



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

POCL:KS:2016-17
September 19, 2016

Corporate Relationship Department,
The Stock Exchange,
Phiroze Jeejeebhoy Towers,
Dalal Street,
Mumbai – 400 001.
Phone NO.022-22721234 / 1233

Fax No.022-22721072

Dear sir,

**Sub : Submission of 21st Annual Report for the year 2015-16 of our company –
Script No.532626.**

As required under Clause 34 (1) of (Listing Obligation and Disclosure Requirements) Regulation, 2015, we attach herewith soft copy of 21st Annual Report for the year 2015-16 of our company duly adopted by the shareholders in their meeting held on September 17, 2016 for your records.

Thanking you,

Yours faithfully,
For Pondy Oxides & Chemicals Ltd.,

K.Kumaravel
GM Finance & Co. Secretary.



POCL[®]

PONDY OXIDES AND CHEMICALS LIMITED

*"You can't change the past but you can change the future,
Recycle for a better future"*

Annual Report 2015-16



PONDY OXIDES AND CHEMICALS LIMITED**BOARD OF DIRECTORS**

Mr. Anil Kumar Bansal
Chairman

Mr. Ashish Bansal
Managing Director

Mr. R.P.Bansal
Whole Time Director

Mr. Anil Kumar Sachdev
Mr. G P Venkateswaran
Dr. Shoba Ramakrishnan
Independent Directors

Key Managerial Personnel
Mr. K. Kumaravel
GM Finance & Company Secretary

Mr. L. Krishnamoorthy
Chief Financial Officer

FACTORY DIVISIONS

Smelter Division [SMD] - I
G-17 to G-19 & G-30 to G-32,
SIPCOT Industrial Park, Mambakkam Village,
Pondur Post, Sriperumbudhur,
District – Kancheepuram,
Tamilnadu – 602 105

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

Trading Division
G-1, SIPCOT Industrial Park,
Pondur Post, Sriperumbudhur,
District – Kancheepuram,
Tamilnadu – 602 105

REGISTERED OFFICE

KRM Centre, 4th Floor,
2, Harrington Road,
Chetpet, Chennai - 600 031.
Telephone No. : +91-044-42965454
Fax No. : +91-044-42965455
Email : kk@pocl.co.in

AUDITORS

Statutory Auditors
M/s. Jeeravla & Co.,
Chartered Accountants
New # 27 (Old # 19A) 1st Floor, Barnaby Road,
Kilpauk, Chennai - 600 010
Phone No. : +91-044 - 26421022

Cost Auditors

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

Secretarial Auditors

KSM Associates,
Company Secretaries,
Office No. 40, TNHB Complex,
No. 180, Luz Church Road, Chennai - 600 004.
Phone No. : +91-044 - 4353 5195

BANKERS

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

REGISTRAR AND SHARE TRANSFER AGENTS

M/s. Cameo Corporate Services Limited
Subramanian Building,
1, Club House Road,
Chennai – 600 002
Phone : 91-044-28460390 [5 lines]
Fax : 91-044-28460129
E-mail : cameo@cameo.india.com

LISTING

The Bombay Stock Exchange

TWENTY FIRST ANNUAL GENERAL MEETING

Day : Saturday **Date** : September 17, 2016 **Time** : 11.30 a.m.

Venue : Kasturi Srinivasan Hall (Mini Hall), Music Academy, 306, T.T.K.Road, Chennai – 600 014

CONTENTS

	<u>Page No.</u>
Board's Report	3
Management Discussion and Analysis Report	28
Report on Corporate Governance	32
Independent Auditor's Report	45
Balance Sheet	51
Statement of Profit and Loss	52
Cash Flow Statement	53
Significant Accounting Policies	54
Notes	60
Notice	76

BOARD'S REPORT

Dear Shareholders,

Your Directors have pleasure in presenting the 21st Annual Report on your business and operation together with the Audited Financial Statements for the year ended March 31, 2016.

FINANCIAL HIGHLIGHTS

The Company's financial performance for the year ended March 31, 2016 is summarized below:

PARAMETERS	2015-16 Rs. in Lacs	2014-15 Rs. in Lacs
Operational Income	46,467.46	37,296.10
Other Income	108.05	207.26
EBIDAT	2,746.59	1,908.73
Interest and Financial Charges	757.60	698.62
Depreciation & Amortization	388.59	239.56
Profit before taxation	1,600.40	970.55
Provision for taxes including deferred tax	587.67	299.52
Net Profit for the year	1,012.73	671.03

PERFORMANCE OVERVIEW

The highlights of the Company's performance are as under:

- The Company achieved highest turnover and profit for the financial year 2015-16 from the date of inception of the company.
- The adjusted revenue from Smelter Division - I of the company increased from Rs. 36,227 Lacs to Rs. 43,389 Lacs showing a growth of 20% in turnover over the previous year.
- Profit before tax (PBT) for the year was Rs. 1,600.40 Lacs against Rs. 970.55 Lacs for the previous year and Profit after tax (PAT) for the year was Rs. 1,012.73 Lacs against Rs. 671.03 Lacs for the previous year.
- Profit after tax has registered an impressive growth of 51%

MATERIAL CHANGES & COMMITMENT AFFECTING THE FINANCIAL POSITION OF THE COMPANY

There are no material changes affecting the financial position of the Company subsequent to the end of the financial year of the Company till the date of this report.

PARTICULARS OF SUBSIDIARY COMPANY, ASSOCIATE COMPANY AND JOINT VENTURE COMPANY

The Company is neither a holding company of any other company nor it is a subsidiary of any other company as on March 31, 2016.

The Company has no Associate Company nor does it have any Joint Venture Company as on March 31, 2016.

DIVIDEND

Your Directors have recommended a dividend of Rs.2/- per equity share [i.e. 20%] for the financial year 2015-16. The dividend payout is subject to the approval of the shareholders at the ensuing Annual General Meeting.

Twenty First Annual Report 2015-16

The total cash flow on account of dividend including distribution tax thereon will be Rs. 139.09 Lacs.

TRANSFER TO RESERVES

During the year under review your Company transferred Rs.60.00 Lacs to General Reserves from the current year profit.

BOARD MEETINGS

During the year, five meetings of the Board of Directors were held. The details of the meetings are furnished in the Corporate Governance Report.

DIRECTORS AND KEY MANAGERIAL PERSONNEL

Directors

During the year under review, shareholders reappointed Mr. Anil Kumar Bansal as Chairman and Whole time Director, Mr. Ashish Bansal as Managing Director and Mr. R. P. Bansal as Whole Time Director for a further period of three years upto March 2018.

During the year, the Board of Directors appointed Mr. G. P. Venkateswaran as Independent Director of the Board of Company with effect from November 12, 2015. The company has received declaration from Independent Director confirming that he meets the criteria of independence as prescribed both under the Act and Clause 49 of the Listing Agreement and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

During the year, Dr. Padam C Bansal and Mr. P. N. Sridharan, resigned from the Board of Directors of the Company with effect from April 6, 2015 and February 5, 2016 respectively due to pre-occupation in other activities. The Board places on record the valuable contribution made by the above Directors during their tenure as Director of the Company.

As per the provisions of Section 152 of the Companies Act, 2013, Mr.R.P Bansal is liable to retire by rotation and has offered himself for re-appointment. The Board recommends his re-appointment.

The other Directors on the Board are Mr. Anil Kumar Sachdev and Dr. Shoba Ramakrishnan who are independent directors.

Independent Directors provide their declaration both at the time of appointment and annually confirming that they meet the criteria of independence as prescribed under Companies Act, 2013 and SEBI Listing Regulations.

Key Managerial Personnel

Pursuant to provisions of Section 203 of the Act Mr. Anil Kumar Bansal, Chairman, Mr. Ashish Bansal, Managing Director and Mr. R. P. Bansal, Whole Time Director, Mr. K. Kumaravel, Company Secretary and Mr. L. Krishnamoorthy, Chief Financial Officer are the Key Managerial Personnel of the Company.

BOARD COMMITTEES

In compliance to the provisions of Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements), Regulations 2015, the Company has constituted various Committees of the Board. The details on Composition of the Committee, Attendance of the Directors at the Committee Meeting and terms of reference of the Committee has been provided in the Corporate Governance Report forming part of this Annual Report.

Details of the constitution of these Committees, which are in accordance with regulatory requirements, have been also uploaded on the website of the Company www.pocl.co.in

RECOMMENDATION OF AUDIT COMMITTEE

During the year under review, all the recommendations made by the Audit Committee were accepted by the Board.

AUDITORS

Statutory Auditors

As per the provisions of Section 139 of the Companies Act, 2013, the Members of the Company in the previous Annual General Meeting had appointed M/s. Jeeravla & Co., Chartered Accountants as the Statutory Auditors of Company for a period of two years subject to ratification of the appointment by the shareholders of the Company.

They have confirmed their eligibility and willingness to accept office, if re-appointed.

The Board recommends the ratification of appointment of M/s. Jeeravla & Co., Chartered Accountants as Statutory Auditors of the Company to hold office till the conclusion of the 22nd Annual General Meeting of the Company. The members are requested to authorize the Board of Directors to fix their remuneration.

The report of the Statutory Auditors along with annexure to the report is enclosed.

During the period under review, there are no audit qualifications or adverse remark in financial statements.

Cost Auditors

The Board of Directors at their meeting held on July 27, 2015 has appointed M/s. Vivekanandan Unni & Associates, Cost Accountants (having Firm Registration No: 00085) as Cost Auditor of the Company to audit the cost records for the financial year 2015-16.

The Board had approved remuneration of Rs. 30,000/- (Rupees Thirty Thousand Only) in addition to service tax and out of pocket expenses. As per the provisions of Section 148 of the Companies Act, 2013, the remuneration of the Cost Auditor is required to be ratified by the shareholders of the Company. The Board recommends for ratification of remuneration of M/s. Vivekanandan Unni & Associates to the Members of the Company.

In respect of the cost audit for the year 2014-15, the Cost Audit Report does not contain any qualification, reservation or adverse remark.

Secretarial Auditors

Pursuant to provisions under Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Board of Directors of the Company has appointed M/s. KSM Associates, Practicing Company Secretaries to undertake Secretarial Audit for the financial year 2015-16. The Secretarial Audit Report is annexed to and forms part of this report as Annexure I.

The Secretarial Audit Report does not contain any qualification, reservation or adverse remarks on the Compliance and Corporate Governance of the Company.

FRAUD REPORTED BY AUDITORS

The Auditors have not reported any fraud under Section 143(12).

EXTRACT OF ANNUAL RETURN

An extract of Annual Return pursuant to Section 134(3)(a) and Section 92(3) of the Companies Act, 2013 in the prescribed Form MGT- 9 is annexed herewith as Annexure II to this report.

PARTICULARS OF REMUNERATION OF DIRECTORS AND EMPLOYEES U/S 197(12) OF THE COMPANIES ACT, 2013

Details pertaining to remuneration as required under Section 197(12) of the Companies Act, 2013 read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 has been provided as Annexure III to this Report.

PARTICULARS OF LOANS, INVESTMENT, GUARANTEE AND SECURITY U/S 186(4) OF THE COMPANIES ACT, 2013

During the year under review, the Company has not made, given or provided any loans/investment/guarantee/security to any person or body corporate as specified under Section 186 of the Companies Act, 2013.

CONTRACTS AND ARRANGEMENTS WITH RELATED PARTIES

All transactions entered by the Company during the financial year with related parties were in the ordinary course of business and on an arm's length basis. The particulars of transactions entered with related parties as referred to in Section 188(1) of the Companies Act, 2013 are provided in AOC-2 which is given in Annexure IV to this Report.

The Policy on related party transactions as approved by the Board may be accessed on the Company's website at the link <http://pocl.co.in/policies/Related-Party-Transaction.pdf>

Your Directors draw attention of the members to Note No. 33 to the financial statements, which sets out related party disclosures.

REMUNERATION POLICY OF THE COMPANY

The Remuneration Policy of the Company comprising of appointment and remuneration of the Directors, Key Managerial Personnel and Senior Management Personnel of the Company including the criteria for determining qualifications, positive attributes, independence of Director and other related matters may be accessed on the Company's website at the link <http://pocl.co.in/policies/Nomination-and-Remuneration-Policy.pdf>

CORPORATE SOCIAL RESPONSIBILITY

This year in compliance with Section 135 of the Companies Act, 2013, on Corporate Social Responsibility the Company formed the CSR Committee and framed the policy. The Policy is available on Company's web-site http://pocl.co.in/policies/CSR_Policy.pdf. The initiatives undertaken by the Company on CSR activities during the year and reason for not spending the amount on Corporate Social Responsibility during the year 2015-16 are as follows:

Based on the mandatory requirement to spend the money on CSR activities as per the audited accounts for the year 2014-15, the Company formed the CSR Committee and adopted the CSR Policy in its meeting held on November 12, 2015. Subsequently based on the policy approved by the committee, the company was in the process of identifying programmes / projects and found difficult to identify the implementing agency before the end of the financial year 2015-16.

Further, the amount to be spent is only Rs.12.00 lacs for 2015-16 and projects referred to the committee were for the higher amount, the Company was not able to spend the money before March 31, 2016. Company will take steps to spend the money in the financial year 2016-17

INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO THE FINANCIAL STATEMENT

Details of internal financial control and its adequacy are included in the Management Discussion and Analysis Report, which forms part of this Report.

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

(i) Conservation of Energy

Steps taken on conservation of energy:

POCL understands the significance of conservation of energy not only as a method of cost reduction but also because of its global impact. The Company has taken following steps for conserving the energy:

- The modification of refining Pot Motor stirrer resulted in reducing the HP from 30 to 25 and has also resulted in the saving of Rs.3.75 Lacs
- EOT crane variable frequency drive fitted for long travel resulted in energy efficiency of 5%.
- VFD introduced in centrifuging system and flaker machine resulted in savings of 10% in power and increase in production by 15%

Steps taken for utilizing alternate source of energy and capital investment made

The Company strives to use alternative energy sources in all its locations.

(ii) Research and Development and Technology absorption

During the year under review, the Company continued to improve the quality of products through its normal research and development system. The Company has not acquired any imported or indigenous technology. No expenditure was incurred on Research and Development.

(iii) Foreign Exchange Earnings and Outgo

- | | |
|-------------------------------|----------------------|
| (a) Foreign Exchange Earnings | - Rs. 13,674.05 Lacs |
| (b) Foreign Exchange Outgo | - Rs. 38,565.89 Lacs |

TRANSFER TO INVESTOR EDUCATION AND PROTECTION FUND

As at March 31, 2016, Dividend amounting to Rs. 10.83 Lacs has not been claimed by shareholders. The Company has been intimating the shareholders to lodge their claim for dividend from time to time.

As per the provisions of Section 205A(5) and 205C of the Companies Act, 1956 (Section 124 and 125 of the Act) or as amended or re-enacted, dividends which remained unpaid or unclaimed for a period of 7 years from the date of transfer to the unpaid dividend account are required to be credited to IEPF.

Accordingly, unclaimed dividend amount of Rs 1.70 Lacs in respect of the financial year 2007-08 was transferred to IEPF during the year.

Further, unclaimed dividend amounting to Rs. 0.75 Lacs in respect of the financial year 2008-09 is due for transfer to IEPF on September 21, 2016.

In terms of Section 205C of the Companies Act, 1956, no claim would lie against the Company or the said fund after the said transfer.

Pursuant to the provisions of Investor Education and Protection Fund (uploading of information regarding unpaid and unclaimed amounts lying with Companies) Rules, 2012 the company has uploaded the details of unpaid and unclaimed amounts lying with the Company as on March 31, 2016 on its website (www.pocl.co.in).

DISCLOSURES WITH RESPECT TO DEMAT SUSPENSE ACCOUNT/ UNCLAIMED SUSPENSE ACCOUNT

The Company has observed that some physical certificates issued pursuant to the Demerger of the Company have returned undelivered to the Company. Attention of the members holding the Company's shares in physical form is invited to check and tally their holding with the certificates in their possession and revert in case of any discrepancy in holdings. In case there is no response after three reminders, the unclaimed shares shall be transferred to one folio in the name of "Unclaimed Suspense Account" and the voting rights on such shares shall remain frozen until the rightful owner claims the shares. The details of such returned certificates are available on the website of the Company (www.pocl.co.in).

CORPORATE GOVERNANCE

The report on corporate governance for the year ended March 31, 2016 pursuant to Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is annexed hereto and forms an integral part of this report. The Certificate from the auditor regarding the compliance of conditions of corporate governance is attached to the report on corporate governance.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Management Discussion and Analysis Report for the year under review, as stipulated under Regulation 34 (3) read with Schedule IV of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015., is presented in a separate section forming part of the Annual Report.

BOARD EVALUATION

As required under the provisions of Section 134(3)(p) of the Companies Act, 2013, the Board has carried out a formal annual evaluation of its own performance, and that of its committees and individual directors. The manner in which such performance evaluation was carried out is as under:

The performance evaluation framework is in the form of questionnaires. The questionnaire is set such that it reviews the effectiveness and efficiency of the Board/Committee/Individual Directors. The questionnaires are circulated to all the directors to seek their response on the evaluation. The evaluation framework provides for performance parameters and possible paths for improvements.

DEPOSITS

The Company has not invited/accepted deposits from public during the year under review. The details of loans received from individual Directors of the Company are disclosed in related party transaction in Note No. 33 to financial statements.

SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS

During the year under review, there is no significant and material orders passed by the regulators or courts.

DIRECTORS' RESPONSIBILITY STATEMENT

Your Directors confirm:

- a) that in the preparation of the Annual Accounts the applicable Accounting Standards have been followed along with proper explanation in relation to material departures.
- b) that they had 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 and the profit of the Company for that year.
- c) that they had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities.
- d) that they have prepared the Annual Accounts on a going concern basis.
- e) that they have laid down internal financial controls to be followed by the Company and such internal financial controls are adequate and were generally operating effectively*; and
- f) that they had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

* please refer to the Section "Internal Control Systems and their Adequacy in the Management Discussion and Analysis Report".

DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORK PLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

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. Internal Complaints Committee (ICC) has been set up to redress complaints received regarding sexual harassment. All employees (permanent, contractual, temporary, trainees) are covered under this policy.

During the year under review, there were no complaints received pursuant to the Sexual Harassment of Women at the Workplace (Prevention, Prohibition & Redressal) Act, 2013

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, vendors and shareholders. Your Directors recognize 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.

CAUTIONARY STATEMENT

Certain statements in the Board's Report describing the Company's operations, objectives, projects and expectations regarding future performance may constitute 'forward looking statements' within the meaning of applicable laws and regulations. Actual results may differ materially from those expressed/implied, depending on the economic conditions, Government policies and other incidental factors and developments.

For and on behalf of the Board of Directors

Place : Chennai
Date : May 26, 2016

Ashish Bansal
Managing Director
DIN: 01543967

Anil Kumar Bansal
Chairman
DIN: 00232223

**SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31ST MARCH 2016**

[Pursuant to section 204(1) of the Companies Act, 2013 and rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members,
M/s Pandy Oxides and Chemicals Limited
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 M/s. Pandy Oxides and Chemicals Limited (hereinafter called the company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on our verification of M/s. Pandy Oxides and Chemicals Limited 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 authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the company has, during the audit period covering the financial year ended on 31st March, 2016 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 the Company for the financial year ended on 31st March, 2016 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, 1992;¹
 - c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
 - d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999²;

¹ The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, with effect from 15th May 2015

² Not applicable to the Company, as it does not have any such Scheme.

- e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008³;
 - 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, 2009⁴; and
 - h) The Securities and Exchange Board of India (Buy-back of Securities) Regulations, 1998⁵;
- (vi) Following other laws applicable specifically to the company:
- a) Air (Prevention & Control of Pollution) Act, 1981 and The Air (Prevention & Control of Pollution) Rules, 1982
 - b) Water (Prevention and Control of Pollution) Act, 1974 and The Water (Prevention and Control of Pollution) Rules, 1974.
 - c) Water (Prevention and Control of Pollution) Cess Act, 1977 & Water (Prevention and Control of Pollution) Cess Rules, 1978
 - d) The Environment (Protection) Act, 1986 and The Environment (Protection) Rules, 1986
 - e) Hazardous Wastes (Management, Handling and Transboundary Movement) Rules 2008
 - f) The Factory Act, 1948 & The Factories Rules, 1950
 - g) The Tamil Nadu Factories Rules, 1950.
 - h) The Employees State Insurance Act, 1948
 - i) The Industrial Employment (Standing Orders) Act , 1946
 - j) Industrial Disputes Act, 1947
 - k) Minimum Wages Act, 1948
 - l) Payment of Wages Act, 1936
 - m) TN Shop and Establishment Act and Rules thereunder
 - n) The Employees Provident Fund and Miscellaneous Provisions Act , 1952
 - o) Payment of Bonus Act, 1965
 - p) Payment of Gratuity Act, 1972
 - q) The Employees Compensation Act , 1923
 - r) The Legal Metrology Act, 2009 and the rules made thereunder.

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

- (i) Secretarial Standards with respect to Meetings of Board of Directors (SS-1) and General Meetings (SS-2) issued by The Institute of Company Secretaries of India (made mandatory with effect from 1st July 2015)
- (ii) The Listing Agreements entered into by the Company with Bombay Stock Exchange.

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.

³ Not applicable to the Company, as the Company does not have any debts listed.

⁴ Not applicable to the Company, as there was no delisting done during the year.

⁵ Not applicable to the Company, as there was no buy-back by the Company during the year

Twenty First Annual Report 2015-16

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent, at least seven days before the meeting, 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. referred to above were undertaken/done by the Company.

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

Place : Chennai
Date : 26th May 2016

Krishna Sharan Mishra
Practicing Company Secretary
FCS 6447; CP 7039

To,
The Members,
Pondy Oxides and Chemicals Limited
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 and tax records and books of accounts of the Company.
- d. Wherever required, we have obtained the Management Representation about the compliance of laws, rules and regulations and happening of events etc.
- e. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of the procedures on test/sample basis.
- f. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For KSM Associates, Company Secretaries

Place : Chennai
Date : 26th May 2016

Krishna Sharan Mishra
Practicing Company Secretary
FCS 6447; CP 7039

FORM NO. MGT-9

EXTRACT OF ANNUAL RETURN

As on financial year ended on March 31, 2016

*Pursuant to Section 92(3) of the Companies Act, 2013 and Rule 12(1) of the Company
(Management & Administration) Rules, 2014*

I. REGISTRATION AND OTHER DETAILS

i	CIN	L24294TN1995PLC030586
ii	Registration Date	21/03/1995
iii	Name of the Company	Pondy Oxides and Chemicals Limited
iv	Category/Sub-Category of the Company	Public Company Limited by Shares; Indian Non-Government Company
v	Address of the Registered Office & Contact Details	KRM Centre, 4th Floor, # 2 Harrington Road, Chetpet, Chennai-600031 Telephone No. : +91-044-42965454 Fax No. : +91-044-42965455 Email : info@pocl.co.in Website : www.pocl.co.in
vi	Whether Listed Company	Yes
vii	Name, Address & Contact Details of the Registrar & Transfer Agent, if any.	M/s. Cameo Corporate Services Limited Subramanian Building, No.1, Club House Road Chennai – 600 002 Tel: 044-2846 0390; Fax: 044 2846 0129 Email: cameo@cameo.india.com Website: www.cameoindia.com

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10 percent or more of the total turnover of the company shall be stated

Sl. No	Name and Description of main Products/Services	NIC Code of the Product/Service	% to total turnover of the Company
1	Lead Metal & Alloy	24203- Manufacture of Lead, Zinc & Tin Products & Alloys	95.85

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

SI No	Name and Address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of Shares Held	Applicable Section
1		Nil			

IV. SHAREHOLDING PATTERN (EQUITY SHARE CAPITAL BREAKUP AS PERCENTAGE TO TOTAL EQUITY)

(i) Category-wise shareholding

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year #
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/HUF	25,90,839	0	25,90,839	46.46	25,78,435	0	25,78,435	46.24	-0.22
b) Central Govt	0	0	0	0.00	0	0	0	0.00	0.00
c) State Govt(s)	0	0	0	0.00	0	0	0	0.00	0.00
d) Bodies Corporates	95,307	0	95,307	1.71	89,807	0	89,807	1.61	-0.10
e) Bank/FI	0	0	0	0.00	0	0	0	0.00	0.00
f) Any Other	0	0	0	0.00	0	0	0	0.00	0.00
SUB- TOTAL (A)(1)	26,86,146	0	26,86,146	48.17	26,68,242	0	26,68,242	47.85	-0.32
(2) Foreign									
a) NRI- Individuals	0	0	0	0.00	0	0	0	0.00	0.00
b) Other Individuals	0	0	0	0.00	0	0	0	0.00	0.00
c) Bodies Corporate	0	0	0	0.00	0	0	0	0.00	0.00
d) Banks/FI	0	0	0	0.00	0	0	0	0.00	0.00
e) Any Other- Director Relative NRI	2,12,813	0	2,12,813	3.82	2,12,813	0	2,12,813	3.82	0.00
SUB TOTAL (A)(2)	2,12,813	0	2,12,813	3.82	2,12,813	0	2,12,813	3.82	0.00
Total Shareholding of Promoter (A)= (A)(1)+(A)(2)	28,98,959	0	28,98,959	51.99	28,81,055	0	28,81,055	51.67	-0.32
B. PUBLIC SHAREHOLDING									
(1) Institutions									
a) Mutual Funds	0	0	0	0.00	0	0	0	0.00	0.00
b) Banks/FI	0	0	0	0.00	0	0	0	0.00	0.00
c) Central Govt	0	0	0	0.00	0	0	0	0.00	0.00
d) State Govt(s)	0	0	0	0.00	0	0	0	0.00	0.00
e) Venture Capital Fund	0	0	0	0.00	0	0	0	0.00	0.00
f) Insurance Companies	0	0	0	0.00	0	0	0	0.00	0.00
g) FIs	0	0	0	0.00	0	0	0	0.00	0.00
h) Foreign Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0.00
i) Others (specify)	0	0	0	0.00	0	0	0	0.00	0.00
SUB TOTAL (B)(1)	0	0	0	0.00	0	0	0	0.00	0.00

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Twenty First Annual Report 2015-16

IV. SHAREHOLDING PATTERN (EQUITY SHARE CAPITAL BREAKUP AS PERCENTAGE TO TOTAL EQUITY)

(i) Category-wise shareholding

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
(2) Non Institutions									
a) Bodies corporates									
i) Indian	2,67,165	5	2,67,170	4.79	1,94,965	5	1,94,970	3.50	-1.29
ii) Overseas	0	0	0	0.00	0	0	0	0.00	0.00
b) Individuals									
i) Individual shareholder holding nominal share capital upto Rs. 1 Lac	18,14,565	1,04,521	19,19,086	34.42	17,83,606	1,00,837	18,84,443	33.80	-0.62
ii) Individual shareholder holding nominal share capital in excess of Rs. 1 Lac	3,57,453	0	3,57,453	6.41	4,70,852	0	4,70,852	8.44	2.03
c) Others (specify)									
i) Clearing Members	9,511	0	9,511	0.17	5,962	0	5,962	0.11	-0.06
ii) Directors & their Relatives	0	1,935	1,935	0.03	0	1,935	1,935	0.03	0.00
iii) Hindu Undivided Families	82,162	0	82,162	1.47	86,380	0	86,380	1.55	0.08
iv) Non-Resident Indian	38,723	0	38,723	0.69	50,396	0	50,396	0.90	0.21
v) Others	994	0	994	0.02	0	0	0	0.00	-0.02
SUB TOTAL (B)(2)	25,70,573	1,06,461	26,77,034	48.01	25,92,161	1,02,777	26,94,938	48.33	0.32
Total Public Shareholding(B)= (B)(1)+(B)(2)	25,70,573	1,06,461	26,77,034	48.01	25,92,161	1,02,777	26,94,938	48.33	0.32
C. Shares held by Custodian for GDRs & ADRs	0	0	0	0.00	0	0	0	0.00	0.00
Grand Total (A+B+C)	54,69,532	1,06,461	55,75,993	100.00	54,73,216	1,02,777	55,75,993	100.00	0.00

(ii) Shareholding of Promoters

SI No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in share holding during the year
		No. of Shares	% of total shares of the Company	% of shares pledged/encumbered to total shares	No. of shares	% of total shares of the company	% of shares pledged/encumbered to total shares	
1	Mr. Ashish Bansal	3,89,063	6.98	0	6,31,194	11.32	0	4.34
2	Mr. Anil Kumar Bansal	3,60,097	6.46	0	6,21,079	11.14	0	4.68
3	Mrs. Neelam Bansal	3,09,849	5.56	0	1,401	0.03	0	-5.53
4	Mrs. Manju Bansal	2,92,550	5.25	0	5,12,627	9.19	0	3.95
5	Mr. R P Bansal	2,87,808	5.16	0	4,89,802	8.78	0	3.62
6	Mr. Devakar Bansal	2,42,416	4.35	0	0	0.00	0	-4.35
7	Mr. Sunil Kumar Bansal	2,39,873	4.30	0	6,777	0.12	0	-4.18
8	Mrs. Vandana Bansal	2,27,393	4.08	0	2,500	0.04	0	-4.03
9	Dr. Padam C Bansal	2,12,813	3.82	0	2,12,813	3.82	0	0.00
10	Mr. Pawan Kumar Bansal	1,23,290	2.21	0	1,23,290	2.21	0	0.00
11	Mrs. Saroj Bansal	1,01,574	1.82	0	1,83,175	3.29	0	1.46
12	M/s. Ardee Industries Pvt Ltd	95,307	1.71	0	89,807	1.61	0	-0.10
13	Mr. Harsh Bansal	12,512	0.22	0	2,176	0.04	0	-0.19
14	Mrs. Charu Bansal	2,762	0.05	0	2,762	0.05	0	0.00
15	Mrs. Megha Choudhari	1,640	0.03	0	1,640	0.03	0	0.00
16	Mr. Sagar Bansal	12	0.00	0	12	0.00	0	0.00
	TOTAL	28,98,959	51.99	0	28,81,055	51.67	0	-0.32

During the year 2015-16, Promoters have made inter se transfer of shares amongst themselves under Regulation 10(1)(a)(i) of SEBI (SAST) Regulations, 2011 (Inter se transfer of shares amongst immediate relatives)

(iii) Change in Promoters' Shareholding

SI.No.	Name of the Shareholder	Share holding at the beginning of the Year		Cumulative Share holding during the year/shareholding at year end	
		No. of Shares	% of total shares of the Company	No. of shares	% of total shares of the Company
1.	Mr. Ashish Bansal				
	At the Beginning of year	3,89,063	6.98	3,89,063	6.98
	- Purchase on 26.04.2015	2,742	0.05	3,91,805	7.03
	- Purchase on 28.04.2015	894	0.02	3,92,699	7.04
	- Purchase on 30.04.2015	856	0.02	3,93,555	7.06
	- Purchase on 31.08.2015	1,27,553	2.29	5,21,108	9.35
	- Purchase on 03.09.2015	83,799	1.50	6,04,907	10.85
	- Purchase on 04.09.2015	25,467	0.46	6,30,374	11.31
	- Purchase on 07.09.2015	720	0.01	6,31,094	11.32
- Purchase on 19.11.2015	100	0.00	6,31,194	11.32	
	At the End of the year			6,31,194	11.32
2	Mr. Anil Kumar Bansal				
	At the Beginning of year	3,60,097	6.46	3,60,097	6.46
	- Purchase on 27.08.2015	7,18,598	12.89	10,78,695	19.35
	- Sold on 27.08.2015	(4,57,616)	8.21	6,21,079	11.14
	At the End of the year			6,21,079	11.14

Twenty First Annual Report 2015-16

Sl.No.	Name of the Shareholder	Share holding at the beginning of the Year		Cumulative Share holding during the year/shareholding at year end	
		No. of Shares	% of total shares of the Company	No. of shares	% of total shares of the Company
3	Mrs.Neelam Bansal At the Beginning of year - Sold on 28.08.2015 At the End of the year	3,09,849 (3,08,448)	5.56 5.53	3,09,849 1,401 1,401	5.56 0.03 0.03
4	Mrs.Manju Bansal At the Beginning of year - Purchase on 31.08.2015 - Purchase on 03.09.2015 - Purchase on 04.09.2015 - Purchase on 07.09.2015 At the End of the year	2,92,550 1,17,802 84,232 17,995 48	5.25 2.11 1.51 0.32 0.00	2,92,550 4,10,352 4,94,584 5,12,579 5,12,627 5,12,627	5.25 7.36 8.87 9.19 9.19 9.19
5	Mr.R.P.Bansal At the Beginning of year - Purchase on 31.08.2015 - Purchase on 02.09.2015 - Purchase on 03.09.2015 - Purchase on 04.09.2015 - Purchase on 07.09.2015 At the End of the year	2,87,808 1,08,369 84,685 33 7,441 1,466	5.16 1.94 1.52 0.00 0.13 0.03	2,87,808 3,96,177 4,80,862 4,80,895 4,88,336 4,89,802 4,89,802	5.16 7.11 8.62 8.62 8.76 8.78 8.78
6	Mr.Devakar Bansal At the Beginning of year - Sold on 28.08.2015 At the End of the year	2,42,416 (2,42,416)	4.35 4.35	2,42,416 0 0	4.35 0.00 0.00
7	Mr.Sunil Kumar Bansal At the Beginning of year - Sold on 28.08.2015 - Sold on 16.10.2015 - Sold on 23.10.2015 - Purchase on 06.11.2015 - Sold on 04.12.2015 At the End of the year	2,39,873 (2,26,436) (3,800) (2,200) 340 (1,000)	4.30 4.06 0.07 0.04 0.01 0.02	2,39,873 13,437 9,637 7,437 7,777 6,777 6,777	4.30 0.24 0.17 0.13 0.13 0.11 0.11
8	Mrs.Vandana Bansal At the Beginning of year - Sold on 28.08.2015 At the End of the year	2,27,393 (2,24,893)	4.08 4.03	2,27,393 2,500 2,500	4.08 0.04 0.04
9	Dr.Padam C Bansal At the Beginning of year At the End of the year	2,12,813	3.82	2,12,813 2,12,813	3.82 3.82
10	Mr.Pawan Kumar Bansal At the Beginning of year At the End of the year	1,23,290	2.21	1,23,290 1,23,290	2.21 2.21

Sl.No.	Name of the Shareholder	Share holding at the beginning of the Year		Cumulative Share holding during the year/shareholding at year end	
		No. of Shares	% of total shares of the Company	No. of shares	% of total shares of the Company
11	Mrs.Saroj Bansal				
	At the Beginning of year	1,01,574	1.82	1,01,574	1.82
	- Purchase on 31.08.2015	43,815	0.79	1,45,389	2.61
	- Purchase on 07.09.2015	37,786	0.68	1,83,175	3.29
	At the End of the year			1,83,175	3.29
12	M/s.Ardee Industries Pvt Ltd				
	At the Beginning of year	95,307	1.71	95,307	1.71
	- Sold on 09.10.2015	(5,500)	0.10	89,807	1.61
	At the End of the year			89,807	1.61
13	Mr.Harsh Bansal				
	At the Beginning of year	12,512	0.22	12,512	0.22
	- Sold on 24.04.2015	(1,000)	0.02	11,512	0.21
	- Sold on 01.05.2015	(1,000)	0.02	10,512	0.19
	- Sold on 08.05.2015	(1,000)	0.02	9,512	0.17
	- Sold on 15.05.2015	(1,000)	0.02	8,512	0.15
	- Sold on 07.08.2015	(853)	0.02	7,659	0.14
	- Sold on 25.09.2015	(3,483)	0.06	4,176	0.07
	- Sold on 09.10.2015	(2,000)	0.04	2,176	0.04
	At the End of the year			2,176	0.04
14	Mrs.Charu Bansal				
	At the Beginning of year	2,762	0.05	2,762	0.05
	At the End of the year			2,762	0.05
15	Mrs.Megha Choudhari				
	At the Beginning of year	1640	0.03	1,640	0.03
	At the End of the year			1,640	0.03
16	Mr.Sagar Bansal				
	At the Beginning of year	12	0.00	12	0.00
	At the End of the year			12	0.00

During the year 2015-16, Promoters have made inter se transfer of shares amongst themselves under Regulation 10(1)(a)(i) of SEBI (SAST) Regulations, 2011 (Inter se transfer of shares amongst immediate relatives)

Twenty First Annual Report 2015-16

(iv) Shareholding Pattern of top ten Shareholders (Other than Directors, Promoters and Holders of GDRs and ADRs)

Name of the Shareholder	Share holding at the beginning of the Year		Cumulative Share holding during the year	
	No. of Shares	% of total shares of the Company	No. of shares	% of total shares of the Company
Sangeetha S	1,07,145	1.92	1,07,145	1.92
- Sold on 08.05.2015	1,595	0.03	1,05,550	1.89
- Sold on 14.08.2015	1,260	0.02	1,04,290	1.87
- Sold on 21.08.2015	900	0.02	1,03,390	1.85
- At the year end			1,03,390	1.85
Dipak Kanayalal Shah	50,000	0.90	50,000	0.90
- Sold on 08.05.2015	10,000	0.18	40,000	0.72
- Sold on 15.05.2015	2,000	0.04	38,000	0.68
- Sold on 22.05.2015	13,000	0.23	25,000	0.45
- Sold on 29.05.2015	10,000	0.18	15,000	0.27
- Sold on 05.06.2015	5,000	0.09	10,000	0.18
- Sold on 28.08.2015	10,000	0.18	0	0.00
- At the year end			0	0.00
Westex Infotech Pvt Ltd	37,500	0.67	37,500	0.67
- At the year end		0.00	37,500	0.67
Asha Ramesh Tolat	33,308	0.60	33,308	0.60
- At the year end		0.00	33,308	0.60
Sathya S	32,795	0.59	32,795	0.59
- At the year end		0.00	32,795	0.59
Ramesh Shantilal Tolat	31,564	0.57	31,564	0.57
- At the year end		0.00	31,564	0.57
Shyam Sunder Gupta	27,743	0.50	27,743	0.50
- At the year end		0.00	27,743	0.50
Savitha S	22,265	0.40	22,265	0.40
- At the year end			22,265	0.40
Setu Securities Pvt Ltd	20,000	0.36	20,000	0.36
- Sold on 10.04.2015	7,500	0.13	12,500	0.22
- Sold on 24.07.2015	12,500	0.22	0	0.00
- At the year end			0	0.00
Shanthi General Finance Pvt Ltd	19,250	0.35	19,250	0.35
- Sold on 10.04.2015	15,100	0.27	4,150	0.07
- Sold on 24.07.2015	2,150	0.04	2,000	0.04
- Sold on 31.07.2015	691	0.01	1,309	0.02
- Sold on 07.08.2015	809	0.01	500	0.01
- Sold on 14.08.2015	500	0.01	0	0.00
- At the year end			0	0.00

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Name of the Shareholder	Share holding at the beginning of the Year		Cumulative Share holding during the year	
	No. of Shares	% of total shares of the Company	No. of shares	% of total shares of the Company #
Lukman Munavar Patel	8,500	0.15	8,500	0.15
- Purchase on 05.06.2015	5,000	0.09	13,500	0.24
- Purchase on 17.07.2015	21,500	0.39	35,000	0.63
- Purchase on 04.09.2015	10,000	0.18	45,000	0.81
- Purchase on 18.09.2015	1,300	0.02	46,300	0.83
- Purchase on 30.10.2015	5,000	0.09	51,300	0.92
- Purchase on 20.11.2015	6,700	0.12	58,000	1.04
- Purchase on 11.12.2015	2,000	0.04	60,000	1.08
- Purchase on 22.01.2016	2,430	0.04	62,430	1.12
- Purchase on 29.01.2016	1	0.00	62,431	1.12
- Purchase on 26.02.2016	2	0.00	62,433	1.12
- At the year end			62,433	1.12
Advait S Joshi	0	0	0	0.00
- Purchase on 10.07.2015	11,500	0.21	11,500	0.21
- Purchase on 17.07.2015	11,500	0.21	23,000	0.41
- Purchase on 24.07.2015	2,900	0.05	25,900	0.46
- At the year end			25,900	0.46
Rajeev Maheshwari	7,500	0.13	7,500	0.13
- Purchase on 10.04.2015	2,500	0.04	10,000	0.18
- Purchase on 07.08.2015	3,000	0.05	13,000	0.23
- Purchase on 18.08.2015	12,000	0.22	25,000	0.45
- Sold on 23.10.2015	2,000	0.04	23,000	0.41
- Sold on 20.11.2015	1,410	0.03	21,590	0.39
- Sold on 27.11.2015	590	0.01	21,000	0.38
- At the year end			21,000	0.38

Twenty First Annual Report 2015-16

(v) Shareholding of Directors and Key Managerial Personnel

Name of the Shareholder	Share holding at the beginning of the Year		Cumulative Share holding during the year/ Shareholding at end of the year	
	No. of Shares	% of total shares of the Company	No. of shares	% of total shares of the Company
Mr.Anil Kumar Bansal				
At the Beginning of year	3,60,097	6.46	3,60,097	6.46
- Purchase on 27.08.2015	7,18,598	12.89	10,78,695	19.35
- Sold on 27.08.2015	(4,57,616)	8.21	6,21,079	11.14
At the End of the year			6,21,079	11.14
Mr.Ashish Bansal				
At the Beginning of year	3,89,063	6.98	3,89,063	11.32
- Purchase on 26.04.2015	2,742	0.05	3,91,805	7.03
- Purchase on 28.04.2015	894	0.02	3,92,699	7.04
- Purchase on 30.04.2015	856	0.02	3,93,555	7.06
- Purchase on 31.08.2015	1,27,553	2.29	5,21,108	9.35
- Purchase on 03.09.2015	83,799	1.50	6,04,907	10.85
- Purchase on 04.09.2015	25,467	0.46	6,30,374	11.31
- Purchase on 07.09.2015	720	0.01	6,31,094	11.32
- Purchase on 19.11.2015	100	0.00	6,31,194	11.32
At the End of the year			6,31,194	11.32
Mr.R.P.Bansal				
At the Beginning of year	2,87,808	5.16	2,87,808	5.16
- Purchase on 31.08.2015	1,08,369	1.94	3,96,177	7.11
- Purchase on 02.09.2015	84,685	1.52	4,80,862	8.62
- Purchase on 03.09.2015	33	0.00	4,80,895	8.62
- Purchase on 04.09.2015	7,441	0.13	4,88,336	8.76
- Purchase on 07.09.2015	1,466	0.03	4,89,802	8.78
At the End of the year			4,89,802	8.78
Mr.Anil Kumar Sachdev				
At the Beginning of year	1,815	0.03	1,815	0.03
At the End of the year	1,815	0.03	1,815	0.03
Dr.Shoba Ramakrishnan				
At the Beginning of year	17	0	17	0
At the End of the year	17	0	17	0
Mr.G.P.Venkateswaran				
At the Beginning of year	275	0	275	0
At the End of the year	275	0	275	0
Mr.K.Kumaravel				
At the Beginning of year	1,045	0.02	1,045	0.02
At the End of the year	1,045	0.02	1,045	0.02

Mr. P N Sridharan and Mr.L.Krishnamoorthy did not hold any share during the year 2015-16

V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment

(Rs. In Lacs)

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	4,841.56	853.26	0	5,694.82
ii) Interest due but not paid	0	40.35	0	40.35
iii) Interest accrued but not due	0	0	0	0
TOTAL (i+ii+iii)	4,841.56	893.61	0.00	5,735.17
Change in Indebtedness during the financial year				
Addition	2,107.65	496.75	5.41*	2,609.81
Reduction	13.67	48.73	0	62.40
Net Change	2,093.98	448.01	5.41	2,547.41
Indebtedness at the end of the financial year				
i) Principal Amount	6,935.55	1,241.51	5.41	8,182.47
ii) Interest due but not paid	0	94.72	0	94.72
iii) Interest accrued but not due	0	0	0	0
TOTAL (i+ii+iii)	6,935.55	1,336.23	5.41	8,277.19

* Accepted as security deposit

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole Time Director and/or Manager:

(Rs. In Lacs)

Sl.No	Particulars of Remuneration	Name of the MD/WTD/Manager			Total Amount
		Mr. Anil Kumar Bansal	Mr. Ashish Bansal	Mr. R.P Bansal	
1	Gross salary				
	(a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961.	39.40	34.60	34.60	108.60
	(b) Value of perquisites u/s 17(2) of the Income Tax Act, 1961	2.77	4.02	2.01	8.80
	(c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961	0	0	0	0
2	Stock option	0	0	0	0
3	Sweat Equity	0	0	0	0
4	Commission				
	- as % of profit	0	0	0	0
	- others (specify)	0	0	0	0
5	Others, please specify	0	0	0	0
	Total (A)	42.17	38.62	36.61	117.40
	Ceiling as per the Act	42.17*	42.00*	42.00*	126.17

*includes employer's contribution to PF and Gratuity of Rs. 10.18 lacs

Twenty First Annual Report 2015-16

B. Remuneration to other directors:						(Rs. In Lacs)
SI.No	Particulars of Remuneration	Name of the Directors				Total Amount
1	Independent Directors	Mr. Anil Kumar Sachdev	Mr. GP Venkateswaran	Dr. Shoba Ramakrishnan	Mr. P.N Sridharan*	
	(a) Fee for attending Board/ Committee Meetings	0.44	0.23	0.45	0.08	1.20
	(b) Commission	0	0	0	0	0
	(c) Others, please specify	0	0	0	0	0
	TOTAL (1)	0.44	0.23	0.45	0.08	1.20
2	Other Non Executive Directors					
	(a) Fee for attending Board/ Committee Meetings	0	0	0	0	0
	(b) Commission	0	0	0	0	0
	(c) Others, please specify.	0	0	0	0	0
	TOTAL (2)	0	0	0	0	0
	TOTAL (B)= (1+2)	0	0	0	0	1.20
	Total Managerial Remuneration (A) + (B)	0	0	0	0	118.60
	Overall Ceiling as per the Act^					

^ The remuneration is paid in accordance with Schedule V to the Companies Act, 2013

* Ceased to be a director with effect from 05.02.2016

C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD (Rs. In Lacs)

SI. No.	Particulars of Remuneration	Key Managerial Personnel		Total
		Mr. K Kumaravel Company Secretary	Mr. L Krishnamoorthy Chief Financial Officer	
1	Gross Salary			
	(a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961.	16.06	5.22	21.28
	(b) Value of perquisites u/s 17(2) of the Income Tax Act, 1961	0.26	0	0.26
	(c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961	0	0	0
2	Stock Option	0	0	0
3	Sweat Equity	0	0	0
4	Commission			
	- as % of profit	0	0	0
	- Others, specify	0	0	0
5	Others, please specify	0	0	0
	TOTAL	16.32	5.22	21.54

VII. PENALTIES/ PUNISHMENT/ COMPOUNDING OF OFFENCES

There were no penalties or punishments levied on the company, its Directors or Officers in Default during the year. Also, there was no necessity for the Company, its Directors or Officers in Default to compound any offence.

For and on behalf of the Board of Directors

Place : Chennai
Date : May 26, 2016

Ashish Bansal
Managing Director
DIN:01543967

Anil Kumar Bansal
Chairman
DIN:00232223

ANNEXURE III

DETAILS PERTAINING TO REMUNERATION AS REQUIRED UNDER SECTION 197(12) OF THE COMPANIES ACT, 2013 READ WITH RULE 5 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 and the percentage increase in remuneration of each Director, Chief Financial Officer, Company Secretary in the financial year

Name of the Director / KMP	Ratio to the Median	% increase in remuneration - 2015-16
Mr. Anil Kumar Bansal, Chairman	35.00 : 1	8.46
Mr. R.P.Bansal, Whole – Time Director	30.38 : 1	20.38
Mr. Ashish Bansal, Managing Director	32.05 : 1	30.30
Mr.K. Kumaravel Company Secretary	13.54 : 1	16.91
Mr.L.Krishnamoorthy, Chief Financial Officer	4.33 : 1	NA

2. The percentage increase in the median remuneration of employees in the financial year 15%
3. The number of permanent employees on the rolls of Company 300 Employees as on March 31, 2016
4. The explanation on the relationship between average increase in remuneration and company performance
The average increase in the employee remuneration effected during the year 2015-16 is based on the individual performance and company's performance during the previous financial year 2014-15. The other factors considered for revision of remuneration is based on inflation, functional expertise, industry standards, market survey etc.
5. Comparison of the remuneration of the Key Managerial Personnel against the performance of the Company
- | | |
|--|----------------------|
| Aggregate remuneration of Key Managerial Personnel | - Rs . 138.94 lacs |
| Sales Revenue | - Rs. 46,467.46 lacs |
| Remuneration of KMP to % of Revenue | - 0.30% |
| Profit Before Tax | - Rs.1,600.40 lacs |
| Remuneration of KMP to % of PBT | - 8.75% |
6. Variations in the market capitalization of the Company and price earnings ratio as at the closing date of the current financial year and previous financial year and percentage increase or decrease in the market quotations of the shares of the company in comparison to the rate at which the company came out with the last public offer or variations in the networth of the Company as at the close of the current and previous financial year.

Particulars	As at March 31, 2016	As at March 31, 2015	Variation
Market Capitalization (in Rs. lacs)			
BSE Limited	492.64	463.24	6.35%
Price Earnings Ratio			
BSE Limited	4.87	4.21	15.68%
Market Price (Rs.)			
BSE Limited	88.35	50.65	74.43%

Twenty First Annual Report 2015-16

The Company had come out with Rights Issue of Equity Shares in 2006 at F.V of Rs.10/- with a premium of Rs.10/- for Rs.735.06 Lacs.

7. Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof.

The average increase in the salaries of employees other than the Managerial Personnel in 2015-16 was 15%. The percentage of increase in the Managerial Remuneration for the same financial year was 11.13%

8. Comparison of the remuneration of each Key Managerial Personnel against the performance of the Company

Name	Remuneration (Rs. in Lacs)	Revenue (Rs. in lacs)	% of Revenue	PBT (Rs. in lacs)	% of PBT
Mr. Anil Kumar Bansal, Chairman	42.17	46,467.46	0.09	1,600.40	2.88
Mr. Ashish Bansal, Managing Director	38.62	46,467.46	0.08	1,600.40	2.41
Mr. R.P.Bansal, Whole – Time Director	36.61	46,467.46	0.08	1,600.40	2.29
Mr. K. Kumaravel, Company Secretary	16.32	46,467.46	0.04	1,600.40	1.02
Mr. L.Krishnamoorthy, Chief Financial Officer	5.22	46,467.46	0.01	1,600.40	0.32

9. The key parameters for any variable component of remuneration availed by the directors.

The total remuneration paid to the Chairman, Managing Director and the Whole Time Director is the minimum remuneration prescribed by the Companies Act due to inadequate profit in the earlier year.

10. The ratio of the remuneration of the highest paid director to that of the employees who are not directors but receive remuneration in excess of the highest paid director during the year.

Not Applicable as no employee is receiving remuneration in excess of the highest paid director.

11. Affirmation that the remuneration is as per the remuneration policy of the Company.

It is hereby affirmed that the remuneration paid to the Directors and Key Managerial Personnel are as per the Nomination and Remuneration Policy of the Company

12. Particulars of Employees as prescribed under Rule 5(2) & 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

None of the employee was in receipt of remuneration in excess of the ceiling prescribed under the said Rule

For and on behalf of the Board of Directors

Place : Chennai
Date : May 26, 2016

Ashish Bansal
Managing Director
DIN:01543967

Anil Kumar Bansal
Chairman
DIN:00232223

FORM NO. AOC-2

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

Form for disclosure of particulars of contracts/arrangements entered into by the Company with related parties referred to in sub-section (1) of Section 188 of the Companies Act, 2013 including certain arms length transactions under third proviso thereto

1. Details of contracts or arrangements or transaction not at arm's length basis

All related party transactions that were entered into during the financial year 2015-16 were on an arm's length basis

2. Details of material contracts or arrangement or transactions at arm's length basis

Sl.No	Name of the related party and nature of relationship	Nature of Transaction	Transaction Value (Rs. In Lacs)	Salient Terms of contract/ arrangement/transactions	Duration of the Transaction
1	M/s.POCL Enterprises Ltd. Associated Concern	Purchase of Goods	106.80	Buying and selling of raw materials or finished goods or availing / rendering of any services including services of job work of any nature upto an amount not exceeding Rs.10.00 crores p.a	April 2015 to March 2016
		Sale of Goods	49.19		
		Conversion Charges paid	13.92		
2	M/s. Bansal Chemicals (India),Associated Concern	Sale of Goods	65.58	Buying and selling of raw materials or finished goods upto an amount not exceeding Rs.10.00 crores p.a	April 2015 to March 2016
		Sale Expenses	7.51		
3	M/s. Bansal Metallic Oxides,Associated Concern	Conversion charges paid	2.57	Buying and selling of raw materials or finished goods or availing / rendering of any services including services of job work of any nature upto an amount not exceeding Rs.2.00 crores p.a	April 2015 to March 2016

No amount is paid as advance.

All the transactions entered into with related parties are in the ordinary course of business and on arm's length basis. Hence the approval of the Board is not required to be obtained. However the Company has obtained the approval of the shareholders in the 19th Annual General Meeting for entering into transactions with related parties which are not at arm's length basis for a period of three years.

For and on behalf of the Board of Directors

Place : Chennai
Date : May 26, 2016

Ashish Bansal
Managing Director
DIN:01543967

Anil Kumar Bansal
Chairman
DIN:00232223

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

The Management discussion and analysis report sets out developments in the business environment and the Company's performance since the last report. The analysis supplements the Board's Report, which forms part of this Annual Report.

ECONOMY OVERVIEW

India's GDP gained momentum in the final quarter of FY 2015 and pushed the full-year growth to a five-year high. GDP grew to 7.6% in FY 2015, which was up from 7.2% in the previous fiscal year and primarily reflected robust growth in private consumption, which accounts for nearly 60% of the economy. Nonetheless, ever since the Ministry of Statistics and Programme Implementation (MOSPI) introduced a new methodology last year to measure GDP, doubts continue to linger regarding the reliability of the data. According to the Ministry of Finance, the government met its budget deficit target for FY 2015, which was set at the equivalent to 3.9% of GDP. The budget deficit has been shrinking for several years and is expected to narrow further in FY 2016. The government has set a goal to reduce the shortfall to 3.5% of GDP in FY 2016.

Various analysts expect industrial production to increase 6.0% in fiscal year 2016, which is unchanged from earlier forecasts. For fiscal year 2017, the expectation of industrial output is to expand by 6.3%.

Record low interest rates and fiscal incentives helped consumerism in several parts of the world including India in the last fiscal year. One aspect of this has been strong performance of auto sales.

INDUSTRY OVERVIEW

The London Metal Exchange has been playing its part of being as volatile as possible and this year at extreme levels even swinging upto 3% - 5% in a single trading day. Lead prices dropped after experiencing some volatility at the start of this year.

In the last financial year, Lead prices fell to lowest since 2010 and falling further this financial year. Slowing growth in China drove down all metal prices. However, timely measures by the Central Government and central bank helped arresting the slide in economic growth. Further, closure of mining capacities – especially by Glencore - and cut back in smelting capacities in China helped prices to recover from the lows and sentiment to improve. Broadly, prices played in the range of \$1550 to \$2150.

Lead Price History Data (USD per metric ton – April to March)

	2012-13	2013-14	2014-15	2015-16
*Lead	2112.70	2093.31	2021.30	1768.17

* LME Lead CSP average over the period

* *Q1 FY 2016 -17 LME Lead CSP Average.

Despite tighter supply, lower demand has weighed on lead prices. Higher taxes on refiners and lead-acid battery makers in China as well as lower seasonal demand have decreased demand for lead. Higher prices for zinc in the past months have also been a key factor for the lead price rout since zinc is often a substitute for lead and speculative buyers have stepped up zinc buying over prospects of tighter demand. However, prices have been supported by mine closures and a reduction in Chinese stockpiles. In addition, higher zinc prices will likely lead to additional mine closures and production will not resume in already-closed mines. Further, unlike most other metals, Lead has seen a good supply side discipline over last few years. Chinese production for Lead has been falling in line for last few years to offset slowing domestic demand. ILZSG data suggests that capacities closed down in Australia, India and US as well. These cutbacks have helped balancing supplies with demand and thus keeping prices in a range. We would expect this to continue in the current year. Range-bound prices help in improving business flow and predictability.

For the past couple of months with the average year to date metals price making new lows and continuing into

the second half of the calendar year. The LME lead prices have been slipping and further slipped below USD 1700/MT and trending closer to even USD 1550 levels and bouncing back. The China story played well in pulling the LME Lead prices lower but occasionally recovered back, however this story is stale now and also China seems to be stabilizing or atleast the data portrays to show so.

INDIAN LEAD INDUSTRY

POCL's focus is mainly on the lead acid battery segment for most of its sales are of Lead and Lead Alloys. The lead acid battery segment can be primarily divided into two segments being the automotive segment and the industrial segment. Automotive segment contributes over 60% of the total lead acid battery market in India. As the number of vehicles in India are growing on a regular basis this demand is on the rise. In addition to this there is a large demand for the replacement batteries required by the vehicles. The Industrial batteries are used for various applications like standby power source (UPS and Inverters), telecom, railways and motive power (golf carts, material handling equipments like forklifts etc). India as a country is moving towards digitalization and automation which largely requires use of batteries, the number of users of mobile phones and smart phones are exponentially increasing on a year on year basis making India as the fastest growing telecom market, and similarly the Industrial sector is also growing and thus contributing to the demand.

In our last report we had forecasted the growth in Asian demand in the range of 5% - 6% through 2018, however the current Asian demand is a little sluggish, however, we remain optimistic on the demand for the Asian markets along with India. The industry produced a total of 23,960,409 vehicles including passenger vehicles, commercial vehicles, three wheelers and two wheelers in April-March 2016 as against 23,358,407 in April-March 2015. The overall automobile industry in India saw a growth of 8.6% over the same period last year compared to a growth of only 2.58%.

The sales of Passenger Vehicles grew by 7.24 % in April-March 2016 over the same period last year. The overall Commercial Vehicles segment registered a massive growth of 11.51% in April-March 2016 as compared to same period last year. Three Wheelers sales marginally grew by 1.03% in April-March 2016 over the same period last year.

Two Wheelers sales registered growth of 3.01% in April-March 2016 over April-March 2015. The overall automobile production grew by 2.58% and sales by 3.78% versus our estimate 5%-6% falling short of little over 1%, However this would be largely due to the global conditions impacting the macro-economic situation in India.

Chinese passenger car production registered a record high, partly helped by halving of sales tax. Passenger vehicle sales in China grew by 9.26% and commercial vehicles sales grew by 1.5% in 2016. Further, Car sales grew by 9.3% in Europe in the same period. Sales registered 28th consecutive month of growth in Europe in December 2015.

COMPANY OVERVIEW

POCL continues to tap new customers in different countries and markets consistently keeping up with its existing customers. Hence, **POCL** has a constant requirement to increase its capacity. **POCL**'s new smelter in the state of Andhra Pradesh is pushing its production higher on a month on month basis to soon reach a point for further expansion. This is due to **POCL**'s foray into new markets like USA, Thailand and Europe.

Despite significant fall in Lead metal prices alongside huge volatility in the metals complex your management has been able to perform well and give results in line with the expectations of our stakeholders. This has been done through our ever-changing dynamic approach in terms of raw material sourcing, maintaining price risk in terms of metals and FOREX exposure and upgrading one's own knowledge and expertise alongside technological upgradation.

In this financial year, your company successfully completed setting up of a hedging desk with a London based broker to manage its metal price exposure. Hedging is used by metal companies internationally to lock

desired margins and minimize the effect of metal price volatilities on their financial performance. Given the expanding scale of operation, metal hedging will emerge as a key function of the company.

POCL further continues to strengthen its raw material sourcing from different parts of the world and also increasing the efficiency of the supply chain process. The company maintains a balance between its sales in the domestic market and export markets shielding to adverse effects of any specific economy. Although the lead demand remains slow in the coming year your company is achieving higher volumes by tapping newer markets alongside increasing its efficiencies.

POCL structured approach has helped the company to sustain and grow in difficult market situations and thus being able to increase its top line year on year even though the world economy is passing through troubled times. We at **POCL** understand that making investments during the economic downturn is advantageous as the company will be ready in time for the upward trend and leverage to the maximum rather than lagging behind the demand of our customers and market.

POCL's effort is directed towards maximizing our stakeholder's interest in the coming years with our continual growth plans. We will ensure the robustness of our approach and systems and ensure that all the risks and challenges are effectively addressed on a consistent basis. **POCL**'s vision lies in staying ahead in the lead market.

OPPORTUNITIES AND THREATS

POCL believes that it has a competitive edge in the market as the Company delivers timely and quality products to its customer. The Company has long standing relationships with many of its customers and vendors. **POCL** also believes that the real strength of the Company lies with its employees and they are assets of the Company.

The key challenges for the Lead industry is namely on account of lack of exclusive policy for recycling industry which includes proper scrap collection centers, formal organized industry structure and proper implementation of environmental compliances, competition with unorganized sector and technological upgradation and skilled manpower.

POCL suffers from threats like currency fluctuations as the Company has significant FOREX exposure. The prices of products in which the Company deal in are highly volatile.

Lead being a commodity metal, volatility is the order of the day. The Company has put in proper hedging mechanism as a safeguard against the volatility risk.

OUTLOOK

Your company is India's largest leading secondary Lead producing company. A vertically integrated business, economies of scale and a diversified team of professionals enable it to deliver quality products globally. It provides diversified product range for variety of application and trusted by customers all over India and World.

RISKS AND CONCERNS

Risk is part and parcel of all businesses. At **POCL**, risks are adequately measured, estimated and controlled. Irrespective of the type of risk or the activity that creates it, the Company's fundamental approach to risk management remains the same by identifying and measuring risks, leverage an in depth-knowledge of the business and competitors and respond flexibly in our risk understanding and management.

Your Company operates both in the domestic market and overseas market having its global presence with import and export trade, we are subject to currency rate fluctuation which may result into gain or losses. In order to safeguard the business, your company thus adopts hedging techniques to protect itself against currency fluctuation.

Raw material availability and commodity price fluctuation also remains an area of concern. To overcome the fluctuation in metal prices, company is fixing the selling price with major customers on average LME rate basis and accordingly purchase price is also hedged properly to minimize the risk in metal price fluctuation.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

We have established a proper system of internal controls and procedures that are compatible with the size of our operations and business. A firm of Chartered Accountants regularly conducts internal audits of our operations, establishments on a quarterly basis, with a view to ensure that these systems are properly adhered to. The Audit Committee reviews the reports of the Internal Auditors and monitors the effectiveness and operational efficiency of these internal control systems. The Audit Committee gives valuable suggestions from time to time for improvement of the Company's business processes, systems and internal controls. The annual internal audit plans are prepared by Internal Auditors in consultation with the Audit Committee and the audit is conducted in accordance with this plan.

BRIEF ANALYSIS OF FINANCIAL STATEMENTS OF 2015-16

- The Company achieved highest turnover and profit for the financial year 2015-16 from the date of inception of the company.
- The adjusted revenue from Smelter Division - I of the company increased from Rs.36,227 Lacs to Rs. 43,389 Lacs showing a growth of 20% increase in turnover over the previous year.
- Profit before tax (PBT) for the year was Rs. 1,600.40 Lacs against Rs. 970.55 Lacs for the previous year and Profit after tax (PAT) for the year was Rs. 1,012.73 Lacs against Rs. 671.03 Lacs for the previous year.
- Profit after tax has registered an impressive growth of 51%

MATERIAL DEVELOPMENT IN HUMAN RESOURCES / INDUSTRIAL RELATIONS

We recognize that our human capital drives the Company's customer-driven business model. Therefore, we continuously strive to attract and retain the best talent from the local markets. Apart from having a robust performance management system, we strive to create an inspiring and rewarding work environment. Our employees' skills are constantly upgraded through a variety of training programmes and internal opportunities which increase work based knowledge and efficiencies. As on 31st March 2016, Company has strength of 300 permanent employees.

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

Place : Chennai
Date : May 26, 2016

Ashish Bansal
Managing Director
DIN:01543967

Anil Kumar Bansal
Chairman
DIN:00232223

REPORT ON CORPORATE GOVERNANCE

Pursuant to Regulation 34(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Regulations") read with Schedule V thereto, compliance with the requirements of Corporate Governance is set out below:

1. Company's Philosophy on Corporate Governance

Corporate Governance is based on good principles and practices such that the affairs of the Company are being managed in a way which ensures accountability, transparency and fairness in all its transactions in the widest sense and meet its stakeholder's aspirations and societal expectations. Effective corporate governance practices constitute the strong foundation on which successful commercial enterprises are built to last. Pandy Oxides and Chemicals Limited is committed to the adoption of best governance practices and to its adherence in the business of the Company. The Company's corporate governance practices are driven by timely disclosures, transparent accounting policies, internal control on operations and high levels of integrity in decision making with an objective to enhance the value to the stakeholders. The Company is in compliance with the mandatory requirements stipulated with regard to corporate governance under the regulations.

2. BOARD OF DIRECTORS

i. Board Composition and Category of Directors

The Board of Directors is the body constituted by the shareholders for overseeing the Company's overall functioning. The Company's policy is to maintain optimum combination of Executive and Non-Executive Directors so as to maintain the independence of the Board. As on March 31, 2016, the Company's Board consists of six directors having considerable professional experience in their respective fields. The composition of the Board is in conformity with Regulation 17(1) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

ii. The Composition and the category of the Board is as follows:

Name of the Director	Designation	Category
Mr. Anil Kumar Bansal DIN : 00232223(w.e.f June 1, 2015)	Chairman and Whole-Time Director	Promoter – Executive
Mr.Ashish Bansal DIN : 01543967(w.e.f June 1, 2015)	Managing Director	Promoter – Executive
Mr. R.P. Bansal DIN : 00232708	Whole Time Director	Promoter – Executive
Mr. Anil Kumar Sachdev DIN : 00043431	Director	Independent - Non Executive
Mr.G.P.Venkateswaran DIN : 01509307(w.e.f November 12, 2015)	Director	Independent - Non Executive
Dr.Shoba Ramakrishnan DIN : 02773030	Director	Independent – Non Executive
Mr.P.N.Sridharan DIN : 01916235(upto February 5, 2016)	Director	Independent – Non Executive

Mr. Anil Kumar Bansal and Mr. R.P. Bansal are brothers and Mr.Ashish Bansal is the son of Mr.Anil Kumar Bansal. None of the other directors are related to any other director on the Board.

Board Meetings

A Minimum of four Board Meetings are held every year. Additional Board Meetings are convened depending upon the needs and business to be transacted. Notice and Agenda for the Board Meetings are circulated in advance to enable the directors to understand the business to be transacted at the meeting.

Five Board meetings were held during the year, as against the minimum requirement of four meetings. The details of Board meetings are given below:

Date	Board Strength	No. of Directors Present
April 25, 2015	6	6
May 27, 2015	6	5
July 27, 2015	6	5
November 12, 2015	7	6
February 5, 2016	6	6

The Maximum gap between two Board Meetings was not more than 120 days.

Attendance at Board Meetings, last Annual General Meeting (AGM) and details of other Board and Board Committee

Name of the Director	Attendance at Meetings during 2015-16		Number of Directorships as on 31-03-2016	No. of Membership(s)/ Chairmanship(s) of Board Committee in Companies as on 31-03-2016	
	Board Meeting	Last AGM		Chairman	Member
Mr. Anil Kumar Bansal	5	Yes	1	-	-
Mr. Ashish Bansal	5	Yes	1	-	-
Mr. R.P.Bansal	5	Yes	1	-	-
Mr. Anil Kumar Sachdev	5	Yes	1	2	-
Mr. P.N.Sridharan #	1	No	1	-	2
Dr. Shoba Ramakrishnan	5	Yes	1	-	2
Mr. G.P.Venkateswaran *	2	NA	1	-	2

Audit committee and Stakeholders Relationship Committee(s) only considered. Dr. Padam C Bansal resigned from the Board w.e.f April 6, 2015. The above number includes the Directorship, Chairmanship and Membership in this Company also.

Ceased to be a Director with effect from February 5, 2016

* Appointed as Director with effect from November 12, 2015

FAMILIARISATION PROGRAMME

In addition to giving a formal appointment letter to newly appointed Directors on the Board, a detail covering the role, function, duties and responsibilities and the details of the compliance requirements expected from the Directors under the Companies Act, 2013 and relevant Regulations of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 were given and explained to the new Directors.

The newly appointed directors are given induction and orientation with respect to Company's Vision, Core purpose, Core Values and business operations. In addition detailed presentations are made by Senior Management Personnel on business environment, performance of the Company.

The above initiatives help the Directors to understand the Company, its business and the regulatory framework in which the Company operates and enables the Directors to fulfill their role/responsibility. The details of the familiarization programme is available on the Company's website link: <http://pocl.co.in/policies/Details-of-Familiarisation-programme-imparted-to-independent-directors.pdf>

BOARD EVALUATION

Pursuant to the provisions of the Companies Act, 2013 and Regulation 17 of SEBI (Listing Obligations and

Twenty First Annual Report 2015-16

Disclosure Requirements) Regulations, 2015, the Board had carried out an annual evaluation of its own performance, the directors individually and of the committees of the Board.

A structured questionnaire was prepared after taking into consideration inputs received from the Directors, covering aspects of the Board's functioning such as adequacy of the composition of the Board and its committees, execution and performance of specific duties, obligations and governance.

A separate exercise was carried out to evaluate the performance of individual Directors including the Chairman of the Board. The Directors performance was evaluated on parameters such as level of engagement and contribution in safeguarding the interest of the Company etc.

The performance of every Director was evaluated by the Nomination and Remuneration Committee. The performance evaluation of the Independent Directors was carried out by the entire Board. Further, the performance evaluation of the Chairman and the Non Independent Directors was carried out by the Independent Directors.

The details of the shareholding of Directors are disclosed in Form MGT-9 forming part of this Annual Report.

AUDIT COMMITTEE

- (i) The constitution and terms of reference of the Audit Committee are in accordance with and covers all the matters specified under Section 177 of the Companies Act, 2013 and Regulation 18 of the Regulations read with Part C of Schedule II of the Regulations.
- (ii) The Company Secretary acts as the Secretary to the Audit Committee. Mr.Anil Kumar Sachdev, Independent Director and Chairman of the Audit Committee was present at the Annual General Meeting of the Company held on September 16, 2015.
- (iii) During the Financial Year 2015-16, four (4) meetings of the Audit Committee were held on May 27, 2015, July 27, 2015, November 12, 2015 and February 5, 2016. 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.

Audit Committee was reconstituted due to resignation of Director during the year, by the Board in their meeting held on February 5, 2016. The Company has a qualified and independent Audit Committee comprising of Non-Executive/Independent Directors. The Chairman of the Committee is an Independent Director.

Composition and Attendance

The Chairman and the Members of the Committee are as under:

Name of Director	Designation	Attendance
Mr.Anil Kumar Sachdev	Independent Director- Chairman	4
Dr.Shoba Ramakrishnan	Independent Director- Member	4
Mr.G.P.Venkateswaran	Independent Director- Member #	NA
Mr.P.N.Sridharan	Independent Director- Member*	1

Appointed as member of the Audit Committee at the Board Meeting held on February 5, 2016

* Resigned With effect from February 5, 2016

NOMINATION AND REMUNERATION COMMITTEE

- (i) The constitution and terms of reference of the Nomination and Remuneration Committee are in accordance with and covers all the matters specified under Section 178 of the Companies Act, 2013 and Regulation 19 of the Regulations read with Part D of Schedule II of the Regulations.
- (ii) Nomination and Remuneration Committee was reconstituted due to resignation of Director during the year, by the Board in their meeting held on February 5, 2016.
- (iii) Two meetings of the Nomination and Remuneration Committee were held on May 27, 2015 and November 12, 2015. 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 are as under:

Name of Director	Designation	Attendance
Mr.Anil Kumar Sachdev	Independent Director- Chairman	2
Dr.Shoba Ramakrishnan	Independent Director- Member	2
Mr.G.P.Venkateswaran	Independent Director- Member #	NA
Mr.P.N.Sridharan	Independent Director- Member*	Nil

Appointed as member of the Nomination and Remuneration Committee at the Board Meeting held on February 5, 2016

* Resigned with effect from February 5, 2016

(iv) Nomination and Remuneration Policy

The Board of Directors at its meeting held on February 5, 2016 modified the Nomination and Remuneration Policy. The said policy is applicable to all Directors, Key Managerial Personnel and Senior Management personnel of the Company.

The Company's remuneration policy is driven by the success and performance of the individual employee and the Company. Through its compensation programme, the Company endeavours to attract, retain, develop and motivate a high performance workforce. The Company pays remuneration by way of salary, benefits, perquisites and allowances to its Managing Director and the Whole-time Director. Annual increments are recommended by the Remuneration Committee within the salary scale approved by the members.

Performance Evaluation

The Nomination and Remuneration Committee lays down the criteria for performance evaluation of independent directors and other directors, Committees of the Board of Directors. The criteria for performance evaluation cover the areas relevant to their functioning as independent directors or other directors, member of Board or Committees of the Board.

Directors Remuneration

Details of Remuneration paid to the Managing Director and Whole Time Directors during 2015-16:

(Rs. In lacs)

Name of the Director	Basic Salary	Perquisites and Allowance	Total
Mr.Anil Kumar Bansal	21.00	21.17	42.17
Mr.Ashish Bansal	21.00	17.62	38.62
Mr.R.P.Bansal	21.00	15.61	36.61

The remuneration to the above directors is paid as per the provisions of 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. There is no separate provision for payment of severance fees.

The Non-Executive Independent Directors are entitled to sitting fees for attending the Board meetings. The Company paid a sitting fee of Rs.7,500/- till November 2015 and the same has been increased to Rs.15,000/- for attending each meeting of the Board thereafter.

Sitting fees paid to the Non-Executive Directors during 2015-16:

(Rs. In lacs)

Name of the Non Executive Director	Sitting Fees
Mr.Anil Kumar Sachdev	0.44
Mr.P.N.Sridharan	0.08
Dr.Shoba Ramakrishnan	0.45
Mr.G.P.Venkateswaran	0.23

Twenty First Annual Report 2015-16

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

STAKEHOLDERS RELATIONSHIP COMMITTEE

- (i) 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 Regulations read with Part D of Schedule II of the Regulations. The said committee attends to the redressal of complaints of shareholders.
- (ii) Stakeholders' Relationship Committee was re-constituted by the Board in their meeting held on February 5, 2016 due to resignation of Director during the year. The Stakeholders' Relationship Committee consist of Non-Executive Directors.

Composition and Attendance

The Chairman and the Members of the Company are as under:

Name of Director	Designation	Attendance
Mr.Anil Kumar Sachdev	Independent Director- Chairman	4
Dr.Shoba Ramakrishnan	Independent Director- Member	4
Mr.G.P.Venkateswaran	Independent Director- Member #	NA
Mr.P.N.Sridharan	Independent Director- Member*	1

Appointed as member of the Nomination and Remuneration Committee at the Board Meeting held on February 5, 2016

* Resigned with effect from February 5, 2016

The Stakeholders' Relationship Committee met four times on May 27, 2015; July 27, 2015; November 12, 2015 and February 5, 2016

- (iii) Mr. K.Kumaravel, Company Secretary acts as the Secretary to the Committee and is the Compliance Officer of the Company.
- (iv) During the year 2015-16, fifteen (15) complaints pertaining to non receipt of dividend warrant, share certificate etc were received and redressed to the satisfaction of the shareholders. There are no pending complaints as on March 31, 2016.

SHARE TRANSFER COMMITTEE

With an understanding to provide for quick responses for request of transfer, transmission etc., from the shareholders, the Company has a sub-committee in the style of "Share Transfer Committee".

Composition

The Chairman and the Members of the Committee are as under:

Name of Director	Designation
Mr.Anil Kumar Bansal	Chairman
Mr.Ashish Bansal	Managing Director -Member
Mr.R.P.Bansal	Director – Member

Mr. K.Kumaravel, Company Secretary acts as the Secretary to the Committee. Since there is no share transfer, the committee has not met any time during the financial year 2015-16.

CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

- (i) In compliance with Section 135 of the Companies Act 2013, (Act) the Board had constituted the Corporate

Social Responsibility Committee. The terms of reference of the Committee covers all the matters specified in Section 135 of the Act.

- (ii) During the financial year 2015-16, one meeting of the committee was held on November 12, 2015
- (iii) The composition of the Corporate Social Responsibility Committee and the attendance of members are given below :

Name	Category	Attendance
Mr.Anil Kumar Sachdev	Independent – Non Executive	1
Dr.Shoba Ramakrishnan	Independent – Non Executive	1
Mr.Ashish Bansal	Promoter – Executive	1

GENERAL BODY MEETINGS

Annual General Meeting

Year	Date	Time	Venue	Special Resolution
2012-13	18 th AGM – August 27, 2013	11.00 a.m	Music Academy, 306 T.T.K.Road, Chennai-600 014	NIL
2013-14	19 th AGM – September 12, 2014	12.15 p.m	Music Academy, 306 T.T.K.Road, Chennai-600 014	1. Increase in borrowing power u/s 180(1)(c) 2. Related Party Transaction under Section 188 of the Companies Act, 2013 with M/s.Bansal Chemicals (India) 3. Related Party Transaction under Section 188 of the Companies Act, 2013 with M/s.Bansal Metallic Oxides 4. Related Party Transaction under Section 188 of the Companies Act, 2013 with M/s. Ardee Industries P Ltd 5. Related Party Transaction under Section 188 of the Companies Act, 2013 with M/s. POCL Enterprises Ltd.
2014-15	20 th AGM – September 16, 2015	11.30 a.m	Music Academy, 306 T.T.K.Road, Chennai- 600 014	1. Appointment and fixing of remuneration of Mr.Anil Kumar Bansal (DIN:00232223) as Managing Director / Executive Chairman 2. Appointment and fixing of remuneration of Mr.Ashish Bansal (DIN:01543967) as Whole Time Director / Managing Director 3. Appointment and fixing of remuneration of Mr.R.P.Bansal (DIN:00232708) as Whole Time Director

Postal Ballot

No Postal Ballot was conducted during the financial year 2015-16. No special resolution is proposed to be passed through postal ballot.

MEANS OF COMMUNICATION

Quarterly Results

The quarterly results are published in a leading Tamil & English Newspaper having wide circulation. Quarterly results were also hosted in the company's website www.pocl.co.in.

Twenty First Annual Report 2015-16

The Company maintains a functional website www.pocl.co.in. The website contains a separate dedicated section "Investors" where all shareholders' information are made available. The Company also has a designated exclusive e-mail id complaints@pocl.co.in for investor services.

GENERAL SHAREHOLDERS INFORMATION

Company Registration Details

Pondy Oxides and Chemicals Ltd. 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.

Annual General Meeting

The 21st Annual General Meeting of the Company will be held on September 17, 2016 at 11.30 a.m. at Kasturi Srinivasan Hall (Mini hall), Music Academy, 306, T.T.K Road, Chennai- 600 014.

Financial Year

The Company's financial year commences from April 1, 2015 and closes with March 31, 2016.

Book Closure

The Transfer books of the Company shall be closed from September 11, 2016 to September 17, 2016 (both days inclusive).

Dividend Payment Date

The final dividend, if declared shall be credited/paid on or after September 17, 2016 but before October 16, 2016.

Listing on Stock Exchange and Stock Code

Equity Shares of the Company are listed in BSE Limited.

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

Market Price Data and Performance of the share price of the Company

High, Low (Based on daily closing prices) traded during each month in the year 2015-16 on BSE

Year and Month	High Price (Rs.)	Low Price (Rs.)
Apr-15	64.10	51.55
May-15	82.90	65.05
Jun-15	77.80	66.15
Jul-15	133.90	68.50
Aug-15	125.00	72.00
Sep-15	106.00	83.10
Oct-15	155.00	96.00
Nov-15	126.90	108.00
Dec-15	137.50	101.60
Jan-16	138.40	92.00
Feb-16	111.90	77.50
Mar-16	98.75	81.10

Performance of the share price of the Company



Payment of Listing Fees/Custodian Fees

Annual Listing Fee for the financial year 2016-17 has been paid by the Company to BSE. Annual Custodian fee for the financial year 2016-17 has been paid by the Company to NSDL and CDSL on receipt of invoices.

Registrar and Share Transfer Agents

M/s. 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

Share Transfer System

98.16% of the equity shares of the Company are held in electronic form. Transfers of these shares are done through the depositories with no involvement of the Company. As regards transfer of shares held in physical form, the transfer documents can be lodged with Registrar and Transfer Agents at the above mentioned address.

Share transfers in physical forms are processed and share certificates duly endorsed are returned within a period of fifteen days from the date of receipt, subject to documents being valid and complete in all respects. The Board has delegated the authority for approving transfer, transmission, etc. to Share Transfer Committee which approves the transfer and are also noted at subsequent Board Meeting.

Dematerialisation of shares and liquidity

The Company's shares are compulsorily traded in dematerialised form. 98.16% of the Company's equity share capital is dematerialised form as on March 31, 2016.

The Company's equity shares are regularly traded in BSE.

Twenty First Annual Report 2015-16

The details of mode of holding are as follows:

Mode of holding	Number of Shares held on March 31, 2016	% of total number of shares
NSDL	46,55,209	83.49
CDSL	8,18,007	14.67
Physical Form	1,02,777	1.84
Total	55,75,993	100.00

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, 2016, the Company does not have any Outstanding GDRs/ADRs/Warrants or any Convertible Instruments.

Distribution of Shareholding as on March 31, 2016

Category Code	Category of Shareholder	Number of shareholders	Total Number of shares held	As a percentage of Total No. of Shares
(A)	Shareholding of Promoter and Promoter Group			
(1)	Indian	14	26,68,242	47.85
(2)	Foreign	1	2,12,813	3.82
	Total Shareholding of Promoter and Promoter Group	15	28,81,055	51.67
(B)	Public Shareholding			
(1)	Institutions	-	-	-
(2)	Non-Institutions	8,043	26,94,938	48.33
	Total Public Shareholding	8,043	26,94,938	48.33
	Total Share Capital	8,058	55,75,993	100.00

Distribution of Shareholding by Size as on March 31, 2016

No. of Shares held	Number of Shareholders	% of Total Shareholders	Number of Shares held	% of Total Shares held
Upto 1000	4,714	58.46	19,74,140	3.54
1001-5000	2,452	30.41	61,52,600	11.03
5001-10000	477	5.92	35,73,900	6.41
10001-20000	211	2.62	30,93,740	5.55
20001-30000	88	1.09	21,75,160	3.90
30001-40000	28	0.35	9,71,750	1.74
40001 – 50000	23	0.29	11,02,520	1.98
50001 – 100000	43	0.53	29,27,660	5.25
100001 & Above	27	0.33	3,37,88,460	60.60
Total	8,063	100.00	5,57,59,930	100.00

Plant Locations

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

Address for Correspondence

- Shareholders 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, Company Secretary, at the Registered Office of the Company for any assistance. He can also be contacted at kk@pocl.co.in
- Investors can also contact us at designated exclusive e-mail id complaints@pocl.co.in 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.

DISCLOSURES

Related Party Transactions

All transactions entered into with related parties during the financial year were on arm's length basis and in the ordinary course of business. The transactions with the related parties are in compliance with Section 188 of the Companies Act 2013 and Regulation 23 of the Regulations.

There were no materially significant transactions entered into by the Company with the related parties which might be deemed to have had a potential material conflict with the interests of the Company at large.

The Board of Directors at their meeting held on February 5, 2016 approved a policy on dealing with related party transactions. The policy lays down the criteria for determining the materiality of transactions. The said policy has been posted on the Company's website at the following link <http://pocl.co.in/policies/Related-Party-Transaction.pdf>

The members at the annual general meeting held on September 12, 2014 approved and authorized the Board to enter into transactions with related parties. During the Financial Year 2015-16, the transactions entered into with related parties are within the permissible limit, a material transaction under the Regulation 23 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2016 ("Regulations") and the policy adopted by the Company under the said Regulations.

The details of the related party transactions entered during the year and disclosures as required by the Accounting Standards (AS 18) were made in Note 33 of notes forming part of the financial statements.

Compliance(S) of matters relating to Capital Market

The Company has complied with all applicable rules and regulations prescribed by stock exchange (BSE),

Twenty First Annual Report 2015-16

Securities and Exchange Board of India (SEBI) 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.

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 victimization 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 organization. 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: <http://pocl.co.in/policies/Whistle-Blower-Policy.pdf>

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. 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 was appointed as the Compliance Officer by the Board to ensure compliance and effective implementation of the Insider Trading Code.

Disclosure of commodity price risks and commodity hedging activities

During the year 2015-16, the Company had managed the foreign exchange risk and hedged to the extent considered necessary. The Company enters into forward contracts for hedging foreign exchange exposures against imports.

The Company has complied with the requirements of the Schedule V Corporate Governance report sub-para (2) to (10) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Non-Mandatory Requirements

In view of the better corporate governance practices, **POCL** has taken efforts to comply non-mandatory requirements and complied the following;

Audit Qualifications

During the period under review, there are no audit qualifications in its financial statements. The Company continues to adopt best practices to ensure regime of unqualified financial statements.

Separate posts of Chairman and CEO

The company appointed separate persons to the post of Chairman and Managing Director.

The Disclosures of the compliance with Corporate Governance requirements specified in Regulation 17 to 27 and clauses (b) to (i) of sub-regulation (2) of regulation 46 are as follows:

Regulation	Particulars of Regulation	Compliance Status (Yes/No/NA)
17	Board of Directors	Yes
18	Audit Committee	Yes
19	Nomination and Remuneration Committee	Yes
20	Stakeholders Relationship Committee	Yes
21	Risk Management Committee	NA
22	Vigil Mechanism	Yes
23	Related Party Transactions	Yes
24	Corporate Governance Requirements with respect to subsidiaries of listed entity	NA
25	Obligations with respect to Independent Directors	Yes

Regulation	Particulars of Regulation	Compliance Status (Yes/No/NA)
26	Obligations with respect to Directors and Senior Management Personnel	Yes
27	Other Corporate Governance Requirements	Yes
46 (2) (b) to (i)	Disclosures on website	Yes

Disclosure of Accounting Treatment

The financial statements of the Company have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting Standards prescribed under Section 133 of the Companies Act, 2013 (“the Act”) as applicable, and the provisions of the Act/Companies Act, 1956, as applicable. The significant accounting policies, which are consistently applied, have been set out in the notes forming part of the audited financial statements for the financial year ended March 31, 2016.

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, 2016, the Company does not have any Outstanding GDRs/ADRs/Warrants or any Convertible Instruments.

Risk Management

During the year, the risk assessment parameters were reviewed and modified, in metals and forex market. The audit committee reviewed the element of risks 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 and the management has adequate expertise to oversee the market volatility by adopting different hedging mechanism.

Issue of securities

During the year under review, the Company had not raised any money from public issue, rights issue, preferential issue or any other issues.

Compliance on Corporate Governance

The quarterly compliance report has been submitted to the Stock Exchange where the Company’s equity shares are listed in the requisite format duly signed by the Company Secretary. Pursuant to Schedule V of the Listing (Obligations and Disclosure Requirements) Regulations, 2015 the Chartered Accountant’s Certificate regarding compliance of conditions of Corporate Governance is annexed to this report.

CEO AND CFO CERTIFICATION

The Managing Director and the Chief Financial Officer of the Company give annual certification on financial reporting and internal controls to the Board in terms of Regulation 17(8) of SEBI (Listing Obligations Disclosure Requirements) Regulations. The annual certificate given by the Managing Director and the Chief Financial Officer is published in this Report.

DECLARATION ON CODE OF CONDUCT

This is to confirm that the Board has laid down a code of conduct for all Board Members and Senior Management Personnel of the Company. The code of conduct has also been posted on the website of the Company.

It is further confirmed that all Directors and the Senior Management Personnel of the Company have affirmed compliance with the Code of Conduct of the Company for the financial year ended March 31, 2016.

For and on behalf of the Board of Directors

Place : Chennai
Date : May 26, 2016

Ashish Bansal
Managing Director
DIN:01543967

Anil Kumar Bansal
Chairman
DIN:00232223

**CEO / CFO CERTIFICATE UNDER REGULATION 17(8) OF
SEBI (LISTING AND OBLIGATIONS DISCLOSURE REQUIREMENTS) REGULATIONS, 2015**

To,
The Board of Directors
Pondy Oxides & Chemicals Limited

1. We have reviewed financial statements and the cash flow statement of Pondy Oxides & Chemicals Limited for the year ended March 31, 2016 and to the best of our knowledge and belief:
 - (i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - (ii) 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. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's Code of Conduct.
3. We accept responsibility for establishing and maintaining internal controls for financial reporting and we have evaluated the effectiveness of Company's internal control systems pertaining to financial reporting. We have not come across any reportable deficiencies in the design or operation of such internal controls.
4. We have indicated to the Auditors and the Audit Committee:
 - (i) that there are no significant changes in internal control over financial reporting during the year;
 - (ii) that there are no significant changes in accounting policies during the year; and
 - (iii) that there are no instances of significant fraud of which we have become aware.

For **PONDY OXIDES & CHEMICALS LIMITED**

Place : Chennai
Date : May 26, 2016

L. Krishnamoorthy
Chief Financial Officer

Ashish Bansal
Managing Director

AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE

**To the Members,
Pondy Oxides and Chemicals Limited**

We have examined the compliance of conditions of Corporate Governance by Pondy Oxides and Chemicals Limited ("the Company"), for the year ended on 31st March, 2016, as stipulated in Clause 49 of the Listing Agreement ('Listing Agreement') of the Company with the stock exchange for the period 1st April, 2015 to 30th November, 2015 and as per the relevant provisions of Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015 ('Listing Regulations') as referred to in Regulation 15(2) of the Listing Regulations for the period 1 December 2015 to 31st March, 2016.

The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination has been limited to a review of the procedures and implementation thereof, adopted by the company for ensuring the said compliance with the conditions of Corporate Governance as stipulated in the said clause. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to our examination of the relevant records and to the explanations given to us and the representation made by the directors and the management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreements and Listing Regulations as applicable.

We further state that such compliance is neither an assurance as to future viability of the Company nor the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

For Jeeravla & Co.,
Chartered Accountants
Firm Registration No : 001323S

Sohan C.J.Parmar
Proprietor
Membership No. 022321

Place : Chennai
Date : 26th May, 2016.

Independent Auditor's Report

To the Members of
Pondy Oxides and Chemicals Limited

Report on the Financial Statements:

We have audited the accompanying standalone financial statements of **PONDY OXIDES AND CHEMICALS LIMITED ("the company")**, which comprise the Balance Sheet as at 31st March, 2016, the Statement of Profit and Loss, and the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the standalone Financial Statements:

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation and presentation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding 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 statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility:

Our responsibility is to express an opinion on these standalone financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. 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. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose expressing an opinion on whether the Company has in place an adequate internal financial control system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by Company's Directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

Opinion:

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements, give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2016 and its profit and its cash flows for the year ended on that date.

Report on other Legal and Regulatory Requirements:

1. As required by the Companies (Auditor's Report) Order, 2016 ("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 the paragraph 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, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - (d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - (e) On the basis of written representations received from the directors as on 31 March, 2016, taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2016, 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"; and

- (g) 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) Rule, 2014, 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 pending litigation which would impact its financial position.
 - ii. The Company did not have any long-term contracts including derivatives contracts for which there were any material foreseeable losses.
 - iii. There has been no delay in transferring amounts, required to be transferred, to the investor Education and Protection Fund by the Company.

for **JEERAVLA & Co.**,
Chartered Accountants
FR No.001323S

SOHAN C J PARMAR
Proprietor
Membership No.: 022321

Place : Chennai
Date : 26th May, 2016.

Annexure - A to the Independent Auditor's Report

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 the Company for the year ended 31st March, 2016.

1. (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
(b) The Company has physically verified the fixed assets 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.
(c) 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 title deeds of immovable properties are held in the name of the Company.
2. The inventories have 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 materials discrepancies were noticed on physical verification of inventories as compared to the book records.
3. (a) During the year, the company has not granted any loans, secured or unsecured, to companies, firms or other parties covered in the Register maintained under Section 189 of the Companies Act, 2013.
(b) In view of our comment in paragraph (a) above, Clause III of the aforesaid order are not applicable to the company.
4. In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of section 185 and 186 of the Act, with respect to the loans and investments made.
5. The company has accepted Deposits from Directors and other Corporate. In our opinion and according to information and explanations given to us, all the directives issued by the Reserve Bank of India and provisions of Section 73 to 76 or any other relevant provisions of the Companies Act 2013, and the rules framed there under where applicable were complied with. Further, we are informed by the management that no order has been passed by the Company Law Board or National Company Law Tribunal or RBI or any court or any Other Tribunal on the Company.
6. 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 Companies Act, 2013 and are of the opinion that prima facie the prescribed accounts and records have been made and maintained. We have however not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.

Twenty First Annual Report 2015-16

7. (a) According to the information and explanation given to us and on the basis of our examination of the records of the company, amount deducted/accrued in the books of accounts in respect of undisputed statutory dues including Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Wealth Tax, Service Tax, Customs Duty, Value Added Tax, Excise Duty, Cess and other material statutory dues applicable have been regularly deposited with the appropriate authorities.
- (b) According to the information and explanations given to us, no undisputed amounts payable in respect of Income Tax, Wealth Tax, Service Tax, Sales Tax, Customs Duty and Excise Duty, Value Added Tax, Cess and other material statutory dues were in arrears as at 31st March, 2016 for a period of more than six months from the date they became payable.
- (c) According to the information and explanation given to us, the dues of Income Tax, Sales Tax, Custom Duty, Wealth Tax, Service Tax, Excise Duty and Cess which have not been deposited on account of dispute are as follows:

S.No	Name of the Statute	Nature of Dues	Amount Rs. in Lacs	Period to which the amount relates	Forum where dispute is pending
1	<i>The Income Tax Act, 1961</i>	<i>Direct Tax</i>	<i>7.01</i>	<i>AY 2009-2010</i>	<i>Commissioner of Income Tax (Appeals)</i>

8. In our opinion and according to the information and explanation given to us, the Company has not defaulted in the repayment of dues to banks. The company has not taken any loans either from financial institutions or from the Government and has not issued any debentures.
9. The Company raised loans from banks during the year and were applied for the purpose for which these were raised. The company has not raised any money by way of initial public offer or further public offer (including debt instruments) during the year.
10. According to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.
11. According to the information and explanations give to us and based on our examination of the records of the Company, the Company has paid or provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.
12. In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, paragraph 3(xii) of the Order is not applicable.
13. According to the information and explanations given to us and based on our examination of the records of the Company, all transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and the details of such transactions have been disclosed in the Financial Statements as required by the applicable accounting standards.
14. According to the information and explanations give to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.
15. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.
16. According to the information and explanation given to us, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934. Accordingly, paragraph 3(xvi) of the Order is not applicable.

for **JEERAVLA & Co.**,
Chartered Accountants
FR No.001323S

SOHAN C J PARMAR
Proprietor
Membership No.: 022321

Place : Chennai
Date : 26th May, 2016.

Annexure - B to the Independent Auditors' Report

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 31st March 2016 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting 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 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 Company's internal financial controls over financial reporting 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") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. 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 internal financial control over financial reporting 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 internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2016, 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 Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

for **JEERAVLA & Co.,**
Chartered Accountants
FR No.001323S

SOHAN C J PARMAR
Proprietor
Membership No.: 022321

Place : Chennai
Date : 26th May, 2016.

Balance Sheet as at 31 March, 2016

Rs. in Lacs

Particulars	Note No.	As at 31 March, 2016	As at 31 March, 2015
A EQUITY AND LIABILITIES			
1.00 Shareholders' funds			
(a) Share capital	1	557.60	557.60
(b) Reserves and surplus	2	<u>3,454.33</u>	<u>2,623.11</u>
		<u>4,011.93</u>	<u>3,180.71</u>
2.00 Share application money pending allotment		-	-
3.00 Non-current liabilities			
(a) Long-term borrowings	3	1,669.02	1,179.57
(b) Deferred tax liabilities (net)	4	65.71	17.45
(c) Other long-term liabilities	5	4.00	20.00
(d) Long-term provisions	6	<u>90.21</u>	<u>68.90</u>
		<u>1,828.94</u>	<u>1,285.92</u>
4.00 Current liabilities			
(a) Short-term borrowings	7	6,311.06	4,519.04
(b) Trade payables	8	1,720.82	1,467.49
(c) Other current liabilities	9	660.30	216.63
(d) Short-term provisions	10	<u>707.85</u>	<u>480.54</u>
		<u>9,400.03</u>	<u>6,683.70</u>
TOTAL		<u>15,240.90</u>	<u>11,150.33</u>
B ASSETS			
1.00 Non-current assets			
(a) Fixed assets			
(i) Tangible assets	11	2,596.35	1,533.83
(ii) Capital work-in-progress		<u>55.95</u>	<u>1,088.80</u>
		<u>2,652.30</u>	<u>2,622.63</u>
(b) Non-current investments	12	5.00	5.00
(c) Long-term loans and advances	13	43.09	43.18
(d) Other non-current assets	14	<u>7.88</u>	<u>14.52</u>
		<u>2,708.27</u>	<u>2,685.33</u>
2.00 Current assets			
(a) Inventories	15	5,916.10	3,048.37
(b) Trade receivables	16	3,826.70	3,002.83
(c) Cash and cash equivalents	17	573.01	605.68
(d) Short-term loans and advances	18	1,528.45	1,443.84
(e) Other current assets	19	<u>688.37</u>	<u>364.28</u>
		<u>12,532.63</u>	<u>8,465.00</u>
TOTAL		<u>15,240.90</u>	<u>11,150.33</u>

Significant Accounting Policies
Notes on Financial Statements

1 to 36

As per our Report of even date

**For Jeeravla & Co.,
Chartered Accountants
FRN No : 001323S**

For and on behalf of the Board of Directors

Sohan C.J. Parmar
Proprietor
M.No. 022321

Anil Kumar Bansal
Chairman

Ashish Bansal
Managing Director

Place : Chennai
Date : May 26, 2016

L.Krishnamoorthy
Chief Financial Officer

K.Kumaravel
GM Finance &
Company Secretary

Statement of Profit and Loss for the year ended 31 March, 2016 Rs. in Lacs

Particulars	Note No.	For the year ended 31 March, 2016	For the year ended 31 March, 2015
A Income			
1 Revenue from operations (gross)	20	50,512.88	40,635.58
Less: Excise duty		<u>4,045.42</u>	<u>3,339.48</u>
Revenue from operations (net)		46,467.46	37,296.10
Other income	21	<u>108.05</u>	<u>207.26</u>
Total Revenue		<u>46,575.51</u>	<u>37,503.36</u>
2 Expenses			
(a) Cost of materials consumed	22	42,210.78	32,088.05
(b) Purchases of stock-in-trade	23	997.58	1,460.31
(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	24	(1,417.89)	320.97
(d) Employee benefits expense	25	578.95	449.04
(e) Finance Costs	26	757.60	698.62
(f) Depreciation and amortisation expense	27	388.59	239.56
(g) Other expenses	28	<u>1,459.50</u>	<u>1,276.26</u>
Total Expenses		<u>44,975.11</u>	<u>36,532.81</u>
3 Profit / (Loss) before exceptional and extraordinary items and tax (1 -2)		1,600.40	970.55
4 Exceptional items		-	-
5 Profit / (Loss) before extraordinary items and tax (3 + 4)		<u>1,600.40</u>	<u>970.55</u>
6 Profit / (Loss) before tax		<u>1,600.40</u>	<u>970.55</u>
7 Tax expense:			
(a) Current tax expense for current year		539.41	336.73
(b) Deferred tax		<u>48.26</u>	<u>(37.21)</u>
8 Profit / (Loss) for the year		<u>1,012.73</u>	<u>671.03</u>
Earnings per equity share of face value of Rs.10 each	29		
Basic and diluted		18.16	12.03
Significant Accounting Policies Notes on Financial Statements	1 to 36		

As per our Report of even date

**For Jeeravla & Co.,
Chartered Accountants
FRN No : 001323S**

Sohan C.J. Parmar
Proprietor
M.No. 022321

Place : Chennai
Date : May 26, 2016

For and on behalf of the Board of Directors

Anil Kumar Bansal
Chairman

Ashish Bansal
Managing Director

L.Krishnamoorthy
Chief Financial Officer

K.Kumaravel
GM Finance &
Company Secretary

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2016

Particulars	Year ended March 31, 2016	[Rs. in lacs] Year ended March 31, 2015
(A) Cash Flow from Operating activity		
Profit before tax	1,600.40	970.53
Adjustments for:		
Add:		
Provision for Bad & Doubtful Debts	17.30	-
Depreciation as per the Companies Act 2013	367.49	227.70
Loss on Sale of Fixed Assets	0.58	68.70
Loss on account of Commodity Hedging	23.80	-
Interest Paid	757.60	698.62
Demerger expenses written off	2.63	2.63
Tools & Implements written off	14.46	5.21
Preliminary expenses written off	4.01	4.01
Less:		
Profit on foreign exchange fluctuation	37.34	90.61
Interest received	33.13	75.05
Rent Received	31.90	36.18
Profit on sale of assets	-	0.45
Miscellaneous Income	5.68	4.77
Prior Period item	-	3.27
Operating Profit from Working Capital Changes	<u>2,680.22</u>	<u>1,767.07</u>
Adjustments for :		
(Increase) / Decrease in Inventories	(2,867.74)	843.87
(Increase) / Decrease in Trade Receivable	(823.87)	1,837.67
(Increase) / Decrease in Short term Loans & advances	340.39	58.19
(Increase) / Decrease in Other current assets	(324.09)	128.83
Increase / (Decrease) in Trade Payables	253.34	5.39
Increase / (Decrease) in Other current liabilities	443.67	(230.95)
Increase / (Decrease) in Short term provisions	(403.29)	302.82
Income Tax paid	(425.00)	(228.27)
Net Cash flow from operating activities	<u>(1,126.37)</u>	<u>4,484.62</u>
(B) Cash Flow from Investing Activities		
Adjustments for:		
Add:		
Proceeds from Sale of Fixed Assets	-	3.12
Interest received	33.13	75.05
Rent Received	31.90	36.18
Demerger expenses	-	(13.14)
Less:		
Increase / (Decrease) in Investments	-	(29.18)
Purchase of Tangible assets	1,425.10	147.96
Adjustment to Capital work-in-progress	(1,032.86)	784.40
Net Cash From Investing Activities	<u>(327.21)</u>	<u>(801.97)</u>
(C) Cash Flow from Financing Activities		
Adjustments for:		
Add		
Increase / (Decrease) in Long term borrowings	489.45	(476.87)
Increase / (Decrease) in Other long term liabilities	(16.00)	-
Increase / (Decrease) in long term provisions	21.31	(39.20)
(Increase) / Decrease in Long term loans and advances	0.09	(6.63)
(Increase) / Decrease in Other non current assets	6.64	(2.94)
Increase / (Decrease) in Short term borrowings	1,792.02	(1,248.08)
Profit on Foreign exchange fluctuation	37.34	90.61
Miscellaneous Income	5.68	4.77
Less		
Dividend Paid	134.22	129.61
Interest Paid	757.60	698.62
Reduction of Capital And Reserves on account of Demerger -	-	1,106.70
Loss on account of Commodity Hedging	23.80	-
Net cash from / (used) Financing Activities	<u>1,420.91</u>	<u>(3,613.27)</u>
Net Increase / (Decrease) in Cash & Cash Equivalents	<u>(32.67)</u>	<u>69.38</u>
Cash & Cash Equivalents as at 01.04.2015	605.68	536.30
Cash & Cash Equivalents as at 31.03.2016	573.01	605.68

As per our Report of even date

**For Jeeravla & Co.,
Chartered Accountants
FRN No : 001323S**

**Sohan C.J. Parmar
Proprietor
M.No. 022321**

Place : Chennai
Date : May 26, 2016

For and on behalf of the Board of Directors

**Anil Kumar Bansal
Chairman**

**L.Krishnamoorthy
Chief Financial Officer**

**Ashish Bansal
Managing Director**

**K.Kumaravel
GM Finance &
Company Secretary**

ACCOUNTING POLICIES AND NOTES ON ACCOUNTS

STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting

These financial statements have been prepared to comply with the Generally Accepted Accounting Principles in India (Indian GAAP), including the Accounting Standards notified under the relevant provisions of the Companies Act, 2013 ('ACT') read with Rule 7 of the Companies (Accounts) Rules, 2014, the provisions of the Act (to the extent notified) and guidelines issued by the Securities and Exchange Board of India (SEBI). Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

The financial statements are prepared on accrual basis under the historical cost convention. The financial statements are presented in Indian rupees rounded off to the nearest rupees in Lacs.

Use of Estimates

The preparation of financial statements in conformity with Indian GAAP requires management to make judgments, estimates and assumptions that affect the reported amount of assets and liabilities, disclosure relating to contingent liabilities as at the date of the financial statements and the reported amount of revenues and expenses during the reporting period.

Examples of such estimates include computation of percentage of completion which requires the Company to estimate the efforts or costs expended to date as a proportion of the total efforts or costs to be expended, provisions for doubtful debts, future obligations under employee retirement benefit plans, income taxes and the useful lives of fixed tangible assets and intangible assets.

Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as the Management becomes aware of changes surrounding the estimates. Difference between the actual results and estimates are recognised in the period in which the results are known/ materialized.

Inventories

Items of inventories are measured at lower of cost and net realizable value after providing for obsolescence, if any, except in case of by-products which are valued at net realizable value. Cost of inventories comprises of cost of purchase, cost of conversion and other costs including manufacturing overheads incurred in bringing them to their respective present location and condition.

Cost of raw materials, process chemicals, stores and spares, packing materials, trading and other products are determined on weighted average basis.

Cost of Purchase

The cost of purchase consists of the purchase price including duties and taxes, freight inwards, and other expenditure directly attributable to the acquisition. Duties and taxes that are subsequently recoverable by the enterprise from the taxing authorities are not included in cost of purchase. Trade discounts, rebates are deducted in determining the cost of purchase and Advance authorization license/duty scripts on exports and other similar items utilized for import of materials are not considered in determining the cost of purchase.

Depreciation and Amortization

Tangible Assets

Depreciation on Tangible assets is provided to the extent of depreciable amount on Written Down Value method over the useful lives of assets specified in the Schedule II of the Companies Act, 2013. Depreciation for

Assets Purchased/ sold, discarded, demolished or destroyed during the period is proportionately charged from the date of such addition or, as the case may be, up to the date, on which such asset has been sold, discarded, demolished or destroyed.

The Management (Technical Expert) estimates the useful lives for some fixed assets based on internal assessment and/or independent technical evaluation carried out by external valuers . Hence the useful lives of these assets are different from the useful lives as prescribed under Part C of Schedule II of the Companies Act 2013.

Depreciation and amortization methods, useful lives and residual values are reviewed periodically, including at each year end.

The cost and the accumulated depreciation for fixed assets sold, retired or otherwise disposed off are removed from the stated values and the resulting gains and losses are recognized in the profit and loss account.

Leasehold Assets are amortized over their period of lease.

Intangible Assets

Intangible Assets are amortized over their estimated useful life. The estimated useful life of the intangible assets and the amortization period are reviewed at the end of each financial year and the amortization method is reviewed to reflect the changed pattern.

Revenue Recognition

Revenue from sale are recognized on transfer of significant risk & rewards of ownership to the buyer that usually takes place on dispatch of goods in accordance with the terms of sale and is inclusive of excise duty but excluding sales returns, trade discount, CST and VAT.

In case of export sales, revenue is recognized as on the date of bill of lading, being the effective date of transfer of significant risks and rewards to the customer. Export benefits are accounted for on accrual basis.

Inter-division transfers of materials and services for captive consumption are eliminated from Sales and other operative income of the respective division.

Revenue arising due to price escalation claim is recognized in the period when such claim is made in accordance with terms of sale.

Revenue from services is recognized in accordance with the specific terms of contract on performance.

Dividend Income on investment is accounted for, as and when the right to receive the payment is established.

Interest is recognized on a time proportion basis taking into account the amount outstanding and the rate applicable.

Government grants and subsidies are accounted for on receipt basis.

Fixed Assets

Tangible Fixed Assets

Tangible Assets are stated at cost net of recoverable taxes, trade discounts and rebates and include amounts added on revaluation, less accumulated depreciation and impairment loss, if any. The cost of Tangible Assets comprises of its purchase price, borrowing cost and any cost directly attributable to bringing the asset to its working condition for its intended use, net charges on foreign exchange contracts and adjustments arising from exchange rate variations attributable to the assets.

Subsequent expenditures related to an item of Tangible Asset are added to its book value only if they increase the future benefits from the existing asset beyond its previously assessed standard of performance.

Projects under which assets are not ready for their intended use at the reporting date are disclosed under Capital Work-in-Progress.

Intangible Assets

Intangible assets comprising of technical know-how, product designs, prototypes etc. either acquired or internally developed are stated at cost less accumulated amortization and impairment. In case of internally generated intangible assets, appropriate overheads including salaries and wages are allocated to the cost of the asset.

Foreign currency transactions

Foreign currency transactions are recorded at the exchange rates prevailing on the date of the transaction.

Foreign exchange rate fluctuations relating to monetary assets and liabilities are restated at year end rates or forward cover rates, as applicable. The net loss or gain arising on restatement/ settlement is adjusted to the statement of profit and loss.

In respect of forward exchange contracts, the premium or discount arising at the inception of such a forward exchange contract is amortized as expense or income over the life of the contract. Exchange differences on such contracts are recognized in the statement of profit and loss of the reporting period in which the exchange rates change.

Investments

Non-current investments are carried at cost. Provision for diminution in the value of non-current investments is made only if such a decline is other than temporary in the opinion of the management.

Current investments are carried at lower of cost and fair value. The comparison of cost and fair value is done separately in respect of each category of investments.

On disposal of an investment, the difference between its carrying amount and net disposal proceeds is charged or credited to the statement of Profit and Loss. Profit or loss on sale of investments is determined on a first-in-first-out (FIFO) basis.

Investments in properties are carried individually at cost less depreciation and impairment if any. Investment in properties are capitalized and depreciated in accordance with the policy stated for fixed assets. Impairment in investment property is determined in accordance with the policy stated for impairment of assets.

Employee benefit

All employee benefits payable wholly within twelve months of rendering the service are classified as short term employee benefits. Benefits such as salaries, wages and bonus, etc, are recognized in the statement of profit and loss in the period in which the employee renders the related service.

Defined contribution plans

The employee's provident fund scheme, employees' state insurance fund and contribution to superannuation fund are defined contribution plans. The company's contribution paid/payable under these schemes is recognized as an expense in the statement of profit & loss during the period in which the employee renders the related service.

Defined benefit plans

The Company provides for gratuity, a defined benefit retirement plan (The Gratuity Plan) covering eligible employees. The Gratuity Plan provides a lump-sum payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount based on the respective employee's salary and the tenure of employment with the Company.

The company's gratuity plan is a defined benefit plan. The Company recognizes the net obligation of the gratuity plan in the Balance Sheet as an asset or liability, respectively in accordance with Accounting Standard (AS) 15, 'Employee Benefits'.

The present value of gratuity obligation under such defined benefit plan at each Balance Sheet date is determined based on an actuarial valuation carried out by an independent actuary using the Projected Unit Credit Method, which recognizes each period of current and past service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation. The obligation is measured at the present value of the estimated future cash flows. The discount rate used for determining the present value of the obligation under defined benefit plans, is based on the market yields on Government securities as at the valuation date having maturity periods approximating to the terms of related obligations. Actuarial gains and losses are recognized immediately in the statement of profit and loss in which they arise.

Gains or losses on the curtailment or settlement of any defined benefit plan are recognized when the curtailment or settlement occurs.

Borrowing Cost

Borrowing costs that are directly attributable to the acquisition or construction of a qualifying asset are capitalized as a part of the cost of such asset. The qualifying asset is one that necessarily takes a substantial period of time to get ready for its intended use. All other borrowing cost is recognized as expense in the period in which they are incurred.

Leasehold land

Leasehold lands are shown at cost less accumulated amortization.

Lease

Asset leased by the company in its capacity as lessee where substantially all the risk and rewards of ownership vest in the company are classified as finance lease and capitalized at fair value of the assets or present value of the minimum lease payments at the inception of the lease, whichever is lower. Lease payments under operating lease are recognized as an expense over the period of lease on straight line basis in statement of profit and loss account.

Provision for Taxation

Tax expense comprises of current tax (i.e. amount of tax for the period determined in accordance with the Income Tax Act, 1961) and deferred tax charge or credit (reflecting the tax effects of timing differences between accounting income and taxable income for the period).

The deferred tax charge or credit and the corresponding deferred tax liabilities or assets are recognized using the tax rates that have been enacted or substantively enacted by the Balance Sheet date.

Deferred tax assets are recognized only to the extent there is reasonable certainty that the assets can be realized in future; however, where there is unabsorbed depreciation or carry forward loss under taxation laws, deferred tax assets are recognized only if there is a virtual certainty of realization of such assets. Deferred tax assets are reviewed as at each Balance Sheet Date to reassess realization.

Deferred tax assets and deferred tax liabilities have been offset wherever the Company has a legal enforceable right to set off current tax assets against current tax liabilities.

Minimum Alternate Tax (MAT) paid in excess of normal income tax is recognized as asset (MAT Credit entitlement) only to the extent, there is reasonable certainty that company shall be liable to pay tax as per the normal provisions of the Income Tax Act, 1961 in future.

Impairment of Assets

The carrying amounts of assets are reviewed at each Balance Sheet date in accordance with Accounting Standard – 28 'Impairment of Assets' to determine whether there is any indication of impairment based on internal / external factors.

An impairment loss is recognized in the statement of Profit & Loss wherever the carrying amount of an asset exceeds its recoverable amount.

The impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined net of depreciation or amortization if no impairment loss had been recognized.

The recoverable amount is the higher of the assets net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value at the weighted average cost of capital.

Provisions, Contingent Liabilities and Contingent assets

A provision is created when there is a present obligation as a result of a past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of the obligation.

A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. When there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

The company does not recognize assets which are of contingent nature until there is virtual certainty of realisability of such assets. However, if it has become virtually certain that an inflow of economic benefits will arise, asset and related income is recognized in the financial statements of the period in which the change occurs.

Cash and cash equivalents

Cash comprises cash on hand and demand deposits with bank. Cash equivalents are short term balances, highly liquid investments with a remaining maturity at the date of three months or less and that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

Derivative accounting

The Company uses derivative financial instruments to manage risks associated with metal price fluctuations relating to certain highly probable forecasted transactions and certain firm commitments.

The Company applies the hedge accounting principles set out in Accounting Standard (AS) 30 - Financial Instruments: Recognition and Measurement and has designated derivative financial instruments taken for metal price fluctuations as "cash flow" hedges relating to highly probable forecasted transactions.

The use of derivative financial instruments is governed by the Company's policies approved by the Board of

Directors, which provide written principles on the use of such instruments consistent with the Company's risk management strategy.

Hedging instruments are initially measured at fair value, and are re-measured at subsequent reporting dates. Changes in the fair value of these derivatives that are designated and effective as hedges of future cash flows are recognized directly in hedging reserve and the ineffective portion is recognized immediately in the statement of profit and loss.

Hedge accounting is discontinued when the hedging instrument expires or is sold, terminated, or exercised, or no longer qualifies for hedge accounting. For forecasted transactions, any cumulative gain or loss on the hedging instrument recognized in hedging reserve is retained until the forecast transaction occurs upon which it is recognized in the statement of profit and loss. If a hedged transaction is no longer expected to occur, the net cumulative gain or loss accumulated in hedging reserve is recognized immediately to the statement of profit and loss.

Changes in the fair value of derivative financial instruments that have not been designated as hedging instruments are recognized in the statement of profit and loss as they arise.

Notes forming part of the financial statements

		Rs. in Lacs		
Particulars	As at 31 March, 2016	As at 31 March, 2015		
1.0 Share Capital				
1.1 (a) Authorised				
Equity shares of Rs 10 /- each 1,24,00,000 (1,24,00,000)	1,240.00		1,240.00	
(b) Issued, Subscribed and Paid-up				
Equity shares of Rs 10 /- each 55,75,993 (55,75,993)	557.60		557.60	
Total	<u>557.60</u>		<u>557.60</u>	
	No. of Shares As at 31.03.2016		No. of Shares As at 31.03.2015	
1.2 Shares out of the issued, subscribed and paid up share capital were allotted in the last five years pursuant to the various Schemes of amalgamation without payments being received in cash		<u>551,250</u>		<u>551,250</u>
1.3 The details of Shareholders holding more than 5% shares:				
	As at March, 2016		As at March, 2015	
	No. of Shares	% Held	No. of Shares	% Held
1.3.1 Ashish Bansal	631,194	11.32	389,063	6.98
1.3.2 Anil Kumar Bansal	621,079	11.14	360,097	6.48
1.3.3 Manju Bansal	512,627	9.19	292,550	5.25
1.3.4 R.P.Bansal	489,802	8.78	287,808	5.16
1.4 Reconciliation of the number of shares outstanding is set out below				
		As at 31 March 2016		As at 31 March 2015
Equity shares at the beginning of the year		5,575,993		11,151,985
Less : Shares transferred on account of Arrangement (Demerger)		-		5,575,992
Equity shares at the end of the year		<u>5,575,993</u>		<u>5,575,993</u>
1.5 The Company has only one class of equity shares having a par value of Rs.10/- per share. Each holder of equity share is entitled to One vote per share. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.				

	Rs. in Lacs	
Particulars	As at 31 March, 2016	As at 31 March, 2015
2.0 Reserves and Surplus		
(a) Securities premium account		
Opening balance	277.87	363.09
Less : Deduction on demerger	-	85.21
Closing balance (A)	<u>277.87</u>	<u>277.88</u>
(b) General reserve		
Opening balance	105.92	60.00
Add: Transferred from surplus in Statement of Profit and Loss	60.00	60.00
Less: Utilised / transferred during the year for:		
Deduction on Demerger	-	14.08
Closing balance (B)	<u>165.92</u>	<u>105.92</u>
(c) Surplus / (Deficit) in Statement of Profit and Loss		
Opening balance	2,239.31	2,316.95
Add: Profit / (Loss) for the year	1,012.73	671.03
Excess/Short Provision for Current Tax Reversed	(47.90)	(3.27)
Excess Depreciation made for earlier year reversed	5.49	-
Less: Appropriations		
Transfer on demerger	-	449.80
Cancellation of Investment in POCL Enterprises Limited	-	78.15
Depreciation effect as per Companies Act, 2013	-	23.23
Less: Dividends proposed to be distributed to equity shareholders of		
Rs 2/- per share (Rs 2/- per share)	111.52	116.13
Tax on dividend	27.57	18.09
Transferred to General Reserve	60.00	60.00
Closing balance (C)	<u>3,010.54</u>	<u>2,239.31</u>
Total (A +B +C)	<u>3,454.33</u>	<u>2,623.11</u>
3.0 Long Term Borrowings		
(a) Term loans from Banks		
Secured *	815.05	488.40
Sub Total (A)	<u>815.05</u>	<u>488.40</u>
(b) Term loans from Others		
1 Secured**	26.07	39.74
2 Unsecured - Related Party***	1,125.00	688.00
Sub Total (B)	<u>1,151.07</u>	<u>727.74</u>
Total (A + B)	<u>1,966.12</u>	<u>1,216.14</u>
(c) Less : Shown under Current Maturities of long term debt	297.10	36.57
Balance Shown above	<u>1,669.02</u>	<u>1,179.57</u>

*3.1 Rs.809.11 lacs of term loan comprises of Rs.360.56 lacs (Rs.474.37 lacs) and Rs.448.55 lacs (Nil) from Canara Bank & Axis Bank respectively for the Smelter Plant in Andhra Pradesh towards building and machinery.

These loans are primarily secured by way of first mortgage / Charge on the immovable / other fixed assets situated in factory at Andhra Pradesh and the same are guaranteed by promoter directors of the company. The term loan availed from Canara Bank & Axis Bank are repayable in 48 and 36 monthly instalments effective from November 2014 and December 2015 respectively. Rs.5.95 lacs (Rs.12.59 lacs) of Vehicle loan availed from Canara Bank, primarily secured by hypothecation of vehicles, repayable as per conditions of the term loan. The above loans are additionally secured by hypothecation of present and future stock of raw materials, stock-in-process, finished goods, stores & spares, book debts, materials in transit, etc

**3.2 Rs.26.07 lacs (Rs.41.18 lacs) of term loan for Vehicle is primarily secured by hypothecation of the Vehicle and repayable as per the term of the Vehicle loan

***3.3 represents loan from Directors

Twenty First Annual Report 2015-16

		Rs. in Lacs	
Particulars	As at 31 March, 2016	As at 31 March, 2015	
4.0 Deferred Tax Liability (Net)			
Related to Fixed Assets	65.71	17.45	
Total	<u>65.71</u>	<u>17.45</u>	
5.0 Other Long Term Liabilities			
(a) Trade Payables	-	-	
(b) Others			
Trade / security deposits received	4.00	20.00	
Total	<u>4.00</u>	<u>20.00</u>	
6.0 Long Term Provisions			
Provision for employee benefits:			
Provision for gratuity (net)	90.21	68.90	
Total	<u>90.21</u>	<u>68.90</u>	
7.0 Short Term Borrowings			
Loans repayable on demand			
(a) Secured			
1 Working Capital Loans			
1.1 From Banks			
1.1.1 Rupee Loans	6,053.14	4,313.42	
1.1.2 Foreign Currency Loans	41.28	-	
Total (a)	<u>6,094.42</u>	<u>4,313.42</u>	
(b) Unsecured			
1 From Banks	-	-	
2 From Others			
2.1 Related Party*	115.54	164.27	
2.2 Others	101.10	41.35	
Total (b)	<u>216.64</u>	<u>205.62</u>	
Total (a+b)	<u>6,311.06</u>	<u>4,519.04</u>	
7.1 Working Capital loans are secured by hypothecation of present and future stock of raw materials, stock-in-process, finished goods, stores & 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.			
*7.2 represents loan from Directors			
8.0 Trade Payables			
1 Micro, Small and Medium Enterprises	52.25	2.50	
2 Others	1,668.57	1,464.99	
Total	<u>1,720.82</u>	<u>1,467.49</u>	

There is no principal amount and interest overdue to micro and small enterprises. During the year no interest has been paid to such parties. Parties identification were based on the informations provided by the entities.

		Rs. in Lacs	
Particulars	As at 31 March, 2016	As at 31 March, 2015	
9.0 Other Current Liabilities			
(a) Current maturities of long-term debt (Refer Note 3(c) (above))	297.11	36.57	
(b) Unpaid / Unclaimed dividends	10.76	10.96	
(c) Unclaimed Fractional Shares dividends	0.07	-	
(d) Other payables			
1 Payables on purchase of fixed assets	2.54	26.46	
2 Advances from customers	2.72	0.42	
3 Audit Fee Payables	5.94	14.62	
4 Others *	<u>341.16</u>	<u>127.60</u>	
Total	<u>660.30</u>	<u>216.63</u>	

* Includes Central Excise, Sales tax and T.D.S. payable

10.0 Short Term Provisions

(a) Provision for employee benefits:			
1 Provision for bonus	29.36	21.54	
(b) Provision - Others :			
1 Provision for tax	539.40	324.78	
2 Provision for proposed equity dividend and Dividend Tax	<u>139.09</u>	<u>134.22</u>	
Total	<u>707.85</u>	<u>480.54</u>	

11.0 Fixed Assets

Rs. in Lacs

Sl. No.	Description	Gross Block			Depreciation				Net Block		
		As on 1.4.2015	Additions	Deduction/ Adjustments	As on 31.03.2016	Upto 31.03.2015	For the Year	Deduction/ Adjustments	As on 31.03.2016	As on 31.03.2015	As on 31.03.2016
(1)	Tangible Assets :										
1	Lease hold Land	249.71	0.00	0.00	249.71	9.28	2.61	0.00	11.89	240.43	237.82
2	Free hold land	51.56	0.00	0.00	51.56	0.00	0.00	0.00	0.00	51.56	51.56
3	Building	1,355.17	692.13	0.00	2,047.30	462.85	128.75	5.49	586.11	892.32	1,461.19
4	Plant & machinery	445.12	485.50	0.00	930.62	227.96	150.97	0.00	378.93	217.15	551.68
5	Furniture & Fittings	56.52	21.16	0.00	77.68	40.32	7.75	0.00	48.07	16.20	29.61
6	Office Equipment	67.49	38.33	10.22	95.60	61.15	6.73	9.64	58.24	6.34	37.36
7	Vehicles	130.92	0.00	0.00	130.92	53.28	25.09	0.00	78.37	77.64	52.55
8	Lab Equipments	63.32	77.30	0.00	140.63	46.17	14.87	0.00	61.03	17.15	79.59
9	Electrical fittings	82.59	110.68	0.00	193.27	67.56	30.72	0.00	98.28	15.03	94.99
	Total	2,502.40	1,425.10	10.22	3,917.29	968.57	367.49	15.13	1,320.92	1,533.82	2,596.35
	Previous Year 2014-15	3,821.77	147.96	1,467.33	2,502.40	1,632.70	227.68	891.86	968.55	2,189.07	1,533.85
	Capital Work in progress	532.38		476.43						532.38	55.95

11.1 Capital work in progress includes

- i. Project under construction : Nil (Rs.464.98 lacs)
- ii. Machinery and Electrical Fittings etc under installation : Rs. 55.95 lacs (Rs.67.40 lacs)

Particulars	Rs. in Lacs	
	As at 31 March, 2016	As at 31 March, 2015
12.0 Non Current Investments		
Investments (At cost)		
Canara Bank Mutual Fund	5.00	5.00
Total	<u>5.00</u>	<u>5.00</u>
Market Value of Quoted Investments is Rs. 5.57 lacs (Rs. 5.00 lacs)		
13.0 Long Term Loans & Advances (Unsecured and considered good)		
(a) Security deposits	36.01	35.43
(b) Advances for Capital Goods	7.08	7.75
Total	<u>43.09</u>	<u>43.18</u>
14.0 Other Non Current Assets		
(a) Misc. Expenditure (to the extent not written off or adjusted)		
(i) Amalgamation Expenses	4.01	8.03
(ii) Demerger Expenses	10.51	13.14
	14.52	21.17
Less : Written off	6.64	6.64
Total	<u>7.88</u>	<u>14.53</u>
15.0 Inventories (At lower of cost and net realisable value)		
(a) Raw materials	2,652.30	1,116.64
(b) Raw material in transit	860.41	1,094.62
(c) Work-in-progress	583.74	2.34
(d) Finished goods	1,587.65	595.09
(e) Stock in trade	180.12	215.33
(f) Stores and spares	22.93	13.92
(g) Loose tools	28.95	10.43
Total	<u>5,916.10</u>	<u>3,048.37</u>
16.0 Trade Receivables		
(a) Trade receivables outstanding for a period exceeding 180 days		
Unsecured and considered good	-	-
Total of (a)	-	-
(b) Other Trade receivables		
(i) Secured and considered good	131.68	550.60
(ii) Unsecured and considered good	3,695.02	2,452.23
Total of (b)	<u>3,826.70</u>	<u>3,002.83</u>
Total (a) + (b)	<u>3,826.70</u>	<u>3,002.83</u>

	Rs. in Lacs	
Particulars	As at 31 March, 2016	As at 31 March, 2015
17.0 Cash and Cash Equivalents		
(a) Cash & Cash Equivalents		
Balances with bank		
1 On Current & Cash Credit Accounts	1.06	93.87
2 In EEFC accounts	41.88	1.04
3 On Unpaid dividend accounts	10.83	10.96
4 * Deposits	513.36	494.75
(b) Cash on hand	5.88	5.06
Total	<u>573.01</u>	<u>605.68</u>
* Rs.513.36 Lacs (Rs.404.74 lacs) are with bank held as margin money, for letter of credit and Guarantees and security against borrowings and this includes deposits of Rs. 345.82 lacs (Rs. 26.48 lacs) with maturity of more than 12 months.		
18.0 Short Term Loans & Advances (Unsecured and considered good)		
(a) Loans and advances to employees	4.30	1.77
(b) Prepaid expenses	20.35	13.27
(c) Balances with Excise, Sales Tax and Income Tax Authorities		
1 Central Excise Deposit	751.71	567.07
2 TNVAT	0.28	1.20
3 Income Tax	439.46	268.86
4 Commissioner of Customs	-	1.35
5 Others (EPF & ESI)	0.02	-
(d) Others -Suppliers Advance (including for expenses)	312.33	590.32
Total	<u>1,528.45</u>	<u>1,443.84</u>
19.0 Other Current Assets		
(a) Interest accrued on deposits	32.69	84.44
(b) Rebate Receivables	655.68	279.84
Total	<u>688.37</u>	<u>364.28</u>

Particulars	Rs. in Lacs	
	As at 31 March, 2016	As at 31 March, 2015
20.0 Revenue from Operations		
(a) Sale of Products	50,494.66	40,581.60
(b) Other operating revenues	18.22	53.98
	50,512.88	40,635.58
Less:		
(c) Excise duty	4,045.42	3,339.48
Total	46,467.46	37,296.10
20.1 Particulars of Sale of Products		
(a) Sale of products comprises :		
I Manufactured goods		
1 Metals	44,520.32	34,953.36
2 PVC Additives	817.90	991.10
3 Others	11.77	4.93
Total - Sale of manufactured goods	45,349.99	35,949.39
II Traded goods		
1 Metals	1,051.97	1,216.10
2 PVC Additives	-	0.48
3 Others	47.28	76.15
Total - Sale of traded goods	1,099.25	1,292.73
Total - Sale of products	46,449.24	37,242.12
(b) Other operating revenues :		
1 Conversion Charges Received	18.22	26.64
2 Duty Drawback Received	-	27.34
Total - Other operating revenues	18.22	53.98
21.0 Other Income		
(a) Interest income	33.13	75.05
(b) Dividend income	-	0.19
(c) Net gain on foreign currency transactions and translation	37.34	90.61
(d) Other non-operating income (net of expenses directly attributable to such income)		
1 Miscellaneous receipts	5.68	4.78
2 Rent Received	31.90	36.18
3 Profit on sale of Vehicles	-	0.44
Total	108.05	207.25

Particulars	Rs. in Lacs	
	As at 31 March, 2016	As at 31 March, 2015
21.1 Particulars of Interest Income		
(a) Interest from banks on: deposits	25.54	74.39
(b) Interest on trade receivables	7.59	0.66
Total - Interest income	33.13	75.05
21.2 Particulars of Other Non-Operating Income		
Other non-operating income comprises:		
1.0 Rental income from operating leases	31.90	36.18
2.0 Profit on sale of fixed assets [net of expenses directly attributable]	-	0.45
3.0 Miscellaneous income [net of expenses directly attributable]	5.68	4.77
Total - Other non-operating income	37.58	41.40
22.0 Cost of Materials Consumed		
(a) Opening stock	1,116.63	1,514.30
(b) Add: Purchases	43,746.45	31,690.38
	44,863.08	33,204.68
(c) Less: Closing stock	2,652.30	1,116.63
Cost of material consumed (a + b -c)	42,210.78	32,088.05
Material consumed		
1.0 Lead Metal	23,598.37	8,055.73
2.0 Lead Scrap	13,040.50	20,750.50
3.0 Tin Ingots	2,307.01	2,328.52
4.0 Other items	3,264.90	953.30
Total	42,210.78	32,088.05
23.0 Purchase of traded goods		
1.0 Metals	978.86	1,385.32
2.0 Others	18.72	74.99
Total	997.58	1,460.31

Particulars	Rs. in Lacs	
	As at 31 March, 2016	As at 31 March, 2015
24.0 Changes in inventories of finished goods, work-in-progress and stock-in-trade		
(a) Inventories at the end of the year:		
1.0 Finished goods	1,587.65	595.09
2.0 Work-in-progress	583.74	2.34
3.0 Stock-in-trade	180.12	215.33
Total (a)	2,351.51	812.76
(b) Inventories at the beginning of the year:		
1.0 Finished goods	595.09	987.20
2.0 Work-in-progress	2.34	194.16
3.0 Stock-in-trade	215.34	-
Total (b)	812.76	1,181.36
(c) Excise duty on finished goods *	120.86	(47.63)
Net (increase) / decrease (b-a)+c	(1,417.89)	320.97

* Excise duty shown above represents the difference between excise duty on opening and Closing stock of finished goods.

25.0 Employee benefits expense

1 Salaries and wages	476.04	373.57
2 Contributions to provident and other funds	36.48	30.39
3 Staff welfare expenses	66.43	45.08
Total	578.95	449.04

As per Accounting Standard 15 “ Employee benefits”, the disclosures as defined in the Accounting Standard are given below:

25.1 Defined Benefit Plan :

The Employee’s gratuity liability has been made on actuarial basis . The Present value of obligation is determined by using the Projected Unit Credit Method, which recognises each period of service as giving rise to additional unit of employee benefit and entitlement measures each unit separately to build up the final obligation.

i) Amount to be recognised in Balance Sheet	For the year ended	
	31 March, 2016	31 March, 2015
	Gratuity Unfunded	Gratuity Unfunded
Present value of unfunded obligations	90.21	68.90
Unrecognised past service cost	Nil	Nil
Net Liability	90.21	68.90
Amount in the balance sheet		
Liabilities	90.21	68.90
Assets	-	-
Net Liability	90.21	68.90

	Rs. in Lacs	
Particulars	As at 31 March, 2016	As at 31 March, 2015
ii) Expenses Recongnised in Income Statement		
Current service cost	10.23	8.77
Interest on obligation	5.13	3.55
Net actuarial losses (gains) recognised in the year	<u>10.39</u>	<u>12.76</u>
Expenses recognised in P & L A/c.	<u>25.75</u>	<u>25.08</u>
iii) Changes in Benefit Obligations		
Opening defined Benefit obligation on 01-04-2015	68.90	45.01
Current service cost	10.23	8.77
Interest cost for the year	5.13	3.55
Actuarial losses (gains)	10.39	12.76
Benefits paid	(4.44)	(1.19)
Closing defined benefit obligation on 31-03-2016	90.21	68.9
26.0 Finance costs		
(a) Interest expense on:		
1 Bank Borrowings	552.77	481.28
2 On Unsecured Loans	135.93	129.69
(b) Bank Charges	<u>68.90</u>	<u>87.63</u>
Total	<u>757.60</u>	<u>698.60</u>
27.0 Depreciation & Amortisation Expenses		
1 Depreciation	367.49	227.71
2 Preliminary & Pre-Operative Exp.Written off	4.01	4.01
3 Demerger Expenses Written off(1/5th of Rs.1301108)	2.63	2.63
4 Tools & Implements written off	<u>14.46</u>	<u>5.21</u>
Total	<u>388.59</u>	<u>239.56</u>
28.0 Other expenses		
1 Advertisement	4.28	0.38
2 Bad trade and other receivables, loans and advances written off	17.30	-
3 Business promotion	6.79	2.71
4 Computer Maintenance	5.34	2.14
5 Consumption of packing materials	18.64	16.28
6 Consumption of stores and spare parts	-	0.26
7 Conversion Charges Paid	16.44	18.28
8 Director Sitting Fees	1.20	0.30
9 Donation	0.91	5.20
10 Entertainment Expenses	2.13	2.61
11 Environmental Control Expenses	36.42	41.84
12 Factory Expenses	38.56	25.51
13 Freight and forwarding	289.67	219.80
14 General Expenses	7.62	6.67

Twenty First Annual Report 2015-16

Particulars	Rs. in Lacs	
	As at 31 March, 2016	As at 31 March, 2015
15 Hedging	23.80	-
16 Incentive	4.22	4.85
17 Insurance	24.47	18.38
18 Laboratory Expenses	7.15	1.80
19 Legal and professional	48.43	27.17
20 Loss on fixed assets sold / scrapped / written off	0.58	68.70
21 Membership Fee	5.61	6.86
22 Newspaper & Periodicals	0.17	0.10
23 Office Maintenance	7.56	3.83
24 Payments to auditors	6.71	7.90
25 Postage , Telegram & Telephone Expenses	15.35	13.24
26 Power and fuel	490.42	500.95
27 Printing and stationery	4.92	4.86
28 Purchase Commission	8.05	-
29 Rates and taxes	49.59	25.75
30 Rent & Amenities Charges	5.20	2.78
31 Repairs and maintenance - Buildings	29.31	18.68
32 Repairs and maintenance - Machinery	60.92	47.49
33 Repairs and maintenance - Others	46.41	55.96
34 Sales commission	40.09	32.62
35 Sales discount	25.93	15.63
36 Service tax paid	9.36	6.92
37 Share transfer expenses	0.99	0.56
38 Travelling and Conveyance	88.04	57.35
39 Vehicle Maintenance	10.92	11.90
Total	1,459.50	1,276.26

28.1 Payment to Auditors as

Payments to the auditors comprises
(net of service tax input credit, where applicable):

1 As auditors - statutory audit	5.01	5.00
2 For taxation matters	1.00	0.50
3 Vat and Transfer pricing audit	0.25	0.50
4 Limited Review audit	0.45	0.45
5 Other Certification	-	1.70
Total	6.71	8.15

	Rs. in Lacs	
Particulars	As at 31 March, 2016	As at 31 March, 2015
29.0 Earning Per Share (EPS)		
(i) Net profit after tax as per statement of profit and loss attributable to equity shareholders	1,012.73	671.03
(ii) Weighted average number of Equity Shares	5,575,993	5,575,993
(iii) Basic Earning & Diluted Earning Per Share in Rs	18.16	12.03
(iv) Face Value per Equity Shares in Rs.	10.00	10.00
30.0 Value of imports calculated on C.I.F basis by the company in respect of :		
(i) Raw materials	40,541.20	28,683.59
(ii) Capital goods	39.38	37.93
30.1 Expenditure in Foreign Currency		
(i) Import of Raw Materials	38,473.85	27,863.84
(ii) Import of Capital goods	39.12	33.96
(iii) Membership Fee	3.49	5.80
(iv) Travelling Expenses	13.61	5.39
(v) Commission	35.82	30.76
31.0 Earnings in Foreign Exchange		
(i) Export Turnover*	13,674.05	12,510.29
Total	13,674.05	12,510.29
*Excludes Rs. 37.39 lacs (Rs. 212.40 lacs) of deemed exports.		
32.0 Remittance in Foreign Currency on Account of Dividend		
Number of Non Resident Shareholders	75	55
Number of Equity Shares held by them	253,100	478,835
Amount Remitted in Foreign Currency	5.06	4.78
Year to which dividend relates	2014-15	2013-14

33.0 (i) Related Party Disclosures

In accordance with Accounting Standard 18, the disclosure required is given below

Name of the related parties and relationship

- (a) Related enterprises
 - M/s. POCL Enterprises Limited
 - M/s. Bansal Metallic Oxides
 - M/s. Bansal Chemicals (India)
 - M/s. Daman Metallic Oxides
- (b) Key Management Personnel

S.No	Name	Designation
1	Mr. Anil Kumar Bansal	Chairman
2	Mr. Ashish Bansal	Managing Director
3	Mr. R.P.Bansal	Whole Time Director
4	Mr. K Kumaravel	GM-Finance & Co. Secretary
5	Mr. L Krishnamoorthy	Chief Financial Officer

(c) Relatives of Key Management Personnel

S.No	Name	Relationship
1	Mrs. Manju Bansal	W/o. Mr. Anil Kumar Bansal
2	Mrs. Saroj Bansal	W/o. Mr. R.P. Bansal
3	Mrs. Charu Bansal	W/o. Mr. Ashish Bansal
4	Mr. Pawan Bansal	S/o. Mr. R.P. Bansal
5	Mrs. Megha Choudhari	D/o. Mr. Anil Kumar Bansal
6	Mr. Punit Choudhari	Daughter's husband of Mr. Anil Kumar Bansal
7	Mrs. Shashi Gupta	Sister of Mr. Anil Kumar Bansal
8	Mr. Manoj Kumar Bansal	Brother of Mr. Anil Kumar Bansal
9	Mrs. Sushma Gupta	D/o Mr. R P Bansal

(ii) Transaction during the year with related parities

(Rs. in Lacs)

S.No	Nature of Transaction	Related Enterprises	Key Management Personnel	Relative of Key Management Personnel
I	Transactions during the year			
	Purchases			
	Goods & Materials	106.80 (Nil)	Nil (Nil)	Nil (Nil)
	Sales Goods & Materials	114.77 (22.05)	Nil (Nil)	Nil (Nil)
	Conversion Charges Paid	16.49 (3.16)	Nil (Nil)	Nil (Nil)
	Remuneration Paid	Nil (Nil)	139.98 (125.02)	Nil (Nil)
	Interest Paid	Nil (11.87)	123.49 (47.60)	Nil (28.75)
	Purchase and Sales Expenses	15.23 Nil	Nil Nil	Nil Nil
II	Finance and Investment during the Year			
	Loan Taken	Nil Nil	417.05 (776.75)	Nil (245.70)
	Loan Paid	Nil (98.95)	159.90 (75.11)	Nil (286.32)
III	Balance as at 31.03.2016			
	Trade and other Payables	1.79 (1.95)	1220.55 (852.25)	Nil Nil

iii Disclosure in respect of Material related party transaction during the year

- 1.00 Purchase / Material Consumed include Rs.106.80 lacs (Nil) from M/s. POCL Enterprises Limited
- 2.00 Sale includes Sale of Rs.65.58 lacs (Rs.22.05 lacs) to M/s. Bansal Chemicals (India) and Rs.49.19 lacs (Nil) to M/s. POCL Enterprises Ltd
- 3.00 Conversion Charges paid includes Rs.13.92 lacs (Nil) to M/s. POCL Enterprises Ltd and Rs.2.57 lacs (Rs.3.16 lacs) to M/s. Bansal Metallic Oxides.
- 4.00 Remuneration paid includes Rs. 42.17 lacs (Rs.43.25 lacs) to Mr.Anil Kumar Bansal, Rs.38.61 lacs (Rs.32.74 lacs) to Mr.Ashish Bansal, Rs.36.61 lacs (Rs.33.91 lacs) to Mr. R. P. Bansal, Rs.16.32 lacs (Rs.15.12 lacs) to Mr.K. Kumaravel and Rs.5.22 lacs (Nil) to Mr.L. Krishnamoorthy
- 5.00 Interest paid includes Nil (Rs.11.87 lacs) to M/s. Daman Metallic Oxides, Nil (Rs.1.34 lacs) to M/s. Rajendra Metchem, Rs.53.50 lacs (Rs.9.58 lacs) to Mr.Anil Kumar Bansal, Rs.42.43 lacs (Rs.21.41 lacs) to Mr.R. P. Bansal, Rs.27.56 lacs (Rs.15.27 lacs) to Mr.Ashish Bansal, Nil (Rs.7.35 lacs) to Mrs.Manju Bansal, Nil (Rs.9.82 lacs) to Mrs.Saroj Bansal, Nil (Rs.1.94 lacs) to Mrs.Megha Choudhari, Nil (Rs. 5.41 lacs) to Mrs.Charu Bansal, Nil (Rs.1.21 lacs) to Mr.Pawan Bansal, Nil (Rs.1.20 lacs) to Mrs.Sashi Gupta, Nil (Rs. 0.92 lacs) to Mr. Punit Choudhari, Nil (Rs.0.21 lacs) to Mr. Manoj Kumar Bansal, Nil (Rs. 0.69 lacs) to Mrs. Sushma Gupta
- 6.00 Purchase and Sales Expenses represents Rs.7.72 lacs (Nil) paid to M/s. POCL Enterprises Ltd, Rs.7.51 lacs (Nil) Paid to M/s. Bansal Chemicals (India)
- 7.00 Loan taken includes Rs.173.00 lacs (Rs.377.75 lacs) from Mr.Anil Kumar Bansal, Rs.167.50 lacs (Rs.176.25 lacs) from Mr.R. P. Bansal, Rs.76.55 lacs (Rs.222.75 lacs) from Mr.Ashish Bansal, Nil (Rs.68.90 lacs) from Mrs.Manju Bansal, Nil (Rs.48.75 lacs) from Mrs.Charu Bansal and Nil (Rs.42.75 lacs) from Mrs.Megha Choudhari, Nil (Rs.85.30 lacs) from Mrs.Saroj Bansal
- 8.00 Loan paid includes Nil (Rs.98.95 lacs) to M/s. Daman Metallic Oxides, Rs.60.65 lacs (Rs. 32.95 lacs) to Mr. Anil Kumar Bansal, Rs.41.79 lacs (Rs.21.71 lacs) to Mr. R. P. Bansal, Rs.57.46 lacs (Rs.20.45 lacs) to Mr. Ashish Bansal, Nil (Rs.68.90 lacs) to Mrs.Manju Bansal, Nil (Rs.48.75 lacs) to Mrs.Charu Bansal, Nil (Rs. 43.09 lacs) to Mrs.Megha Choudhari, Nil (Rs.85.30 lacs) to Mrs.Saroj Bansal, Nil (Rs. 10.10 lacs) to Mr. Pawan Bansal, Nil (Rs. 12.64 lacs) to Mr. Punit Choudhari, Nil (Rs. 10.00 lacs) to Mrs. Sashi Gupta, Nil (Rs.1.79 lacs) to Mr. Manoj Kumar Bansal and Nil (Rs. 5.75 lacs) to Mrs. Sushma Gupta
- 9.00 Trade and other payable includes Rs.0.32 lacs (Rs.1.95 lacs) to M/s. Bansal Metallic Oxide, Rs.1.47 lacs (Nil) to M/s. POCL Enterprises Ltd, Rs. 511.75 lacs (Rs.351.24 lacs) to Mr. Anil Kumar Bansal, Rs.448.87 lacs (Rs.284.97 lacs) to Mr.R.P. Bansal, Rs.259.93 lacs (Rs.216.04 lacs) to Mr.Ashish Bansal.

34.0 Contingent Liabilities and Commitments

(Rs. in Lacs)

Contingent Liabilities

Particulars	As at 31 March, 2016	As at 31 March, 2015
(I) (i) Performance/ Finance Guarantees	-	25.00
(ii) Other Money for which the company is contingently liable		
Liability in Respect of LC Opened	852.91	458,63
(II) Commitments		
Estimated amount of contracts remaining to be executed on capital account and not provided for	16.25	222.00

35.0 Value of imported and indigenous Raw Material and Spare Parts consumed

Particulars	As at 31 March, 2016	%	As at 31 March, 2015	%
Raw Materials				
(i) Imported	39,951.47	94.65	29,198.24	90.99
(ii) Others	2,259.31	5.35	2,889.83	9.01
Total	42,210.78	100.00	32,088.07	100.00

The business of the Company falls under a single primary segment i.e., Metal for the purpose of Accounting Standard 17.

36.0 Previous year figures have been regrouped/rearranged wherever necessary.

As per our Report of even date

**For Jeeravla & Co.,
Chartered Accountants
FRN No : 001323S**

Sohan C.J. Parmar
Proprietor
M.No. 022321

Place : Chennai
Date : May 26, 2016

For and on behalf of the Board of Directors

Anil Kumar Bansal
Chairman

L.Krishnamoorthy
Chief Financial Officer

Ashish Bansal
Managing Director

K.Kumaravel
GM Finance &
Company Secretary

NOTICE TO THE SHAREHOLDERS

Notice is hereby given that the Twenty First Annual General Meeting of the Members of **PONDY OXIDES AND CHEMICALS LIMITED** will be held on Saturday, September 17, 2016 at 11.30 a.m. at Kasturi Srinivasan Hall (Mini Hall), Music Academy, 306, T.T.K. Road, Chennai – 600 014 to transact the following business:

Ordinary Business:

1. To receive, consider and adopt the Audited Financial Statements of the Company for the financial year ended March 31, 2016 together with the reports of Board of Directors and Auditors thereon.

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

“RESOLVED THAT the Audited standalone financial statements for the year ended 31st March 2016 and the Board’s Report and Auditor’s Report thereon be and are hereby considered, approved and adopted.”

2. To declare dividend on Equity Shares for the financial year ended March 31, 2016.

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

“RESOLVED THAT the final dividend of Rs.2/- per equity share of Rs. 10/- each (20%) be declared for the financial year ended 31st March 2016 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 September 10, 2016 as per the details provided by the Depositories for this purpose.”

3. To appoint a Director in the place of Mr. R.P.Bansal (DIN: 00232708), who retires by rotation and being eligible, offers himself for reappointment.

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

RESOLVED THAT Mr. R.P.Bansal (DIN: 00232708), 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 hold office of Whole Time Director of the Company in terms of the resolution passed by the shareholders in the 20th Annual General Meeting of the Company.

4. To ratify the appointment of auditors and fix their remuneration

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

“RESOLVED that pursuant to the Provisions of Section 139 and other 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 appointment of Statutory Auditors i.e M/s.Jeeravla & Co., Chartered Accountants, (Firm Registration No.001323S) which was approved at the Annual General Meeting held on September 16, 2015 to hold office for a term of 2 years i.e from conclusion of 20th Annual General Meeting and until the conclusion of 22nd Annual General Meeting of the Company, be and is hereby ratified from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting to be held in the year 2017.

RESOLVED FURTHER THAT Board of Directors of the Company be and are hereby authorized to fix the remuneration in addition to reimbursement of service tax and out of pocket expenses of the Statutory Auditors, as they deem fit.”

Special Business:

5. **Revision in Remuneration of Mr. Ashish Bansal (DIN: 01543967), Managing Director of the Company**

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

“RESOLVED THAT in partial modification of resolution passed in this regard by the members of the Company at Annual General Meeting held on September 16, 2015 and pursuant to the provisions of Section 196, 197, 198 read with Schedule V and other applicable provisions, if any, of the Companies

Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the consent and ratification of the members be and is hereby accorded for revision in remuneration of Mr. Ashish Bansal (DIN: 01543967), Managing Director, with effect from April 1, 2016 for the remaining tenure of 2 years ending on March 31, 2018.

RESOLVED FURTHER THAT the remuneration payable to Mr. Ashish Bansal, Managing Director with effect from April 1, 2016 shall be as under:

Basic Salary: Rs. 42.00 lacs per annum.

Perquisites and allowances: Such as House Rent Allowance, Medical Allowance, Special Allowance, Provident Fund, Conveyance, Medical Reimbursement for self and family, Bonus, Leave Travel Concession, Gratuity, Utilities expenses, House maintenance, Books, Periodicals and Annual subscription for residence, use of company maintained car for personal use and communication expenses as may be provided by the Company and as agreed upon by the Board of Directors of the Company and Mr. Ashish Bansal subject however that the total value of allowances and perquisites payable in a year shall not exceed the amount of annual salary.

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 where in any financial year, during the currency of the tenure of the Managing Director, the Company has no profits or its profits are inadequate, the Company shall pay the remuneration by way of salary, perquisites and allowances as specified above as minimum remuneration, subject to the limits and conditions under Schedule V of the Companies Act, 2013, as may be amended from time to time.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to do all such acts, deeds and things, to enter into such agreement(s), deed(s) of amendment(s) or any such document(s), as the Board may, in its absolute discretion, consider necessary, expedient or desirable including power to sub-delegate, in order to give effect to this resolution or as otherwise considered by the Board to be in the best interest of the Company, as it may deem fit.”

6. **Appointment of Mr. G.P.Venkateswaran (DIN: 01509307) as an Independent Director**

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

“**RESOLVED THAT** pursuant to the provisions of Sections 149 and 152 read with Schedule IV and other applicable provisions, if any of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014, as amended from time to time, Mr. G.P.Venkateswaran (DIN: 01509307), who was appointed as an Additional Director with effect from November 12, 2015, 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 the 25th Annual General Meeting of the Company to be held in Calendar year 2020 and he shall not be liable to retire by rotation.”

7. **To ratify the remuneration of the Cost Auditors for the Financial Year 2015-16**

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

“**RESOLVED THAT** pursuant to the provisions of Section 148 and all applicable provisions, if any, of the Companies Act, 2013, read with the Companies (Audit and Auditors) Rules, 2014 as amended from time to time, 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 2015-16 at a remuneration of Rs. 30,000/- (Rupees Thirty Thousand only) in addition to applicable service tax and out of pocket expenses be and is hereby ratified.

8. **Authorisation to Board of Directors for determining fee for delivery of documents to the members**

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

“RESOLVED THAT pursuant to the provisions of Section 20 and other applicable provisions, if any of the Companies Act, 2013 read with the Rules framed thereunder (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), authority be and is hereby given to the Board of Directors of the Company (which shall include committee thereof) to determine the fee to be charged from a member who requests delivery of any document through a particular mode.”

By Order of the Board

For PONDY OXIDES AND CHEMICALS LTD.

Place : Chennai

Date : May 26, 2016

K.Kumaravel

GM Finance & Co. Secretary

NOTES:

1. **A member entitled to attend and vote at the Annual General Meeting (the “meeting” or “AGM”) is entitled to appoint a proxy to attend and vote on a poll instead of himself / herself and the proxy so appointed need not be a member of the Company.**

The proxy form in order to be effective must be deposited at the registered office of the company not less than 48 hours before the commencement of the meeting.

A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.

2. Corporate member(s) intending to send their authorized 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 authorizing their representative to attend and vote on their behalf at the Meeting.
3. An explanatory statement pursuant to Section 102(1) of the Companies Act, 2013, which sets out details relating to the Special Business to be transacted at the meeting, is annexed hereto.
4. Additional information pursuant to Regulation 36 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard on General Meetings in respect of the directors seeking appointment / re-appointment at the meeting is furnished and forms part of the Notice.
5. The registers i.e. Register of Directors and Key Managerial Personnel and Register of Contracts or Arrangements maintained under Section 170 and Section 189 of the Act respectively will be available for inspection to the members at the meeting.
6. The copies of the Annual Report 2015-16 including the notice of the 21st Annual General Meeting of the Company, inter-alia, indicating the process and manner of e-voting, attendance slip and proxy form are being sent by electronic mode to all the members whose email-ids are registered with the company / depositories for communication purposes. For members who have not registered their email address, the aforesaid documents are being sent in the permitted mode.
7. Members may also note that the notice of the 21st Annual General Meeting, proxy form and the Annual Report 2015-16 shall be placed on the Company’s website www.pocl.co.in. The physical copies will

also be available at the Registered Office of the company for inspection during normal business hours on working days.

8. The route map to the venue of the meeting is furnished herewith and forms part of the Notice.
9. Members holding shares in electronic form may note that bank particulars registered against their respective depository accounts will be used by the Company for payment of dividend. The company or its Registrars and Share Transfer Agents, Cameo Corporate Services Limited ("Cameo") 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 i.e. change in address or bank mandates are to be advised only to the concerned Depository Participant by the members.
10. Members holding shares in physical form are requested
 - to advise any change in their address immediately to Cameo Corporate Services Limited.
 - to update their Bank details already registered with Company / Cameo Corporate Services Limited are to register their bank details by submitting the duly completed National Electronic Clearing Services (NECS) mandate form attached to this annual report and forward the same to the Cameo Corporate Services Limited to enable the Company to remit the dividend through NECS.
11. To support the 'Green Initiative', members who have not registered their e-mail addresses so far are requested to register their e-mail address with RTA/Depositories for receiving all communication(s) including Annual Report, Notices, Circulars, etc. from the Company electronically.
12. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are therefore, requested to submit their PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN to the Cameo Corporate Services Limited, Chennai.
13. Members seeking any information with regard to the financial statements, are requested to write to the Company atleast 7 days before the Annual General Meeting so as to enable the management to keep the information ready at the Annual General Meeting.
14. Members are requested to handover the attendance slip, duly signed in accordance with their specimen signature(s) registered with the Company for admission to the meeting hall.
15. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote.
16. (a) The Company has notified closure of Share Transfer Books from September 11 2016 to September 17, 2016 (both days inclusive) for determining the names of members eligible for dividend on Equity Shares, if declared at the Meeting.
(b) The dividend on Equity Shares, if declared at the Meeting, will be credited / dispatched within thirty days to those shareholders whose names are on the Company's Register of Members as on September 10, 2016. In respect of the shares held in dematerialized form, the dividend will be paid to members whose names are furnished by National Securities Depository Limited / Central Depository Services (India) Limited as beneficial owners as on that date.
- 17. Investor Education Protection Fund:**
 - a) Members who have not encashed their dividend warrants for the years 2008-09 and years thereafter are requested to approach the Company for revalidation/issue of duplicate warrants quoting their Ledger Folio/DP-Client ID.
 - b) Pursuant to the provisions of Section 205A and 205C of the Companies Act, 1956, the Company

Twenty First Annual Report 2015-16

has transferred the unpaid or unclaimed dividends for the financial year 2007-08, on due date, to the Investor Education and Protection Fund (the IEPF) established by the Central Government.

- c) Pursuant to the provisions of Investor Education and Protection Fund (Uploading of information regarding unpaid and unclaimed amounts lying with companies) Rules, 2012, the Company has uploaded the details of unpaid and unclaimed amounts lying with the Company as on March 31, 2016 on the website of the Company (www.pocl.co.in).
- d) Pursuant to Section 205A of the Companies Act, 1956, unpaid dividends 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, 2009	September 17, 2009	September 21, 2016
March 31, 2010	August 28, 2010	September 01, 2017
March 31, 2011	September 24, 2011	September 28, 2018
March 31, 2012	September 07, 2012	September 11, 2019
March 31, 2013	August 27, 2013	August 31, 2020
March 31, 2014	September 12, 2014	September 16, 2021
March 31, 2015	September 16, 2015	September 20, 2022

*Indicative dates, actual dates may vary.

General Instructions

1. Voting through electronic means: In compliance with the provisions of Section 108 of the Act and Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended from time to time and the provisions of Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is providing e-voting facility to the members to exercise their right to vote on resolutions proposed to be passed in the meeting by electronic means. The members may cast their vote using an electronic voting system from a place other than the venue of the meeting ('Remote e-voting').
2. The Company has engaged the services of Central Depository Services (India) Limited ("CDSL") as the Agency to provide e-voting facility.
3. The remote e-voting facility will be available during the following period:

a.	Commencement of remote e-voting	: From 9.00 a.m. (IST) on September 14, 2016
b.	End of remote e-voting	: Up to 5.00 p.m. (IST) on September 16, 2016
4. The remote e-voting will not be allowed beyond the aforesaid date and time and the e-voting module shall be disabled by CDSL upon expiry of aforesaid period.
5. The members who have cast their vote by remote e-voting may also attend the Meeting but shall not be entitled to cast their vote again.
6. The facility for voting through ballot will also be made available at the AGM and members who could not cast their vote by remote e-voting, may cast their vote at the AGM through ballot paper.
7. The Voting rights of shareholders shall be in proportion to their shares in the paid up share capital of the Company as on September 10, 2016. Members holding shares either in physical form or dematerialized form, as on September 10, 2016 i.e. cut-off date, may cast their vote electronically. Any person who is not a Member as on the cut-off date should treat this Notice for information purposes only. Once the vote for the resolution is cast by Member, it cannot be subsequently changed or voted again.
8. The Board of Directors of the Company has appointed M/s. KSM Associates, Practicing Company Secretaries as Scrutinizer to scrutinize the voting 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.

9. At the AGM, at the end of the discussion on the resolution on which the voting is to be held, the Chairman would, with the assistance of the Scrutinizer, order voting by ballot paper for all those members who are present but have not cast their votes electronically using the remote e-voting facility.
10. The Scrutinizer shall, immediately after the conclusion of voting at AGM, count the votes cast at the AGM and thereafter unblock the votes cast through remote e-voting in the presence of atleast two witnesses who are not in the employment of the Company. The Scrutinizer will submit a consolidated Scrutinizer's Report of the total votes cast in the favour of or against, if any, not later than three days after the conclusion of AGM to the Chairman of the Company. The Chairman, or any other person authorized by the Chairman, shall declare the result of the voting forthwith.
11. The results along with the Scrutinizer's Report will be placed on the website of the Company www.pocl.co.in and on the website of CDSL immediately after the results are declared by the Chairman or any other person authorized by the Chairman and the same shall be communicated to BSE Limited.

Steps for e-Voting

1. The shareholders should log on to the e-voting website www.evotingindia.com.
2. Click on **Shareholders**.
3. Now Enter your User ID

For CDSL	16 digits beneficiary ID
For NSDL	8 Character DP ID followed by 8 Digits Client ID
Members holding shares in Physical Form	Folio Number registered with the Company

4. Next enter the Image Verification as displayed and Click on Login.
5. If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
6. If you are a first time user follow the steps given below:

For Members holding shares in Demat Form and Physical Form	
PAN	<p>Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none"> ● Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field. ● In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.
Dividend Bank Details OR Date of Birth (DOB)	<p>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.</p> <p>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 (4).</p>

7. After entering these details appropriately, click on "SUBMIT" tab.

8. Members holding shares in physical form will then directly reach the Company selection screen. However, members 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.
9. For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
10. Click on the EVSN of PONDY OXIDES AND CHEMICALS LIMITED.
11. 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.
12. Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
13. 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.
14. Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
15. You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
16. If 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.
17. **Shareholders can also cast their vote using CDSL's mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. iPhone and Windows phone users can download the app from the App Store and the Windows Phone Store respectively on or after 30th June 2016. Please follow the instructions as prompted by the mobile app while voting on your mobile.**
18. Note for Non – Individual Shareholders and Custodians
 - Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporates.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
 - 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.
 - The list of accounts should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
19. In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com.
20. 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 600 031., Phone : 044-42965454, Email ID : kk@pocl.co.in

Explanatory Statement

(Pursuant to Section 102 (1) 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 business mentioned under Item No. 5 to 8 of the accompanying notice:

Item No.5

Revision in Remuneration of Mr. Ashish Bansal (DIN: 01543967), Managing Director of the Company

The shareholders in their meeting held on September 16, 2015 approved the appointment of Mr. Ashish Bansal as Whole Time Director / Managing Director w.e.f April 1, 2015 on a remuneration of Rs.42.00 lacs p.a including perquisites for a period of three years till March 2018. Due to inadequate profit of the company in the earlier years, shareholders approved the payment of minimum remuneration to Mr. Ashish Bansal. For the year ended March 2016, Company's turnover and profitability has increased and company can remunerate upto 10% of net profit to the Whole time Directors and Managing Director.

Taking into consideration the valuable services and contribution made by Mr. Ashish Bansal, Managing Director of the Company, based on the recommendation of Nomination and Remuneration Committee, the Board of Directors in their meeting held on May 26, 2016 subject to the approval of the shareholders approved the payment of remuneration as set out in the resolution to Mr. Ashish Bansal, Managing Director of the Company. The total remuneration paid is within the limit prescribed under the Companies Act, 2013.

Pursuant to provisions of Section 196, 197 and 198 of the Companies Act, 2013 approval of the shareholders is being sought for the payment of remuneration to Mr. Ashish Bansal, Managing Director of the Company.

The explanatory statement together with the accompanying notice may be treated as an abstract of terms of appointment of Mr. Ashish Bansal, Managing Director and payment of remuneration to him and the memorandum of interest under section 190 of the Companies Act, 2013.

Your Directors recommend the resolution as set out in Item No.5 of the Notice for the approval of the members.

None of the Directors, Key Managerial Personnel or their relatives other than Mr. Anil Kumar Bansal and Mr. R.P. Bansal are, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No. 5 of the Notice, except as a member of the Company.

Item No.6

Appointment of Mr. G.P. Venkateswaran (DIN:01509307) as an Independent Director

Mr. G.P. Venkateswaran was appointed as Independent Director as per Section 149 of the Act of the Company by the Board with effect from November 12, 2015 and holds office upto the date of this Annual General Meeting.

The Company has received a notice in writing under Section 160 of the Act, from a member along with deposit of requisite amount proposing the candidature of Mr. G.P. Venkateswaran for the office of Director under Section 152 of the Act. The Company has received from Mr. G.P. Venkateswaran the requisite disclosures/declarations pursuant to the provisions of the Act.

The particulars of Mr. G.P. Venkateswaran viz., qualification, expertise and directorships and memberships of other Board Committees of listed entities are furnished in this annual report and forms part of this notice.

Mr. G.P. Venkateswaran is interested in the resolution as set out at Item No. 6 of this notice with regard to his appointment as an Independent Director.

Save and except the above, none of the other Directors, Key Managerial Personnel or their respective relatives are, in any way, concerned or interested, financially or otherwise, in this resolution.

Your Directors recommend the resolution set out in Item No. 6 of the Notice for approval of the Members.

Item No.7

Ratification of remuneration of the Cost Auditors for the financial year ended March 31, 2016

The Board, on the recommendation of the Audit Committee, has approved the appointment and remuneration of M/s. Vivekanandan Unni & Associates as the Cost Auditors (having Firm Registration Number 00085) to conduct the audit of the cost records of the Company for the financial year ended March 31, 2016.

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 remuneration payable to the cost auditor is Rs. 30,000 (Rupees Thirty Thousand Only) in addition to applicable service tax and reimbursement of incidental expenses incurred by the Auditor for carrying out the cost audit

Accordingly, consent of the members is sought for passing an Ordinary Resolution as set out in Item No. 7 of the Notice for ratification of the remuneration payable to the Cost Auditors for the financial year ended March 31, 2016.

None of the Directors, Key Managerial Personnel or their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No. 7 of the Notice.

Item No.8

Authorisation to Board of Directors for determining fee for delivery of documents to the member

Section 20 of the Companies Act, 2013 read with Rule 35 of the Companies (Incorporation) Rules, 2014 provides the mode of service of documents, *inter alia*, to the members of the Company. The proviso to sub-section (2) of Section 20 states that a member may request for delivery of any document through a particular mode, for which he shall pay fees as may be determined by the Company in its Annual General Meeting.

Such fee for delivery of any document through a particular mode shall be based upon the mode of service, weight of the document and place of delivery of the document sought by the member; hence it becomes difficult to quantify the amount in such a case. Therefore, it is felt appropriate that the Board of Directors be authorized to determine the fee after considering into account the mode of service, weight of the document and place of delivery of the document sought by the member.

The Board of Directors accordingly recommends the Ordinary Resolution set forth in Item No. 8 of the accompanying Notice for approval of the members.

None of the Directors, Key Managerial Personnel or their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No. 8 of the Notice, except as a member of the Company.

By Order of the Board

For **PONDY OXIDES AND CHEMICALS LIMITED**

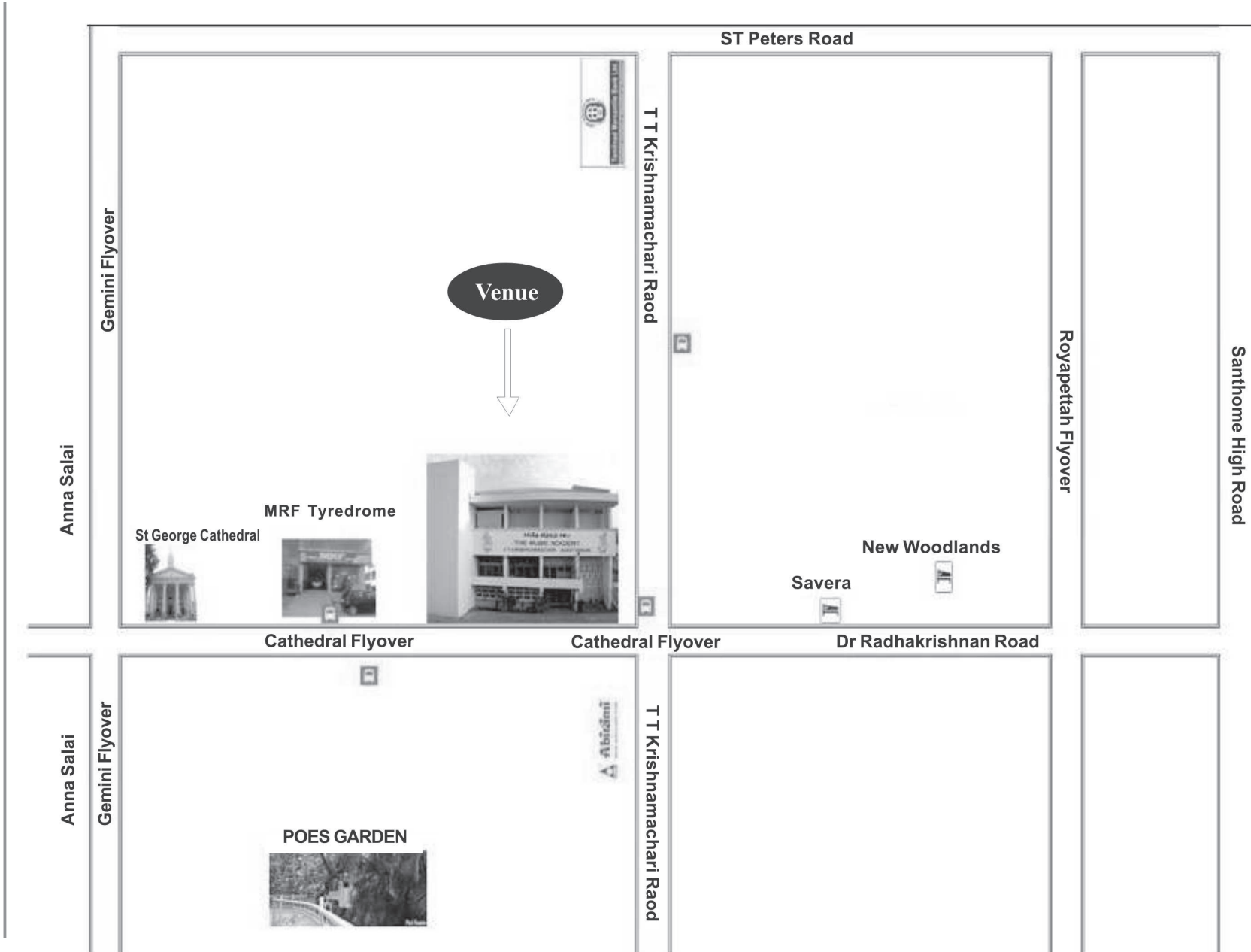
Place : Chennai
Date : May 26, 2016

K.KUMARAVEL
GM FINANCE & CO. SECRETARY

Pursuant to Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard on General Meetings brief particulars of the Directors proposed for re-appointment / appointment at the annual general meeting are given below :

Name of the Director	Mr. R P Bansal	Mr. G P Venkateswaran
Date of Birth	09/09/1946	14/06/1943
Date of Appointment	21.03.1995	12.11.2015
DIN	00232708	01509307
Brief Resume of the Director	Whole Time Director of the Company - Incharge of marketing and public relations.	Independent Director
Relationship between Directors inter-se	Brother of Promoter Director	Nil
Qualification and Expertise	Under Graduate	B.Com., FCA, FCS
Directorship held in other Companies	Nil	Forzia Tech Pvt Ltd; Anugraha Educational and Consultancy Services Pvt Ltd.
Membership/Chairmanship of Committee across other Public Companies, Committees, if any	Nil	Nil
Number of shares held on March 31, 2016	4,89,802	275

Route map for the venue of 21st AGM of Pondy Oxides and Chemicals Limited to be held on Saturday September 17, 2016 at 11:30 a.m.



NATIONAL ELECTRONIC CLEARING SERVICES (NECS) MANDATE FORMAT

To
 M/s. Cameo Corporate Services Limited
 Unit : Pandy Oxides and Chemicals Limited
 Subramanian Building,
 # 1, Club House Road,
 Chennai – 600 002

Dear Sir,

FORM FOR ELECTRONIC CLEARING SERVICES FOR PAYMENT OF DIVIDEND / INTEREST please fill-in the information in CAPITAL LETTERS and in ENGLISH ONLY.

Please TICK (✓) wherever is applicable.

For shares held in physical form

Master Folio No.

----- For Office Use Only-----
 ECS Ref.No.

For shares held in electronic form

DP. ID

Client Id

Note: On de-materialization of existing physical shares, for which you have availed ECS facility, this form needs to be re-submitted to your Depository Participant.

*PAN.NO.....

Email address:-

Name of First holder	
Bank name	
Branch name	
Branch code	<input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/>

(9 Digits Code Number appearing on the MICR band of the cheque supplied by the Bank) Please attach a xerox copy of a blank cheque of your bank duly cancelled for ensuring accuracy of the banks name, branch name and code number.

Account type	Savings <input type="checkbox"/>	Current <input type="checkbox"/>	Cash Credit <input type="checkbox"/>
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A/c No. (as appearing In the chequebook)	<input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/>
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Effective date of this Mandate	<input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/>
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I, hereby, declare that the particulars given above are correct and complete. If any transaction is delayed or not effected at all for reasons of incompleteness or incorrectness of information supplied as above, Karvy Consultants Limited, will not be held responsible. I agree to avail the ECS facility provided by RBI, as and when implemented by RBI/**Company Name**.

I further undertake to inform the Company any change in my Bank/branch and account number.

Date : _____

 (Signature of First holder)

PONDY OXIDES AND CHEMICALS LIMITED

L24294TN1995PLC030586

Regd Office: KRM Centre, 4th Floor, # 2, Harrington Road, Chetpet,
Chennai - 600 031.

Form No. MGT-11

Proxy Form

*[Pursuant to Section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies
(Management and Administration) Rules, 2014]*

Name of the Member :

Registered Address :

Email ID :

Folio :

DP ID/Client ID :

I/We, being the member holding shares of M/s. Pondy Oxides and Chemicals Limited,
hereby appoint:

1. ofhaving e-mail id
or failing him

2. ofhaving e-mail id
or failing him

3. ofhaving e-mail id

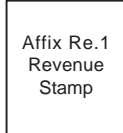
as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 21st Annual General Meeting of the Company, to be held on Saturday, September 17, 2016 at 11.30 a.m. at Kasturi Srinivasan Hall (Mini Hall), Music Academy, 306, T.T.K. Road, Chennai – 600 014 and at any adjournment thereof in respect of the following such resolutions as indicated below:

Resolu-tions No.	RESOLUTION
	Ordinary Business
1	To receive, consider and adopt the Audited Financial Statements of the Company for the financial year ended March 31, 2016, together with the Report of Board of Directors and Auditors thereon.
2	To declare dividend on Equity Shares for the financial year ended March 31, 2016.
3	To appoint a Director in the place of Mr. R. P. Bansal (DIN: 00232708), who retires by rotation and being eligible, offers himself for reappointment.
4	To ratify the appointment of Auditor and fix their remuneration

(Contd.,)

Resolutions No.	RESOLUTION
	Special Business
5	Revision in Remuneration of Mr. Ashish Bansal (DIN: 01543967), Managing Director of the Company
6	Appointment of Mr. G. P. Venkateswaran (DIN: 01509307) as an Independent Director
7	To ratify the remuneration of the Cost Auditors for the financial year 2016-17.
8	Authorization to Board of Directors for determining fee for delivery of documents to the members.

Signed this.....day of..... 2016



Signature of Shareholder

Signature of first proxy holder

Signature of second proxy holder

Signature of third proxy holder

Notes:

1. This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company not less than 48 hours before the commencement of the meeting.
2. A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than 10% of the total share capital of the Company carrying voting rights. A member holding more than 10% of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.

PONDY OXIDES AND CHEMICALS LIMITED

CIN: L24294TN1995PLC030586

Regd Office: KRM Centre, 4th Floor, # 2, Harrington Road, Chetpet, Chennai - 600 031.

ATTENDANCE SLIP

Please fill Attendance Slip and hand it over at the Entrance of the Meeting Hall

Name of the Shareholder :

Address of the Shareholder :

DP ID/ Client ID/Folio No :

No of Shares held :

I certify that I am a member /proxy/authorised representative for the member of the Company.

I hereby record my presence at the 21st **Annual General Meeting** of the Company held on Saturday, September 17, 2016 at 11.30 a.m. at Kasturi Srinivasan Hall (Mini Hall), Music Academy, 306, T.T.K. Road, Chennai – 600 014.

Signature of the Shareholder/Proxy

PONDY OXIDES AND CHEMICALS LIMITED
FIVE YEARS FINANCIAL HIGHLIGHTS

Rs. in Lacs

Parameters/Year	2015-16 \$	2014-15 \$	2013-14	2012-13	2011-12
OPERATING RESULTS					
Net Sales	46467.46	37296.09	44824.37	34242.64	30444.99
Profit Before Tax	1600.40	970.55	423.07	403.73	432.34
Profit After Tax	1012.73	671.03	281.36	276.06	287.59
Net Cash Accrual	1401.33	910.59	505.91	508.96	570.64
Dividend[incl. Div. Tax]	139.09	134.22	129.61	129.61	129.61
SOURCES & APPLICATION OF FUNDS					
SOURCE OF FUNDS					
Equity Share Capital	557.60	557.60	1115.20	1115.20	1115.20
Reserves & Surplus	443.79	383.80	423.10	408.09	393.10
Profit and Loss Account	3010.54	2239.30	2316.94	2170.49	2057.19
Net Worth	4011.93	3180.70	3855.24	3693.78	3565.49
Loan Funds	8074.29	5747.15	7511.29	7610.05	4929.45
Deferred Tax Liability [Net]	65.71	17.45	72.48	63.34	32.35
Funds employed	12151.93	8945.30	11439.01	11367.17	8527.29
APPLICATION OF FUNDS					
Fixed Assets: Net [Incl. WIP]	2652.30	2066.21	2493.46	2425.64	2255.27
Investments	55.97	619.40	160.75	149.36	105.91
Net Current Assets	9478.43	6259.69	8784.80	8792.17	6166.11
Net Assets	12186.70	8945.30	11439.01	11367.17	8527.29
RATIOS					
PBT to Sales (%)	3.44	2.60	0.94	1.18	1.42
PAT to Sales (%)	2.18	1.80	0.63	0.81	0.94
Return on Assets (ROA)* (%)	24.37	18.25	12.29	12.91	13.64
Return on Networth# (%)	28.16	19.07	7.45	7.61	8.86
Debt : Equity (times)	0.42	0.15	0.25	0.21	0.01
Fixed Assets Turnover (times)	17.52	18.05	17.98	14.12	13.50
Earning per share	18.16	12.03	2.52	2.48	2.84
Dividend (%)	20	20	10	10	10
Dividend per share	2.00	2.00	1.00	1.00	1.00
Book value per share	71.95	57.04	34.57	33.12	31.97

Note:

* ROA is PBIT divided by Average Net Operating Assets (ANOA).
Net operating assets exclude CWIP, Cash and Non-Trade Investments

Return on networth is computed based on average networth

\$ Figures for 2014-15 and 2015-16 are not comparable with previous years on account of Scheme of Arrangements with M/s. POCL Enterprises Ltd.

POCL[®]

PONDY OXIDES AND CHEMICALS LIMITED

An ISO 9001 : 2008 Certified Company