

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

20th June 2024

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

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

NSE Symbol : POCL

BSE Scrip Code : 532626

Dear Sir/Madam,

Sub: Investor Presentation for interaction with Analyst / Institutional Investor(s)

In continuation to our intimation dated 14th June 2024 with respect to interaction with Analyst / Institutional Investor(s) and pursuant to Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we hereby disclose the investor presentation of the Company, which will also be presented during the interaction with Analyst / Institutional Investor(s) scheduled on 21st June 2024.

The above information will also be available on the website of the Company:
<https://www.pocl.com/>

You are requested to kindly take the same on your records.

Thanking you,

Yours faithfully

For **Pondy Oxides and Chemicals Limited**

K. Kumaravel
Director Finance & Company Secretary



KRM Centre, 4th Floor, # 2, Harrington Road, Chetpet, Chennai - 600 031. Tamil Nadu, India
Phone : + 91-44-4296 5454 E-mail : info@pocl.com Web : www.pocl.com
CIN No. : L24294TN1995PLC030586 || GSTIN : 33AAACP5102D4Z4



PONDY OXIDES AND CHEMICALS LIMITED

Corporate Deck 2024



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Certain statements in this presentation concerning our future growth prospects are forward looking statements which involve a number of risks and uncertainties that could cause actual results to differ materially from those in such forward-looking statements. The risks and uncertainties relating to the statements include, but are not limited to, risks and uncertainties regarding fiscal policy, competition, inflationary pressures and general economic conditions affecting demand / supply and price conditions in domestic and international markets. The company does not undertake to update any forward-looking statement that may be made from time to time by or on behalf of the company.

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Management Commentary & Business Outlook

“With nearly 30 years of experience in the industry, Pondy Oxides and Chemicals Limited stands as a leading Lead manufacturer and a pioneer in Lead & Lead Alloys. Additionally, our footprint extends to other verticals such as plastics, copper, and aluminium. Committed to our mission of becoming a leading global recycling company by 2030, our growth trajectory is supported by capacity expansions, a robust capex plan, enhanced operational efficiencies, a solid balance sheet, seasoned and professional management, and backing from stakeholders, all of which bode well for POCL’s future growth & development.

Coming to FY24 performance, I am delighted to share that Revenue from Operations has increased to INR 1,524 Cr. up 4% from previous year on a Standalone basis; EBITDA Margin has remained relatively stable at 5%+ levels. We have a healthy balance sheet position with Consolidated Net Debt reduced by 52% to INR 71 Cr. compared to INR 147 Cr. last year resulting in Net Debt to Equity at 0.2.

Our focus for 2024 and upcoming years will be on Lead and Lead Alloys, creation of a value added portfolio for Plastics and Copper, Technological Development along with setting up R&D for upcoming verticals and creating a roadmap for implementation of ESG.”



Mr. Ashish Bansal

Managing Director





POCL[®]



Responsible Growth, Sustainable Progress

Vision

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

Mission

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

- ♻️ Sustainable Growth & Value Creation
- ♻️ Well diversified portfolio
- ♻️ Technological Upgradation

Core Values

- ♻️ Excellence
- ♻️ Responsibility
- ♻️ Integrity
- ♻️ Learning & Innovation
- ♻️ Teaming & Collaboration
- ♻️ Sustainability

Business Drivers

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

Current Business Verticals

- ♻️ Lead
- ♻️ Plastics
- ♻️ Copper
- ♻️ Aluminium

Diversification

- ♻️ Lithium Ion

Infinite Opportunities through Recycling



Business at a Glance

♻️ 4 Recycling Verticals

♻️ 28+ Years of Experience

♻️ India's **First 3N7** LME Registered Lead Brand

♻️ 140K + MT Scrap Recycled p.a.

♻️ 500+ Employees

♻️ 200+ Partners Worldwide

♻️ QMS, EMS & OHSAS Certified

♻️ A- External rating from CRISIL

♻️ Increasing Capacities with technological upgradation and automation



♻️ 20+ Export Destinations

♻️ 15% - 10 Years Revenue CAGR

♻️ 15% - 10 Years EBITDA CAGR

♻️ 21% - 10 Years Average ROE

♻️ 35% - 10 Years Average ROCE

♻️ 28+ Years of Consistent Dividend Payouts and Bonus Issue in addition

♻️ Strategically located units with proximity to ports

♻️ 3-Star Export House

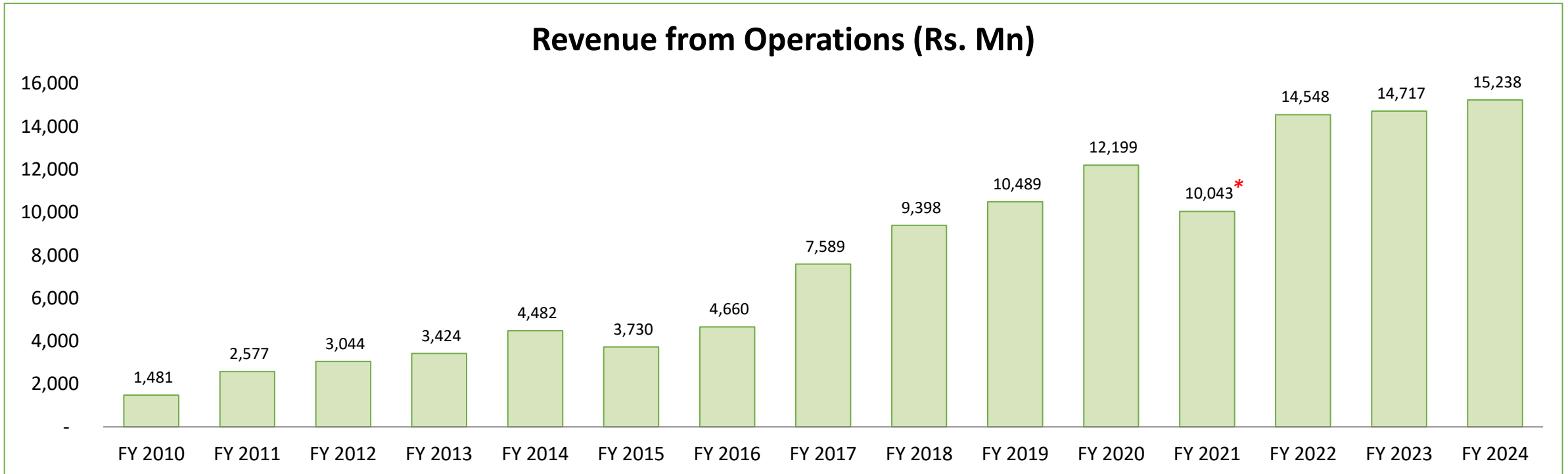
♻️ Prestigious AEO T3 Certification



Our Journey



Revenue from Operations (Rs. Mn)



*Covid Year

Leveraging Diverse Recycling Verticals

LEAD

- 🔄 Finished Goods Capacity 1,32,000 MTPA
- 🔄 Procurement Split: 85% Imports; 15% Domestic
- 🔄 Sales Split: 56% Exports; 44% Domestic
- 🔄 Target Industries: Lead Acid Battery and Other Battery OEMs

PLASTICS

- 🔄 Capacity 9,000 MTPA
- 🔄 Procurement Split: 50% Imports; 50% Domestic
- 🔄 Sales Split: 100% Domestic
- 🔄 Target Industries: Automobile, Appliances, Furniture, Paints, Battery OEMs, Electronics

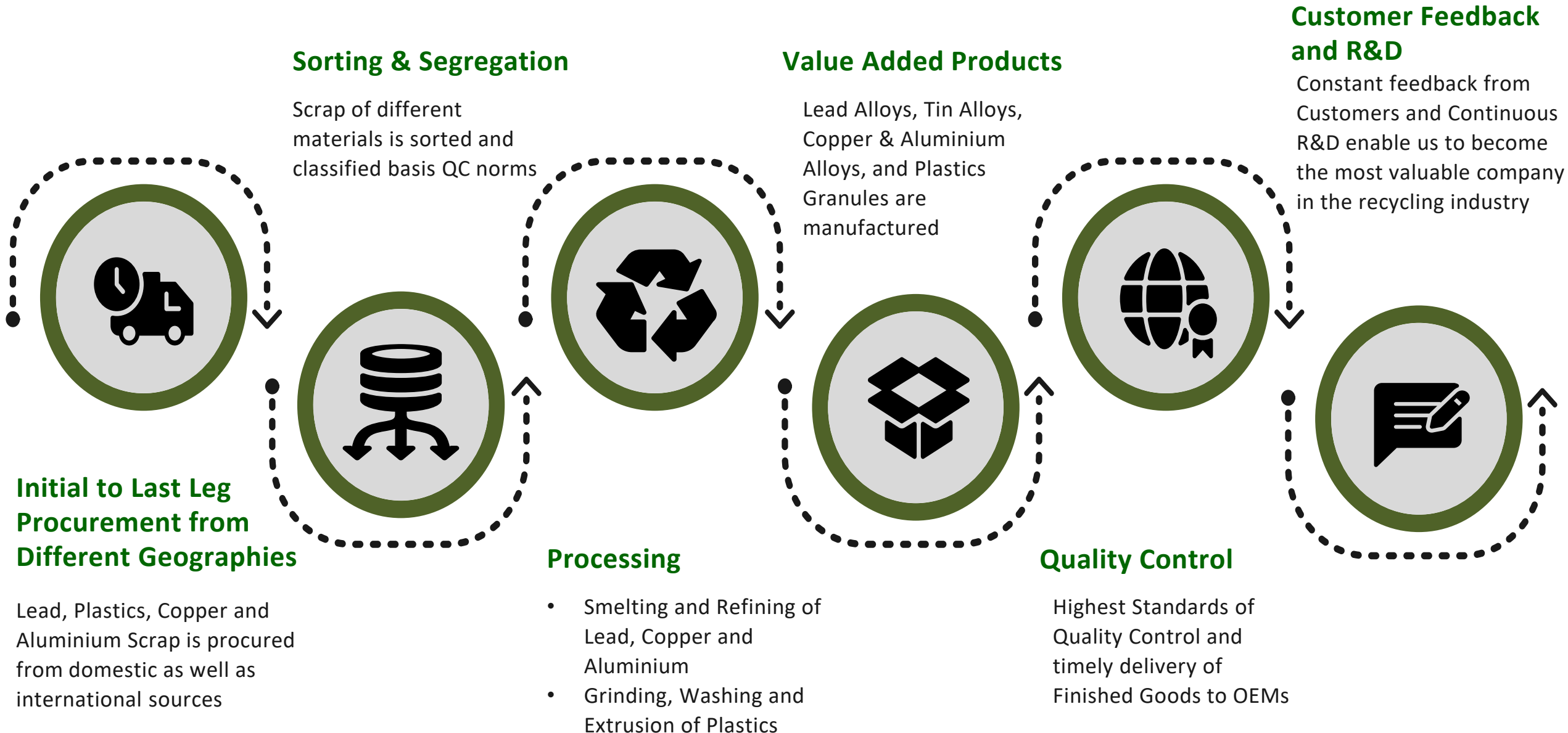
COPPER

- 🔄 Capacity 6,000 MTPA
- 🔄 Procurement Split: 95% Imports; 5% Domestic
- 🔄 Sales Split: 80% Exports; 20% Domestic
- 🔄 Target Industries: Copper Wire and other Copper applications

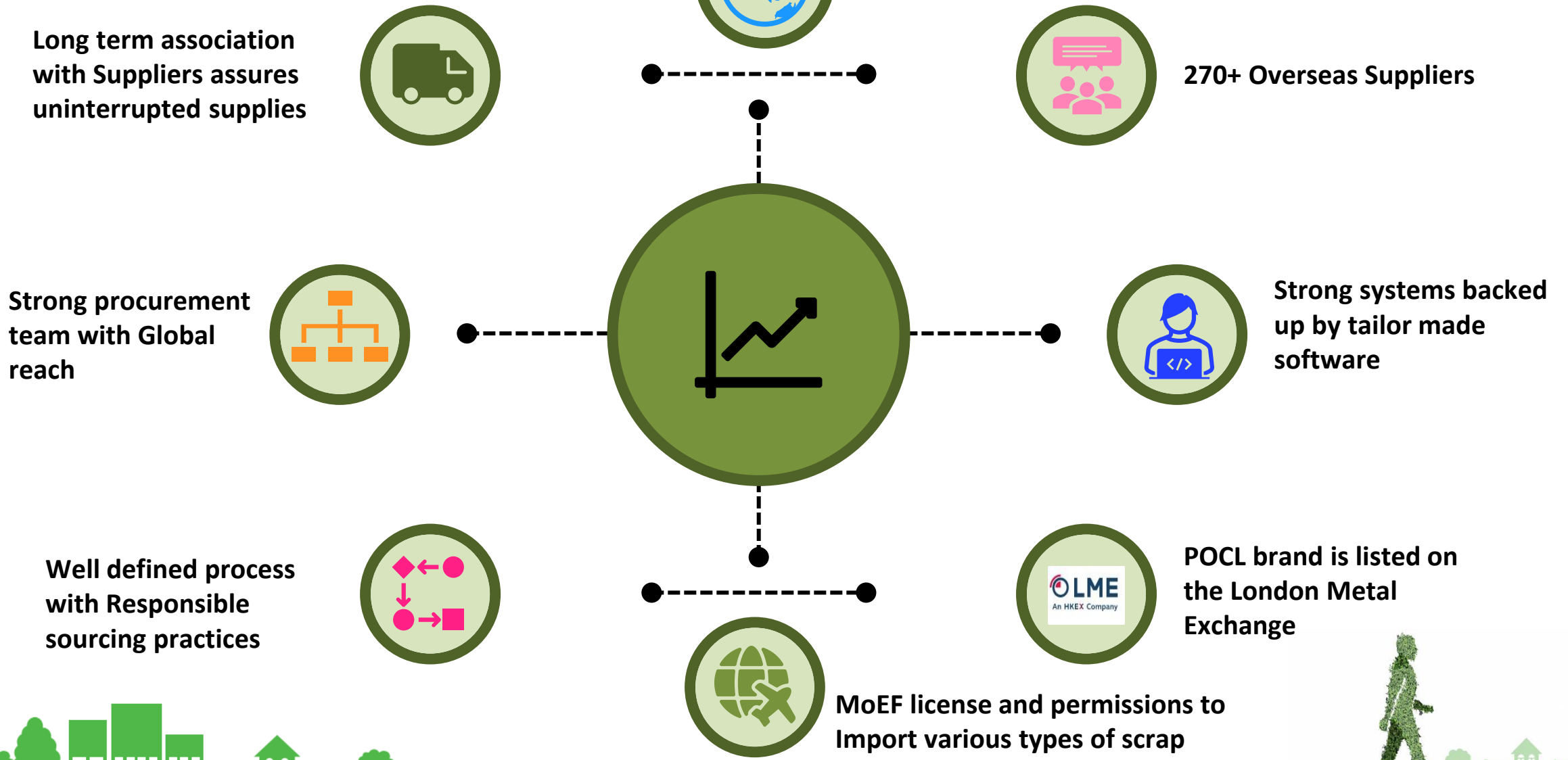
ALUMINIUM

- 🔄 Capacity 12,000 MTPA
- 🔄 Procurement Split: 100% Imports
- 🔄 Sales Split: 100% Domestic
- 🔄 Target Industries: Automobile

Business Model: Sustainable Circularity

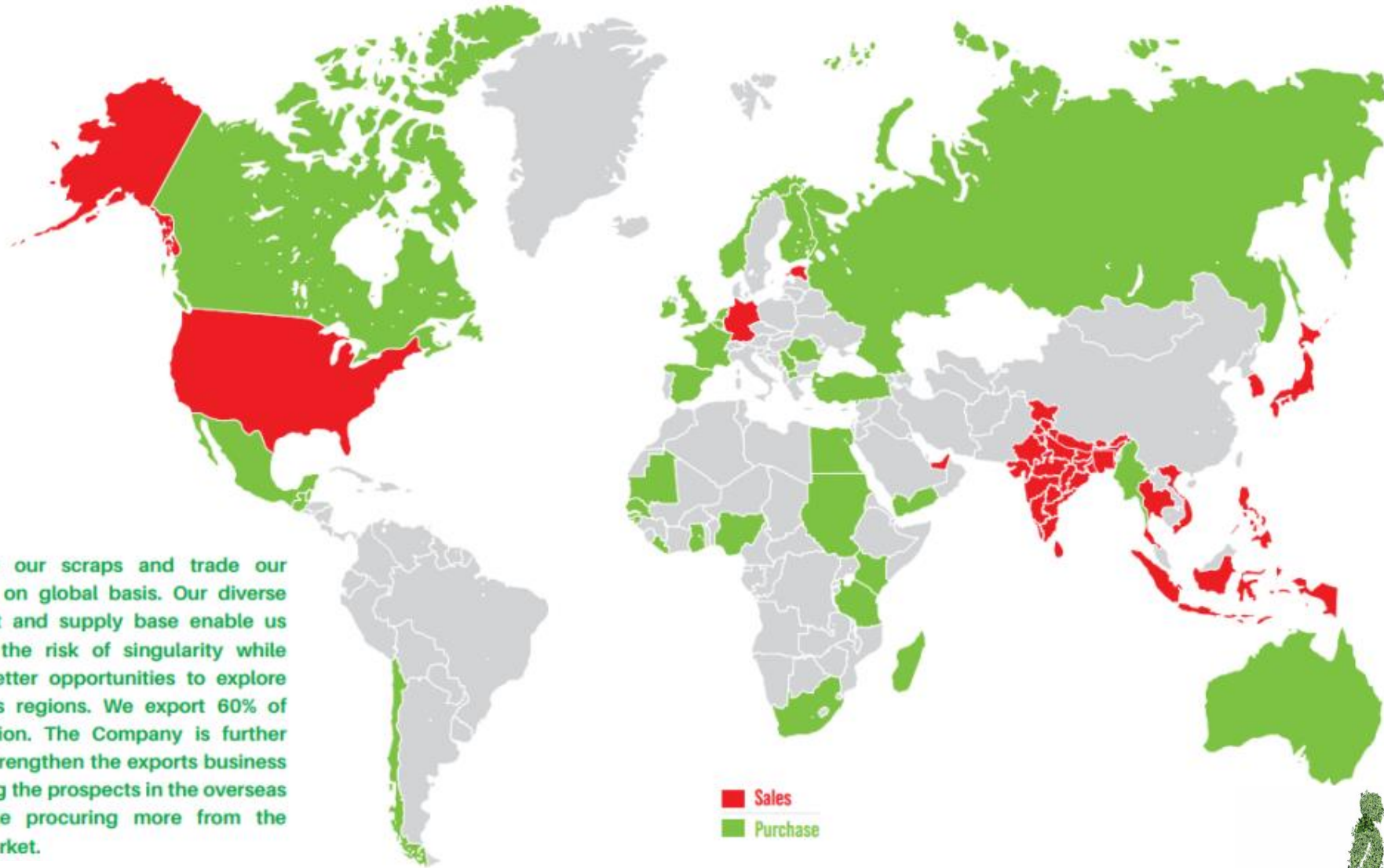


Our Procurement Strengths



Strong Procurement Network & Global Customer Base

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.



Transforming Waste into Opportunity



Value Added & Customized Products Portfolio

Value-Added Products contribute 56% of Revenues and are expected to go up to 70%

Lead



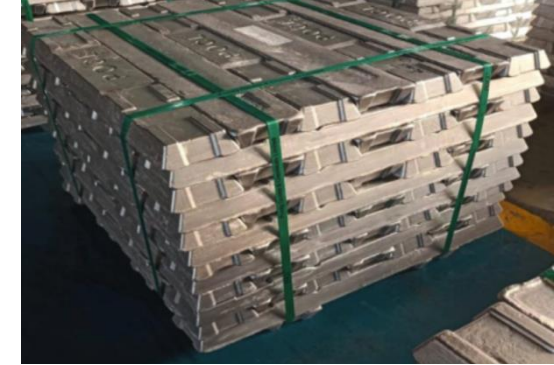
Plastics



Copper



Aluminium



- ♻️ Pure Lead
- ♻️ Lead Calcium Alloys
- ♻️ Lead Tin Alloys
- ♻️ Lead Antimony Alloys
- ♻️ Lead Master Alloys
- ♻️ Specialty Alloys

100+ Other Specialized Alloys manufactured

Industrial & Engineering

Plastic Granules:

- ♻️ PPCP
- ♻️ ABS
- ♻️ HDPE
- ♻️ LDPE
- ♻️ PC
- ♻️ PPHP
- ♻️ Nylon 6, 66

♻️ Clove

♻️ Cobra

♻️ Mill Berry

♻️ Grease
Mill Berry

♻️ Tin Mill
Berry

- ♻️ ADC Series (JIS Standard)
- ♻️ LM Series (BS Standard)
- ♻️ Tailor-made alloys as per Customer Requirement

Robust Manufacturing Facilities

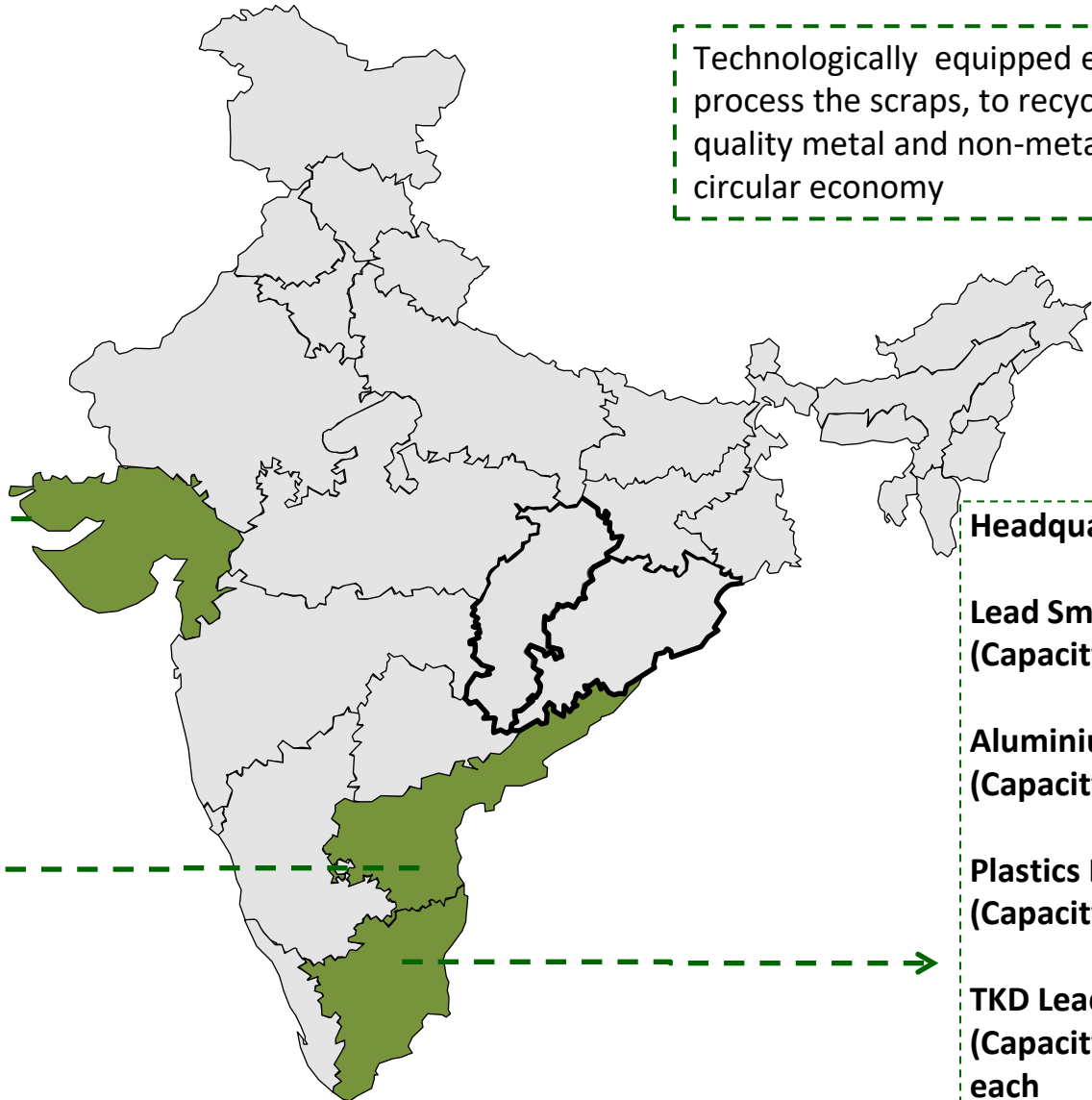
Strategically located units with proximity to ports

In line with our strategic expansion plans aimed at establishing and expanding facilities in existing and other related manufacturing verticals and cater to both domestic & international markets and to focus on Make in India initiative

Technologically equipped efficient manufacturing units to process the scraps, to recycle and manufacture high-quality metal and non-metal by-products to promote circular economy

- Total Capacities:**
- Lead: 204 KTPA
 - Plastics: 9 KTPA
 - Copper: 6 KTPA
 - Aluminium: 12 KTPA

Mundra, Gujarat



Smelter Division II – Andhra Pradesh

- Lead - Capacity - 84 KTPA
- Copper - Capacity - 6 KTPA

Headquarters – Chennai, Tamil Nadu

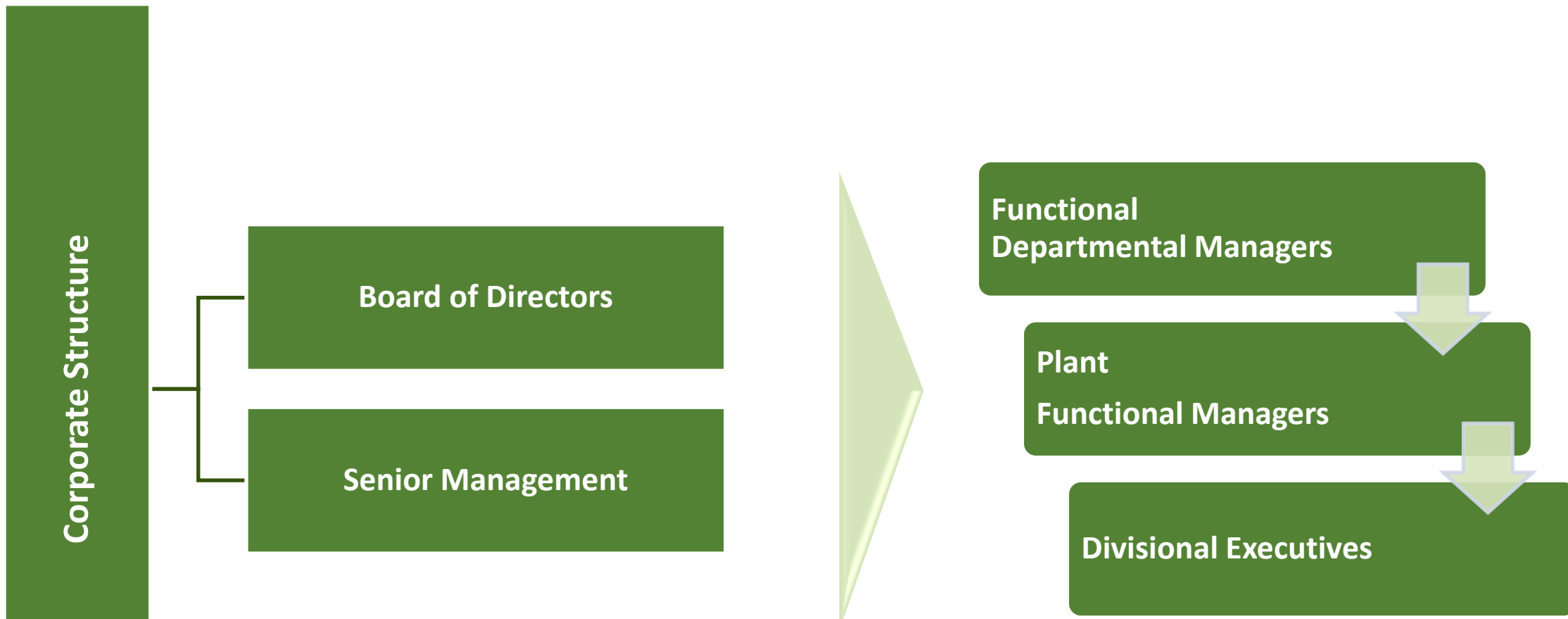
Lead Smelter Division I – Tamil Nadu (Capacity - 48 KTPA)

Aluminium Division: Tamil Nadu (Capacity - 12 KTPA)

Plastics Division: Tamil Nadu (Capacity - 9 KTPA)

TKD Lead Division, Tamil Nadu (Capacity - 72 KTPA) Phase - 1 & 2 36 KTPA each

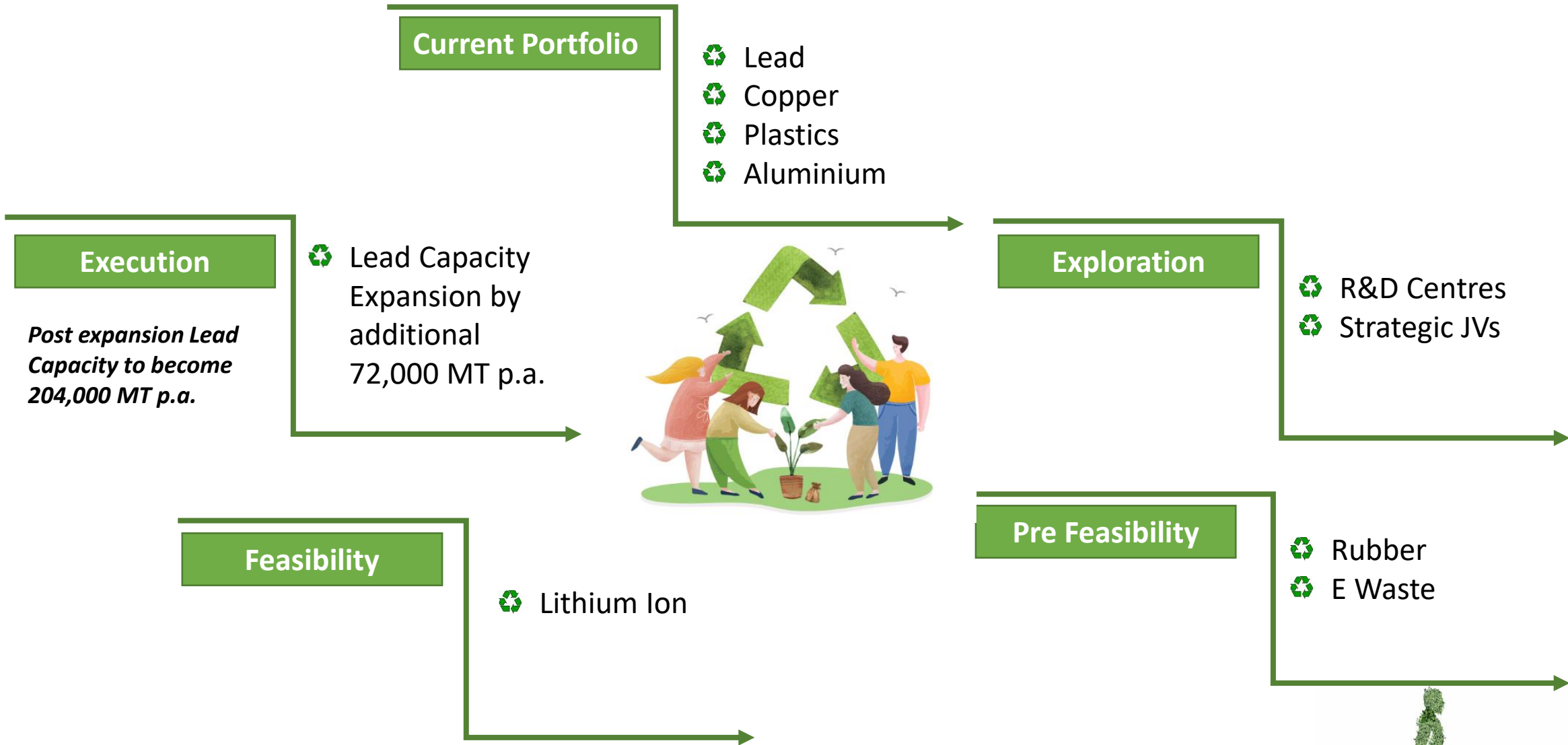
Organization Structure



Well defined corporate structure with defined roles and responsibilities for Organization's Human Resources



Portfolio and Futuristic Road Map



POCL Forte and Industry Vantage Point



Licensing and time-bound compliances



Extensive Land Bank of 170+ Acres located strategically with proximity to major Indian ports



Operational Excellence & Expansion of Capacities



International business, global network for procurement & sales spread across various geographies



Risk Mitigation through strategic hedging and future & long-term contracts, spread across diversified market place



Direct empanelment with OEMs for Lead, Plastics and Aluminium



Strong management and effective workforce



India's First 3N7 London Metal Exchange Registered Lead Brand



Understanding of customer applications and specialized technical knowledge of end product



Target 2030



Forward Integration & Additional Verticals:

- ♻️ Capacity Expansions - Lead
- ♻️ Lithium Ion



20% +
Revenue CAGR



20% +
Profitability Growth



50% +
Renewable Power Usage



Value Creation for Shareholders



Diversified Portfolio with Value Added Products



20% +
Reduction in Energy Consumption to reduce Carbon Footprint



15% +
Volume Growth



20% +
ROCE



8%+
EBITDA Margins



60%+
Value Added Products

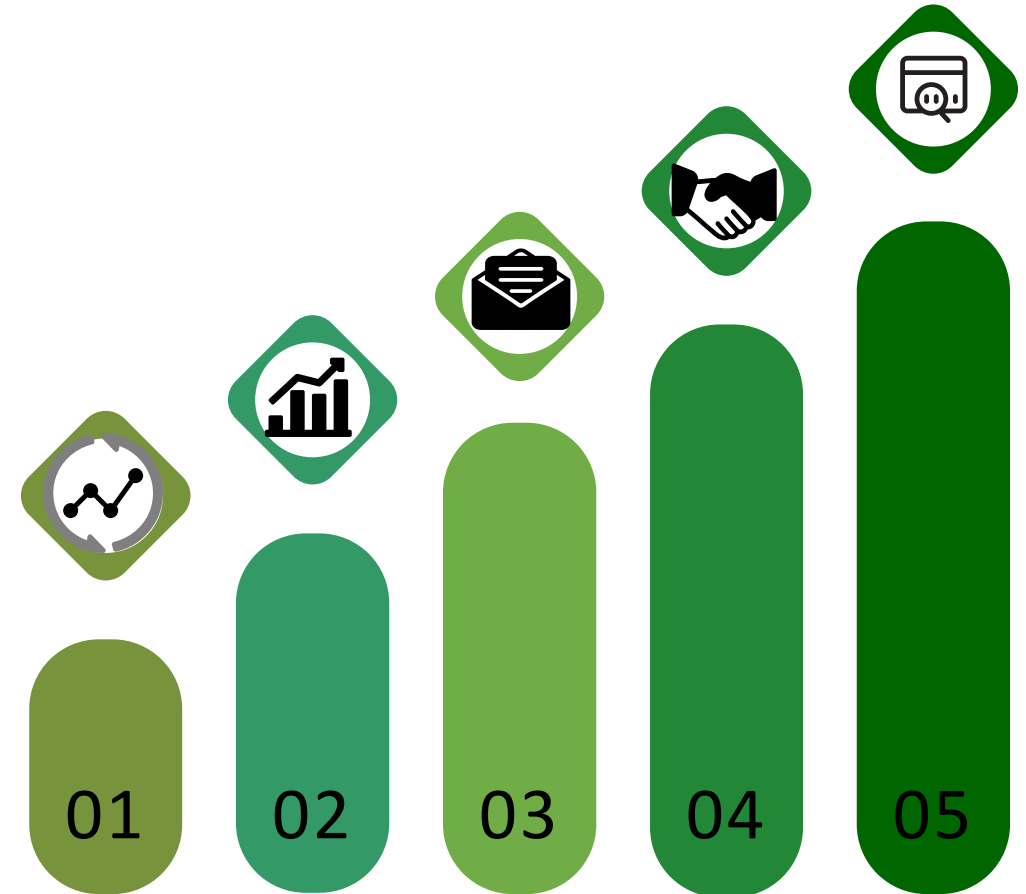


Optimum use of Capital Mix



Levers for Strong Growth Outlook

- 1 **Capacity Expansion** of existing verticals & diversifying further into new verticals- Lithium-ion and Forward Integration
- 2 **Strong Capex plan** in place funded by ideal mix of debt, equity and internal accruals
- 3 **Strict Government Norms** of BWMR & EPR to increase domestic scrap availability
- 4 **Open to explore** Mergers & Acquisitions, Joint Ventures & collaboration
- 5 **Improving operational efficiencies** through improved technology and automation for enhanced margins



Supply Chain Strength: Recognizing Valued Suppliers



GLENCORE



SANSING

OLYMPIC
METALS LLC

onesteel



Nord-Schrott
INTERNATIONAL



Key Client Connections: Driving Mutual Success



... And Others

PT Trimitra
Baterai Prakasa



Robust Management & focus on HR Assets



Anil Kumar Bansal
Chairman &
Whole Time Director



Ashish Bansal
Managing Director



K. Kumaravel
Director - Finance



Vijay Balakrishnan
Chief Financial Officer (CFO)



Mayank Sharma
President Operations



Piyush Dhawan
President Commercial & Strategy



24+ Years of average management experience in diverse industries



Employee well being programs



500+ Employees



Diversity & Inclusion



Average Employee Association 9+ Years



Lean Manpower for Functional Roles



Median Employee Age: 35 years



Continuous Talent Exploration



50% Independent Directors and 17% Board Diversity



FY 24 Strategic Updates

123 Acres+
Land Bank Acquisition



54.5%
Capacity Expansion in
Progress for Lead



**Strategic
Updates**



Rs. 80 Cr.
CAPEX

**CRISIL has assigned
below ratings –**

- Long Term - CRISIL A- /Stable
- Short Term - CRISIL A2+

Revenue increased to INR 1,524 Cr. up 4% from PY on a Standalone basis; EBITDA Margin has remained relatively stable at 5%+ levels



Focus on ESG



Environment

- Substitution of Fuel from Furnace Oil to LNG to reduce carbon footprint
- Air & Water Pollution Mitigation is done through state-of-the-art Air Pollution Control Systems & Effluent Treatment Plants
- Increasing Green Coverage - Tree plantation programs in factory premises



Social

- Employee Well-Being – Employee safety & well-being programs implemented
- Diversity & Inclusion -Opportunities to develop cross-cultural, ethnic, & lifestyle collaboration skills
- Social Engagement - Includes promoting education, employment, vocational skills & preventive healthcare and sanitation



Corporate Governance

- Board Composition – 50% Independent Directors
- Board Diversity – 17%
- Executive compensation policy – Incentive Based
- Zero Complaints – of any breaches

SDGs Impacted



ESG Roadmap

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

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

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

Societal Impact:
OHSAS, 100% Health Insurance
Coverage, Employee
Engagement and Grievance
Redressal Mechanism

Air & Water Pollution Mitigation
& Conserving Nature, EMS

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

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

Determining Targets for Energy
Reduction, Carbon Footprints,
GHG Emission (Scope 1,2 and 3)

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



Sustainable Business
Practices



Air & Water Pollution
Mitigation



Waste
Management



Ensuring Efficient
Energy Management

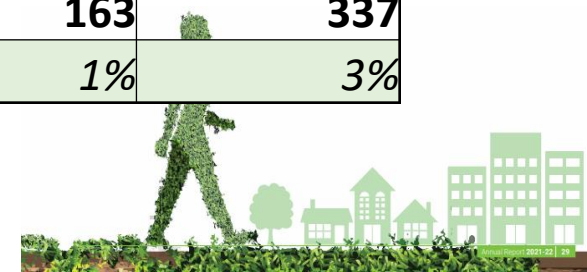


Increasing Green Coverage
Around the Plants



Yearly Trends | Income Statement

Particulars (Rs. Million)	FY 2024	FY 2023	FY 2022	FY 2021	FY 2020	FY 2019
Net Revenue	15,238	14,717	14,548	10,043	12,199	10,489
Other Income	46	43	46	33	35	40
Total Income	15,284	14,759	14,594	10,076	12,234	10,529
COGS	13,538	12,987	12,954	9,323	11,289	9,344
Power and Fuel Cost	335	311	239	99	114	135
Employee Benefit Expenses	242	223	200	165	191	150
Other Expenses	396	398	382	213	244	212
Total Expenses	973	932	820	477	549	498
EBITDA	773	841	820	276	397	687
<i>EBITDA Margin %</i>	<i>5%</i>	<i>6%</i>	<i>6%</i>	<i>3%</i>	<i>3%</i>	<i>7%</i>
Depreciation	92	101	90	84	79	52
Finance Cost	164	82	87	54	106	116
PBT	517	658	644	138	212	519
Tax Expenses	121	166	161	30	49	181
PAT	395	492	482	108	163	337
<i>PAT Margin %</i>	<i>3%</i>	<i>3%</i>	<i>3%</i>	<i>1%</i>	<i>1%</i>	<i>3%</i>



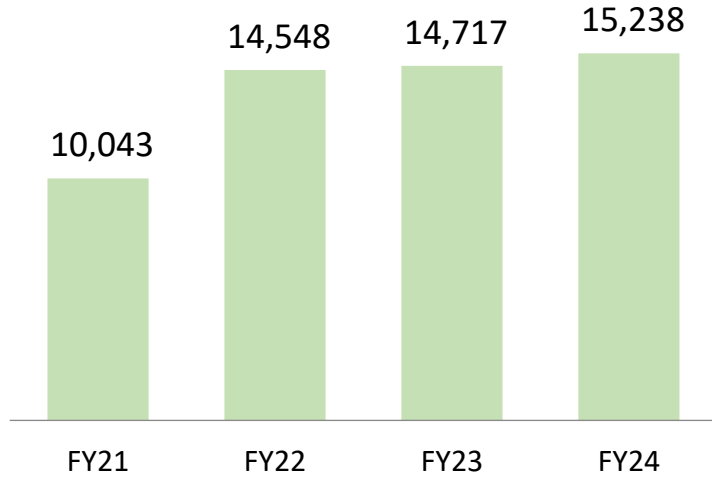
Yearly Trends | Balance Sheet

Particulars (Rs. Million)	FY 2024	FY 2023	FY 2022	FY 2021	FY 2020	FY 2019
<u>EQUITY AND LIABILITIES</u>						
Share Capital	126	116	58	58	58	56
Reserve and Surplus	3,422	2,425	2,023	1,555	1,446	1,248
Net Worth	3,548	2,541	2,081	1,613	1,504	1,304
Borrowings	945	1,420	1,072	1,455	513	1,398
Other Liabilities	205	379	148	123	175	113
Total Equity and Liabilities	4,698	4,341	3,301	3,191	2,192	2,815
<u>ASSETS</u>						
Non-Current Assets						
Fixed Assets	1,136	959	605	536	606	326
Capital Work-In-Progress	83	70	35	57	19	4
Other Non-Current Assets	607	476	37	28	38	59
Current Assets						
Inventories	1,239	1,510	1,460	1,236	705	1,102
Trade Receivables	1,012	992	873	1,088	574	885
Cash and Bank Balances	298	2	22	9	94	40
Short Term Loans and Advances	242	327	265	179	131	176
Other Current Assets	81	5	3	59	26	217
Total Assets	4,698	4,341	3,301	3,191	2,192	2,815

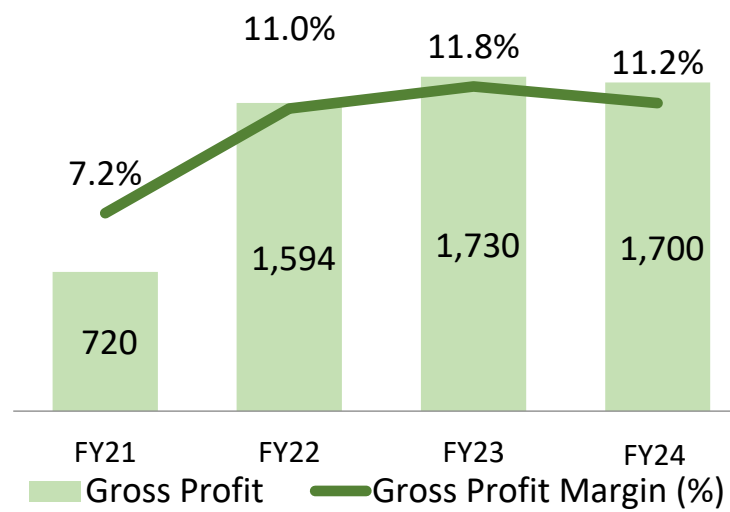


Charting Success: Financial Highlights

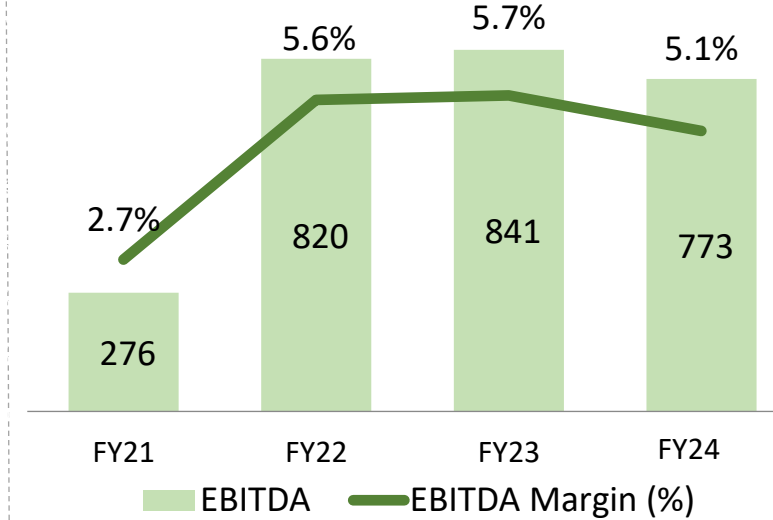
Revenue from Operations



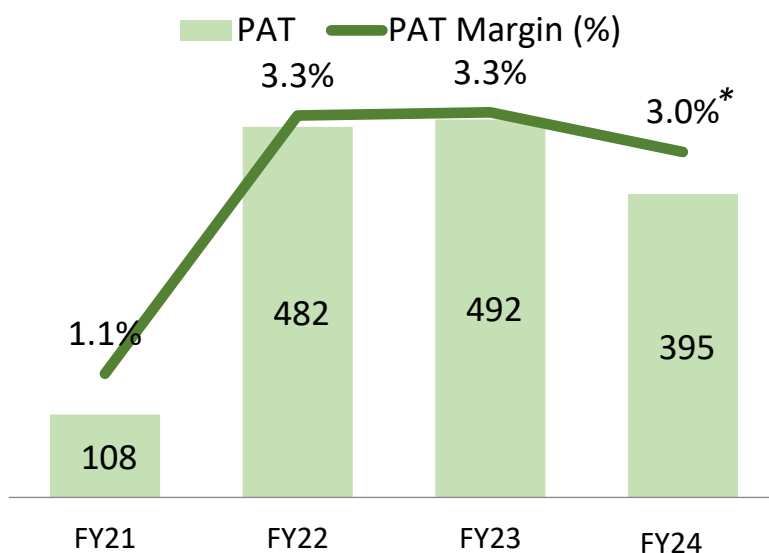
Gross Profit & Margin (%)



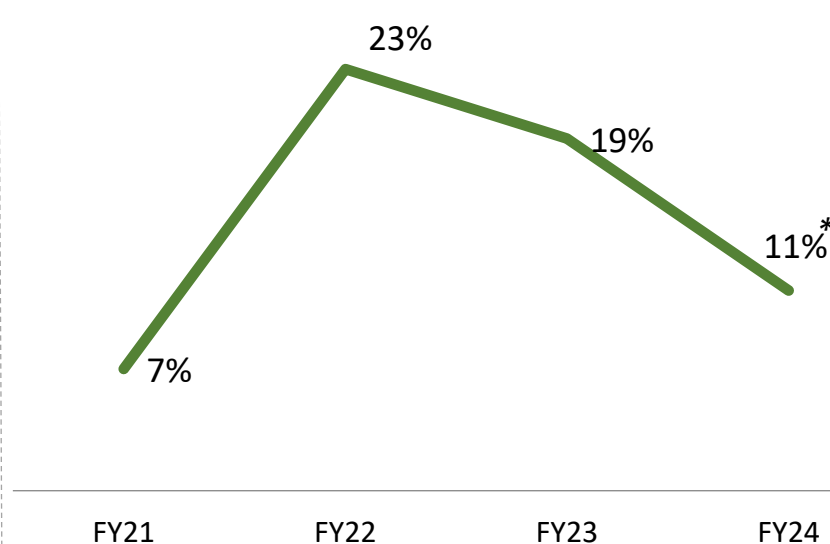
EBITDA & Margin (%)



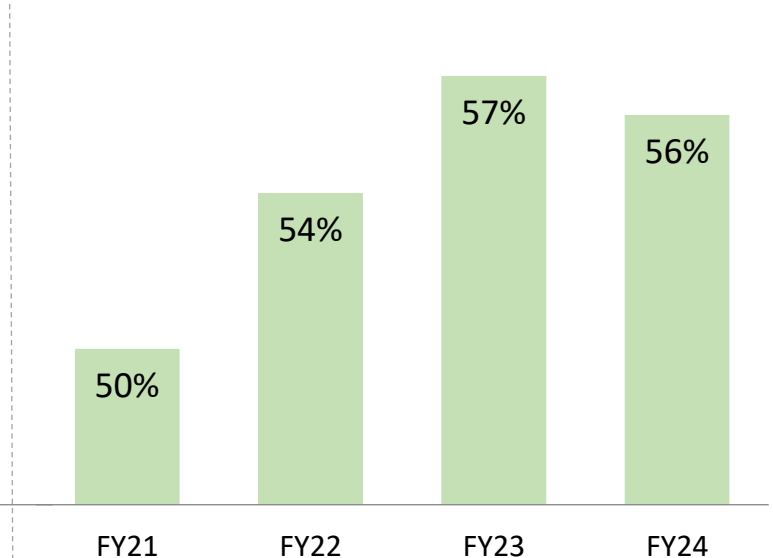
PAT & Margin (%)



Return on Equity (%)



Exports (%)

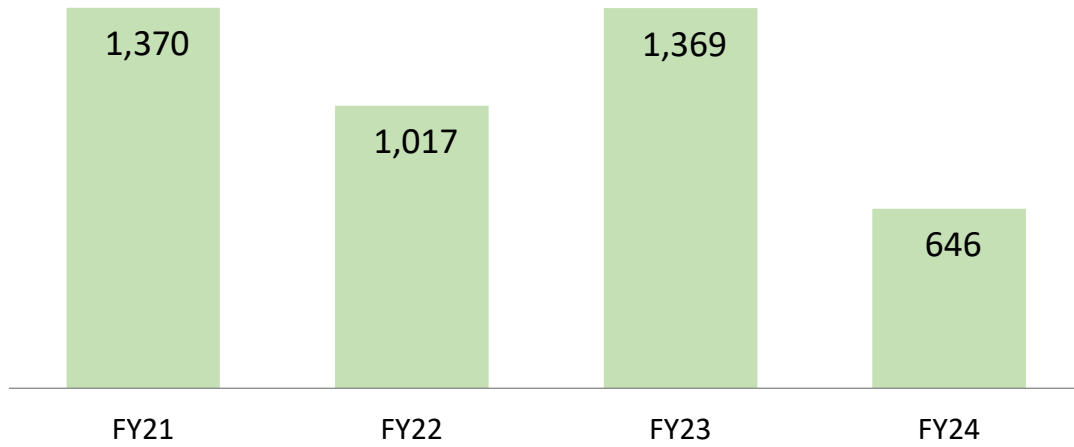


*FY 24: Slight drop is due to Increase in Finance Cost

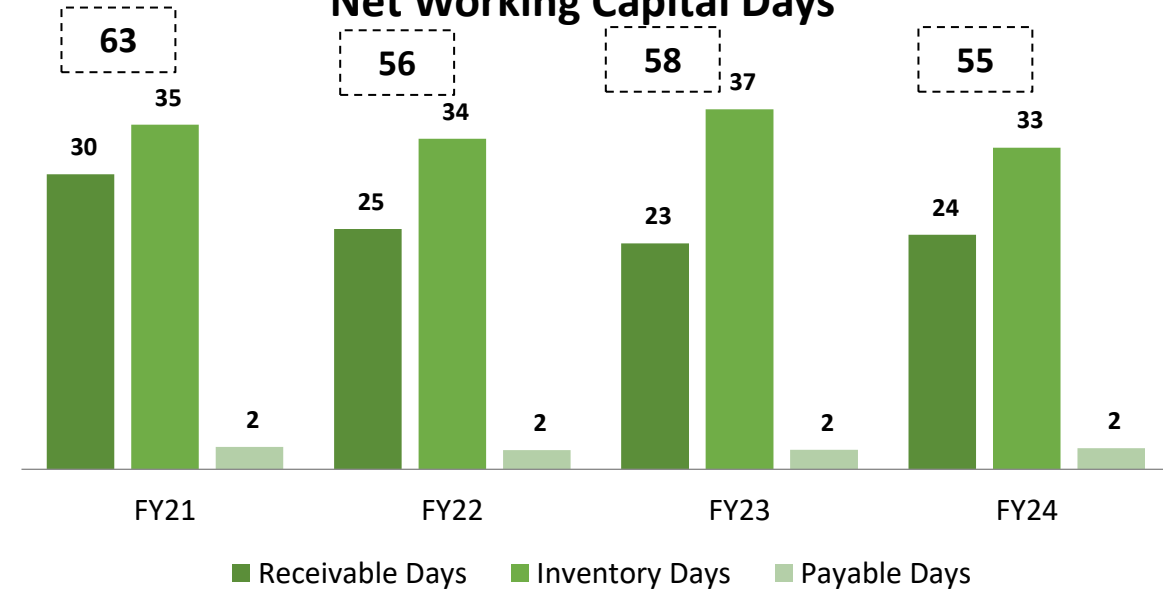
*FY 24: Drop is due to Increase in Equity Share Capital

Balance Sheet Strength

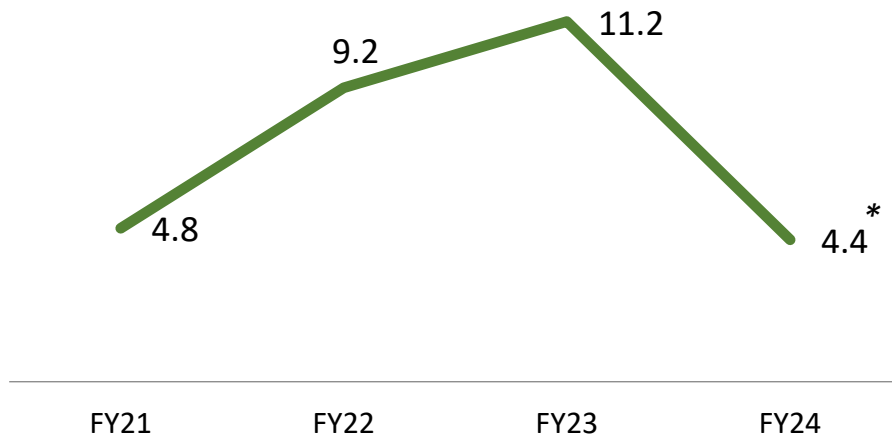
Net Debt (Rs. Mn)



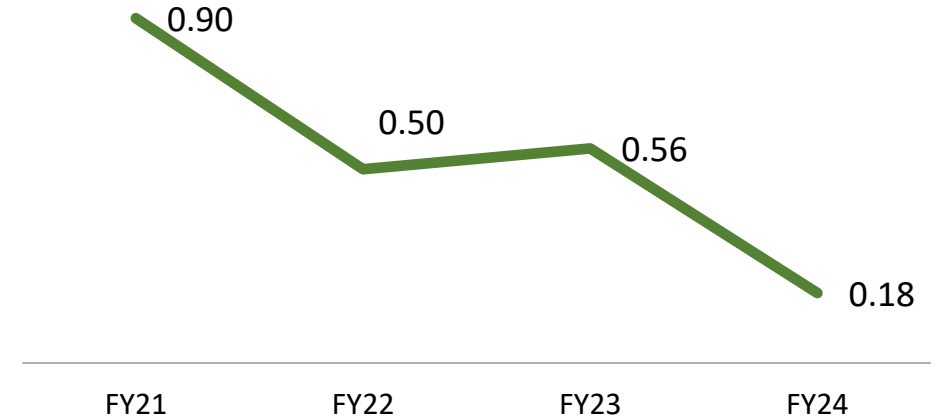
Net Working Capital Days



Interest Coverage Ratio



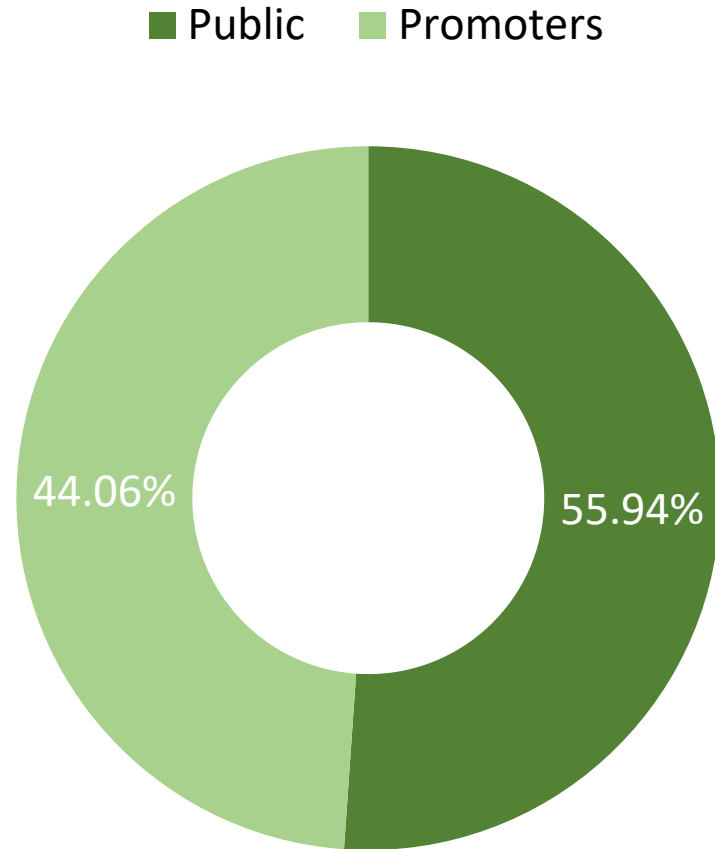
Net Debt to Equity



*FY 24: Drop is due to Increase in Finance Cost

Shareholding Pattern

In Crores



SYMBOL	532626	POCL
LISTED	BSE (Main)	NSE (Main)
MKT CAP (As on 31-03-24)	719.63	721.67
52 WEEK HIGH/LOW	905.9 / 299.6	906.3 / 374.2
CURRENT MARKET PRICE (19-06-2024)	676.6	679.55

Shareholding Pattern

Particulars	No. of Shares	% of Holding
Public	69,28,021	55.94%
Promoters	56,82,956	44.06%
Total	1,26,10,977	100%

Thank You

Investor Relations Contact:

Sana Kapoor
Go India Advisors
sana@GoIndiaAdvisors.com
M:+91 81465 50469

Sheetal Khanduja
Go India Advisors
sheetal@GoIndiaAdvisors.com
M:+91 97693 64166

Company Contact:

K. Kumaravel
Director – Finance & Company Secretary
kk@pocl.com

Vijay Balakrishnan
Chief Financial Officer (CFO)
vijay.b@pocl.com
www.pocl.com

Contact: +91 – 44 – 4296 5454

