

Minutes of the Nineteenth Annual General Meeting of the  
shareholders of M/s Pandy Oxides and Chemicals Limited held  
at 12.15 PM on Friday the 12<sup>th</sup> September 2014 at Kasturi  
Srinivasan Hall (Mini Hall) Music Academy, 306, T.T.K.Road,  
Chennai – 600 014

MINUTES BOOK

Members Present:

In Person - 168 Members

By Proxy - None of the members attended through Proxy

Directors Present:

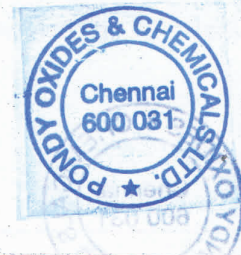
01. Dr. Padam Chandra Bansal - Member & Chairman
02. Sri. Anil Kumar Bansal - Member & Managing Director
03. Sri. D.P.Venkataraman - Vice Chairman cum Director
04. Sri. Sunil Kumar Bansal - Member and Director
05. Sri. Rajendra Prasad Bansal - Member and Director
06. Sri. Devakar Bansal - Member and Director
07. Sri. Y.V. Raman - Member and Director
08. Sri. Ashish Bansal - Member and Director
09. Sri. Anil Kumar Sachdev - Member and Director
10. Sri. Harish Kumar Lohia - Member and Director
11. Sri. P.N.Sridharan - Director

In attendance: Sri. K. Kumaravel, GM Finance & Company Secretary

By invitation: Sri. Sohan Parmar, Statutory Auditor of the Company.

Chairman

Mr. Padam Chandra Bansal, Chairman occupied the Chair and conducted the proceedings of the meeting.



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Quorum

Since the requisite quorum for the meeting was present, Chairman announces the same and commenced the proceedings of the meeting.

Welcome

Sri. Padam C Bansal, Chairman formally extended a warm welcome to the shareholders present at the 19<sup>th</sup> Annual General Meeting and introduced the members of the Board to the Shareholders. Sri.K.Kumaravel, GM Finance & Co. Secretary also extended a warm welcome to the shareholders.

Books and Statutory Registers

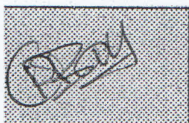
The Company Secretary informed the members that in terms of various provisions of the Companies Act, 2013 (as amended), relevant Statutory Registers were available at the meeting for inspection of any member till the conclusion of the meeting.

Notice of the meeting

With the permission of the members present, the notice and explanatory statement convening the meeting was taken as read.

Chairman 's Speech

The Chairman addressed the members and appraised them about the achievement made by the company and detailed the company's policy in formulating for plans for growth and highlighted the members about the Indian and global growth on the Metal and explained the future growth prospects of the products of the company. Copies of the Chairman speech were distributed to the members present.



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### Auditor's Report

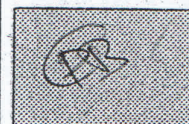
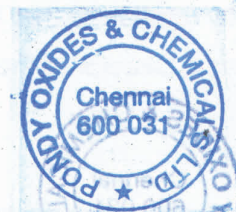
The Auditors Report was read.

### Businesses of the Meeting

The Chairman informed the members that in accordance with section 108 of the Companies Act, 2013, the Company had provided the facility to the shareholders for voting by e-voting on all the business, both Ordinary and Special businesses sought to be transacted at the 19<sup>th</sup> Annual General Meeting of the Company. As prescribed in the Companies (Management & Administration) Rules, 2014, the e-Voting facility was kept open for three days from 9:30 A.M. on 4<sup>th</sup> September, 2014 to 6:00 P.M on 6<sup>th</sup> September, 2014.

The Scrutinizer's Report dated 9<sup>th</sup> September 2014 regarding e-voting on the resolutions placed before the meeting, prepared and signed by Sri. Krishna Sharan Mishra, Practising Company Secretary who was appointed as scrutinizer by the Board of Directors of the Company, was tabled before the meeting for information of the members present.

As per the Scrutinizers report 45 members holding 65,47,945 shares cast their votes electronically in favour of the resolutions for the Item Nos. 1 to 10 of the Notice convening the 19<sup>th</sup> Annual General Meeting (hereinafter Notice). 38 members holding 38,61,927 shares cast their votes electronically in favour of resolutions for Item Nos. 11 and 12 of the said notice. 36 members holding 34,76,111 shares cast their votes electronically in favour of resolution for Item No. 13 and 29 members holding 13,86,350 shares cast their votes electronically in favour of resolution for Item No. 14 of the said notice. Accordingly, all the following Ordinary Businesses and the Special Businesses were duly passed by requisite majority as per the aforementioned Scrutinizer's Report on e-Voting:



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Ordinary Businesses:

1. To receive, consider and adopt the Audited Balance Sheet of the Company as at 31<sup>st</sup> March 2014 and Statement of Profit and Loss for the year ended 31<sup>st</sup> March 2014 together with notes thereto, the Auditors Report and Directors' Report thereon as an ORDINARY RESOLUTION

"RESOLVED THAT the Audited Balance Sheet of the Company as at 31<sup>st</sup> March 2014 and Statement of Profit and Loss for the year ended 31<sup>st</sup> March 2014 together with notes thereto, the Auditors Report and Directors' Report thereon be and are hereby approved."

2. To declare the Dividend on Equity Shares as an ORDINARY RESOLUTION

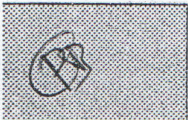
"RESOLVED THAT a Dividend at 10% on Equity Share Capital be declared for the year ended 31<sup>st</sup> March 2014 and that the Dividend be paid to those Shareholders, whose names appear on the Company's Register of Members and beneficial owners as per the records of National Securities Depository Limited (NSDL) and Central Depository Services (India) Ltd., (CDSL) as on 12<sup>th</sup> September 2014".

3. To appoint a Director in the place of Sri. Sunil Kumar Bansal, (DIN:00232617), who retires by rotation and being eligible, offers himself for re-appointment as an ORDINARY RESOLUTION

"RESOLVED THAT Sri. Sunil Kumar Bansal (DIN: 00232617), who retires by rotation at this Annual General Meeting be and is hereby appointed as a Director of the Company liable to retire by rotation".

4. To appoint a Director in the place of Sri. Devakar Bansal (DIN:00232565), who retires by rotation and being eligible, offers himself for re-appointment as an ORDINARY RESOLUTION

"RESOLVED THAT Sri. Devakar Bansal (DIN: 00232565), who retires by rotation at this Annual General Meeting be and is hereby appointed as a Director of the Company liable to retire by rotation".



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5. To appoint Statutory Auditors and fix their remuneration as an  
ORDINARY RESOLUTION

"RESOLVED THAT M/s Jeeravla & Co., Chartered Accountants (bearing firm Registration No.: 001323S) the retiring Auditors, be and are hereby re-appointed as Statutory Auditors of the Company to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting on a remuneration to be decided by the Board of Directors, in addition to reimbursement of service tax and out of pocket expenses in connection with Audit of the accounts of the Company."

Special Businesses:

6. Appointment of Mr. D.P. Venkataraman as an Independent  
Director as an ORDINARY RESOLUTION

"RESOLVED THAT pursuant to the provisions of Sections 149 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 Mr. D.P. Venkataraman (DIN: 00232894), who was appointed as a Director liable to retire by rotation, and in respect of whom the Company has received a notice in writing under Section 160 of the Companies Act, 2013 from a member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company to hold office for a term upto 5 (Five) consecutive years commencing from April 1, 2014 and ending with March 31, 2019."

7. Appointment of Mr. Anil Kumar Sachdev as an Independent  
Director as an ORDINARY RESOLUTION

"RESOLVED THAT pursuant to the provisions of Sections 149 read with Schedule IV and all other applicable provisions of the Companies



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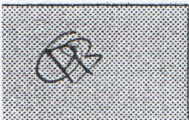
Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 Mr. Anil Kumar Sachdev (DIN: 00043431), who was appointed as a Director liable to retire by rotation, and in respect of whom the Company has received a notice in writing under Section 160 of the Companies Act, 2013 from a member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company to hold office for a term upto 5 (Five) consecutive years commencing from April 1, 2014 and ending with March 31, 2019.”

**8. Appointment of Mr. Harish Kumar Lohia as an Independent Director as an ORDINARY RESOLUTION**

“RESOLVED THAT pursuant to the provisions of Sections 149 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 Mr. Harish Kumar Lohia (DIN: 00233227), who was appointed as a Director liable to retire by rotation, and in respect of whom the Company has received a notice in writing under Section 160 of the Companies Act, 2013 from a member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company to hold office for a term upto 5 (Five) consecutive years commencing from April 1, 2014 and ending with March 31, 2019.”

**9. Appointment of Mr. P.N. Sridharan as an Independent Director as an ORDINARY RESOLUTION**

“RESOLVED THAT pursuant to the provisions of Sections 149 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 Mr. P N Sridharan (DIN: 01916235), who was appointed as a Director liable to retire by rotation, and in respect of



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whom the Company has received a notice in writing under Section 160 of the Companies Act, 2013 from a member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company to hold office for a term upto 5 (Five) consecutive years commencing from April 1, 2014 and ending with March 31, 2019."

**10. Increase in borrowing powers as a SPECIAL RESOLUTION**

"RESOLVED THAT pursuant to Section 180(1)(c) and other applicable provisions if any, of the Companies Act 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), and in supersession of the resolution adopted by the Company at its Annual General Meeting held on August 28, 2010, the consent of the Company be and is hereby accorded to the Board of Directors to borrow moneys in excess of the aggregate of the paid up share capital and free reserves of the Company, provided that the total amount borrowed and outstanding at any point of time, apart from temporary loans obtained/to be obtained from the Company's Bankers in the ordinary course of business, shall not be in excess of Rs. 100 Crores (Rupees One Hundred Crores) over and above the aggregate of the paid up share capital and free reserves of the Company.

RESOLVED FURTHER THAT the consent of the Company be and is hereby accorded, to the Board of Directors of the Company to mortgage and/or charge all or any off the movable or immovable properties of the Company where so ever situate, present and future, and the whole of the undertaking of the Company together with the power to take over the management of the business and concern of the Company in certain events, to or in favor of public financial institutions, banks and other individuals or concerns to secure loans advanced /

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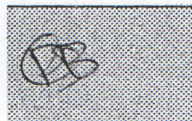
agreed to be lent and advanced by them to the Company together with interest thereon at the respective agreed rates, compound interest, commission, remuneration payable to the lenders/agents/trustees.

**RESOLVED FURTHER THAT** for the purpose of giving effect to this resolution, the Board / Committee be and is hereby authorized to finalize, settle and execute such documents /deeds / writings / papers / agreements as may be required and do all such acts, deeds, matters and things as it may in its absolute discretion deem necessary, proper or desirable and to settle any question, difficulty or doubt that may arise in this regard to creat mortgages / charges as aforesaid.”

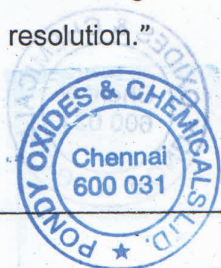
**11. Related Party Transaction under Section 188 of the Companies Act, 2013 with M/s. Bansal Chemicals (India) as a SPECIAL RESOLUTION**

“**RESOLVED THAT** pursuant to the provisions of Section 188 and other applicable provisions, if any of the Companies Act, 2013 (including any statutory modifications or re-enactments thereof for the time being in force) and subject to the compliances of all applicable laws and regulations, consent of the members of the Company be and is hereby accorded to the Board of Directors (which term shall include a committee of the Board) for a period of three years for the execution of any contract/arrangement for buying and selling of any raw material or finished goods or availing/rendering of any services including services of job work of any nature whatsoever and on such terms and conditions and at such price or prices, as the Board may deem fit, with M/s. Bansal Chemicals (India), upto an amount not exceeding Rs. 10.00 Crores (Rupees Ten Crore Only) per annum.

**RESOLVED FURTHER THAT** Sri. K Kumaravel, General Manager - Finance and Company Secretary be is hereby authorized to do all such acts, things and deed as may be necessary to give effect to this resolution.”



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**12. Related Party Transaction under Section 188 of the Companies Act, 2013 with M/s. Bansal Metallic Oxides as a SPECIAL RESOLUTION**

"RESOLVED THAT pursuant to the provisions of Section 188 and other applicable provisions, if any of the Companies Act, 2013 (including any statutory modifications or re-enactments thereof for the time being in force) and subject to the compliances of all applicable laws and regulations, consent of the members of the Company be and is hereby accorded to the Board of Directors (which term shall include a committee of the Board) for a period of three years for the execution of any contract / arrangement for buying and selling of any raw material or finished goods or availing/rendering of any services including services of job work of any nature whatsoever and on such terms and conditions and at such price or prices, as the Board may deem fit, with M/s. Bansal Metallic Oxides, upto an amount not exceeding Rs. 2.00 Crores (Rupees Two Crores Only) per annum.

RESOLVED FURTHER THAT Sri. K Kumaravel, General Manager - Finance and Company Secretary be is hereby authorized to do all such acts, things and deed as may be necessary to give effect to this resolution."

**13. Related Party Transaction Under Section 188 of the Companies Act, 2013 with M/s. Ardee Industries Private Limited as a SPECIAL RESOLUTION**

"RESOLVED THAT pursuant to the provisions of Section 188 and other applicable provisions, if any of the Companies Act, 2013 (including any statutory modifications or re-enactments thereof for the time being in force) and subject to the compliances of all applicable laws and regulations, consent of the members of the Company be and is hereby accorded to the Board of Directors (which term shall include



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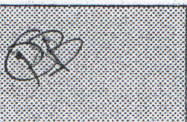
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a committee of the Board) for a period of three years for the execution of any contract/arrangement for buying and selling of any raw material or finished goods or availing/rendering of any services including services of job work of any nature whatsoever and on such terms and conditions and at such price or prices, as the Board may deem fit, with M/s. Ardee Industries Private Limited, upto an amount not exceeding Rs. 2.00 Crores (Rupees Two Crores Only) per annum.

RESOLVED FURTHER THAT Sri. K Kumaravel, General Manager - Finance and Company Secretary be is hereby authorized to do all such acts, things and deed as may be necessary to give effect to this resolution”

14. Related Party Transaction under Section 188 of the Companies Act, 2013 with M/s. POCL Enterprises Limited as a SPECIAL RESOLUTION

“RESOLVED THAT pursuant to the provisions of Section 188 and other applicable provisions, if any of the Companies Act, 2013 (including any statutory modifications or re-enactments thereof for the time being in force) and subject to the compliances of all applicable laws and regulations, consent of the members of the Company be and is hereby accorded to the Board of Directors (which term shall include a committee of the Board) for a period of three years for the execution of any contract/arrangement for buying and selling of any raw material or finished goods or availing/rendering of any services including services of job work of any nature whatsoever and on such terms and conditions and at such price or prices, as the Board may deem fit, with M/s. POCL Enterprises Limited, upto an amount not exceeding Rs. 5 Crores (Rupees Five Crores Only) per annum.



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RESOLVED FURTHER THAT Sri. K Kumaravel, General Manager - Finance and Company Secretary be is hereby authorized to do all such acts, things and deed as may be necessary to give effect to this resolution."

Invitation to shareholders for queries/suggestions

The Chairman invited the shareholders for their queries and suggestions and announce that they may use the mike provided for the shareholders.

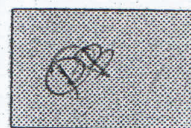
The shareholders who raised queries were (i) Sri. L.V.Rajarithnam (DP IN300394 17723774), (ii) Sri. S.Padmanabhan (DP IN301313 20285505) (iii) Sri. Ramalingam Vidhyasagar (DP 12044700 5731511) (iv) Sri. J.Abhishek (DP IN301637 41359155) and (v) Sri. K S Srinivasan (DP IN302148 10563310)

The Chairman requested the Company Secretary to place management's responses to the queries of the members. The queries were answered to the satisfaction of the shareholders. The Chairman further invited the shareholders to meet the Company Secretary in case of any more queries.

Voting by Shareholders at the venue

The Chairman informed that, shareholders who have not availed the e-voting facility can now vote by way of Ballot paper provided at the meeting.

The Chairman announced that Sri. Krishna Sharan Mishra of M/s. KSM Associates, Company Secretaries is appointed to act as the Scrutinizer to conduct the poll process in a fair and transparent manner. Sri.Krishna Sharan Mishra, Practicing Company Secretary, being the



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Scrutiniser, opened the empty ballot box in presence of the members and locked the same before voting commenced. The ballot papers were distributed to the members for casting their vote.

On behalf of the Chairman, the Company Secretary reminded the shareholders that shareholders who have already availed the e-voting facility need not vote again. The Company Secretary explained procedure to be followed by the shareholders who were desirous of casting their votes by Ballot paper.

Conclusion

Chairman informed the members that the result of the votes cast through e-voting and Ballot will be collated for the resolutions that were placed before the shareholders for their approval and the final results of the same will be disseminated through the Stock Exchanges, websites of the Company within forty eight working hours. Members may view the final results post the close of business hours on 16<sup>th</sup> September 2014.

The meeting was then declared "Closed" by the Chairman thanking all those present.

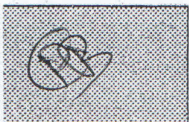
The Meeting concluded with the vote of thanks.

PLACE : Chennai

DATE : 12.09.2014



CHAIRMAN



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## **CHAIRMAN SPEECH**

Ladies and Gentlemen,

I am glad to welcome you to the 19<sup>th</sup> Annual General Meeting of your Company. Your continued trust, encouragement, support and fair criticism based on data and facts are what give us energy, enthusiasm, confidence and motivation to strive for betterment.

### **ECONOMY**

For the first time in 30 years, India has a non coalition government at the Centre. The mandate has been widely welcomed both within the country and internationally as a vote for stability. Happily for the new government, FDI inflows during the first four months have been better than the corresponding period last year. The Index of Industrial Production has turned positive, driven mainly by growth in manufacturing sector and Consumer Price Index (CPI) and Wholesale Price Index (WPI). Inflation for June dropped 100 basis points to 7.3% and 60 basis points to 5.4% respectively. The extension of the lower excise duty benefit on automobiles, capital goods and consumer durables upto December this year is likely to have a salutary effect as well.

In its maiden Budget, the new Government has signaled a number of directional changes to stabilise the economy, promote savings and boost investments, with a view to reviving economic growth. The Budget while spelling out a medium term vision for the economy also emphasises the imperatives of industrial growth and employment creation.

The proposal to raise the FDI ceiling in the Insurance and Defence sectors to 49% is also a welcome step. The Government has also signaled its intention to clear several of the stalled projects including highway projects, which augurs well for the infrastructure sector.

## **INDUSTRY STRUCTURES AND DEVELOPMENTS**

### Lead Segment

The medium term growth outlook for lead remains robust with over 4% globally and India expected to be around 6%. India is the second largest consumer of Lead after China in the Asian region and the growth prospects are positive.

As you are aware the major segments that impact the consumption of Lead and Lead Alloys are the Automotive, Telecom, Railways and Standby power out of which about 80% comes from the automotive segment only.

With the new Government focusing on a lot of infrastructure development like metro rail system, rapid rail system and many more, India is poised to be a large volume consumer of base metals and the demand is forecasted to be on the rising trend. This will help industrial productivity in turn boosting lead demand.

Long term demand for lead remains positive and bullish as till date there has been no techno-commercially sound substitute for the Lead Acid batteries, thus making Lead Acid batteries the preferred choice in years to come.

### Metallic Oxides

The Metallic Oxides consists of Zinc Oxide and Lead Oxides. The Zinc Oxide widely used in rubber and tyre industry and Lead Oxides used in batteries and in PVC Stabiliser products. The promising feature of rubber industry is the growing export demand for Auto Tyre Tubes and Belting which assures a healthy growth. As per the Rubber Board the production and consumption of rubber is expected to be around 10% for the coming years which augurs well for the growth of zinc oxide.

### Plastic Additives

PVC Stabilizers is another most promising segment. PVC pipes and fittings account for 70% of PVC applications. Due to the greater emphasis of government strategy to invest in the sectors of water supplies, agriculture, irrigation projects and infrastructure, the demand for PVC pipes is bound to grow. Besides, demand for PVC profiles for doors and window frames are growing as environmental concerns over deforestation is leading to discouragement of use of wood. The role of PVC stabilizers in these areas of applications are entering into a growing phase with huge export potential, hence, the demand for PVC stabilizers till 2016 - 17 is expected to be around 12% per annum.

### **OPERATIONS**

For the Financial Year 2013-14, Your Company's revenue was Rs. 44,824 Lakhs thereby showing a growth of 31% compared to previous years. Exports of the Company increased from Rs. 14,061 Lakhs to Rs. 21,366 Lakhs showing an increase of 52% over the previous year and your Company earned a Net Profit of Rs. 281 Lakhs.

Considering the Company's performance, your Board has proposed a Dividend of 10% for the year 2013-14

Further I am happy to inform that your Company has been awarded a Gold Trophy for being one of the Top Exporter from the southern region under MSME category for the financial year 2011-12 by Engineering Export Promotion Council (EEPC India) and also selected for the financial year 2012-13.

### **OUTLOOK**

As informed to you and obtained permission through the Court Convened Meeting, Postal Ballot and e-Voting, Your Company is in the process of getting approval from the Hon'ble High Court of Madras for the Demerger of four units of the Company representing Metallic Oxides and Plastic Additives Segment with the subsidiary Company M/s. POCL Enterprises Limited.

The proposed demerger will help the company for better risk management, focus attention on the respective division, positive impact on the company's growth and to get appreciation for the original investment made by the shareholders on higher turnover and profitability through two listed entities.

Further **POCL** is also setting up its lead smelter in Chittoor District in Seemandra, which will commence trial productions by Quarter- 4 Financial Year 14-15 and the timing, will be right as the market for lead moves to a deficit state.

### **ACKNOWLEDGEMENTS**

I am impressed by the dedication, talent and sense of belongingness by one and all Employees, Officers and Directors at **POCL**. Our Employees are our real assets.

On behalf of the Board and on my own behalf, I place on record my sincere appreciation and gratitude to our customers, depositors, shareholders, bankers and mutual funds for their continued support and the confidence they have reposed in the Company.

To conclude, I along with all the Board Members would like to thank you, dear shareholders for the confidence you have reposed in **POCL** and I sincerely look forward to your continued support in the journey of sustained growth.

I thank you for your attention.

**Dr. Padam C Bansal**  
**Chairman**