

REF: POEL/BNS/BSE/2024-25/25
SEPTEMBER 23, 2024

BSE LIMITED
PHIROZE JEEJEEBHAY TOWERS
DALAL STREET
MUMBAI- 400001

Scrip Code – 539195

Dear Sir,

Sub : Completion of 36th Annual General Meeting and address to shareholders

The 36th Annual General Meeting of POCL Enterprises Limited was convened today i.e., on September 23, 2024 at 05:00 P.M. through Video Conferencing ("VC")/ Other Audio Visual Means ("OAVM") and the businesses as mentioned in the Notice dated 01-08-2024 were transacted.

We enclose herewith the speech addressed to the shareholders at the 36th Annual General Meeting of the Company.

This is for your information and record.

Thanking You,

Yours faithfully,
For **POCL ENTERPRISES LIMITED**

AASHISH KUMAR K JAIN
COMPANY SECRETARY & FINANCE HEAD

ADDRESS TO THE SHAREHOLDERS AT THE 36TH ANNUAL GENERAL MEETING OF POCL ENTERPRISES LIMITED

My distinguished guests, esteemed shareholders, and fellow members on the Board,

A very Good Evening to all of you!

It is a privilege and an honour to welcome you all to the 36th Annual General Meeting of POCL Enterprises Limited. I am deeply grateful for the unwavering trust and support you have shown towards our Company. Your continued belief in our Company is a testament to our collective efforts. It's indeed an honour to address you all today, and I hope that together we will be able to scale greater milestones.

Like the previous years, this year's AGM too is being hosted on a digital platform. As we gather again virtually to discuss the progress made in the by gone year, it is a pleasure to address you. On behalf of the Board of Directors of POEL, I extend our sincere gratitude for your participation today.

At the outset, I would like to sincerely express my deepest gratitude to Mrs. Indra Somani, who retired as Independent Director from the Board on September 11, 2024. Having served two consecutive five-year terms as an Independent Director, Mrs. Indra Somani's invaluable contributions, experience and guidance have been instrumental in driving the Company's success. We extend our deepest thanks to Mrs. Indra Somani, for her contributions all these years.

I am pleased to share that our Company has experienced substantial growth in comparison to the previous years and has achieved a significant milestone, setting new benchmarks for financial success. Year on year, we are experiencing significant growth in the Company's annual performance, with historic highs in terms of revenue, net profits and cash flow generation.

Let me now briefly touch upon the overall economic environment before I share my thoughts on our Company's performance in FY 2023-24.

Global & Indian Economic Scenario

The global economy has weathered significant storms in recent years, beginning with supply chain disruptions and geopolitical tensions to soaring inflation and monetary policy tightening. The ongoing conflicts in Europe and the Middle East, coupled with the Red Sea crisis, have further worsened these pressures. Despite these headwinds, the global economy has demonstrated resilience. While growth slowed in 2023, the economy managed to avoid a recession. Despite concerns about banking crisis and difficulties in emerging markets, growth was stronger than expected in the second half of 2023, especially in US and several developing economies. According to the International Monetary Fund (IMF), Inflation is still rising, making it harder to bring down prices overall. However, amidst these headwinds, IMF, projects a steady global economic growth of 3.2% for 2024 and 3.3% for 2025.

As we navigate a complex global economic landscape, the Indian economy stands out as a bright spot, showcasing remarkable resilience and growth. According to the IMF estimates, the Indian economy is expected to grow by 7% in 2024. This robust growth is fuelled by the ongoing reforms across various sectors such as healthcare, energy and MSMEs, which in turn are laying the groundwork for a more vibrant economy. The substantial investments from both public and private sectors, coupled with strong domestic consumption, are driving the continued progress of our economy. India's resilience in the face of global challenges is a testament to the strength of our economy and our unwavering commitment to reform. As we look ahead, I am confident that our country will continue to thrive and contribute positively to the global growth.

Performance for FY 2023-24:

Let me now delve into your company's performance in FY 2023-24. We are all here celebrating another successful year in the history of POEL, marked by noteworthy accomplishments even amidst global challenges.

Friends! I am delighted to share with you all that we have achieved a remarkable 28% increase in turnover during FY 2023-24. We have successfully scaled to a turnover of Rs. 1,120 crores, surpassing the previous year's figure of Rs. 874 crores. This significant increase in turnover reflects the year on year hard work and the growth of POEL.

Our Earnings before Interest, Depreciation and Tax for the year stood at Rs. 39.21 Crores as against Rs. 29.17 Crores, showing an increase of 34.42% when compared to the previous financial year. During FY 2023-24, our company's profitability marked a significant growth with profit after tax reaching a new high of Rs. 17.74 Crores in comparison to the profits of Rs. 12.89 crores showing an increase of 37.63% when compared to the previous financial year.

POEL's market capitalization today stands at about Rs. 430 Crores as compared to Rs. 68 crores at the beginning of the previous year. The share price of the Company at the beginning of FY 2023-24 was Rs. 121/-. The profitability and growth forecast stood well appreciated by the market taking the POEL shares to record high of Rs. 839 per share which is almost a 7X return to our shareholders.

In order to provide enhanced liquidity in the capital market through widening shareholder base and to make it more affordable for small investors, the Board of your company has recommended the sub-division of the existing Equity Shares of the Company, such that each Equity Share having face value of Rs. 10/- will be sub-divided into 5 Equity Shares having face value of Rs. 2/- subject to the approval of the shareholders at today's meeting.

Now, let me now brief you regarding the growth of our operating segments. At POEL, we have three business segments – Metal, Metallic oxides and Plastic additives.

As always, our Metal segment once again delivered exceptional results in FY 2023-24. We have recorded a total revenue of Rs. 764 crores as compared to Rs. 602 crores in the previous year. Our Metal segment has demonstrated impressive growth, expanding by 27%. The ongoing CAPEX project is poised to further accelerate this momentum, ensuring sustained and significant gains.

The Metallic oxides segment achieved a notable revenue growth, increasing from Rs. 355 crores to Rs. 374 crores in the past year. Our Plastic Additives segment also saw a positive trend, with revenue rising from Rs. 72 crores to Rs. 80 crores. By introducing innovative and value-added products within this segment, we have successfully improved our profit margins to 7%.

During FY 2023-24, we strategically allocated Rs. 2.80 crore towards capital expenditure (CAPEX) with a primary focus on enhancing operational efficiency and safety. By investing in automation technologies, we successfully reduced waste, improved productivity, and created a safer working environment for our employees. Additionally, significant resources

were directed towards modernizing our laboratories and upgrading testing equipments, ensuring an uncompromised quality at the forefront of industry standards.

During FY 2023-24, your Company has been awarded Brand Listing from the Multi Commodity Exchange (MCX) for its pure lead produced at Alloying & Refining Division. We produce lead ingots with 99.98% purity, which are now approved and acceptable for deliveries at all MCX warehouses. This MCX brand listing is a true recognition of POEL, showcasing our unwavering commitment to quality and customer satisfaction.

Awards and recognition

Dear Members! With great pleasure I would like to announce that POEL has been honoured with the prestigious “Star Performer in Non-Ferrous Metals” by EEPIC INDIA in recognition of outstanding export performance for the year 2019-20 under Medium Enterprise category and for the year 2020-21 under Small Enterprise category. These awards serve as a powerful endorsement of our company's export excellence. Our POEL is growing day by day and these achievements are just the beginning, and we are more than confident that the growth momentum will continue in the coming years.

Dividend

At POEL, the interests of our shareholders are always at priority. Based on the Company's performance, your Directors are pleased to recommend a final dividend of 25% i.e., Rs. 2.50/- per equity share of Rs.10/- each, for the year ended March 31, 2024 out of the current year's profits. Dear shareholders! We assure you all, that we will continue to work towards delivering exceptional returns and demonstrating our commitment to sharing the Company's success with our valued shareholders.

Corporate Social Responsibility (CSR)

POEL's commitment to Corporate Social Responsibility (CSR) remains steadfast. We believe that businesses have a responsibility to contribute positively to the communities in which we operate. In the past year, we have focused on supporting and enhancing the lives of marginalized sections of the society in the areas such as education, medical and healthcare, eradicating hunger and poverty. During FY 2023-24, the Company has spent an amount of Rs. 9.44 lakhs towards its CSR obligation. In line with our motto, we will always continue to explore new opportunities to give back and create a more sustainable and equitable future for all.

Outlook and moving forward

Building on a strong financial performance in FY 2023-24, POEL is poised for accelerated growth. Our strategic focus on enhancing profitability across all segments is yielding positive results. In the first quarter of FY 2024-25, we have achieved total sales of Rs. 364 crores, showing an increase of 18% Q-O-Q and our profit before tax stood at Rs. 8.37 crores, marking a promising start to the fiscal year.

Further, I am excited to unveil our strategic plans for the company's future.

In line with our unwavering commitment to operational excellence, we are pleased to share about our initiative towards sustainable manufacturing process undertaken at Metallic Oxide Division and Plastic Additives Division. This project entails a transition from Light Diesel Oil & furnace oil to LPG in our manufacturing process, which is a significant step towards integrating green energy into our operations. We have successfully implemented this change at our Metallic oxides division and are nearing completion in the other. The overall investment outlay for this project is Rs. 1.50 crores. This shift will not only result in fewer emissions, but also enhance efficiency, leading to lower production costs and improved profitability and most importantly, reducing our carbon footprints and contributing to a more sustainable environment.

Additionally, we are also actively expanding our Lead Alloying and Refining Business at our Maraimalai Nagar facility. As already informed, the expansion is undertaken at an estimated investment outlay of Rs. 5.22 crores. This substantial investment will increase our refining and smelting capacity, enabling us to capture new market opportunities and expand our existing customer base. It will also result in estimated additional revenue generation of about Rs. 200 Crore p.a., and an increase of 2% in the margins as a result of higher production efficiency and economies of scale.

POEL is focused on driving growth in our Metallic Oxides division through strategic expansion of zinc oxide sales, both domestically and internationally. By targeting emerging markets and optimizing our operations, we aim to significantly increase our revenues and strengthen our position as a leading supplier of high-quality zinc oxide products.

POEL is poised for substantial growth in its PVC Stabilizer division, targeting a doubling of operations in the coming years. Our strategy centres on introducing innovative, high-value products that cater to the evolving needs of diverse end-use consumers. Recognizing the

growing demand for calcium zinc stabilizers, we are actively expanding our market reach into emerging economies and exploring regions with significant potential.

These initiatives underscore our unwavering commitment to growth and sustainability. These strategic moves are designed to enhance shareholder value, bolster our competitive edge, and position us for long-term success. We're confident that these actions will propel our company forward with distinct recognition in the industry.

Note of Appreciation

An organization is only as strong as its people. And so, before I conclude, I would like to express my sincere gratitude to our Board members, leadership team, employees, shareholders, investors, suppliers, and customers for their unwavering support and dedication all these years. On behalf of the Board, I wish to place on record our gratitude to our bankers – HDFC Bank, Canara Bank, ICICI Bank and Kotak Mahindra Bank, for their all-time encouragement, support and invaluable contribution in facilitating our operations smoothly. With all your continued trust and cooperation, we are confident in our ability to achieve even greater miles. We are grateful for your continued support and look forward to what the future holds.

Thank You. Jai Hind!

Padam C Bansal
Non-Executive Director

Date: 23.09.2024

Place: Chennai