units and adjust our energy-saving tactics as necessary. We have implemented a wide range of initiatives to improve operating energy efficiency.

- Installed energy efficient utility equipment across our plants
- Installed LED lighting solutions to enhance the efficient energy usage
- Installed PV solar systems

Increasing Green Coverage Around the Plants

We have undertaken tree plantation programmes in our factory premises to create thicker green belt and also reduce the pollution significantly in the plant areas.

- Covered significant area of the plants with green belts
- Planted trees that generates greater amount of fresh oxygen within factory premises and also help in purifying the air

SDGs Impacted

7 AFFORDABLE AND CLEAN ENERGY

9 INDUSTRY, INNOVATION AND INFRASTRUCTURE

12 RESPONSIBLE CONSUMPTION AND PRODUCTION

13 CLIMATE ACTION

Our Social Commitment

Societal responsibility is an integral part of sustainable business. POCL has integrated the Company's corporate social obligations with the UN-SDGs with a clear vision of commitment towards sustainable growth of the nation, society and the Company.

Strong corporate governance that takes into account stakeholder concerns, engenders trust, oversees business strategies, and ensures fiscal accountability, ethical corporate behaviour, and fairness to all stakeholders, is core to achieving the organisation's longer-term mission.

The United Nation's Sustainable Development Goals (SDGs) are aimed at tackling global poverty and promoting sustainability. They set out ambitious targets, to be reached by 2030, which will help to change the world, for the better. Through the alignment of our sustainability priorities with the relevant SDGs, the metal recycling industry aims to make a significant contribution to achieving these goals.

During the worst of times, our people have exhibited exceptional adaptability and tenacity. As a responsible corporate citizen, we constantly invest towards the betterment of our employees. As a result, we carry out a number of initiatives as part of our dedication to being a responsible business.

Employee Well-Being Programmes

We have well-defined comprehensive employee safety and well-being, which not only takes care of the wellness of employees but also the environment.

Diversity and Inclusion

Diversity is one of the main focuses at POCL. Without any conventional bias, our organisation supports diversity and gives our employees the opportunity to develop the cross-cultural, ethnic, and lifestyle collaboration skills, crucial to their overall development.

Employee Engagement

Our measures to increase employee engagement have been crucial in helping us lower our attrition rate. Our engagement initiatives' overarching objective is to develop a work environment that inspires and motivates our employees every day.

Social Engagements

Our CSR activities are rooted in creating impact at the grassroot level across health, education, and environment. We believe in an inclusive growth and to achieve the same we undertook holistic and sustainable community development programmes. POCL pursues social initiatives such as:

- Eradicating hunger, poverty, and malnutrition along with promoting preventive health care and sanitisation
- Promoting education, employment and enhancing vocation skills for the lower income sections of the society
- Promoting and supporting women empowerment to enable the women of the society to pilot their growth and support the societal economy

SDGs Impacted

A Good Governance

Mr. Anil Kumar Bansal
Chairman & Whole-time Director

Mr. Anil Kumar Bansal, B.Sc., aged 68 years, is the Executive Chairman and Whole-time Promoter Director. He took over as Chairman from June 2015, and prior to that he was the Managing Director from the date of inception of our Company. Prior to this, he was a director in a private limited company and managing partner in various partnership firms. During his tenure as Managing Director, he expanded the product base of our Company from Metallic Oxides to Plastic Additives. Mr. Bansal is also the man behind the commencement of Lead Metals and Alloys manufacturing facility in Tamil Nadu.

He served as a committee member in All India Plastic Manufacturers Association and Indian Plastics Institute. Notably, he has presented various papers on the behaviour of PVC stabilisers and plastics, under various national and international forums. His leadership enabled POCL to become one of the largest manufacturers of Lead Metal and Lead Alloys. Furthermore, he has been awarded under various categories for exceptional performance.

Mr. Ashish Bansal
Managing Director

Mr. Ashish Bansal, MBA, aged 41 years, joined POCL in the year 2009 and became the Managing Director of our Company in the year 2015. He graduated in Management Studies from the University of Wales, United Kingdom. Prior to joining the Board, he was a Whole-Time Director in Lohia Metals Private Limited and was responsible for overall operation of the company. By virtue of his holding, he is a Promoter Director in POCL.

An extreme innovator and believer in game-changing businesses of the future, Mr. Bansal is known for challenging conventional wisdom and spotting opportunities quickly. He led POCL into new frontiers and was the backbone behind setting up of the new plant in Andhra Pradesh and explored the international market for our Company's product. Under his guidance, our company has been awarded Largest Exporter Award from the Engineering Export Promotion Council (EEPC) for continuous period of four years and Star Exporter Award for the year 2015-16. Further, he was responsible for achieving the highest turnover, profitability, EPS and net worth in the history of POCL. Mr. Bansal established POCL's brand image in the global market. He is also a Member of the Product Advisory Committee in MCX and a Director in Material Recycling Association of India (MRAI).

Mr. K. Kumaravel
Director – Finance & Company Secretary

Mr. K. Kumaravel, aged about 59 years, is a member of the Institute of the Company Secretaries of India and the Institute of the Cost Accountants of India. He completed his Bachelor's and Master's degree in Commerce and Diploma in Labour Laws from the Annamalai University, Chidambaram. Mr. Kumaravel holds over 30 years of experience in Finance, Accounts and Secretarial Departments of Public Sector Undertaking and Public Limited Companies.

He started his career with Tamil Nadu Magnesite Limited, an undertaking of Government of Tamil Nadu and was in charge of Audit, Taxation, Costing and Secretarial matters and later joined POCL in the year 1996. He has handled IPO, FPOs and restructuring activities like Merger and Demerger of our company. He owns a rich experience in all aspects of Finance and Secretarial, including the Finalisation of Annual Accounts and handling of the Taxation, Secretarial, Legal, Corporate Governance and Corporate Social Responsibility of our company.

Mr. A. Vijay Anand
Independent Director

Mr. A. Vijay Anand, aged about 65 years, is the Independent Director in POCL since 2018. He is a retired civil servant with over 36 years of experience in the Central Government, in positions ranging from revenue collection, adjudication, administration and appeals in Indirect Taxes.

He has served as an Executive Director for Hindustan Aeronautics Limited, a Navaratna PSU, Government Nominee Director on the Board of Antrix Corporation, Member Secretary Space Commission, IT Secretary, Additional Secretary and Financial Advisor in the Government of India, Principal Chief Commissioner of Indirect Taxes and Customs, among others.

Dr. Shoba Ramakrishnan
Independent Director

Dr. Shoba Ramakrishnan, Msc., M.phil and Ph.D., aged about 67 years, is the Independent Director of POCL since 2015. She obtained Doctorate from University of Madras in the year 1995 and held the position of Associate Professor and Head of the Department in Women's Christian College, Chennai.

Dr. Ramakrishnan has presented research papers and published books in chemistry for the benefit of students and for research and development in the chemical sector.

Dr. M. Ramasubramani
Independent Director

Dr. M. Ramasubramani, IPS, aged about 63 years, is an Independent Director in POCL since March 2020. He is a well-known Police Officer and a high-ranked Sports Administrator. Dr. Ramasubramani holds the post of the President of Handball Federation of India (HFI), President of South Asian Handball Federation and Vice President of Tamil Nadu Olympic Association (TNOA).

He has a dynamic and multi-fascinated personality. Former Inspector General of Police, Dr. Ramasubramani, has worked in various places from Chennai to Kanyakumari in various capacities as SP, DC, DIG of many ranges and also as IGP, Central Zone consisting of 8 districts. A very robust and highly passionate person in the field of education & technology, he is keen to spread the Virtual Reality (VR) and Augmented Reality (AR) technology concepts across India by spearheading a private limited company, VReon Tech India, located in Chennai. VReon is technically competent to provide VR, AR based software solutions on par with global standards to meet clients' requirements.

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

(B) Independent Directors:

Mr. A. Vijay Anand

Dr. Shoba Ramakrishnan

Dr. M. Ramasubramani

KEY MANAGERIAL PERSONNEL

Mrs. Usha Sankar
Chief Financial Officer (till August 10, 2022)

Mr. Vijay Balakrishnan
Chief Financial Officer (from August 10, 2022)

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, Tamilnadu – 602 105

(B) Smelter Division [SMD] – II
Plot # 78 B & C, Industrial Park,
Gajulamandyam Village,
Renigunta Mandal, Chittoor,
Andhra Pradesh – 517 520

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

AUDITORS

Statutory Auditors

M/s L. Mukundan & Associates,
Chartered Accountants,
Flat No. 1, 2 Kamala Arcade,
669 Mount Road, Thousand lights,
Chennai – 600006
Phone No: +91-044-28291328

Secretarial Auditors

KSM Associates,
Company Secretaries,
Office No. 40, TNHB Complex,
No. 180, Luz Church Road, Chennai - 600 004.
Phone No.: +91-044 - 43535195

Cost Auditors

M/s Vivekanandan Unni & Associates
1-A, Vedammal Avenue, Dr. Subaraya Nagar, Main Road
Behind Petrol Bunk, Kodambakkam,
Chennai - 600024
Phone No: +91 - 044 - 2472 1760

BANKERS

Canara Bank – Anna Nagar East Branch, Chennai
HDFC Bank - Mylapore Branch, Chennai
Axis Bank - Anna Salai Branch, Chennai
HSBC Bank – Cathedral Road, Chennai

REGISTRAR AND SHARE TRANSFER AGENTS (RTA)

Cameo Corporate Services Limited
Subramanian Building,
#1, Club House Road, Chennai – 600 002
Phone: +91-044-28460718
Fax: +91-044-28460129
E-mail: cameo@cameo.india.com

LISTING:

BSE Limited

BOARD'S REPORT

Dear Members,

Your Directors are pleased to present herewith the 27th Annual Report on the Operations of your Company along with the Audited Financial Statements for the Financial Year ended March 31, 2022 together with Auditors' Report thereon.

FINANCIAL HIGHLIGHTS:

The Company's financial performance for the year ended March 31, 2022 and the comparative figures for the previous year are summarised below:

(₹ in Lakhs)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Revenue from Operations	1,45,480.10	1,00,427.16
Other Income	463.17	331.94
TOTAL REVENUE	**1,45,943.27**	**1,00,759.10**
Profit Before Depreciation, Interest and Tax (PBDIT)	**8,178.63**	**2,668.21**
Depreciation and Interest	1,742.98	1,290.71
PROFIT BEFORE TAX (PBT)	**6,435.65**	**1,377.50**
Tax	1,610.89	299.72
Profit for the Year	**4,824.76**	**1,077.78**
Other Comprehensive Income	11.27	27.54
TOTAL INCOME	**4,836.03**	**1,105.32**

OPERATIONS AND PERFORMANCE OVERVIEW:

As you are aware that during the year under review, the nation experienced high severity and mortality of citizens brought by the second wave of the ongoing COVID-19 pandemic. With intermittent nationwide lockdowns and disruption in regular economic activities, there was price volatility in procuring raw materials and sluggish market demand during first half of the year under review. However, the Company dealt with the pandemic by continuing to focus on operational excellence, marketing strategies, and keeping its Stakeholders at the core of it. Any changes due to the changes in situations/ circumstances will be taken into consideration, if necessary, as and when the situation crystallizes.

During the year under review, despite tough phase, your Company achieved all time high net profit of ₹ **48.25 Crore** against ₹ **10.78 Crore** in the previous year with a remarkable and all time increase of **348%**. The Company's revenue from Operations grew to ₹ **1,454.80 Crore** against ₹ **1,004.27 Crore** with an increase of **45%**.

TRANSFER TO RESERVES:

The Board of Directors have decided to retain the entire amount of profit for Financial Year 2021-22, except an amount of ₹ 4.80 Crore, which has been transferred to General Reserve as at March 31, 2022.

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 and the date of this report.

BUSINESS DEVELOPMENTS PROPOSED

1) As informed in the previous Annual Report, the Copper recycling/ melting facility commenced its production during the year. The copper products are initially being marketed in the international market, and in future, related copper products will be catered to the domestic market as well. The production of the plant will be gradually scaled up over the months to reach optimum levels.

   A circular economy and the importance of environmental responsibility are constantly emphasised by the Company and the Company will continue to introduce more environment friendly projects and further contribute the circular economy in India.

2) During the year, our Company has partnered with Ace Green Recycling Inc., a Delaware Corporation in the United States and signed a USD 12 Million equipment supply and licensing deal spanning 10 years to set up the world's largest greenhouse gas (GHG) emission-free battery recycling facility in our Andhra Plant (SMD – II).

Your Company is constantly investing in R&D and keeping abreast of the latest technologies to be in step with the industry's ever-changing needs which will endeavor POCL as continuous torch bearer for circular economy.

DIVIDEND:

The Board of Directors in their meeting held on May 27, 2022 have recommended a Final Dividend at 50% i.e ₹ 5/- per share [Previous Year: 25%] on Face Value of ₹ 10/- each for the Financial Year ended March 31, 2022. The total Dividend outgo amounts to ₹ 2.91 Crore [Previous Year: ₹ 1.45 Crore].

UNPAID/ UNCLAIMED DIVIDEND:

In accordance with the provisions of Section 125 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 ₹ 1.85 Lakhs to the Investor Education and Protection Fund during the Financial Year 2021-22.

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 in the website of the Company https://www.pocl.com/annual-returns/

BOARD OF DIRECTORS AND KEY MANAGERIAL PERSONNEL:

In terms of Section 152 of the Companies Act, 2013 and the Articles of Association of the Company, Mr. Ashish Bansal, Managing Director, who has been longest in the office 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 27th Annual General Meeting for approval of the Shareholders.

During the Financial Year 2021-22, the following were the changes in the composition of the Board of Directors and Key Managerial Personnel of the Company:

(a) Mr. R P Bansal (DIN: 00232708), Whole-time Director and one of the Promoters of our Company passed away on December 3, 2021. Mr. R P Bansal's sudden and unexpected demise will be an irreparable loss to the Company. The Board expressed its deep condolences on the sudden demise of Mr. R P Bansal. Further, the Board has taken on record the valuable contribution given by Mr. R P Bansal during his tenure as Director of the Company;

(b) Pursuant to the recommendation of Nomination & Remuneration Committee, the Board of Directors in its Meeting held on December 30, 2021 approved the appointment of Mr. K Kumaravel (DIN: 00664405) as an Additional Director in the capacity of Director Finance. He continues to be Company Secretary of the Company. The regularisation of the appointment along with the terms of appointment of Mr. K Kumaravel have been included in the agenda for the 27th Annual General Meeting for approval of the Shareholders.

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

During the year, six (6) 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 of 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 Regulation 16(10)(b) and 25(8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), the Board has adopted a policy on familiarisation programme for Independent Directors of the Company. The policy familiarises the Independent Directors with the nature of industry in which the Company operates, business model of the Company, their roles, rights and responsibilities in the Company.

The details of familiarisation programme during the Financial Year 2021-22 are available on the website of the Company at https://pocl.com/wp-content/uploads/2022/05/Details-of-Familiarisation-programme-imparted-to-independent-directors.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 Ms. Usha Sankar - 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 March 31, 2022. Due to the demise of Mr. R P Bansal, his position as Whole-time Director ceased to exist with effect from December 3, 2021.

Pursuant to the recommendation of Nomination and Remuneration Committee, approval of Audit Committee and subsequently in the Board Meeting held on August 10, 2022, Mr. Vijay Balakrishnan was appointed as Chief Financial Officer of the Company in place of Mrs. Usha Sankar

BOARD COMMITTEES:

The Company has constituted various Committees of the Board in compliance with the provisions of the Companies Act, 2013 and the SEBI Listing Regulations. 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 required under the Companies Act, 2013 and the Listing Regulations, an annual performance evaluation of the Board is undertaken where the Board formally assesses its own performance with an aim to improve the effectiveness of the Board and the Committees. The Company has devised a policy for performance evaluation of the Board, its Committees and Directors which include criteria for performance evaluation of Non-executive and Executive Directors.

The Company carried out the evaluation process internally which included the evaluation of the Board as a whole, its Committees and Peer evaluation of the Directors. 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 of SEBI Listing Regulations, a policy relating to remuneration of the Directors, Key Managerial Personnel and other employees has been 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/2016/02/4-Nomination-and-Remuneration-Policy.pdf

There has been no change in the policy since the last financial 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 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 and 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.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO:

(A) Conservation of Energy -

(i) Steps taken on conservation of energy:

Energy Conservation measures taken:

The Company continues to use its focused energy conservation efforts, effective production scheduling and efficient energy equipments :

The Company continues to use its focused energy conservation efforts, effective production scheduling and efficient energy equipments :

- VFD with feedback system wherever possible in equipment

- Automatic power control panels with hybrid filters for improving power quality
- Usage of LED lighting
- Effective maintenance of motors and machines and other utilities and periodical auditing of equipments

(ii) Steps taken for utilising alternate source of energy

The Company is exploring the possibility of usage of Gas instead of Diesel 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 this 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). The following are the salient features of the Agreement:

- Zero-emission lead battery recycling technology;
- Recycling technology operating at room temperature;
- Reduces the carbon footprint on a global scale;
- Prevent the emission of GHG;
- Reduces solid wastes from landfilling;
- Provide green jobs for the community

(C) Foreign Exchange Earnings and Outgo:

(₹ in Lakhs)

Foreign Exchange Earnings and Outgo	FY 2021-22	FY 2020-21
Foreign Exchange Earnings	81,286.16	48,096.30
Foreign Exchange Outgo	95,656.40	83,234.69

CONTRACTS AND ARRANGEMENTS WITH RELATED PARTIES:

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.

During the year, the Company had not entered into any contract / arrangement / transaction with related parties or 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.

Accordingly, the disclosure required under Section 134(3)(h) of the Companies Act, 2013, in Form AOC-2 is not applicable to the Company.

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/2021/04/2-Related-Party-Transaction.pdf

PARTICULARS OF LOANS, GUARANTEE AND INVESTMENTS:

The Company has not given any loans or provided guarantees or securities to any other body corporates as envisaged under Section 186 of the Companies Act, 2013 during the Financial Year 2021-22. The details of the investments made by the Company are given under the Note No. 6 (Non-Current Investments) forming part of the financial statements.

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 namely Mr. Anil Kumar Bansal, Mr. Ashish Bansal and Mr. R P Bansal of ₹ 162.00 Lakhs, ₹ 660.00 Lakhs and ₹ 18.00 Lakhs respectively (Loan received from Mr. R P Bansal have been repaid in full during the year), 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. 44 (Related Party Disclosure) forming part of the financial statements.

SUBSIDIARIES, ASSOCIATES AND JOINT VENTURE COMPANIES:

As at March 31, 2022, the Company has not entered into any joint ventures nor did not have any subsidiary or associate Company.

During the Period FY 2022-23, the Company had incorporated a subsidiary Company on May 27, 2022 in the name and style ***"POCL Future Tech Private Limited"*** bearing Corporate

Identity Number: U37200TN2022PTC152661. The brief objects of the Company are as follows:

- Recycling of e-waste, electric vehicles and components, recycling of metals, rubber, oil, glass, paper, plastics and all ferrous and non-ferrous metals and their by-products, chemicals and solvents
- Research and Developments on Recycling Technologies, technical development of special purpose machines

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/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 II** of this Report.

SHARE CAPITAL AND STATEMENT PURSUANT TO LISTING AGREEMENT:

The Paid-up Equity Share Capital of the Company as on March 31, 2022 was ₹ 5.81/- Crore comprising of 58,12,390 equity shares of ₹ 10/- each. 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. The Company has paid the Annual Listing fees and there are no arrears.

At the Board of Directors meeting held on August 10, 2022, the Board has recommended issue of bonus shares subject to the approval of Shareholders at the forthcoming 27th Annual General Meeting. The Bonus Shares if approved by the Members in the 27th AGM, shall be issued in the ratio of 1:1 Therefore, the post paid up equity share capital of the Company will be ₹ 11,62,47,800 Equity Shares of ₹ 10/- each)

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 behavior, 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/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.

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.

INTERNAL FINANCIAL CONTROLS:

The Company has Internal Control Systems commensurate with the size, scale and complexity of its operations. 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. 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.

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 2021-22.

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.

AUDITORS AND AUDITORS' REPORT:

Statutory Auditors:

M/s. L. Mukundan and Associates, Chartered Accountants (Firm Regn No: 010283S), were appointed as the Statutory

Auditors of the Company, for a term of 5 (five) consecutive years, at the 22nd Annual General Meeting held on September 27, 2017 till the conclusion of 27th Annual General Meeting of the Company. Pursuant to section 139(2) of the Companies Act 2013, the Company can appoint the said Audit firm, for a second term of 5 (five) consecutive years, subject to the approval of the Shareholders.

M/s. L. Mukundan and Associates, Chartered Accountants have consented to the said re-appointment and confirmed that their re-appointment, if approved by the Shareholders, would be within the limits specified under Section 141(3)(g) of the Companies Act 2013. They have also confirmed that they are not disqualified from continuing as Auditors of the Company.

Therefore, pursuant to the recommendation of Audit Committee and consideration of the Board in the meetings held on August 10, 2022, the request for Shareholder's approval have been placed forming part of this 27th AGM Notice for re-appointment of M/s. L. Mukundan and Associates, Chartered Accountants, as Statutory Auditors of the Company for the 2nd term from the conclusion of the 27th AGM till the conclusion of 32nd AGM of the Company.

The Report given by the Statutory Auditors on the Financial Statements of the Company for the Financial Year 2021-22 is part of this Report. There are no qualifications, reservations, adverse remarks or disclaimers given by the Auditors in their said Report.

Cost Auditors:

M/s. K. R. Vivekanandan Unni & Associates, Cost Accountants (having Firm Registration Number: 102179) were appointed as the Cost Auditors of the Company for the Financial Year 2021-22 for conducting audit of the cost accounts 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. As per the provisions of Section 148 of the Companies Act, 2013, the remuneration of the Cost Auditors is required to be ratified by the shareholders of the Company.

In respect of the cost audit for the FY 2020-21 which was duly submitted in the Financial Year 2021-22, the Cost Audit Report does not contain any qualification, reservation or adverse remark.

A resolution seeking Shareholders ratification for the remuneration payable to the Cost Auditor forms part of the Notice of this 27th Annual General Meeting and the same is recommended for your consideration and ratification.

Recommendation of Audit committee:

All the recommendations of the Audit Committee during the Financial Year 2021-22 have been accepted by the Board of Directors.

Secretarial Audit:

The Board had appointed M/s. KSM Associates, Practicing Company Secretaries (Firm Registration No: P2006TN058500) , to conduct Secretarial Audit for the Financial Year 2021-22. The Secretarial Audit Report is annexed herewith marked as **Annexure III** to this Report. The Secretarial Audit Report does not contain any qualifications, reservations, adverse remarks or disclaimers.

REPORTING OF FRAUD(S) BY THE AUDITORS:

During the Financial Year 2021-22, the Statutory Auditors, Cost Auditors or Secretarial 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 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:

The Company has in place an Anti Sexual Harassment Policy 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. 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 that:

1. in the preparation of the annual accounts applicable accounting standards has been followed and there is no material departure from the same;
2. 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., March 31, 2022 and of the profit of the Company for that period;
3. the Directors have 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. the Directors have prepared the annual accounts on a going concern basis;
5. the Directors have 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. the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

AWARDS AND RECOGNITION:

During the year, your Company has received the following award/recognition:

- Receipt of ISO 14000:2015 Environmental Management System – Certification (EMS 765178) for our Sriperumbudur Plant (SMD – I Unit)
- Top Exporter for the Year FY 2018-19: Medium Enterprise- Gold Trophy at the 51st EEPC India National Awards dated April 13, 2022 - Received from Mr. Piyush Goyal, Hon'ble Minister of Commerce & Industry, Consumer Affairs & Food & Public Distribution and Textiles, Government of India
- FIEO Southern Region Export Excellence Award for the year 2017-18 under the category of Top Two Star Export House in Southern Region- MSME-Gold Dated May 11, 2022 –Received from Hon'ble Chief Minister of Tamil Nadu Thru M K Stalin

ANY APPLICATION MADE OR PROCEEDING PENDING UNDER THE INSOLVENCY AND BANKRUPTCY CODE, 2016 DURING THE FINANCIAL YEAR ENDED MARCH 31, 2022:

There was no such 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 March 31, 2022.

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 March 31, 2022.

ACKNOWLEDGEMENT:

Your Directors take this opportunity to place on record their sincere appreciation for the continued trust and confidence reposed in the Company by the bankers, business associates, regulatory authorities, customers, dealers, vendors, shareholders and other stakeholders. Your Directors recognise and appreciate the services rendered by the officers, staff and employees of the Company at all levels for their dedicated efforts to improve the performance of the Company.

For and on behalf of the Board of Directors

	Anil Kumar Bansal	**Ashish Bansal**
Date: August 10, 2022	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 2021-22:

Name of the Director(s)	Category	Ratio
Mr. Anil Kumar Bansal	Chairman and Whole-time Director	53:1
Mr. Ashish Bansal	Managing Director	106:1
Mr. K Kumaravel	Director Finance & Company Secretary	19:1

2. The Percentage increase/(decrease) in remuneration of Directors and Key Managerial Personnel's in the financial year 2021-22:

Name of the Director(s)	Category	% Increase or (decrease)
Mr. Anil Kumar Bansal	Chairman and Whole-time Director	(1.79)
Mr. Ashish Bansal	Managing Director	6.82
Mr. R.P Bansal	Whole-time Director	(4.60)
Mr. K. Kumaravel	Director Finance & Company Secretary	20.00
Ms. Usha Sankar	Chief Financial Officer	3.77

3. The Percentage increase/(decrease) in the median remuneration of employees in the financial year 2021-22: **17.24%**
4. The Number of permanent employees on the rolls of Company as on March 31, 2022: **490**
5. The average annual increase/(decrease) in the salaries of employees other than the Managerial Personnel during the last financial year was around 22.52% as compared to increase/(decrease) in managerial remuneration of **3.45%**.
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
DIN: 00232223

Ashish Bansal
Managing Director
DIN: 01543967

Date: August 10. 2022
Place: Chennai

ANNEXURE II

ANNUAL REPORT ON CSR ACTIVITIES

1. **A brief outline of the Company's CSR Policy, including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programs:**

   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:

   - Promoting education to the poor and destitute children;
   - Rural Infrastructure Development;

2. **Composition of the CSR Committee:**

Sl No.	Name of Committee Members	Designation	Number of CSR Meetings held during the Year	Number of meetings of CSR Committee attended during the year
1.	Mr. Vijay Anand, Chairman	Chairman and Independent Director	2	1
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. Details 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. Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 and amount required for set off for the Financial Year 2021-22, if any:

Sl No.	Financial Year	Amount available for set-off from preceding financial years (₹ in Lakhs)	Amount required to be set-off for the current Financial Year, if any (₹ in Lakhs)
1.	2019-20	--Nil--	--Nil--
2.	2020-21	--Nil--	3.40
3.	2021-22	3.40	0.49

6. Average Net Profit of the Company as per Section 135(5) of the Act: ₹ **2,896.03 Lakhs**

7. (a) Two percent of average net profit of the Company as per Section 135(5) of the Act for the Financial Year 2021-22: ₹ **57.92 Lakhs**

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

   (c) Amount required to be set off for the Financial Year, if any: ₹ **3.40 Lakhs**

   (d) Total CSR obligation for the Financial Year 2021-22 [(a) + (b) – (c)]: ₹ **54.52 Lakhs**

8. (a) CSR Amount spent or unspent for the Financial Year 2021-22:

Total Amount Spent for the Financial Year. (₹ In Lakhs)	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
55.01	---	---	---	---	---

ANNEXURE II (Contd.)

(b) Details of CSR amount spent against ongoing projects for the Financial Year:

There being no on-going project, these disclosures are not applicable.

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	(9)	(10)	(11)	
S.N	Name of the Project	Item from the list of activities in Sch VII to the Act	Local area (Yes/ No)	Location of the project		Project duration	Amt allo-cated for the project (in ₹)	Amt spent in the current FY (in ₹)	Amt transferred to Unspent CSR Account for the project as per Section 135(6)(in ₹)	Mode of Implemen-tation Direct (Yes/No)	Mode of Implementation - Through Implementing Agency	
				State	District						Name	CSR Regn No.
	Total	*NIL*										

(c) Details of CSR amount spent against other than ongoing projects for the Financial Year:

Refer Annexure II-A

(d) Amount spent in Administrative Overheads: **Nil**

(e) Total Amount spent on Impact Assessment, if applicable: **Not Applicable**

(f) Total amount spent for the Financial Year: ₹ **55.01 Lakhs**

(g) Excess Amount for set off, if any:

Sl No.	Particulars	Amount (₹ In Lakhs)
(i)	Two percent of average net profit of the Company as per section 135(5)	57.92
(ii)	Excess amount spent in the previous Financial year	3.40
(iii)	Total amount to be spent during the Financial year	54.52
(iv)	Total amount spent for the Financial year	55.01
(v)	Excess amount spent for the financial year [(iv)-(iii)]	0.49
(vi)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	Nil
(vii)	Amount available for set off in succeeding financial years [(iv)-(iii)]	0.49

9. (a) Details of Unspent CSR Amount for the preceding three financial years: **Nil**

(b) Details of CSR amount spent in the Financial Year for ongoing projects of the preceding financial year(s) – **Nil**

10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the Financial Year - **Not Applicable**

11. Specify the reason(s), if the Company has failed to spend two per cent of the average Net Profit as per Section 135(5) of the Act – **Not Applicable**

For and on behalf of
Pondy Oxides and Chemicals Limited

Date: August 10, 2022
Place: Chennai

A Vijay Anand
Chairman - CSR Committee
DIN:06431219

Ashish Bansal
Managing Director
DIN: 01543967

ANNEXURE II - A

Details of CSR amount spent against other than ongoing projects for the Financial Year

Sl No.	Name of the Project(s)	Item from the list of activities in schedule VII to the Act.	Local Area (Yes/ No) & District	Amount Spent for the Project (₹ in lakh)	Mode of Imple -mentation Direct Yes / No	Mode of Implementing through implementing Agency	
						Name	CSR Regn
1.	Layering of Road in, Tirupati, Andhra Pradesh	(x) - rural infrastructure development	Yes, Tirupati District, Andhra Pradesh	18.07	Yes	---	
2.	Layering of Road in Sriperumbudur, Kanchipuram District	(x) - rural infrastructure development	Yes, Sriperumbudur, Kanchipuram District	13.39	Yes	---	
3.	Contribution for implementation of Virtual Reality System for students and others	(ii) - promoting education to poor and destitute students	Yes, Chennai	13.77	Yes	---	
4.	Contribution made to combat COVID-19	(xii) - disaster management, including relief	Yes, Chennai	5.00	Yes	---	
5.	Supply of TATA Ace Gold Petrol Vehicle to Grampanchyat Gajulyamandyam, Andhra Pradesh for the benefit of Village in Tirupati, Andhra Pradesh	(iii) other facilities for reducing inequalities faced by socially and economically backward groups	Yes, Tirupati District, Andhra Pradesh	4.78	Yes	---	
	TOTAL CSR AMOUNT SPENT DURING THE FY 2021-22			55.01	---	---	

ANNEXURE III

FORM NO. MR-3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED MARCH 31, 2022

[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 FY 2021-22. 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 **March 31, 2022** 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 March 31, 2022 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) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014[1];

e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008[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

c) Minimum Wages Act,1948

d) Payment of Wages Act,1936

e) The Employees State Insurance Act, 1948

f) The Employees Provident Fund and Miscellaneous Provisions Act, 1952

g) Payment of Gratuity Act,1972

(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 debts 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 III (Contd.)

f) The Contract Labour (Regulation and Abolition) Act, 1970

g) Maternity Benefit Act, 1961

j) The Employees Compensation Act, 1923

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

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

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

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

o) Legal Metrology Act, 2009

p) The Tamil Nadu Industrial Establishment (conferment of permanent status to workmen) Act, 1981

q) The Tamil Nadu Public Health Act, 1939

r) Tamil Nadu Industrial Establishments (National and Festival Holidays) Act, 1958 and Rules thereunder

s) Payment of Bonus Act,1965

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 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.

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. Amendment in the Objects Clause of the Memorandum of Association.
2. Increase in the borrowing limits and power to mortgage the properties of the Company to an amount not exceeding ₹ 300 Crore.

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
UDIN: F006447D000779813
Peer review cert no. 627/2019

Place: Chennai
Date: August 10, 2022

ANNEXURE III (Contd.)

ANNEXURE - A

To,

The Members,

Pondy Oxides and Chemicals Limited

CIN: L24294TN1995PLC030586

4th 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.

g. The Audit has been done using electronic means, in view of restrictions placed by the Government on account of Covid-19 pandemic.

For KSM Associates | Company Secretaries

Krishna Sharan Mishra
Partner
FCS 6447; CP 7039
UDIN: F006447D000779813
Peer review cert no. 627/2019

Place: Chennai
Date: August 10, 2022

MANAGEMENT DISCUSSION & ANALYSIS REPORT

ECONOMIC OVERVIEW

Indian Outlook:

Indian Lead Market is projected to grow at a CAGR of 6.5% during the period FY 2021-2027. It provides an unbiased and detailed analysis of the ongoing market trends, opportunities/ high growth areas, market drivers, which would help stakeholders to devise and align their market strategies according to the current and future market dynamics.

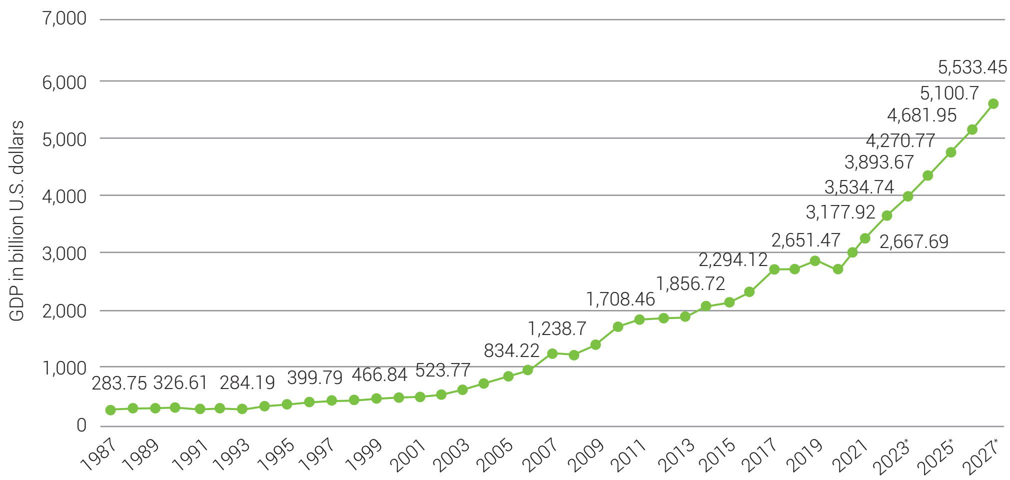
India Lead Acid Battery Market Synopsis:

The India Lead Acid Battery Market witnessed decent growth in recent years on account of the growing consumer demand for two-wheelers and passenger vehicles underpinned by rising urbanisation in the country and the growing residential and commercial sector. The demand for lead-acid batteries witnessed an upward growth trajectory mainly attributed to the rising demand for automobiles in addition to inverters and UPS from urban consumers.

An increasing number of telecom towers, data centres, and the rising disposable income in India which allows people to invest in automobiles and inverters are the major factors contributing to the growth of the lead-acid battery market in the country.

The projected growth in India Lead Acid Battery Market for the coming years can also be attributed to the growing Electric Vehicle (EV) market which is gaining traction in the country owing to rising fuel prices, the government's support towards the electric vehicle market and the increasing involvement of automobile manufacturers in the electric vehicle market.

India: Gross domestic product (GDP) in current prices from 1987 to 2027 (in billion U.S. dollars



Source
IMF
©Statista 2022

Additional information:
India: IMF

Market by Applications Analysis

In terms of applications, the transportation segment has captured above 50% of the market revenues in 2020. Transportation has dominated the Indian lead-acid battery market in terms of application owing to the large population of the country and the rising Indian automobile sector.

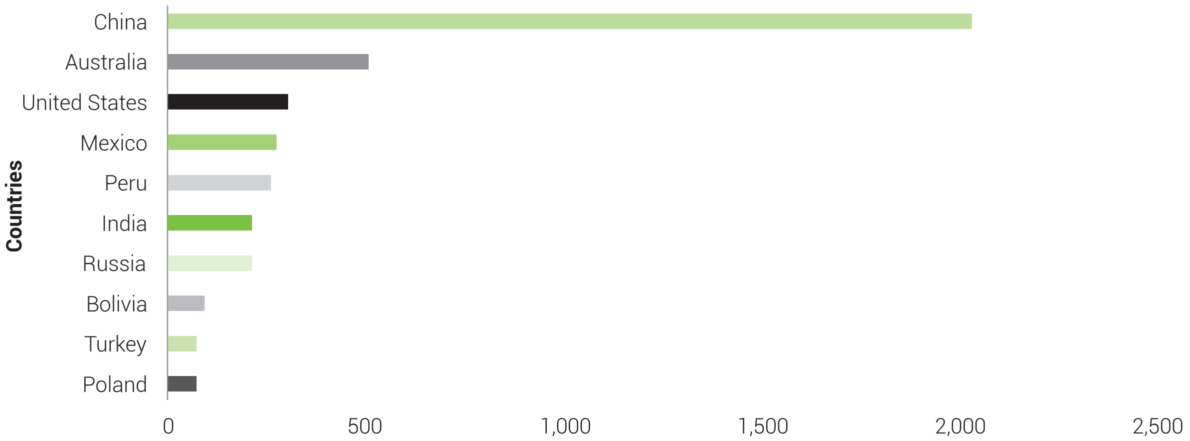
About 22 Million units of vehicles were produced in FY 2021 in the country which has augmented the lead-acid battery market of India. This trend is expected to persist in the coming years as well with the production of electric vehicles in India in addition to the internal combustion engine cars produced in India.

Market by End Users Analysis

In India Lead Acid Battery market, passenger vehicle battery has led the overall market revenues accounting for more than 30% of the market revenues in 2020.

Passenger vehicles were the highest revenue-generating segment for the lead-acid battery market of India in 2020 owing to the large number of passenger vehicles produced in the country in the respective year. Moreover, the battery replacement market for passenger vehicles also pushed the lead-acid battery market of the country in 2020.

The top ten lead producing countries with its global lead output in the year 2021

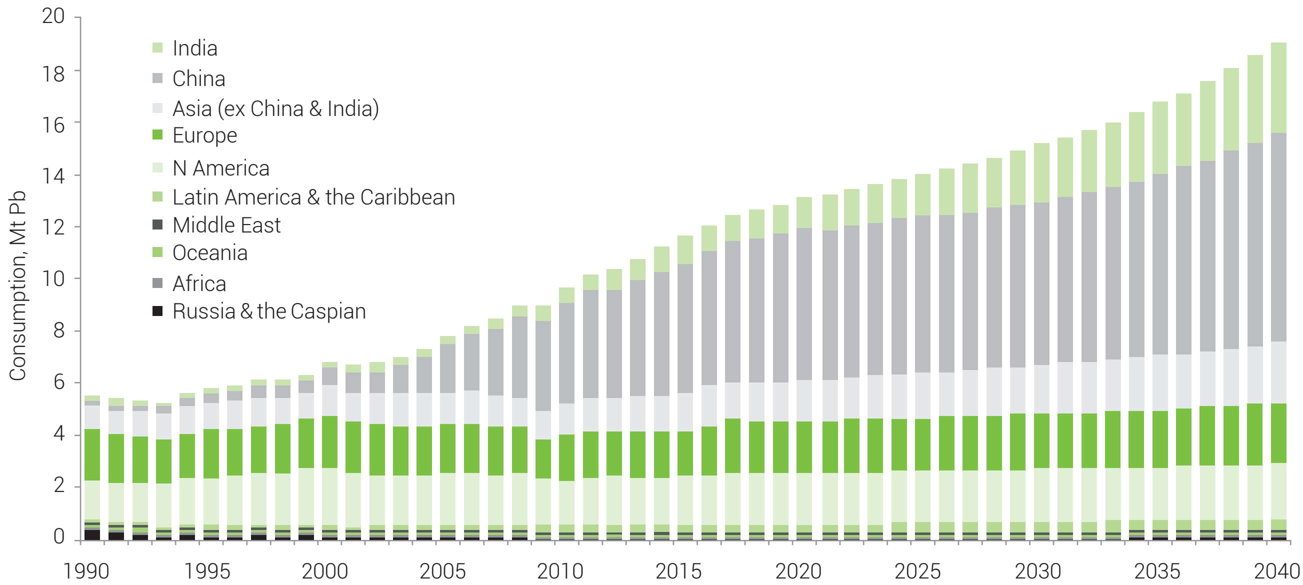


Source: Global Data

Global Outlook:

The global recycled lead market size was valued at USD 15.61 Billion in 2019 and is expected to register a compound annual growth rate (CAGR) of 2.4% from 2020 to 2027. The increasing demand for batteries from Electric Vehicles and energy storage systems is anticipated to augment market growth. Lead is the only metal that can be recycled several times without having any diminishing impact on its quality. As a result, the production of secondary (recycled) lead is increasing over primary, which is anticipated to have a positive impact on market growth. Several products including battery, sheets, pipe, cable sheathing, electrical and electronic products, and cathode-ray tubes are used for recycling.

GLOBAL REFINED LEAD CONSUMPTION



Source: Wood Mackenzie

The growth of the electric vehicles industry is the major driver for the market. The Electric Vehicle figure in U.S. is expected to reach 18.7 Million by 2030. The rising number of electric vehicles will require more Lithium-ion batteries, which is anticipated to augment the demand for recycled lead. According to the United States Geological Survey, as of 2019, the lead-acid battery industry held a share of 93% of the U.S. lead consumption and secondary accounted for a share of over 80% of the total lead production in the country.

The major restraint for the market growth is the increasing demand for lithium-ion batteries. Factors like efficiency and environment-friendliness are compelling lead-acid batteries to lose the market share to lithium-ion batteries. Lithium-ion batteries are inviting more funds and investments for their development.

The demand for lead-acid batteries is likely to prevail on account of their ability to be recycled. The recycling technology and supply chain for lithium-ion batteries is not fully in place when compared to lead-acid. In addition, the amount of energy required for producing the latter is three times less than lithium-ion. Hence, with these merits and further research and development, the demand for lead-acid batteries is expected to sustain, thus, a positive sign for the recycled lead market growth over the forecast period.

SEGMENT WISE OR PRODUCT WISE PERFORMANCE:

Lead & Lead Alloys

During the year FY 2021-22, your Company had achieved the good capacity utilisation and the Company annual production of Lead Metal and Alloys was 69,158 MT against 58,613 MT for the previous year showing the growth rate of 18%. Apart from the above, the Units also recycled scrap lead of 16,068 MT into finished goods on behalf of the Customer against 4,771 MT for the previous year showing the growth rate of 237%.

The Company has obtained Consent for Operations for the expanded capacity of 48,000 MT for the unit situated in Sriperumbudur, Tamil Nadu, thereby the overall Lead manufacturing capacity of all units together had reached 1,32,000 MT per annum.

Risks, Opportunities and Threats

The Metal Industry has been on an uptick, underpinned by supply-demand deficit, backed by bullish global growth indicators and supply related reforms. The long-term trends in the industry, the demand for the metals and our strong balance sheet provides us many opportunities to create value for stakeholders. POCL's success as an organisation depends on our ability to identify opportunities and leverage them while mitigating the risks that arise while conducting our business.

Pricing, growing demand and ongoing market volatility are the major challenges faced by the Company. POCL 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.

The Company is subject to the risk that changes in foreign currency values impact the Company's export revenues and import of raw materials. The Company is exposed to foreign exchange risk arising from currency exposures, primarily with respect to US Dollars. POCL has in place a robust risk management framework for identification and monitoring and mitigation of commodity price and foreign exchange risks. The risks are tracked and monitored on a regular basis and mitigation strategies are adopted in line with the risk management framework. POCL primarily use forward exchange contracts to hedge the effects of movement in exchange rates.

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

POCL recorded an operational and financial performance above the benchmark of Industry Standards in the FY 2021-22, with an all time high profit before tax of ₹ 64.35 Crore against ₹ 13.78 Crore showing an increase of **367%**.

Growth in volume resulted in EBITDA of ₹ 81.79 Crore as against ₹ 26.68 Crore showing an increase of **207%** even in unfavorable circumstances and price environment. The exports contributed to ₹ 789.19 Crore for the year FY 2021-22 as against ₹ 501.55 Crore in the previous year showing an increase of **57%** and achieved the milestone of **100 Million** export for the year FY 2021-22 and applied for **3 Star** Export house status for our Company.

Revenue

The Company had contributed to the Revenue of ₹ 1,454.80 Crore as against the previous years Net Sales of ₹ 1,004.27 Crore showing an increase of **45%**.

Depreciation and Amortisation

Depreciation for the Financial Year 2021-22 was ₹ 8.99 Crore compared to ₹ 8.39 Crore in the previous year.

Net Interest

The average cost of borrowings has been retained at 6% to 8% for the Financial Year 2021-22. Finance cost for the Financial Year 2021-22 was ₹ 8.44 Crore (previous year ₹ 4.51 Crore). The increase in finance cost is due to increase in utilisation of funds due to the increase in turnover of **45%** over the previous year.

Taxation

Tax expense for the Financial Year 2021-22 was ₹ 16.11 Crore against ₹ 3.00 Crore in the previous year, showing average tax rate of 25% for the current and previous year.

Profit after Tax (before exceptional item)

The profit after tax before exceptional item was ₹ 48.25 Crore in Financial Year 2021-22 as against the previous year ₹ 10.78 Crore resulting in an impressive increase of **348%** over the previous year.

EPS

Earnings Per Share for the Financial Year 2021-22 was ₹ 83.01 per share as against the Previous Year ₹ 18.54 per share resulting in an increase of **348%**.

Dividend

Considering the profits of the Company for the Financial Year 2021-22, the Board in its Meeting held on May 27, 2022 had declared a Final Dividend at **50%** (i.e. ₹ 5/- per share) on the equity shares of ₹ 10/- each. The total Dividend payout, if declared at the ensuing Annual General Meeting for the Financial year 2021-22 would be ₹ 2.91 Crore.

Shareholders fund

Total Shareholders fund as on March 31, 2022 aggregated ₹ 208.15 Crore as compared to previous year at ₹ 161.32 Crore resulting in an increase of **29%**. The increase in the shareholders' fund was primarily on account of profits made during the year.

Net Fixed Assets

The net fixed assets as on March 31, 2022 was ₹ 50.84 Crore (previous year: ₹ 43.98 Crore). The capital work in progress for the year as on March 31, 2022 is ₹ 3.47 Crore (Previous year: ₹ 5.67 Crore).

Material developments in Human resources/Industrial relations front, including no. of people employed

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.

Details of significant changes in key financial ratios, alongwith detailed explanation including:

Key Financial Ratios	FY 2021-22	FY 2020-21	Change %	Remarks
Debtors turnover (in times)	14.83	12.08	22.76	Effective collection of receivables
Inventory Turnover (in times)	10.61	10.30	3.01	Effective inventory management
Interest Coverage Ratio (in times)	8.62	4.05	112.84	Due to effective management of Finance
Current Ratio (in times)	2.34	1.89	23.81	Better financial position
Debt Equity Ratio (in times)	0.04	0.13	-69.23	Repayment of long term debt
Operating Profit Margin (%)	5.62	2.65	112.07	Due to increase in profit
Net Profit Margin (%)	3.32	1.07	210.28	Increase in profit
Return on Networth (%)	26.12	6.91	278.00	Due to increase in profit

CAUTIONARY STATEMENT

Statements made herein describing the Company's expectations or predictions are "forward-looking statements". The actual results may differ materially from those expected or predicted depending on market conditions, input costs, economic development, Government policies and other incidental factors.

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

	Anil Kumar Bansal	**Ashish Bansal**
Date: 10th Aug 2022	Chairman & Whole Time Director	Managing Director
Place: Chennai	DIN: 00232223	DIN: 01543967

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:

Corporate Governance practices constitute the strong foundation on which successful commercial enterprises are built to last. Your Company's Corporate Governance philosophy is based on transparency, accountability, values, and ethics, which forms an integral part of the Management's initiative in its ongoing pursuit towards achieving excellence, growth, and value creation. Your 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.

Effective corporate governance practices constitute the strong foundation on which successful commercial enterprises are built to last. Corporate governance encompasses 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. We strive to enhance shareholder's value and protect the interest of the stakeholders by improving the corporate performance and accountability.

The Corporate Governance philosophy of your Company ensures transparency in all dealings and in the functioning of the management and the Board. These policies seek to focus on enhancement of long-term shareholder value without compromising on integrity, social obligations and regulatory compliances. 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 Board of Directors along with its Committees, provides leadership and guidance to the Management and directs and supervises the performance of the Company, thereby enhancing stakeholder value. The Board has a fiduciary relationship in ensuring that the rights of all stakeholders are protected. POCL has ensured the presence of an active and Independent Board to ensure the highest standards of Corporate Governance. The Company, as on the date of this report has in all 6 Directors with considerable professional experience in divergent areas connected with corporate functioning. The Board comprises of 3 Executive Directors and 3 Non-Executive Independent Directors. The Independent Directors in the Board are competent and highly respected professionals from their respective fields and have vast experience, which enables them to contribute effectively to the Company. The Company's Board has an optimum combination of Executive and Non-Executive Directors including a Woman Independent Director.

As stated in the Board's Report, during the Financial Year 2021-22 the following were the changes in the composition of the Board:

(a) Demise of Mr. R P Bansal (DIN: 00232708), Whole-time Director and one of the Promoters of our Company on December 3, 2021;

(b) Pursuant to the recommendation of Nomination & Remuneration Committee, the Board of Directors in its Meeting held on December 30, 2021, approved the appointment of Mr. K Kumaravel (DIN: 00664405) as an Additional Director in the capacity of Director Finance. He continues to be Company Secretary of the Company.

CORPORATE GOVERNANCE REPORT (Contd.)

A. Board Composition and Category of Directors as on March 31, 2022:

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.

The details of the shareholding of the Directors are provided in the Annual Return in Form MGT - 7 in the weblink https://www.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 Obligations and Disclosure Requirements) Regulations, 2015 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 fulfill the conditions specified under Regulation 16 (1)(b) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and are independent of the Management. A formal letter of appointment has been issued to the Independent Directors and the same is also hosted on the website of the Company.

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 and the Board Meetings held during the Financial Year were held through Physical Meeting and Video Conferencing & other Audio Visual means.

The Agenda for the Meeting covers items set out as per the guidelines in SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 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. Where it is not practicable to attach any document to the agenda, it is placed before the meeting with specific reference to this effect.

During the financial year ended March 31, 2022, six (6) 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
April 20, 2021	6	3
June 25, 2021	6	6
July 26, 2021	6	5
November 2, 2021	6	5
December 30, 2021	6	6
February 27, 2022	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	Attendance at Meetings during the Financial Year 2021-22		Number of Directorships in other Companies as on March 31, 2022	No. of Membership(s)/ Chairmanship(s) of Board Committee(s) in other Public Companies as on March 31, 2022	
	Board Meeting	Last AGM		Chairman	Member
Mr. Anil Kumar Bansal	6	Yes	-	-	-
Mr. Ashish Bansal	6	Yes	1	-	-
Mr. R.P. Bansal*	1	Yes	NA	NA	NA
Mr. K Kumaravel**	2	NA#	-	-	-
Mr. A Vijay Anand	5	Yes	1	-	-
Dr. Shoba Ramakrishnan	5	Yes	1	-	-
Dr. M Ramasubramani	6	Yes	1	-	-

*** passed away on December 3, 2021**

**** Appointed w.e.f December 30, 2021**

 # Attended as Company Secretary

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 March 31, 2022:

Name of Non-Executive Director(s)	No. of Shares held
Mr. A Vijay Anand	3,431
Dr. Shoba Ramakrishnan	15
Dr. M Ramasubramani	---

E. Separate Independent Directors' Meeting

The Company's Independent Directors met on February 7, 2022 without the presence of the Executive Directors. During the meeting, the Independent Directors inter-alia reviewed the performance of the non- Independent Directors, Board as a whole, and the Chairman after taking into the views of executive and non-executive Directors. They also assessed the quality, content and timeliness of flow of information between the Management and the Board that is necessary for the Board to effectively and reasonably perform its duties.

Attendance of Independent Directors at the meeting held on February 7, 2022 is given hereunder:

Name of the Independent Director(s)	Whether Present or not
Mr. A Vijay Anand	No
Dr. Shoba Ramakrishnan	Yes
Dr. M Ramasubramani	Yes

F. Familiarisation Programme:

The Company has a familiarisation programme for the Independent Directors. At the time of appointing new Non-Executive Independent Directors, a formal letter of appointment is given to them, which 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/2022/05/Details-of-Familiarisation-programme-imparted-to-independent-directors.pdf

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

The Board Members are equipped with varied experience and also possess the required skills that allows them to make effective contribution to the Board and its Committees.

CORPORATE GOVERNANCE REPORT (Contd.)

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	✓	---	---	✓	✓	✓	✓

III. COMMITTEES OF THE BOARD

The Board of Directors have set up Committees as applicable to the Company to deal with specific areas/ activities as mandated by the applicable regulations. 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 placed 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 (LODR) Regulations.

The Company has a qualified and independent Audit Committee comprising of Non-Executive Independent Directors. The Chairman of the Committee is an Independent Director.

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.

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 March 31, 2022 are as under:

Name of Director	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	---

During the Financial Year 2021-22, in the Board Meeting held on February 7, 2022, the Audit Committee was re-constituted by inducting Mr. K Kumaravel as Member of the Committee in place of Mr. Anil Kumar Bansal.

During the Financial Year 2021-22, five (5) meetings of the Audit Committee were held on April 20, 2021, June 25, 2021, July 26, 2021, November 2, 2021 and February 7, 2022. 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 (LODR) 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 renewal.
- 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.

Two (2) meetings of the Nomination and Remuneration Committee were held on July 26, 2021 and December 30, 2021. 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 March 31, 2022 are as under:

Name of Director	Designation	Attendance
Mr. A Vijay Anand	Chairman - Independent Director	---
Dr. Shoba Ramakrishnan	Member - Independent Director	2
Dr. M. Ramasubramani	Member - Independent Director	2

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 (LODR) 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://www.pocl.com/portfolio/investor-relations/. 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/2020/09/Board-Diversity-Policy.pdf which has been approved by the Board.

Directors Remuneration:

Details of Remuneration paid to the Executive Directors during the Financial Year 2021-22 are mentioned below:

(₹ In Lakhs)

Name of the Director	Salary	Perquisites/ Bonus/ PF	Total
Mr. Ashish Bansal	216.00	19.10	235.10
Mr. Anil Kumar Bansal	108.00	2.01	110.01
Mr. R.P. Bansal *	72.00	11.68	83.68
Mr. K Kumaravel #	27.65	2.54	30.19

* passed away on December 3, 2021

Remuneration includes amount paid during the year as GM Finance & Company Secretary

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 Audit Committee and the Board meetings.

Sitting fees paid to the Non-Executive Directors during FY 2021-22:

(₹ In Lakhs)

Name of the Non-Executive Director	Sitting Fee
Mr. A Vijay Anand	1.45
Dr. Shoba Ramakrishnan	1.25
Dr. M Ramasubramani	1.70

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 Obligations and Disclosure Requirements) Regulations 2015. The said committee consists of Non-executive/Independent Directors and the Committee redresses the Shareholders' grievances.

The Stakeholders' Relationship Committee met once on February 7, 2022.

Composition and Attendance:

The Chairman and the Members of the Committee as on March 31, 2022 are as under:

Name of Director	Designation	Attendance
Mr. A Vijay Anand	Chairman - Independent Director	---
Dr. Shoba Ramakrishnan	Member - Independent Director	1

Name of Director	Designation	Attendance
Mr. K Kumaravel	Member – Director Finance & Company Secretary	---

As required by the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, Mr. K Kumaravel is the Compliance Officer of the Company, who oversees the redressal of Investor grievances.

During the Financial Year 2021-22, in the Board Meeting held on February 7, 2022, the Stakeholders Relationship Committee was re-constituted by inducting Mr. K Kumaravel as Member of the Committee in place of Mr. Anil Kumar Bansal.

The Company received and resolved 4 complaints during the year. There are no pending complaints as on March 31, 2022.

(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 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 2021-22, Two (2) meetings of the committee were held on July 26, 2021 and February 7, 2022.

The composition of the Corporate Social Responsibility Committee as on March 31, 2022 and the attendance of members are given below:

Name of Director	Designation	Attendance
Mr. A Vijay Anand	Chairman - Independent Director	1
Dr. Shoba Ramakrishnan	Member - Independent Director	2
Mr. Ashish Bansal	Member - Managing Director	2

IV. GENERAL BODY MEETINGS:

(i) Annual General Meeting:

Year	Date	Time	Venue	Special Resolution(s)
FY 2020-21	26th AGM – Sept 18, 2021	03:00 PM	Held through Video Conferencing/ Other Audio Visual Means	1) To increase the Borrowing powers and power to mortgage the properties of the Company 2) To amend and adopt the Main Objects Clause of the Memorandum of Association of the Company
FY 2019-20	25th AGM – Sept 28, 2020	03:00 PM	Held through Video Conferencing/ Other Audio Visual Means	1) To Re-appoint Mr. Ashish Bansal (DIN: 01543967) as Managing Director and fixing his remuneration 2) To Re-appoint Mr. Anil Kumar Bansal (DIN: 00232223) as Whole-Time Director and fixing His remuneration 3) To Re-appoint Mr. R P Bansal (DIN: 00232708) as Whole-Time Director and fixing His remuneration
FY 2018-19	24th AGM – Sept 18, 2019	11.30 A.M.	Music Academy, 306 T.T.K.Road, Chennai – 600014	1) To re-appoint Dr. Shoba Ramakrishnan (DIN: 02773030), as an Independent Director of the Company.

(ii) Other General Meeting(s):

There were no other General Meeting(s) during the Financial Year 2021-22.

(iii) Postal Ballot:

During the Financial Year 2021-22, no resolutions were passed through Postal Ballot.

V. MEANS OF COMMUNICATION:

The Company promptly reports all material information including quarterly/half year and annual audited financial results to the Stock Exchange. All disclosures and communications to the BSE are filed electronically through the designated portal.

The quarterly results are published in a leading Tamil (Makkal Kural) & English (Trinity Mirror) Newspaper having wide circulation. Quarterly results are also hosted in the Company's website https://www.pocl.com/. 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://www.pocl.com/. 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.

VI. GENERAL SHAREHOLDERS INFORMATION:

(a) Company Registration Details

Pondy Oxides and Chemicals Limited was incorporated on March 21, 1995. The Corporate Identity Number allotted to the Company by the Ministry of Corporate Affairs is L24294TN1995PLC030586. The Registered Office of the Company is situated at KRM Centre, 4th Floor, # 2, Harrington Road, Chetpet, Chennai – 600 031.

(b) Annual General Meeting

The 27th Annual General Meeting (AGM) of the Company will be held on Wednesday, September 21, 2022 at 03:00 P.M. through Video Conferencing/ Other Audio Visual Means.

(c) Financial Year

The Company's Financial Year commences from April 1, and closes on March 31, and the Financial Statements of the Company from April 1, 2021 till March 31, 2022 forms part of this Annual Report.

(d) Book Closure

The Transfer books of the Company shall be closed from September 15, 2022 to September 21, 2022 (both days inclusive).

(e) Dividend Payment Date

Since the approval of the Final Dividend is placed before the Shareholders at the 27th AGM dated September 21, 2022, the Final Dividend will be paid to Shareholders of the Company on or before October 20, 2022, subject to approval by the Shareholders.

(f) Bonus Shares

If the declaration on Bonus Shares, as recommended by the Board, is approved at the 27th Annual General meeting, the effective date of completion of issue of Bonus Shares for the eligible Shareholders of the Company along with its listing and trading as per the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 shall be completed with 2 months from the date of Board Meeting i.e. August 10, 2022.

(g) Listing on Stock Exchange and Stock Code

Equity Shares of the Company are listed in BSE Limited having its registered office at 25th Floor, P J Towers, Dalal Street, Mumbai- 400 001

• Stock Code	:	532626
• Security ID	:	PONDYOXIDE
• ISIN	:	INE063E01046

(h) Payment of Annual Listing Fees/Custodian Fees

Annual Listing Fee for the Financial Year 2021-22 has been paid by the Company to BSE. Annual Custody fee for the Financial Year 2021-22 has been paid by the Company to NSDL and CDSL on receipt of invoices.

(i) Share Market data:

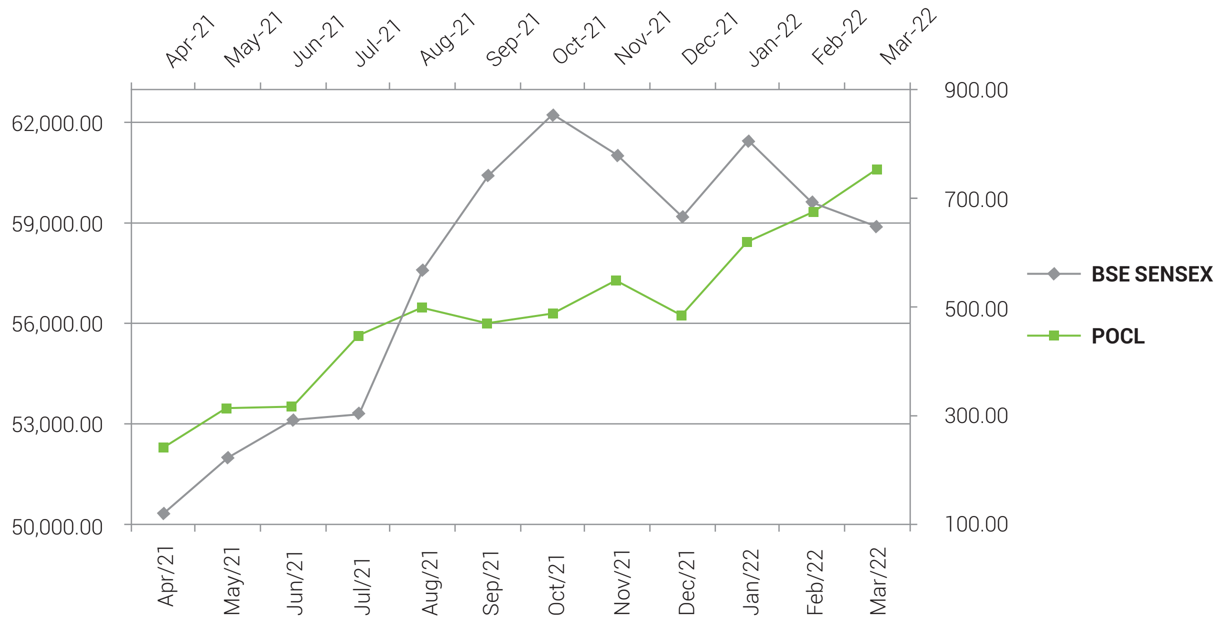
The Market price data for the Financial Year 2021-22 is as follows-

Month	BSE SENSEX		POCL	
	High price	Low Price	High price	Low Price
April' 21	50,375.77	47,204.50	239.50	202.15
May' 21	52,013.22	48,028.07	312.00	218.00
June' 21	53,126.73	51,450.58	315.00	240.50
July' 21	53,290.81	51,802.73	446.00	266.95
Aug' 21	57,625.26	52,804.08	499.00	359.00
Sept' 21	60,412.32	57,263.90	469.00	403.00
Oct' 21	62,245.43	58,551.14	485.00	404.25
Nov' 21	61,036.56	56,382.93	550.00	422.00
Dec' 21	59,203.37	55,132.68	481.50	406.00

CORPORATE GOVERNANCE REPORT (Contd.)

Month	BSE SENSEX		POCL	
	High price	Low Price	High price	Low Price
Jan' 22	61,475.15	56,409.63	620.00	451.00
Feb' 22	59,618.51	54,383.20	671.30	515.00
Mar' 22	58,890.92	52,260.82	749.00	539.00

(j) Performance of the Company's Share Price vis-à-vis BSE Sensex during the financial year 2021-22 (High price of BSE and POCL taken as base):



(k) Registrar and Share Transfer Agents:

Cameo Corporate Services Limited

Subramanian Building, No.1, Club House Road

Chennai – 600 002

Tel: 044-2846 0390; Fax: 044 2846 0129

Email: cameo@cameoindia.com

Website: www.cameoindia.com

(l) Share Transfer System

As on March 31, 2022, 99.27% of the equity shares of the Company are held in electronic form (for previous year i.e., March 31, 2021 it was 99.21%). Transfers of these shares are done through the depositories with no involvement of the Company.

SEBI, effective April 1, 2019, prohibited physical transfer of shares of listed companies and transfer only through Demat mode is allowed. The Board has delegated the authority to Stakeholders Relationship Committee for approving transfer, transmission, etc. which approves the transfer. The same is taken note of at the subsequent Board Meeting. During the year the Company has not received any physical Share transfer requests.

(m) Dematerialisation of shares and liquidity

The Company's shares are compulsorily traded in the BSE in dematerialised form. 99.27% of the Company's equity share capital is in dematerialised form as on March 31, 2022. The Company's equity shares are regularly traded in BSE.

The details of mode of holding are as follows:

Mode of Holding	Number of Shares held as on March 31, 2022	% of total Number of Shares as on March 31, 2022
NSDL	47,01,343	80.89
CDSL	10,68,833	18.38
Physical	42,214	0.73
Total	**58,12,390**	**100.00**

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

The Company has not issued any GDRs/ADRs/Warrants or any Convertible Instruments in the past and hence as on March 31, 2022, the Company does not have any Outstanding GDRs/ADRs/Warrants or any Convertible Instruments.

(o) Categories of Shareholders as on March 31, 2022:

Category Code	Category	No. of Shareholders	Shares	%
A(1)	Shareholding of Promoters	8	28,33,165	48.74
B (3) [(a) (i)] and [(a) (ii)]	Resident Individuals	12,384	25,73,213	44.27
B (3) (e) (1)	Body Corporates	79	1,25,837	2.16
B (3) (e) (6) and (7)	Non – Resident Individuals	219	1,51,991	2.62
B (3) (e) (2) to (5)	Others	369	1,28,184	2.21
TOTAL [(A) + (B)]			**58,12,390**	**100.00**

(p) Distribution of Shareholding by Size as on March 31, 2022

No. of Shares held	No. of Shareholders	% of total Shareholders	No. of Shares held	% of total Shares held
Upto 5000	12,634	93.79	9,85,538	16.96
5001-10000	450	3.34	3,41,599	5.88
10001-20000	212	1.57	3,16,923	5.45
20001-30000	64	0.48	1,62,438	2.79
30001-40000	26	0.19	91,358	1.57
40001-50000	20	0.15	90,960	1.56
50001-100000	40	0.30	2,87,015	4.94
Above 100000	24	0.18	35,36,559	60.85
TOTAL	**13,470**	**100.00**	**58,12,390**	**100.00**

(q) 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, Industrial Park,
  Gajulamandyam Village ,
  Renigunta Mandal,
  Chittoor,
  Andhra Pradesh – 517 520.
- **G-1**
  SIPCOT Industrial Park,
  Pondur Post, Sriperumbudur,
  District – Kancheepuram,
  Tamil Nadu – 602 105

(r) 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.

(s) List of Credit Rating

During the year, 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 January 14, 2022.

VII. OTHER DISCLOSURES

(a) Related Party Transactions:

During the year under review, there were no materially significant related party transactions having potential conflict with the interests of the Company. The Company has adopted a policy on determining the material related party transactions and dealing with the 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/2021/04/3-Policy-on-disclosure-of-material-events-and-information.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 (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/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 and the same is available in the website of the Company at https://pocl.com/wp-content/uploads/2020/06/Code-of-conduct-for-prevention-of-Insider-Trading.pdf

The insider Trading code which is applicable to all directors and designated employees lays down guidelines and procedures to be followed and disclosures to be made while dealing in the securities of the Company and non-consequences of violation. Mr. K. Kumaravel, Company Secretary is the Compliance Officer by the Board for ensuring compliance and effective implementation of the Insider Trading Code.

(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 bench mark 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 2021-22:**

- Total Exposure to commodities: ₹ 2,68,836 Lakhs
- Exposure to various commodities:

Commodity Name	Exposure (₹ In Lakhs)	Units	Exposure in Quantity terms	% of such exposure hedged through commodity derivatives				
				Domestic Market		International Market		Total
				OTC	Exchange	OTC	Exchange	
Lead	2,44,757	MT	1,53,418	---	18%	20%	27%	65%

- 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 from a Company Secretary in Practice

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. The certificate from the Company Secretary in Practice is annexed to this report.

(h) 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 2021-22.

(i) Fees paid to Statutory Auditors

During the Financial Year 2021-22, the Company has paid ₹ 17.50 Lakhs to the Statutory Auditors for all services received by the Listed Entity detailed below:

Type of Service	Amount (₹ in Lakhs)
Statutory Audit fees	12.00
Taxation fee	3.00
Limited Review	1.00
Other Certifications	1.50
Total	**17.50**

(j) 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.

(k) 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 Obligations and Disclosure Requirements) Regulations, 2015.

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 Obligations and Disclosure Requirements) Regulations, 2015. The Chartered Accountant's Certificate regarding compliance of conditions of Corporate Governance is annexed to this report.

(l) 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 Obligations and Disclosure Requirements) Regulations, 2015.

(m) 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 in the website of the Company at https://pocl.com/wp-content/uploads/2020/09/Risk-Management-Policy.pdf

(n) Details of utilisation of funds raised through preferential allotment or qualified institutional placement

During the year under review, the Company has not raised any money from public issue, rights issue or any preferential issue except for the issue of securities mentioned below.

(o) Issue of Securities

During the year, the Company has not issued any Securities.

(p) Unclaimed Suspense account:

During the Financial Year 2021-22, 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	Details
Aggregate number of shareholders and the outstanding shares in the suspense account lying at the beginning of the year (i.e. April 1, 2021)	2,781
Number of shareholders who approached listed entity for transfer of shares from suspense account during the Financial Year 2021-22	Nil
Number of shareholders to whom shares were transferred from suspense account during the Financial Year 2021-22	Nil
Aggregate number of shareholders at the end of the year (i.e. March 31, 2022)	6
Outstanding shares in the suspense account lying at the end of the year (i.e. March 31, 2022)	2,781

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

(q) 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, if the Dividend 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 pertaining to the Financial Year 2013-14 has credited ₹ 1,85,180 (Rupees One lakh Eighty-five thousand one hundred and eighty) to the Investor Education and Protection Fund (IEPF) during the Financial Year 2021-22.

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 pertaining to the Financial Year 2013-14 has transferred 981 equity shares of 10/- each, to the credit of IEPF Authority during the Financial Year 2021-22.

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.

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/

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: August 10, 2022
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 Directors and Senior Management have affirmed compliance with the POCL Code of Conduct for the Financial Year ended March 31, 2022.

For **Pondy Oxides and Chemicals Limited**

Ashish Bansal
Managing Director
DIN: 01543967

Date: August 10, 2022
Place: Chennai

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) (hereinafter called the Company), 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 the financial year 2021-22 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. K Kumaravel #	Director Finance
4.	06431219	Mr. Vijay Anand	Independent Director
5.	02773030	Dr. Shoba Ramakrishnan	Independent Director
6.	07999117	Dr. M Ramasubramani	Independent Director
7.	00232708	Mr. Rajendraprasad Bansal*	---

#appointed w.e.f 30.12.2021

* ceased w.e.f 03.12.2021 due to death

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: F006447D000779692
Peer review cert no. 627/2019

Place: Chennai
Date: August 10, 2022

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 March 31, 2022, 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. 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 March 31, 2022.
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.

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

L Mukundan
Partner
Membership No: 204372
UDIN: 22204372AJTUKO8914

Place : Chennai
Date : August 10, 2022

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 March 31, 2022 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**	**Usha Sankar**
Date: May 27, 2022	Managing Director	Chief Financial Officer

FINANCIAL STATEMENTS

INDEPENDENT AUDITOR'S REPORT

To the Members of Pondy Oxides and Chemicals Limited

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Opinion

We have audited the financial statements of Pondy Oxides And Chemicals Limited ("the Company"), which comprise the balance sheet as at March 31, 2022, and the statement of Profit and Loss (including Other Comprehensive Income), the statement of cash flows and the Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid 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 March 31, 2022, 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 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 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.

Emphasis of Matter

We draw attention to **Note 2B** to the financial statements, which explain the uncertainties and the impact of COVID-19 pandemic situation on the Company's financial results as assessed by the management.

Our opinion is not modified in respect of the above matter.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the 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 account and explanations provided to us, we have determined the matters described below to be the key audit matters to be communicated in our report.

Key audit matters	How our audit addressed the key audit matter
Derivative financial instruments are used to manage and hedge foreign currency exchange risks and commodity risk. Derivatives are measured at fair value, and changes therein are generally recognised in profit or loss. The Company designates certain derivatives as hedging instruments to hedge the variability in cash flows associated with highly probable forecast transactions arising from changes in foreign exchange rates. At inception of designated hedging relationships, the Company documents the risk management objective and strategy for undertaking the hedge. The Company also documents the economic relationship between the hedged item and the hedging instrument, including whether the changes in cash flows of the hedged item and hedging instrument are expected to offset each other. We focused on this area on account of the number of contracts, their measurement, the complexity related to hedge accounting and the potential impact on the statement of profit and loss. As at March 31, 2022, the Company has net derivative financial liability at fair value of ₹ 153.09 Lakhs. (Refer note no. 22)	Our procedures included: • We obtained an understanding of the risk management policies and testing key controls for the use, recognition and measurement of derivative financial instruments; • We reconciled derivative financial instruments data with third party confirmations; • We compared valuation of derivative financial instruments with market data; • We tested, on a sample basis, the applicability and accuracy of hedge accounting; and • We considered the appropriateness of disclosures in relation to financial risk management, derivative financial instruments and hedge accounting in notes 22, 27 & 28 to the financial statements; Based on the procedures performed, the derivative financial instruments and hedge accounting are fairly stated in the financial statements.

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 Responsibility Report including Annexure to Board's Report, Corporate Governance and Shareholders Information, but does not include the financial statements and our auditor's report thereon.

Our opinion on the 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 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 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 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 financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the 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 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 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 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

INDEPENDENT AUDITOR'S REPORT (Contd.)

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 Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the 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 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.

   (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.

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

   (d) In our opinion, the aforesaid 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 as on March 31, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2022 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, 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, 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 has caused us to believe that the representations under sub-clause (a) and (b) above, contain any material misstatement.

v. (a) The final dividend paid by the Company during the year ended March 31, 2022 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.

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

L Mukundan
Partner
Membership No. 204372
UDIN: 22204372AJTUII7718

Place: Chennai
Date: May 27, 2022

ANNEXURE – A

TO THE INDEPENDENT AUDITOR'S REPORT

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 (₹ 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 February 21, 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. 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 material discrepancies were noticed on physical verification of inventories as compared to the book records.

b) 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 been sanctioned working capital limits in excess of five cores , in aggregate , from bank on the basis of security of current assets i.e. stocks and Debtors. In our opinion, the quarterly returns or statements filed by the Company with such bank are in agreement with the books of accounts of Company.

III. In our opinion and 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 made any investments, provided guarantee or security or granted any advance in the nature of loans, secured or unsecured, to companies, firms, Limited liability partnership or any other parties during the year.

IV. In our opinion and according to the information and explanations given to us, the Company complied with

ANNEXURE – A
TO THE INDEPENDENT AUDITOR'S REPORT (Contd.)

the provisions of section 185 and 186 of the Act, with respect to the loans and investments made.

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, 2022 and therefore, 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.

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 utilised the money obtained by way of term loan during the year for the purpose for which they were obtained.

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. Company does not have any subsidiaries, associates or joint ventures.

f) According to the information and explanation given to us and procedures performed by us, we report that the Company does not have any subsidiaries, associates or joint ventures, hence reporting under clause 3(ix)(f) of the order is 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) Accordingly, information and explanation given to us and on the basis of our examination of records, the Company has not made any preferential allotments or private placement of shares or fully or partly convertible debentures during the year. Accordingly, reporting under clause 3(x) (b) of the order is not applicable to the Company.

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 course of audit.

ANNEXURE – A
TO THE INDEPENDENT AUDITOR'S REPORT (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, 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 financial statements as required Indian Accounting standards 24 "Related Party Disclosures" specified under 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, provision of section 192 of the companies Act, 2013 are not applicable to the Company.

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) 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 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. According to information and explanation given to us and based on our examination of books, the Company does not have any subsidiaries during the year under audit, hence the reporting under clause 3(xxi) of order is not applicable.

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

L Mukundan
Partner
Membership No. 204372
UDIN: 22204372AJTUII7718

Place: Chennai
Date: May 27, 2022

ANNEXURE – B
TO THE INDEPENDENT AUDITOR'S 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 Company") as of March 31, 2022 in conjunction with our audit of the 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 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 over financial reporting

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 authoriations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised 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 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.

ANNEXURE – B
TO THE INDEPENDENT AUDITOR'S REPORT (Contd.)

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 March 31, 2022, 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: 22204372AJTUII7718

Place: Chennai
Date: May 27, 2022

BALANCE SHEET

AS AT MARCH 31, 2022

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

Particulars	Notes	As at March 31, 2022	As at March 31, 2021
ASSETS			
Non-current assets			
(a) Property, plant and equipment	4	5,008.56	4,303.77
(b) Capital work in progress	4	346.61	566.59
(c) Goodwill	5	965.46	965.46
(d) Intangible assets	4	75.22	93.89
(e) Financial assets			
(i) Investments	6	10.73	17.08
(ii) Other financial assets	7	76.11	78.47
(f) Deferred Tax Asset (net)	8	162.51	72.24
(g) Other non-current assets	9	124.76	114.33
Total non-current assets		**6,769.96**	**6,211.83**
Current assets			
(a) Inventories	10	14,602.60	12,355.27
(b) Financial assets			
(i) Trade receivables	11	8,734.69	10,881.02
(ii) Cash and cash equivalents	12	74.96	12.55
(iii) Bank balances other than above	13	149.97	73.11
(c) Other current assets	14	2,677.28	2,378.92
Total current assets		**26,239.50**	**25,700.87**
Total Assets		**33,009.46**	**31,912.70**
EQUITY AND LIABILITIES			
Equity			
(a) Equity share capital	15	581.24	581.24
(b) Other equity	16	20,233.43	15,551.05
Total equity		**20,814.67**	**16,132.29**
Liabilities			
Non-current liabilities			
(a) Financial liabilities			
(i) Borrowings	17	877.43	1,966.38
(b) Provisions	18	42.30	35.17
(c) Other liabilities	19	21.42	30.57
Total non-current liabilities		**941.15**	**2,032.12**
Current liabilities			
(a) Financial liabilities			
(i) Borrowings	20	9,840.45	12,584.33
(ii) Trade payables			
- Dues to Micro and Small enterprises	21	59.95	98.63
- Dues to Creditors other than Micro and Small enterprises		724.82	694.44
(iii) Other financial liabilities	22	164.85	74.21
(b) Provisions	23	206.38	5.70
(c) Other current liabilities	24	257.19	290.98
Total current liabilities		**11,253.64**	**13,748.29**
Total liabilities		**12,194.79**	**15,780.41**
Total Equity and Liabilities		**33,009.46**	**31,912.70**

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

Usha Sankar
Chief Financial Officer

K.Kumaravel
Director Finance & Company Secretary
DIN: 00664405

Place : Chennai
Date : May 27, 2022

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 : May 27, 2022

STATEMENT OF PROFIT & LOSS

FOR THE YEAR ENDED MARCH 31, 2022

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

Particulars	Notes	For the year ended March 31, 2022	For the year ended March 31, 2021
CONTINUING OPERATIONS			
A Income			
(a) Revenue from operations	25	1,45,480.10	1,00,427.16
(b) Other income	26	463.17	331.94
Total income		**1,45,943.27**	**1,00,759.10**
B Expenses			
(a) Cost of materials consumed	27	1,24,327.30	87,157.84
(b) Purchases of Stock in Trade	28	8,292.09	4,392.10
(c) Changes in inventories of finished goods and WIP	29	(3,082.99)	1,679.90
(d) Employee benefits expense	30	1,995.85	1,647.42
(e) Finance costs	31	844.32	451.49
(f) Depreciation and amortisation expense	32	898.66	839.22
(g) Other expenses	33	6,232.39	3,213.63
Total expenses		**1,39,507.62**	**99,381.60**
C Profit before exceptional items and tax		**6,435.65**	**1,377.50**
Exceptional items		-	-
D Profit before tax from continuing operations		6,435.65	1,377.50
Tax expense	34		
(a) Current tax		1,704.95	369.75
(b) Deferred tax charge/ (credit)		(94.06)	(70.03)
Profit for the year		**4,824.76**	**1,077.78**
E Other comprehensive income			
Items that will not be reclassified to profit or loss			
Remeasurement of post employment benefit obligations		15.06	36.80
Income tax (charge)/ credit relating to these items		(3.79)	(9.26)
Other comprehensive income for the year, net of tax		**11.27**	**27.54**
Total comprehensive income for the year		**4,836.03**	**1,105.32**
Earnings per share	35		
Basic earnings per share		83.01	18.54
Diluted earnings per share		83.01	18.54

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

Usha Sankar
Chief Financial Officer

K.Kumaravel
Director Finance & Company Secretary
DIN: 00664405

Place : Chennai
Date : May 27, 2022

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 : May 27, 2022

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED MARCH 31, 2022

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

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Cash Flow From Operating Activities		
Profit before income tax	6,435.65	1,377.50
Adjustments for		
Depreciation and amortisation expense	898.66	839.22
(Profit)/ loss on sale of fixed asset	(8.61)	9.82
(Increase)/ decrease in fair value of investments	6.35	(7.52)
Interest income	(6.18)	(7.88)
Dividend income	(0.20)	(0.09)
Finance costs	844.32	451.49
Operating Profit before working capital changes	**8,169.99**	**2,662.54**
Change in operating assets and liabilities		
(Increase)/ decrease in other financial assets	2.36	27.66
(Increase)/ decrease in inventories	(2,247.33)	(5,304.83)
(Increase)/ decrease in trade receivables	2,146.33	(5,140.02)
(Increase)/ decrease in other assets	(299.25)	(803.04)
Increase/ (decrease) in provisions and other liabilities	76.29	(562.14)
Increase/ (decrease) in trade payables	(8.30)	321.66
Cash generated from operations	**7,840.09**	**(8,798.17)**
Less : Income taxes paid (net of refunds)	(1,518.74)	(260.86)
Net cash from operating activities (A)	**6,321.35**	**(9,059.03)**
Cash Flows From Investing Activities		
Purchase of PPE (including changes in CWIP)	(1,393.62)	(591.15)
Sale proceeds of PPE	26.73	4.89
(Investments in)/ Maturity of fixed deposits with banks	(76.86)	249.00
Dividend received	0.20	0.09
Interest received	7.07	3.56
Net cash used in investing activities (B)	**(1,436.48)**	**(333.61)**
Cash Flows From Financing Activities		
Proceeds from/ (repayment of) long term borrowings	(1,088.95)	1,282.08
Proceeds from/ (repayment of) short term borrowings	(2,743.88)	7,958.97
Finance costs	(844.32)	(451.49)
Dividend paid	(145.31)	-
Net cash from/ (used in) financing activities (C)	**(4,822.46)**	**8,789.56**
Net increase/decrease in cash and cash equivalents (A+B+C)	**62.41**	**(603.08)**
Cash and cash equivalents at the beginning of the financial year	12.55	615.63
Cash and cash equivalents at end of the year	**74.96**	**12.55**

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED MARCH 31, 2022

(All amounts are in Lakhs 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 March 31, 2022	For the year ended March 31, 2021
Balances with banks		
- in current accounts	40.81	3.61
- in EEFC Account	32.98	8.16
Cash on hand	1.17	0.78
	74.96	**12.55**

For and on behalf of the board

Anil Kumar Bansal
Chairman
DIN: 00232223

Ashish Bansal
Managing Director
DIN: 01543967

Usha Sankar
Chief Financial Officer

K.Kumaravel
Director Finance & Company Secretary
DIN: 00664405

Place : Chennai
Date : May 27, 2022

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 : May 27, 2022

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED MARCH 31, 2022

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

(A) Equity Share Capital

Balance as at April 1, 2020	581.24
Changes in equity share capital during the year	-
Balance as at March 31, 2021	581.24
Changes in equity share capital during the year	-
Balance as at March 31, 2022	581.24

(B) Other Equity

Particulars	General Reserve	Securities Premium	Other comprehensive income	Retained Earnings	Total
Balance as at April 1, 2020	**1,195.92**	**1,092.52**	**-**	**12,175.30**	**14,463.74**
Additions/ (deductions) during the year	110.00	-	27.54	(100.47)	37.07
Total Comprehensive Income for the year	-	-	(27.54)	1,077.78	1,050.24
Balance as at March 31, 2021	**1,305.92**	**1,092.52**	**-**	**13,152.61**	**15,551.05**
Additions/ (deductions) during the year	480.00	-	11.27	(622.38)	(131.11)
Total Comprehensive Income for the year	-	-	(11.27)	4,824.76	4,813.49
Balance as at March 31, 2022	**1,785.92**	**1,092.52**	**-**	**17,354.99**	**20,233.43**

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

Usha Sankar
Chief Financial Officer

K.Kumaravel
Director Finance & Company Secretary
DIN: 00664405

Place : Chennai
Date : May 27, 2022

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 : May 27, 2022

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2022

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). The registered office of the Company is situated at KRM Centre, 4th Floor, #2, Harrington Road, Chetpet, Chennai, Tamilnadu - 600031.

The Principle Activities of the Company are converting Lead Scraps of various forms into Lead Metal and Alloys. The Company carries out smelting of Lead Battery Scrap to produce secondary lead metal which is further transformed into Pure lead and Specific Lead Alloys. Further company also manufactures Zinc metal and Zinc Oxide.

The Company's products are exported to numerous international customers mainly but not limited to the Asian region like Japan, South Korea, Thailand and Middle – East. Over the years POCL has built a unmatched brand image within the lead sector for its quality, high level of efficiency, reliability, 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 Lakhs (up to two decimals).

The financial statements are approved for issue by the Company's Board of Directors on May 27, 2022.

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 FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2022 (Contd.)

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.

2B Note on COVID-19

In view of the lockdown across the country due to the outbreak of COVID pandemic, operations in many of the Company's locations (manufacturing, warehouses, offices, etc.) are scaled down or shut down in compliance with the directives/orders issued by the local Panchayat/Municipal Corporation/State/Central Government authorities.

As per management's current assessment, no significant impact on carrying amounts of inventories, goodwill, intangible assets, trade receivables, investments and other financial assets is expected, and management will continue to monitor changes in future economic conditions. The eventual outcome of the impact of the global health pandemic may be different from those estimated as on the date of approval of these Standalone Financial Statements.

3. SIGNIFICANT 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 assets for processing and their realisation in cash and cash equivalents.

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 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 Company 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 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.

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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.

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.

Rental income

Rental income from operating lease is recognised on a straight line basis over the term of the relevant lease, if the escalation is not a compensation for increase in cost inflation index.

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. 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.

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.

Intangible assets under development

Expenditure on intangible assets eligible for capitalisation are carried as Intangible assets under development where such assets are not yet ready for their intended use.

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.

NOTES TO FINANCIAL STATEMENTS
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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 recognised initially at fair value. 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.

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 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 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 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.

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

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 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 17

The application of simplified approach does not require the Company to track changes in credit risk. Rather, it

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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.
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 EIR. The EIR amortisation is included as finance costs in the statement of profit and loss.

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.

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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 counterparty 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 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 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 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

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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.

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 Company will pay normal Income tax and it is highly probable that future economic benefits associated with it will flow to the Company during the specified period. The Company 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 Company 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.

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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.

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 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 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

The determination of whether an arrangement is (or contains) a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement.

A lease that transfers substantially all the risks and rewards incidental to ownership to the Company is classified as a finance lease. All other leases are operating leases.

Finance leases are capitalised at the commencement of the lease at the inception date fair value of the leased property or, if lower, at the present value of the minimum lease payments. Lease payments are apportioned between finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognised in finance costs in the statement of profit and loss, unless they are directly attributable to qualifying assets, in which case they are capitalised in accordance with the Company's general policy on the borrowing costs. Contingent rentals are recognised as expenses in the periods in which they are incurred.

A leased asset is depreciated over the useful life of the asset. However, if there is no reasonable certainty that the Company will obtain ownership by the end of the lease term, the asset is depreciated over the shorter of the estimated useful life of the asset and 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 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 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

NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2022 (Contd.)

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 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 FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2022 (Contd.)

(All amounts are in Lakhs 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 April 1, 2020	**719.10**	**2,569.03**	**2,479.51**	**119.14**	**159.75**	**130.67**	**154.14**	**295.43**	**6,626.77**	**237.82**	**6,864.59**	**159.06**
Additions	-	19.12	97.04	-	8.81	-	17.99	18.39	161.35	-	161.35	-
Disposals	-	(12.97)	(18.35)	-	(3.90)	-	-	-	(35.22)	-	(35.22)	-
Cost as at March 31, 2021	**719.10**	**2,575.18**	**2,558.20**	**119.14**	**164.66**	**130.67**	**172.13**	**313.82**	**6,752.90**	**237.82**	**6,990.72**	**159.06**
Additions	-	417.92	849.44	-	14.85	196.48	31.41	91.49	1,601.59	-	1,601.59	1.30
Disposals	-	-	(64.36)	-	-	(2.83)	(11.84)	-	(79.03)	-	(79.03)	-
Cost as at March 31, 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**
Depreciation/Amortisation												
As at March 31, 2020	**-**	**583.57**	**836.70**	**77.23**	**83.16**	**69.85**	**107.10**	**130.40**	**1,888.01**	**10.44**	**1,898.45**	**34.96**
Charge for the year	-	188.74	471.64	10.64	39.83	18.47	29.21	47.87	806.40	2.61	809.01	30.21
Disposals	-	(4.31)	(13.13)	-	(3.07)	-	-	-	(20.51)	-	(20.51)	-
As at March 31, 2021	**-**	**768.00**	**1,295.21**	**87.87**	**119.92**	**88.32**	**136.31**	**178.27**	**2,673.90**	**13.05**	**2,686.95**	**65.17**
Charge for the year	-	195.34	546.86	7.64	23.56	23.63	29.78	49.26	876.07	2.61	878.68	19.97
Disposals	-	-	(47.89)	-	-	(2.30)	(10.72)	-	(60.91)	-	(60.91)	-
As at March 31, 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**
Net Block												
As at April 1, 2020	719.10	1,985.46	1,642.81	41.91	76.59	60.82	47.04	165.03	4,738.76	227.38	4,966.14	124.10
As at March 31, 2021	719.10	1,807.18	1,262.99	31.27	44.74	42.35	35.82	135.55	4,079.00	224.77	4,303.77	93.89
As at March 31, 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

NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2022 (Contd.)

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

b) Capital work-in-progress

Capital work-in-progress as at March 31, 2022 is ₹ 346.61 Lakhs (Previous Year - ₹ 566.59 Lakhs).

Ageing for capital work-in-progress groupwise as at March 31, 2022 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	346.61	-	-	-	346.61
Projects temporarily suspended	-	-	-	-	-
Total	**346.61**	**-**	**-**	**-**	**346.61**

Ageing for capital work-in-progress groupwise as at March 31, 2021 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	441.76	124.83	-	-	566.59
Projects temporarily suspended	-	-	-	-	-
Total	**441.76**	**124.83**	**-**	**-**	**566.59**

c) Title deeds of Immovable Properties not held in name of the Company as at March 31, 2022 and March 31, 2021

Title deeds of Immovable Properties not held in name of the Company as at March 31, 2022

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	April 1, 2019	The said transfer was pursuant to the Amalgamation as approved by Honourable NCLT, Chennai vide order dated 21st February 2020.

Title deeds of Immovable Properties not held in name of the Company as at March 31, 2021

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	April 01, 2019	The said transfer was pursuant to the Amalgamation as approved by Honourable NCLT, Chennai vide order dated 21st February 2020.

NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2022 (Contd.)

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

5. GOODWILL

	As at March 31, 2022	As at March 31, 2021
Acquisitions through business combination	965.46	965.46
	965.46	**965.46**

6. NON-CURRENT INVESTMENTS

Investments in companies other than subsidiaries, associates and joint ventures at FVTPL

		As at March 31, 2022	As at March 31, 2021
i.	Investments in Equity Instruments (Quoted)		
	2,000 equity shares (previous year 2,000) of ₹ 10 each in Amararaja Batteries Limited, fully paid	10.73	17.08
		10.73	**17.08**
	Total non-current investments		
	Aggregate amount of quoted investments	10.73	17.08
	Aggregate market value of quoted investments	10.73	17.08

7. OTHER NON-CURRENT FINANCIAL ASSETS

	As at March 31, 2022	As at March 31, 2021
Security deposits	76.11	78.47
	76.11	**78.47**

8. DEFERRED TAX ASSET / (LIABILITY) - NET

	As at March 31, 2022	As at March 31, 2021
Deferred Tax Liability		
On Fixed Assets	-	-
On others	-	-
	-	**-**
Deferred Tax Asset		
On Fixed Assets	158.93	65.33
On expenses allowed under Income Tax on payment basis	3.58	6.91
	162.51	**72.24**
Net deferred tax asset / (liability)	**162.51**	**72.24**

9. OTHER NON-CURRENT ASSETS

	As at March 31, 2022	As at March 31, 2021
Advance income tax (net of provision for tax)	9.10	9.38
Capital Advances	115.66	104.95
	124.76	**114.33**

NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2022 (Contd.)

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

10. INVENTORIES

	As at March 31, 2022	As at March 31, 2021
Raw materials	6,741.04	7,654.70
Stock in transit - Raw material	2,268.99	2,381.67
Work-in-progress	1,787.64	1,466.18
Finished goods	2,362.79	511.67
Stock in transit - Finished goods	1,123.62	-
Stock of traded goods	0.08	213.30
Stores and spares	318.44	127.75
	14,602.60	**12,355.27**

	As at March 31, 2022	As at March 31, 2021
Inventory comprise of		
Raw Materials		
Lead in all forms	4,789.17	7,002.83
Others	1,951.87	651.87
	6,741.04	**7,654.70**
Work in progress		
Lead in all forms	1,637.33	1,457.48
Others	150.31	8.70
	1,787.64	**1,466.18**
Finished Goods		
Lead Ingots	463.39	19.52
Lead Alloys	1,858.31	394.24
Others	41.09	97.91
	2,362.79	**511.67**
Traded goods		
Zinc Ingots	-	129.34
Others	0.08	83.96
	0.08	**213.30**

11. TRADE RECEIVABLES

	As at March 31, 2022	As at March 31, 2021
Considered good - Secured	44.98	46.58
Considered good - Unsecured	8,689.71	10,834.44
	8,734.69	**10,881.02**

NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2022 (Contd.)

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

Ageing for trade receivables – current outstanding as at March 31, 2022 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	7,138.04	1,596.65	-	-	-	-	8,734.69
(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	**7,138.04**	**1,596.65**	**-**	**-**	**-**	**-**	**8,734.69**

Ageing for trade receivables – current outstanding as at March 31, 2021 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	10,300.15	580.87	-	-	-	-	10,881.02
(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	**10,300.15**	**580.87**	**-**	**-**	**-**	**-**	**10,881.02**

NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2022 (Contd.)

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

12. CASH AND CASH EQUIVALENTS

	As at March 31, 2022	As at March 31, 2021
Cash in hand	1.17	0.78
Balances with banks		
In current accounts	40.81	3.61
In EEFC account	32.98	8.16
	74.96	**12.55**

13. OTHER BANK BALANCES

	As at March 31, 2022	As at March 31, 2021
In fixed deposits		
Margin money with banks (maturing within 12 months from the reporting date) *	138.22	59.54
In earmarked accounts		
Unpaid dividend accounts	11.75	13.57
	149.97	**73.11**

* Lien marked with banks and are restricted from being exchanged or used to settle a liability.

14. OTHER CURRENT ASSETS

	As at March 31, 2022	As at March 31, 2021
GST / Rebate Receivables	987.23	569.78
Interest accrued on Deposits	3.92	4.81
Prepaid expenses	23.79	18.20
Balances with government authorities	27.81	40.50
Advances to Employees	7.49	6.94
Others - Suppliers Advance (including for expenses)	1,627.04	1,738.69
	2,677.28	**2,378.92**

15. CAPITAL

	As at March 31, 2022	As at March 31, 2021
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		
58,12,390(58,12,390) Equity shares of ₹ 10 each	581.24	581.24
	581.24	**581.24**
Subscribed and fully paid up share capital		
58,12,390(58,12,390) Equity shares of ₹ 10 each	581.24	581.24
	581.24	**581.24**

NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2022 (Contd.)

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

Notes:

(a) Reconciliation of number of equity shares subscribed

	As at March 31, 2022	As at March 31, 2021
Balance as at the beginning of the year	58,12,390	58,12,390
Add: Issued on account of business combination	-	
Balance at the end of the year	**58,12,390**	**58,12,390**

(b) Shareholders holding more than 5% of the total share capital

Name of the share holder	March 31, 2022		March 31, 2021	
	No of shares	%	No of shares	%
Ashish Bansal	8,50,615	14.63	8,50,615	14.63
Anil Kumar Bansal	6,23,461	10.73	6,23,461	10.73
Manju Bansal	5,12,627	8.82	5,12,627	8.82
R.P.Bansal *	5,30,945	9.13	5,30,945	9.13

(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 March 31, 2022 is as follows

Name of the share holder	March 31, 2022		March 31, 2021		% change during the year
	No of shares	%	No of shares	%	
Ashish Bansal	8,50,615	14.63	8,50,615	14.63	-
Anil Kumar Bansal	6,23,461	10.73	6,23,461	10.73	-
Manju Bansal	5,12,627	8.82	5,12,627	8.82	-
R.P.Bansal *	5,30,945	9.13	5,30,945	9.13	-
Saroj Bansal	1,83,175	3.15	1,83,175	3.15	-
Pawankumar Bansal	1,23,290	2.12	1,23,290	2.12	-
Megha Choudhari	5,568	0.10	5,568	0.10	-
Charu Bansal	3,484	0.06	3,484	0.06	-
Total	**28,33,165**		**28,33,165**		

Note : * Expired on December 03, 2021

16. OTHER EQUITY

	As at March 31, 2022	As at March 31, 2021
General reserve	1,785.92	1,305.92
Securities Premium	1,092.52	1,092.52
Retained Earnings	17,354.99	13,152.61
Other comprehensive income	-	-
	20,233.43	**15,551.05**

NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2022 (Contd.)

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

a) General reserve

	As at March 31, 2022	As at March 31, 2021
Balance at the beginning of the year	1,305.92	1,195.92
Additions during the year	480.00	110.00
Balance at the end of the year	**1,785.92**	**1,305.92**

b) Securities Premium

	As at March 31, 2022	As at March 31, 2021
Balance at the beginning and end of the year	1,092.52	1,092.52
Additions on account of business combination	-	-
Balance at the end of the year	**1,092.52**	**1,092.52**

c) Retained Earnings

	As at March 31, 2022	As at March 31, 2021
Opening balance	13,152.61	12,175.30
Net profit for the period	4,824.76	1,077.78
Transfer from Other Comprehensive Income	11.27	27.54
Transfers to General Reserve	(480.00)	(110.00)
Excess/(Short) provision for taxes reversed	(8.34)	(18.01)
Dividend paid (including tax on dividends)	(145.31)	-
Closing balance	**17,354.99**	**13,152.61**

d) Other comprehensive income

	As at March 31, 2022	As at March 31, 2021
Opening balance	-	-
Additions during the year	11.27	27.54
Deductions/Adjustments during the year	(11.27)	(27.54)
Closing balance	**-**	**-**

17. LONG TERM BORROWINGS

	As at March 31, 2022	As at March 31, 2021
Secured *		
From Banks	154.93	1,398.13
Unsecured Loans		
From Related Parties **	750.00	750.00
Less: Current maturities of Long Term Debt (refer Note 20)	(27.50)	(181.75)
	877.43	**1,966.38**

* Refer Note 42 for repayment terms and security details

** Represents loan from Directors

NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2022 (Contd.)

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

18. PROVISIONS (NON-CURRENT)

	As at March 31, 2022	As at March 31, 2021
Provision for Employee Benefits		
Gratuity	8.17	22.48
Compensated absences	34.13	12.69
	42.30	**35.17**

19. OTHER NON-CURRENT LIABILITIES

	As at March 31, 2022	As at March 31, 2021
Deferred Government Grants	21.42	30.57
	21.42	**30.57**

20. CURRENT LIABILITIES - FINANCIAL LIABILITIES: BORROWINGS

	As at March 31, 2022	As at March 31, 2021
Secured		
Loans repayable on Demand		
From banks		
Rupee Loans	8,511.80	11,346.75
Current maturities of long-term debt	27.50	181.75
Unsecured		
From Others	-	0.66
Loans from directors	1,187.88	996.70
Inter Corporate Deposits	113.27	58.47
	9,840.45	**12,584.33**

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., and guaranteed by promoter directors of the Company. 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 6% to 8%

(b) Inter-corporate and other deposits carry interest in the range of 10% payable annually, repayable as per the terms of repayment agreed.

21. TRADE PAYABLES

	As at March 31, 2022	As at March 31, 2021
Dues to Micro and Small enterprises *	59.95	98.63
Dues to Creditors other than Micro and Small enterprises	724.82	694.44
	784.77	**793.07**

* 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. Please refer Note 38.

NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2022 (Contd.)

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

Ageing for trade payables – current outstanding as at March 31, 2022 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	-	59.95	-	-	-	59.95
ii) Others	550.37	108.33	7.46	1.81	-	667.97
iii) Disputed dues – MSME	-	-	-	-	-	-
iv) Disputed dues – Others	-	-	-	-	-	-
v) Accrued Expenses	56.85	-	-	-	-	56.85
Total	**607.22**	**168.28**	**7.46**	**1.81**	**-**	**784.77**

Ageing for trade payables – current outstanding as at March 31, 2021 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	84.19	14.44	-	-	-	98.63
ii) Others	365.57	193.13	20.66	-	-	579.36
iii) Disputed dues – MSME	-	-	-	-	-	-
iv) Disputed dues – Others	-	-	-	-	-	-
v) Accrued Expenses	115.08	-	-	-	-	115.08
Total	**564.84**	**207.57**	**20.66**	**-**	**-**	**793.07**

22. OTHER CURRENT FINANCIAL LIABILITIES

	As at March 31, 2022	As at March 31, 2021
Forward Contract Payable	153.09	60.64
Unpaid/Unclaimed dividends	11.68	13.49
Unclaimed Fractional Shares dividends	0.08	0.08
	164.85	**74.21**

23. PROVISIONS (CURRENT)

	As at March 31, 2022	As at March 31, 2021
Provision for Tax (net of advance tax and TDS)	194.29	-
Provision for employee benefits		
Gratuity	6.06	4.97
Compensated absences	6.03	0.73
	206.38	**5.70**

NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2022 (Contd.)

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

24. OTHER CURRENT LIABILITIES

	As at March 31, 2022	As at March 31, 2021
Statutory Dues Payable	77.62	141.79
Employee benefits payable	118.42	105.47
Advance and deposits from customers	52.00	33.78
Deferred Government Grants	9.15	9.15
Other payables	-	0.79
	257.19	**290.98**

25. REVENUE FROM OPERATIONS

	For the year ended March 31, 2022	For the year ended March 31, 2021
Sale of Products		
Manufactured Goods	1,34,210.88	95,659.84
Traded Goods	8,866.40	4,319.12
Sale of Services		
Conversion Charges Received	2,305.75	443.96
	1,45,383.03	**1,00,422.92**
Other Operating Revenue	97.07	4.24
	1,45,480.10	**1,00,427.16**

Details of Manufactured and Traded Goods

	Year ended March 31, 2022	Year ended March 31, 2021
i. Manufactured Goods:		
Metals	1,32,539.05	94,519.71
Metallic Oxides	285.11	840.57
Others	1,386.72	299.56
	1,34,210.88	**95,659.84**
ii. Traded Goods		
Metals	8,691.72	4,319.12
Others	174.68	-
	8,866.40	**4,319.12**

26. OTHER INCOME

	For the year ended March 31, 2022	For the year ended March 31, 2021
Interest Income		
Interest receipts	6.18	7.88
MTM gain on forward contacts	-	213.92
Income from Subsidy	232.61	43.12
Gain on foreign exchange fluctuation (net)	211.67	-
Profit on fixed assets sold / scrapped / written off	8.61	-
Miscellaneous income	4.10	67.02
	463.17	**331.94**

NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2022 (Contd.)

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

27. COST OF MATERIALS CONSUMED

	Year ended March 31, 2022	Year ended March 31, 2021
Opening inventory of raw materials	7,654.69	2,455.18
Add : Purchases	1,22,245.40	91,800.69
Less : Closing inventory of raw materials	(6,741.04)	(7,654.70)
Add: (Gain)/Deficit in Hedging operations of price of raw materials	1,168.25	556.67
	1,24,327.30	**87,157.84**

28. PURCHASES OF STOCK IN TRADE

	Year ended March 31, 2022	Year ended March 31, 2021
Metals - with Hedging adjustment	8,292.09	4,392.10
	8,292.09	**4,392.10**

29. CHANGES IN INVENTORIES OF WORK-IN-PROGRESS, STOCK IN TRADE AND FINISHED GOODS

	Year ended March 31, 2022	Year ended March 31, 2021
Opening Balance		
Work-in-progress	1,466.17	736.72
Finished goods	511.67	1,760.58
Stock in trade	213.30	1,373.75
	2,191.14	**3,871.05**
Closing Balance		
Work-in-progress	1,787.64	1,466.18
Finished goods	3,486.41	511.67
Stock in trade	0.08	213.30
	5,274.13	**2,191.15**
Net (increase)/decrease in inventories	**(3,082.99)**	**1,679.90**

30. EMPLOYEE BENEFITS EXPENSE

	Year ended March 31, 2022	Year ended March 31, 2021
Salaries and wages	1,773.68	1,475.45
Contribution to provident and other funds	120.36	114.20
Staff welfare expenses	101.81	57.77
	1,995.85	**1,647.42**

31. FINANCE COST

	Year ended March 31, 2022	Year ended March 31, 2021
Interest on Bank Borrowings	681.32	303.75
Interest on Others	163.00	147.74
	844.32	**451.49**

NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2022 (Contd.)

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

32. DEPRECIATION AND AMORTISATION EXPENSE

	Year ended March 31, 2022	Year ended March 31, 2021
Depreciation on Property, Plant and Equipment	878.69	809.01
Amortisation of Intangible Assets	19.97	30.21
	898.66	**839.22**

33. OTHER EXPENSES

	Year ended March 31, 2022	Year ended March 31, 2021
Power and Fuel	2,386.56	994.79
Consumption of Packing Materials	42.44	34.23
Environmental Control Expenses	624.73	269.71
Conversion Charges	35.51	-
Contract Wages	310.89	75.67
Repairs and Maintenance		
Buildings	89.40	54.24
Plant and Machinery	497.66	162.23
Vehicles	16.15	13.62
Others	28.58	19.64
Factory expenses	169.58	102.46
Freight and Forwarding	1,337.22	760.27
Insurance	59.94	48.62
Laboratory Expenses	9.49	9.39
Legal and professional charges	65.49	57.37
Payments to Auditors [refer note 33 (a)]	17.50	16.13
Communication expenses	20.87	18.18
Printing and Stationery	6.00	3.77
Rates and Taxes	70.86	76.98
Rent	39.78	21.93
Advertisement and business promotion	14.52	1.63
Sales Commission	125.92	146.73
Travelling and Conveyance	16.70	12.81
MTM loss on forward contract	92.45	-
Loss on foreign exchange fluctuation (net)	-	107.77
Loss on fixed assets sold / scrapped / written off	-	9.82
Bank charges	24.95	90.16
Expenditure on Corporate Social Responsibility [refer note 33 (b)]	55.01	81.45
Miscellaneous Expenses	74.19	24.03
	6,232.39	**3,213.63**

NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2022 (Contd.)

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

33.

33 (a) Payment to auditors

	Year ended March 31, 2022	Year ended March 31, 2021
Statutory Audit fees	12.00	10.00
Taxation fee	3.00	2.00
GST Audit	-	2.00
Limited Review Audit	1.00	1.25
Other Certifications	1.50	0.88
	17.50	**16.13**

33 (b) Expenditure on Corporate Social Responsibility

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Amount required to be spent by the Company during the year	57.92	78.05
Excess amount spent in previous year	3.40	-
Total amount to be spent during the year	54.52	78.05
Amount of expenditure incurred on:		
(i) Construction/ acquisition of any asset	-	-
(ii) On purposes other than (i) above	55.01	81.45
Excess spent during the year	0.49	3.40
Shortfall at the end of the year	-	-
Total of previous years shortfall	-	-
Reason for shortfall	NA	NA
Nature of CSR activities	Activities menitoned 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

34. INCOME TAX EXPENSE

(a) Income tax expense

	Year ended March 31, 2022	Year ended March 31, 2021
Current tax		
Current tax on profits for the year	1,704.95	369.75
Total current tax expense	**1,704.95**	**369.75**
Deferred tax		
Deferred tax adjustments	(94.06)	(70.03)
Total deferred tax expense/(benefit)	**(94.06)**	**(70.03)**
Income tax expense	**1,610.89**	**299.72**

NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2022 (Contd.)

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

b) The income tax expense for the year can be reconciled to the accounting profit as follows:

	Year ended March 31, 2022	Year ended March 31, 2021
Profit before tax from continuing operations	6,435.65	1,377.50
Income tax expense calculated at 25.168% (2020-21: 25.168%)	1,619.72	346.69
Effect of expenses/income that are not deductible/taxable in determining taxable profit	85.23	23.06
Income tax expense	**1,704.95**	**369.75**

c) Income tax recognised in other comprehensive income

	Year ended March 31, 2022	Year ended March 31, 2021
Deferred tax		
Remeasurement of defined benefit obligation	3.79	9.26
Total income tax recognised in other comprehensive income	**3.79**	**9.26**

d) Movement of deferred tax expense for the year ended March 31, 2022

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	65.33	93.60	-	158.93
Expenses allowable on payment basis under the Income Tax Act	6.91	0.46	(3.79)	3.58
	72.24	**94.06**	**(3.79)**	**162.51**
Total	**72.24**	**94.06**	**(3.79)**	**162.51**

e) Movement of deferred tax expense during the year ended March 31, 2021

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	(2.70)	68.03	-	65.33
Expenses allowable on payment basis under the Income Tax Act	14.17	2.00	(9.26)	6.91
	11.47	**70.03**	**(9.26)**	**72.24**
Total	**11.47**	**70.03**	**(9.26)**	**72.24**

35. EARNINGS PER SHARE

	Year ended March 31, 2022	Year ended March 31, 2021
Profit for the year attributable to owners of the Company	4,824.76	1,077.78
Weighted average number of ordinary shares outstanding	58,12,390	58,12,390
Basic earnings per share (₹)	83.01	18.54
Diluted earnings per share (₹)	83.01	18.54

NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2022 (Contd.)

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

36. VALUE OF IMPORTED AND INDIGENOUS RAW MATERIAL CONSUMED DURING THE FINANCIAL YEAR AND THE PERCENTAGE OF EACH TO THE TOTAL CONSUMPTION

Particulars	Year ended March 31, 2022		Year ended March 31, 2021	
	₹ In Lakhs	Percentage (%)	₹ In Lakhs	Percentage (%)
Raw Materials				
Imported	89,822.01	72.00	74,510.17	85.00
Others	34,505.29	28.00	12,647.67	15.00
	1,24,327.30	**100.00**	**87,157.84**	**100.00**

37. REMITTANCE IN FOREIGN CURRENCY ON ACCOUNT OF DIVIDEND

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Amount Remitted as Dividend	-	-

38. DISCLOSURES REQUIRED BY THE MICRO, SMALL AND MEDIUM ENTERPRISES DEVELOPMENT (MSMED) ACT, 2006 ARE AS UNDER

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
(a) The principal amount remaining unpaid at the end of the year	59.95	98.63
(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 March 31, 2022	Year ended March 31, 2021
Contingent Liability	-	-
Performance/ Finance Guarantees		
Liability in respect of Letter of Credit/ Bank Guarantee Opened	500.00	-
Commitments		
Estimated amount of contracts remaining to be executed on capital account and not provided for	89.56	262.27

NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2022 (Contd.)

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

40. OPERATING SEGMENTS

The operations of the Company falls under a single primary segment i.e., "Metal" in accordance with Ind AS 108 'Operating Segments" and hence segment reporting is not applicable.

Information relating to geographical areas

(a) Revenue from external customers

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
India	66,560.93	50,271.99
Rest of the world	78,919.17	50,155.17
Total	**1,45,480.10**	**1,00,427.16**

(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 March 31, 2022	Year ended March 31, 2021
Number of external customers each contributing more than 10% of total revenue	3	2
Total revenue from the above customers	1,04,177.72	55,329.62

41. OPERATING LEASE ARRANGEMENTS

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
As Lessor		
The Company has entered into operating lease arrangements for certain surplus facilities. The leases are cancellable at the option of either party to lease and may be renewed based on mutual agreement of the parties.		
Total lease income recognised in the Statement of Profit and Loss	-	-
As Lessee		
The Company has entered into operating lease arrangements for certain facilities. The leases are cancellable at the option of either party to lease and may be renewed based on mutual agreement of the parties.		
Lease payments recognised in the Statement of Profit and Loss	39.78	21.93

42. TERMS AND CONDITIONS OF LONG TERM BORROWINGS

Financial Institution	Loan Outstanding	Tenor	Repayment Commences from	Security	Guarantee
HDFC Bank	154.93 (Nil)	60 Months	March, 2022	First Charge on Vehicle Purchased	Nil
	Nil (1216.38)	48 Months	April, 2022	Emergency Credit Line Guaranteed Scheme (ECLGS) Extension of second ranking charge over existing primary and collateral securities including mortgages created in favour of HDFC Bank	
	Nil (66.94)	42 Months	April, 2019	Exclusive Charge on the Fixed Assets located at No 78C, Industrial Park, Gajulamandyam, the erstwhile Meloy Metals Private Limited	
Axis Bank	Nil (114.81)	27 months	September, 2019	Pari Passu First Charge on the Immovables / Other Fixed Assets of Smelter Division I & II	

The above loans carry interest in the range of 6% to 8%

(Figures in brackets represent previous year numbers)

NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2022 (Contd.)

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

43. 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:	**March 31, 2022**	**March 31, 2021**
Debt	904.93	2,148.13
Less: Cash and bank balances	224.93	85.66
Net debt	**680.00**	**2,062.47**
Total equity	20,814.67	16,132.29
Gearing ratio (%)	3.27%	12.78%

Categories of Financial Instruments	**March 31, 2022**	**March 31, 2021**
Financial assets		
a. Measured at amortised cost		
Other non-current financial assets	76.11	78.47
Trade receivables	8,734.69	10,881.02
Cash and cash equivalents	74.96	12.55
Bank balances other than above	149.97	73.11
b. Mandatorily measured at FVTPL		
Investments	10.73	17.08
Derivative instruments	-	-
Financial liabilities		
a. Measured at amortised cost		
Borrowings (non-current)	877.43	1,966.38
Borrowings (current)	9,840.45	12,584.33
Trade payables	784.77	793.07
Other financial liabilities	11.76	13.57
b. Mandatorily measured at FVTPL		
Derivative instruments	153.09	60.64

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.

NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2022 (Contd.)

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

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.

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 March 31, 2022

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	1.93	-	1.93	43.41	-	43.41	41.48
In ₹	147.16	-	147.16	3,266.23	-	3,266.23	3,119.07

As on March 31, 2021

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	2.35	-	2.35	54.11	-	54.11	51.76
In ₹	173.84	-	173.84	3,949.36	-	3,949.36	3,775.52

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.

NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2022 (Contd.)

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

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 ₹ 28.41 Lakhs for the year (Previous ₹ 14.54 Lakhs)

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

NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2022 (Contd.)

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

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.

March 31, 2022	Due in 1st year	Due in 2nd to 5th year	Due after 5th year	Carrying amount
Trade payables	784.77	-	-	784.77
Borrowings (including interest accrued thereon upto the reporting date)	27.50	877.43	-	904.93
	812.27	**877.43**	**-**	**1,689.70**

March 31, 2021	Due in 1st year	Due in 2nd to 5th year	Due after 5th year	Carrying amount
Trade payables	793.07	-	-	793.07
Borrowings (including interest accrued thereon upto the reporting date)	181.75	1,966.38	-	2,148.13
	974.82	**1,966.38**	**-**	**2,941.20**

	March 31, 2022	March 31, 2021
Fair value of financial assets and financial liabilities that are not measured at fair value (but fair value disclosures are required):	Nil	Nil

44. 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	The Company does not have any subsidiaries, associates and joint ventures
Entities in which directors are interested	M/s. Daman Metallic Oxides
Key management personnel (KMP)	
Mr. Anil Kumar Bansal	Chairman
Mr. Ashish Bansal	Managing Director
Mr. R.P.Bansal	Whole Time Director
Mr. K Kumaravel	Director Finance & Company Secretary
Ms. Usha Sankar	Chief Financial Officer

NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2022 (Contd.)

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

Relative of Key Management personnel

Mr. Pawan Kumar Bansal	Son of Mr. R.P. Bansal
Mr. Sri Sabarish S	Son of Ms. Usha Sankar
Ms. K Mahalakshmi	Wife of Mr. K.Kumaravel

b) Transactions during the year

S. No.	Nature of transactions	Year ended March 31, 2022	Year ended March 31, 2021
1	M/s. Daman Metallic Oxides		
	Sales	60.50	-
2	Mr. Anil Kumar Bansal		
	Interest Paid	32.84	24.78
	Remuneration paid	110.01	112.25
	Loans taken	162.00	24.66
	Loans repaid	24.91	16.40
3	Mr. Ashish Bansal		
	Interest Paid	127.04	81.17
	Remuneration paid	220.70	220.08
	Loans taken	660.00	267.50
	Loans repaid	368.11	34.42
4	Mr. R.P. Bansal		
	Interest Paid	-	36.13
	Remuneration paid	83.68	115.97
	Loans taken	18.00	20.31
	Loans repaid	399.71	20.70
5	Mr.K Kumaravel		
	Remuneration paid	28.81	25.16
6	Ms.Usha Sankar		
	Remuneration paid	13.16	17.69
7	Mr. Pawan Kumar Bansal		
	Remuneration paid	18.23	9.23
8	Mr. Sri Sabarish S		
	Remuneration paid	7.68	6.64
9	Ms. K Mahalakshmi		
	Remuneration paid	3.60	3.60

c) Balances at the end of the year

Particulars	As at March 31, 2022	As at March 31, 2021
Loans		
Mr. Anil Kumar Bansal	443.07	276.41
Mr. Ashish Bansal	1,494.81	1,088.58
Mr. R.P.Bansal	-	381.71

NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2022 (Contd.)

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

45. 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 ₹ 120.36 Lakhs (previous year ₹ 114.20 Lakhs) 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.

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	March 31, 2022	March 31, 2021
Discount Rate	7.37%	6.80%
Rate of increase in compensation level	7.00%	6.65%
Expected Average Remaining Working Lives of Employees (years)	28.22	28.76

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 FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2022 (Contd.)

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

Amounts recognised in total comprehensive income in respect of these defined benefit plans are as follows:

	As at March 31, 2022	As at March 31, 2021
	₹ Lakhs	₹ Lakhs
Amount recognised under Employee Benefits Expense in the Statement of profit and Loss:		
Current service cost	20.54	21.98
Net interest expense	8.70	9.14
Return on plan assets (excluding amounts included in net interest expense)	(7.51)	(5.56)
Components of defined benefit costs recognised in profit or loss	**21.73**	**25.56**
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	(15.06)	(36.80)
Components of defined benefit costs recognised in other comprehensive income	**(15.06)**	**(36.80)**
	6.67	**(11.24)**

The amount included in the balance sheet arising from the Company's obligation in respect of its defined benefit plans is as follows:

	March 31, 2022	March 31, 2021
	₹ Lakhs	₹ Lakhs
Present value of defined benefit obligation	135.96	132.53
Fair value of plan assets	(121.74)	(105.08)
Net liability/ (asset) arising from defined benefit obligation	**14.22**	**27.45**
Funded	6.05	-
Unfunded	8.17	27.45
	14.22	**27.45**

The above provisions are reflected under 'Provision for employee benefits- gratuity' (long-term provisions) [Refer note 18].

Movements in the present value of the defined benefit obligation in the current year were as follows:

	March 31, 2022	March 31, 2021
	₹ Lakhs	₹ Lakhs
Opening defined benefit obligation	132.53	141.47
Current service cost	20.54	21.97
Interest cost	8.70	9.14
Actuarial (gains)/losses	(16.74)	(36.80)
Benefits paid	(9.07)	(3.25)
Closing defined benefit obligation	**135.96**	**132.53**

NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2022 (Contd.)

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

Movements in the fair value of the plan assets in the current year were as follows:

	March 31, 2022 ₹ Lakhs	March 31, 2021 ₹ Lakhs
Opening fair value of plan assets	105.08	85.18
Return on plan assets	5.83	6.18
Contributions	19.90	17.35
Benefits paid	(9.07)	(3.63)
Actuarial gains/(loss)	-	-
Closing fair value of plan assets	**121.74**	**105.08**

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 ₹ 40.16 Lakhs (previous year ₹ 13.42 Lakhs). Expense recognised during the year is ₹ 33.05 Lakhs (previous year ₹ (0.12) Lakhs).

NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2022 (Contd.)

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

46.

Ratio	Numerator	Denominator	For the year ended March 31, 2022	For the year ended March 31, 2021	Change	Reason
a) Current ratio (in times)	Current asset	Current liabilities *	2.34	1.89	23.81%	Better financials position
b) Debt equity ratio (in times)	Long term debt **	Shareholder's Equity	0.04	0.13	-69.23%	Repayment of long term debt
c) Debt service coverage ratio (in times)	Earning available for debt service #	Debt service	3.04	2.71	12.18%	Better financial position
d) Return on equity ratio (in times)	Net profit after tax	Shareholder's Equity	0.23	0.07	228.57%	Increase in profit
e) Inventory turnover ratio (in times)	Sale of Products	Average inventory	10.61	10.30	3.01%	Effective inventory management
f) Trade receivable turnover ratio (in times)	Revenue from operations	Average trade receivable	14.83	12.08	22.76%	Effective collection of receivables
g) Trade payable turnover ratio (in times)	Net purchases	Average trade payable	165.46	152.15	8.75%	Effective vendor management
h) Net capital turnover ratio (in times)	Revenue from operations	Working capital @	9.69	8.28	17.03%	Increase in turnover
i) Net profit ratio (in %)	Profit after taxes	Revenue from operations	3.32	1.07	210.28%	Increase in profit
j) Return on capital employed (in times)	Profit before exceptional items, tax and finance cost	Capital employed @@	0.34	0.10	240.00%	Increase in profit
k) Return on investments (in times)	Returns from investment ^	Cost of investment	(0.41)	0.49	-183.67%	Change in value of investment at the year end

* 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 Current maturities of long-term debt)

@@ Capital employed = Net worth + Debt + Deferred tax liability

^ Return from investment = Increase/(Decrease) in value of investment + Income from investment

NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2022 (Contd.)

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

47. 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 or subsidiary to comply with 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.

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 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

Usha Sankar
Chief Financial Officer

K.Kumaravel
Director Finance & Company Secretary
DIN: 00664405

Place : Chennai
Date : May 27, 2022

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 : May 27, 2022

NOTICE TO THE 27TH ANNUAL GENERAL MEETING

Notice is hereby given that the Twenty Seventh (27th) Annual General Meeting of the Members of **PONDY OXIDES AND CHEMICALS LIMITED** will be held on Wednesday, September 21, 2022 at 03:00 PM through Video Conferencing/other Audio-Visual Means ("OAVM") to transact the following businesses:

ORDINARY BUSINESSES:

1. **To receive, consider and adopt the Audited Financial Statements of the Company for the Financial Year ended March 31, 2022 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 Financial statements for the year ended March 31, 2022 and Board's Report and Auditor's Report thereon be and are hereby considered and adopted."

2. **To declare Final Dividend of ₹ 5.00/- (i.e. 50%) per equity share of ₹ 10/- each for the Financial Year ended March 31, 2022:**

   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 May 27, 2022, be and is hereby declared for the financial year ended March 31, 2022 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 dematerialised shares as on Wednesday, September 14, 2022 as per the details provided by the Depositories for this purpose."

3. **To appoint a Director in the place of Mr. Ashish Bansal (DIN: 01543967), 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 section 152 of the Companies Act 2013, Mr. Ashish Bansal (DIN: 01543967), 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 Managing Director of the Company in accordance with his terms of appointment."

4. **To re-appoint M/s. L. Mukundan & Associates, Chartered Accountants as Statutory Auditors and to fix their remuneration**

   To consider and if thought fit, to pass, the following resolution as **Ordinary Resolution:**

   "**RESOLVED THAT** pursuant to the provisions of Section 139, 142 and other applicable provisions, if any, of the Companies Act, 2013, and the Companies (Audit and Auditors) Rules, 2014, as amended from time to time (including any statutory modification(s) or re-enactment thereof for the time being in force), pursuant to the proposal of the Audit Committee and the recommendations of the Board in their meeting held on August 10, 2022, the Members of the Company be and hereby approve M/s. L. Mukundan and Associates, Chartered Accountants [Firm Registration No. (FRN) 010283S] to be re-appointed as the Statutory Auditors of the Company to hold office for a consecutive period of five years from the conclusion of this Annual General Meeting ("AGM") until the conclusion of the thirty-second (32nd) AGM to be held in the year 2027, on such remuneration, as may be decided by the Board of Directors in consultation with the Statutory Auditors of the Company;

   RESOLVED FURTHER THAT any Director of the Company be and is hereby authorised to do all such acts, things and deeds as may be deemed necessary to give effect to the above stated resolutions."

SPECIAL BUSINESSES:

5. **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 consider and if thought fit, to pass, the following resolution as **Special Resolution:**

   "**RESOLVED THAT** pursuant to the provisions of Section 14, and other applicable provisions of the Companies Act, 2013 (including any statutory modification(s), amendments thereto or re-enactment thereof, the circulars, notifications, regulations, rules, guidelines, if any, issued by relevant Regulatory/Statutory/Government Authorities, for the time being in force), and such other approvals, as may be required from the relevant Regulatory/Statutory/Government Authorities, consent of the members be and is hereby accorded for alteration and adoption of revised set of Articles of Association (AOA) of the Company, in place of the existing AOA by incorporating applicable provisions of the Companies Act 2013 and other necessary rules framed thereunder;

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to do all acts, deeds, matters and things as they may in their absolute discretion deem necessary, proper or desirable and to settle any question, difficulty or doubt that may arise in this regard and to sign and execute all necessary documents, applications, returns and writings as may be necessary, proper, desirable or expedient, in the best interest of the Company, to accede to such modifications and alterations to the aforesaid resolution as may be suggested by the Registrar of Companies or such other Authority arising from or incidental to the said amendment."

6. **Approval for the declaration of Bonus shares on the Equity shares of the Company (ISIN: INE063E01046) by way of Capitalisation of Reserves**

To consider and if thought fit, to pass, the following resolution as **Ordinary Resolution**

"**RESOLVED THAT** in accordance with the provisions of Section 63 and other applicable provisions of the Companies Act, 2013, the Companies (Share Capital & Debenture) Rules, 2014, the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and other applicable provisions of regulations and guidelines issued by the Securities and Exchange Board of India (SEBI) and Reserve Bank of India (RBI) from time to time, the necessary provisions under the Articles of Association of the Company, and pursuant to the recommendation of the Board of Directors of the Company (hereinafter referred to as "the Board", which expression shall be deemed to include a Committee of Directors or officer(s) of the Company duly authorised in this behalf), and subject to such approvals as may be required in this regard, approval of the Members be and is hereby accorded to the Board for capitalisation of such sums standing to the credit of the free reserves and/or the securities premium account of the Company, as may be considered necessary by the Board, for the purpose of the issue of bonus equity shares of 10/- each, credited as fully paid-up equity shares to the holders of the existing equity shares of the Company in consideration of their said holding and whose names appear in the Register of Members maintained by the Company/List of Beneficial Owners as received from the National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL), on the Record date as determined by the Board i.e., on September 29, 2022 in the proportion of 1 (One) equity share for every 1 (One) existing equity shares of ₹ 10/- each held by the Members/ Beneficial owners as on the Record date;

RESOLVED FURTHER THAT the new equity bonus shares of ₹ 10/- each to be allotted and issued as bonus shares shall be subject to the terms of Memorandum and Articles of Association of the Company and shall rank pari-passu in all respects with and carry the same rights as the existing fully paid equity shares of the Company and shall be entitled to any dividend(s) to be declared after the bonus shares are allotted;

RESOLVED FURTHER THAT no letter of allotment shall be issued to the allottees of the new equity bonus hares and the share certificate(s) in respect of new equity bonus shares shall be issued and dispatched to the allottees thereof within the prescribed period, from time to time, except that the new equity bonus shares will be credited to the demat account of the allottees, who are holders of the existing equity shares in demat form;

RESOLVED FURTHER THAT the issue and allotment of the bonus equity shares to the extent they relate to Non-Resident Indians (NRIs), Overseas Citizen of India, Overseas Corporate Bodies (OCBs), Foreign Portfolio Investors (FPIs) and other foreign investors of the Company if any will be subject to the approval of the RBI, if applicable and as may be necessary;

RESOLVED FURTHER THAT the Board be and is hereby authorised to make appropriate adjustments necessary for the issue of bonus equity shares and in case of fractional shares, if any, arising out of the issue and allotment of the bonus equity shares, the Board be and is hereby authorised to make suitable arrangements to deal with such fractions for the benefit of the eligible Members, including but not limited to, allotting the total number of new equity shares representing such fractions to a person(s) to be appointed by the Board who would hold them in trust for such Members and shall as soon as possible sell such equity shares at the prevailing market rate and the net sale proceeds of such equity shares, after adjusting the cost and the expenses in respect thereof, be distributed among such Members who are entitled to such fractions in the proportion of their respective fractional entitlements;

RESOLVED FURTHER THAT for the purposes of giving effect to the bonus issue of equity shares, the methodology for dealing with fractional shares, the Board and other designated officers of the Company be and are hereby authorised on behalf of the Company to do all such acts, deeds, matters and things as it may at its discretion deem necessary or desirable for such purpose, including without limitation, filing of documents with BSE Limited, Registrar of Companies and/or other statutory authorities;

RESOLVED FURTHER THAT the Board be and is hereby authorised to take requisite steps for listing of the equity shares allotted under the Bonus Issue on the stock exchanges where the equity shares of the Company are listed in due compliance with SEBI Regulations and other applicable laws;

RESOLVED FURTHER THAT the Board be and is hereby authorised to do all such acts, deeds, matters and things as may be necessary, expedient or desirable for the purpose of giving effect to the aforesaid resolutions and determine all other terms and conditions of the issue of bonus equity shares as the Board may in its absolute discretion deem fit."

7. **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 consider and if thought fit, to pass the following resolution as **Special Resolution:**

"RESOLVED THAT pursuant to the provisions of Section 197, 198, Schedule V and all other applicable provisions of the Companies Act, 2013 and the Rules made thereunder and applicable provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) and based on the recommendation of Nomination and Remuneration Committee and the Board of Directors in their meeting held on 10th August 2022, the consent of the members of the Company be and is hereby accorded to pay remuneration by way of commission or otherwise, over and above his existing remuneration, at an amount not exceeding Rs. 2.30 Crore of the net profits of the Company computed in accordance with the provisions of Section 198 of the Companies Act, 2013 commencing from the Financial Year 2022-23 to Mr. Ashish Bansal (DIN: 01543967), Managing Director of the Company and the said commission be paid in such amount, proportion and manner as may be decided by the Board of Directors of the Company from time to time, notwithstanding inadequacy of profits;

RESOLVED FURTHER THAT any Director of the Company, Key Managerial Personnel and any other person authorized by the Board of Directors of the Company be and are hereby severally authorized to do all such acts, deeds, matters and things as may be deemed necessary to give effect to this resolution."

8. **To appoint Mr. K Kumaravel (DIN: 00664405) as Whole-Time Director in the capacity of Director Finance of the Company**

To consider and if thought fit, to pass the following resolution as **Special Resolution:**

"**RESOLVED THAT** pursuant to the provisions of section 196, 197, 203 and 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) and SEBI (LODR) Regulations, 2015, as amended from time to time, and based on the recommendations of Nomination and Remuneration Committee and Board of Directors, the consent of members of the Company be and is hereby accorded for the 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, 2021, having been so appointed by the Board of Directors in their meeting held on December 30, 2021, liable to retire by rotation;

RESOLVED FURTHER THAT the Remuneration paid to Mr. K Kumaravel in the capacity of Company Secretary upto December 30, 2021 be treated as remuneration to Company Secretary under the Act in accordance with the approval of the Board of Directors already procured;

RESOLVED FURTHER THAT the details of remuneration drawn by him since December 30, 2021 and to be drawn for the rest of period during his tenure as Director Finance and Company Secretary till December 30, 2024 shall not exceed the following limits, notwithstanding inadequacy of profits:

I. **Basic Salary:** ₹ 36,00,000/- per annum;

II. **Perquisites, allowances and others:** Such as House Rent Allowance, Medical Allowance, Provident Fund, Conveyance, medical reimbursement for self and family, Bonus, Leave Travel concession, Gratuity, ESOPs etc., as may be provided by the Company duly agreed upon by the Board of Directors of the Company and Mr. K Kumaravel, provided that the total value of perquisites shall not exceed the amount of annual basic salary;

III. **Reimbursement of expenses incurred for official purposes:** On actual basis;

RESOLVED FURTHER THAT the above remuneration shall be subject to modification, as may be deemed 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 as specified in the resolution notwithstanding such inadequacy of profits as allowed under Schedule V of the Companies Act, 2013, amended from time to time;

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to do all such acts, deeds and things, to enter into such agreement(s), deed(s) of Amendment(s) or any other 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."

9. To ratify the remuneration of the Cost Auditors for the Financial Year 2021-22:

To consider and if thought fit, to pass, the following resolution as **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 2021-22."

By Order of the Board
For **Pondy Oxides and Chemcials Limited**

Place : Chennai
Date : August 10, 2022

K. Kumaravel
Director Finance & Company Secretary

NOTES:

1. In view of the continuing Covid-19 pandemic, the Ministry of Corporate Affairs ("MCA") has vide its 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 and SEBI/HO/CFD/CMD2/CIRP/P/2022/62 dated May 13, 2022 ('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 27th AGM of the Company is being conducted through VC/OAVM on Wednesday, September 21, 2022 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.

   Corporate member(s) intending to send their authorised representative(s) to attend the meeting are requested to send to the Company a duly certified true copy of the Board Resolution pursuant to Section 113 of the Companies Act, 2013, authorising their representative to attend and vote on their behalf at the Meeting;
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 form 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. 5 to 9 of the Notice, is annexed hereto. The relevant details, pursuant to Regulations 26(4) and 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 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 September 15, 2022 till September 21, 2022 (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 27th 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 September 14, 2022
      (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 September 14, 2022
   (c) If the declaration on Bonus Shares, as recommended by the Board, is approved at the 27th Annual General meeting, the effective date of completion of issue of Bonus Shares for the eligible Shareholders of the Company along with its listing and trading as per the SEBI (Issue of Capital and Disclosure Requirements) Regulations,

2018 shall be completed with 2 months from the date of Board Meeting i.e. August 10, 2022.

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 dematerialise d 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 dematerialise 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;

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 dematerialised 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;

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 March 31, 2015 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
Tel: +91-44-2846 0390 (6 lines)
Fax: +91-44-2846 0129
Email: murali@cameoindia.com
Website: https://cameoindia.com/

(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 2013-14 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 March 31, 2022 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, 2015	September 16, 2015	October 22, 2022
March 31, 2016	September 17, 2016	October 23, 2023
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

*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 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. April 1, 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 by sending an email to murali@cameoindia.com latest by 11:59 P.M. (IST) on September 14, 2022.

Shareholders are requested to note that in case 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 September 14, 2022.

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 dematerialised 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. In compliance with the aforesaid MCA Circulars and SEBI Circulars, Notice of the AGM along with Annual Report FY 2021-22 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 FY 2021-22 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, and on the website of CDSL https://www.cdslindia.com/;

20. 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, September 18, 2022 and ends at 05:00 PM (IST) on Tuesday, September 20, 2022. The e-Voting module shall be disabled by CDSL for voting thereafter. During this period, Members holding shares either in physical or de-materialised form as on the Cut-Off Date i.e., Wednesday, September 14, 2022, may cast their votes electronically. Any person who is not a Member as on the cut- off date should treat this 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 Scrutiniser to scrutinise 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, September 14, 2022 ("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, September 14, 2022, 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, September 14, 2022 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/myeasi/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/myeasi/Registration/EasiRegistration (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 27TH 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.

(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 scrutiniser 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 authorised signatory who are authorised to vote, to the Scrutiniser 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 scrutiniser to verify the same.

INSTRUCTIONS TO MEMBERS FOR E-VOTING ON THE DAY 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.

GENERAL INSTRUCTIONS / INFORMATION FOR MEMBERS 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 authorised representative(s) who are authorised to vote, to the Scrutiniser 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 IDS ARE NOT REGISTERED WITH THE DEPOSITORIES FOR PROCURING USER ID AND PASSWORD AND REGISTRATION 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, 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.

INSTRUCTIONS TO MEMBERS FOR ATTENDING THE AGM 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 atleast 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 Scrutiniser 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 Scrutiniser's Report of the total votes cast in favour or against, if any, to the Chairman or to a person authorised by the Chairman in writing who shall countersign the same;
2. The Chairman or the person authorised by him in writing shall forthwith on receipt of the consolidated Scrutiniser's Report, declare the Results of the voting. The Results declared, along with the Scrutiniser'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, September 21, 2022.

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. 5 to Item no. 9 of the accompanying 27th AGM Notice:

ITEM NO. 5

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

The existing Articles of Association (AOA) of the Company are based on the provisions of the Companies Act, 1956 and several regulations in the existing AOA contain reference to specific Sections of the Companies Act, 1956 and some provisions in the existing AOA are no longer in conformity with the Act. Further for issue of further shares amendment in the AOA is required. Since the Company is considering the issue of further shares, it is proposed to amend the AOA.

Hence, the AOA is proposed to be revised duly aligning with the applicable provisions under the Act. The aforesaid revision of AOA and the consequent proposal for adoption of new set of AOA require the approval of members by way of Special Resolution as provided under the Act.

Accordingly, the Board of Directors recommends the resolution set out at Item No. 5 for approval of the shareholders as a Special Resolution.

None of the Directors, Key Managerial Personnel of the Company and their relatives is in any way interested or concerned in the resolution.

ITEM NO. 6

Approval for the declaration of Bonus shares on the Equity shares of the Company (ISIN: INE063E01046) by way of Capitalisation of Reserves

The Company's Authorised Capital is ₹ 20,15,00,000 comprising of 2,01,50,000 equity shares of ₹ 10/- each and paid-up capital is ₹ 5,81,23,900 comprising of 58,12,390 equity shares of ₹ 10/- each, as per the audited financial statements for the year ended March 31, 2022. The Company's Net Worth as on March 31, 2022 was ₹ 208.14 Crore consisting of ₹ 5.81 Crore paid up equity share capital, Free Reserves and Securities Premium of ₹ 202.33 Crore. The Free Reserves are accumulated over the period of 25 years and the Board of Directors would like to capitalise one portion of the Reserves to the shareholders by way of Bonus Issue for their longstanding association with the Company for more than 25 years.

The revised set of adopted Articles of Association as mentioned in Item no. 5 of this Notice permits that, the Company, in General Meeting may, upon recommendation of the Board, approve, capitalisation of its Reserves to the extent permissible under the provisions of the Companies Act 2013 and necessary Rules framed thereunder.

Accordingly, the Board of Directors ("Board"), at their meeting held on August 10, 2022, recommended after considering the valuable reserves, subject to the consent of the shareholders of the Company and all other requisite approvals, permissions, sanctions had approved and recommended to capitalise to the extent of ₹ 5,81,23,900 or such other amount from and out of General Reserve and/or the securities premium account of the Company as per the Audited Financial Statements of the Company for the financial year ended March 31, 2022, for issue and allotment of bonus shares of ₹ 10/- (Rupees Ten only) each fully paid up for every 1 (One) existing equity shares of ₹ 10/- (Rupees Ten only) each of the Company held by the existing shareholders as on the "Record Date" to be determined by the Board.

Pursuant to the provisions of Section 63 and other applicable provisions, if any, of the Companies Act, 2013 and subject to applicable statutory and regulatory approvals, the issue of bonus shares of the Company requires approval of the Members of the Company. Accordingly, approval of the shareholders of the Company is hereby sought by way of ordinary resolution as set out in the Notice.

The Bonus shares are proposed to be allotted to the shareholders whose names appear on the Register of Members and Beneficial Owners' Position of the Company as on the "Record Date", to be determined by the Board of Directors thereof for the purpose of issue of bonus shares, in the ratio of 1 (One) new bonus shares of ₹ 10/- (Rupees Ten only) each for every 1 (One) fully paid equity share of face value of ₹ 10/- each held by them as on the Record date.

The Equity Share Capital of the Company post bonus issue is projected below:

Particulars	Existing Capital	Bonus Issue In the ratio of 1:1	Post Bonus Issue Capital
Authorised Share Capital	₹ 20,15,00,000/- (2,01,50,000 shares of ₹ 10/- each)	NA	20,15,00,000 (2,01,50,000 shares of ₹ 10 each)
Issued, Subscribed and Paid up Share Capital	₹ 5,81,23,900/- (58,12,390 shares of ₹ 10/- each)	₹ 5,81,23,900/- (58,12,390 shares of ₹ 10/- each)	₹ 11,62,47,800/- (1,16,24,780 shares of ₹ 10/- each)

Accordingly, the Board of Directors recommends the resolution set out at Item No. 6 for approval of the shareholders as an Ordinary Resolution.

None of the Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution set out in this Notice, except to the extent of issue and allotment of bonus shares to them consequent to their shareholding, if any, in the Company as on the record date.

ITEM NO. 7 & 8

1) **To approve remuneration payable to Mr. Ashish Bansal, Managing Director by way of Commission or otherwise from the Net profits of the Company**

The Company is taking approvals from the members, from time to time, for re-appointment of Executive Directors along with the terms of their remuneration (the previous approval from the Members was taken in the AGM held on 28th September 2020).

The Companies Act, 2013 along with the necessary rules framed thereunder permits payment of commission or otherwise, in excess of the remuneration paid to Directors of the Company, subject to approval of the members by means of a Special Resolution.

Mr. Ashish Bansal, Managing Director (DIN: 01543967) is a leading professional with high level of expertise and rich experience in varied functional areas such as business strategy, sales & marketing, financial governance, corporate governance, research & innovation amongst others. He has been shaping and steering the Company's long term strategy by providing invaluable contributions towards POCL's group growth strategy, monitoring of risk management and compliances.

During the Financial Year 2022-23, the Company commissioned a study of benchmarking the remuneration payable to Executive Directors. The study was undertaken on the basis of industry, size, effective governance and expected contribution by the Board. In line with the recommendations made by the study commissioned, the members of Nomination and Remuneration Committee and Board of Directors at their meetings held on 10th August 2022, recommended the proposal for payment to Executive Directors of the Company, over and above the current remuneration payable to the Executive Directors, by way of commission or otherwise, not exceeding Rs. 2.30 Crore of the net profits of the Company calculated in accordance with the provisions of the Act, effective from the financial year 2022-23.

The payment of such commission shall be in addition to his existing remuneration as approved by the shareholders in the meeting held on 28th September 2020 and subject to the availability of net profits, notwithstanding inadequacy of profits in terms of Schedule V.

Accordingly, the Board of Directors recommends the resolution set out at Item No. 7 for approval of the shareholders as a Special Resolution.

None of the other Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution set out in this Notice, except Mr. Ashish Bansal and Mr. Anil Kumar Bansal.

2) **To appoint Mr. K Kumaravel as Whole-Time Director in the capacity of Director Finance of the Company**

The Board of Directors at the meeting held on 30th December 2021 appointed Mr. K Kumaravel as Additional Director of the Company to hold office for a period of 3 years, based on the recommendations of Nomination and Remuneration Committee and subject to the approval of members in the General Meeting.

Pursuant to the provisions of Sections 196, 197 read with Schedule V of the Companies Act, 2013, approval of the shareholders by way of Special Resolution is being sought for the appointment of Mr. K Kumaravel as Whole-time Director in the capacity of Director Finance, with effect from 30th December 2021.

The Remuneration given to Mr. K Kumaravel in the capacity of Company Secretary to be treated as remuneration under the Act and the details of remuneration drawn by him and to be drawn for the rest of period during his tenure as Director Finance and Company Secretary till 30th December 2024 not exceeding the following limits:

Director	Mr. K Kumaravel
Tenure	With effect from 30th December 2021 till 30th December 2024
Basic Salary	₹ 36,00,000/- per annum
Perquisites and Allowances	House Rent Allowance, Medical Allowance, Provident Fund, Conveyance, Medical Reimbursement for Self and family, Bonus, Leave Travel Concession, 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 payable in a year shall not exceed the amount of annual basic salary
Reimbursement of Official Expenses	On actual basis

Mr. K Kumaravel is deemed to be interested in the proposed resolution.

The Disclosures required to be given under Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) regulation, 2015 and Secretarial Standards on General Meeting (SS-2) is provided as Annexure to 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 Section 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. 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 Metals and Alloys.

2. **Date or expected date of commencement of commercial production**

   The Company has been in business for the past 27 years and focusing on the manufacturing of Lead Metals and Alloys.

3. **Financial performance based on given indicators**

(₹ in Lakhs)

Particulars	FY 2021-22	FY 2020-21	FY 2019-20
Sales (Net)	1,45,480.10	1,00,427.16	1,21,987.10
Profit Before Tax	6,435.65	1,377.50	2,122.78
Profit After Tax	4824.76	1,077.78	1,634.56
Shareholders' Funds	20,184.67	16,132.29	15,044.98

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 59 years, served in the Company for about 27 years since the year 1995. He is a member of both the Institute of Company Secretaries of India and Institute of Cost and Management Accountants of India.

2. **Past remuneration**

   For the financial year ended 31st March 2022, the remuneration of Mr. K Kumaravel was ₹ 28.81 Lakhs

3. **Job Profile and his suitability**

   Mr. K Kumaravel has experience of more than 36 years in Finance, Accounts and Secretarial departments of Public Sector Undertakings.

4. **Remuneration proposed**

   As stated in the resolution at Item No. 8 of this Notice

5. **Comparative remuneration profile with respect to industry, size of the Company, profile of the position and person**

   The remuneration of Mr. K Kumaravel is commensurate with remuneration paid in the manufacturing sector, in India for similar sized roles, taking into consideration the responsibilities shouldered by him. Pecuniary relationship directly or indirectly with the company, or relationship with managerial personnel, if any

   Mr. K Kumaravel holds 8,071 Equity Shares in the Company as on 31st March 2022. 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 despite tough situation of Pandamic. 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 is 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 2021-22 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 information is provided under Corporate Governance Section of the Annual report.

The Explanatory Statement together with the accompanying Notice may be treated as an abstract of the terms of appointment of Mr. K Kumaravel, Director – Finance and Company Secretary and payment of remuneration to them and the Memorandum of Interest under Section 190 of the Companies Act, 2013.

Accordingly, the Board of Directors recommends the resolution set out at Item No. 8 for approval of the shareholders as a Special Resolution.

Mr. K Kumaravel is deemed to be interested in this resolution.

None of the other Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution set out in this Notice.

ITEM NO. 9

Ratification of remuneration of the Cost Auditors for the Financial Year ended March 31, 2022:

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 March 31, 2022. 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 March 31, 2022.

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 Chemcials Limited**

K. Kumaravel
Director Finance & Company Secretary

Place : Chennai
Date : August 10, 2022

Annexure to the 27th AGM Notice

DETAILS OF DIRECTOR SEEKING APPOINTMENT/RE-APPOINTMENT AT THE 27TH 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. Ashish Bansal	Mr. K Kumaravel
DIN	01543967	00664405
Date of Birth/ Age	July 15, 1981 / 41 years	May 9, 1963 / 59 years
Designation / Category of Director	Managing Director	Director Finance & Company Secretary
Original date of Appointment on the Board	July 30, 2009	December 30, 2021
Last drawn remuneration (FY ended March 31, 2022 per annum)	₹ 235.10 Lakhs	₹ 28.81 Lakhs #
Qualification and Brief resume of the Director	Mr. Ashish Bansal is qualified MBA from University of Wales, UK, is a part of the Board of the Company since 2009. In the 20th Annual General meeting (AGM) he was appointed as Managing Director with effect from June 1, 2015. He was re-appointed as Managing Director with effect from April 1, 2021 for a period of 3 years.	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.
Relationship with other Directors, Manager and other Key Managerial Personnel of the Company	Mr. Ashish Bansal is the son of Mr. Anil Kumar Bansal, Chairman & Whole-Time Director of the Company. He is not related to any of the other Directors or Key Managerial Personnel of the Company	Mr. K Kumaravel is not related to any of the Directors or other Key Managerial Personnel of the Company.
Expertise in specific functional area	Overall Management of the Company with specialisation in Raw Material Procurement and Sale of finished goods.	35 years of experience in Finance, Accounts, Taxation, Legal and Secretarial Departments of Public Sector Undertakings and Public Limited Companies. Expert in handling IPO, Rights Issue and other Restructuring activities.
Directorships held in other Public Companies (excluding Foreign, Private and Section 8 Companies)	1) Material Recycling Association of India (MRAI) w.e.f September 29, 2021 2) POCL Future Tech Private limited (w.e.f May 27, 2022)	1) POCL Future Tech Private limited (w.e.f 27th May 2022)
Memberships / Chairmanships of Committees of other Public Companies (includes only Audit Committee and Stakeholders Relationship Committee)	Nil	Nil
Terms and Conditions of Appointment along with the Remuneration proposed to be paid	As stated in the notice of the 27th AGM & explanatory statement	As stated in the notice of the 27th AGM & explanatory statement
Number of Board Meetings held and attended during the year (FY 2021-22)	Held – 6 Attended – 6	Held – 6 Entitled to Attend – 2 Attended – 2
No. of Equity Shares held in the Company as on March 31, 2022	8,50,615	8,071

includes remuneration drawn as Company Secretary prior to appointment as Director

FIVE YEARS FINANCIAL HIGHLIGHTS

(₹ In lakhs)

Particulars	2021-22	2020-21	2019-20	2018-19	2017-18
OPERATING RESULTS					
Net Sales	1,45,480.10	1,00,427.16	1,21,987.10	1,04,888.55	93,975.19
Profit Before Tax and Exceptional items [PBTE]	6,435.65	1,377.50	2,122.78	5,187.81	4,397.31
Profit Before Tax [PBT]	6,435.65	1,377.50	2,122.78	5,187.81	4,397.31
Profit After Tax [PAT]	4,824.76	1,077.78	1,634.56	3,372.83	2,917.93
Total Comprehensive Income	4,836.03	1,105.32	1,644.15	3,376.96	2,929.84
Net Cash Accrual	5,723.42	1,917.00	2,421.23	3,892.09	3,348.08
Dividend [incl. Div. Tax]	290.62	145.31	201.05	201.66	201.66
SOURCES AND APPLICATION OF FUNDS					
SOURCES OF FUNDS					
Equity Share Capital	581.24	581.24	581.24	557.60	557.60
Reserves & Surplus	2878.44	2,398.44	2,288.44	1,313.79	983.79
Profit and Loss Account	17,354.99	13,152.61	12,175.30	11,168.64	8,325.68
Net Worth	20,814.67	16,132.29	15,044.98	13,040.03	9,867.07
Loan Funds	10,717.88	14,368.96	5,127.91	13,981.48	14,229.31
Deferred Tax Liability [Net]	-	-	-	-	-
Funds Employed	31,532.55	30,501.25	20,172.89	27,021.51	24,096.38
APPLICATION OF FUNDS					
Fixed Assets: Net [Incl. WIP]	5430.39	4,964.25	5,278.57	3,350.94	3,263.09
Deferred Tax Assets [Net]	162.51	72.24	11.47	58.66	53.38
Net Non Current Assets	1113.34	1,117.32	1,266.55	455.74	580.58
Net Current Assets	24826.31	24,347.44	13,616.30	23,724.17	20,199.33
Net Assets	31,532.55	30,501.25	20,172.89	27,589.51	24,096.38
RATIOS					
PBTE to Sales (%)	4.42	1.37	1.74	4.95	4.68
PAT to Sales (%)	3.32	1.07	1.34	3.22	3.11
Return on Assets 1 (%)	23.95	7.49	13.52	24.88	27.25
Return on Net worth 2 (%)	26.12	6.91	11.64	29.45	34.30
Return on Capital Employed 3 (%)	23.09	6.00	15.45	23.35	22.91
Debt : Equity (times)	0.04	0.12	0.05	0.06	0.08
Fixed Assets Turnover (times)	26.79	20.23	23.11	31.30	28.80
Earning per share (₹)	83.01	18.54	29.28	60.49	52.33
Dividend (%)	50	25	30	40	30
Dividend per share (₹)	5.00	2.50	3.00	4.00	3.00
Book value per share (₹)	358.11	277.55	258.84	233.86	176.96

Notes:

1. Return on assets is PBIT divided by Average Net Operating Assets.
   Net operating assets exclude Capital work in progress, Cash and Non-trade investments.
2. Return on Net worth is computed based on average net worth.
3. Return on Capital Employed is PBIT divided by Funds employed.
4. All the Figures are in compliance with IndAS

PONDY OXIDES AND CHEMICALS LIMITED
A LONDON METAL EXCHANGE REGISTERED BRAND

LME
An HKEX Company

The London Metal Exchange
Brand Listing Certificate

This is to certify that on 3 October 2019 Lead Brand

POCL PB970R

Producted by

Pondy Oxides and Chemicals Limited

Of Smelter Division 1, G17-19 & G30-32 Sipcot Industrial Park, Mampakkam Village,
Pondur Post, Sriperumbudur, Kanchipuram, 602 105, Tamil Nadu, India

was listed by The London Metal Exchange as good delivery

against the Lead Contract as per LME Notice ref 19/320

Signed [signature] Position BRANDS LISTING MANAGER

Name LIZ SULLIVAN Date 03/10/19

This certificate records the date on which the above brand was listed. However LME brands can be delisted at any time in accordance with the LME Rules, please refer to the list of approved brands on the LME website LME.com to determine whether the above brand is currently an LME listed brand. The LME accepts no liability whatsoever to any person in respect of any act or omission in relation to this certificate, the listing of the brand or the maintenance, suspension or termination of any such listing.

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lme.com

POCL®

Pondy Oxides and Chemicals Limited

Recycling is our forte

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