



POEL POCL ENTERPRISES LIMITED

REF: POEL/SKK/BSE/2020 - 21/25
SEPTEMBER 19, 2020

BSE LIMITED
PHIROZE JEEJEEBHOY TOWERS
DALAL STREET
MUMBAI- 400001

DEAR SIR,

Sub : Completion of 32nd Annual General Meeting and Chairman's Speech
Ref : Scrip Code - 539195

The 32nd Annual General Meeting of POCL Enterprises Limited was held on September 18, 2020 at 05:00 P.M. through Video Conferencing ("VC")/ Other Audio Visual Means ("OAVM") and the businesses as mentioned in the Notice dated 29-07-2020 were transacted.

We enclose herewith the Chairman's Address to the shareholders at the 32nd 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



Willingdon Crescent, 1st Floor, No. 6/2, Pycrofts Garden Road, Nungambakkam, Chennai - 600 006.

Phone : +91 -44 4914 5454, E-mail : info@poel.in Website : www.poel.in

CIN : L52599TN1988PLC015731

CHAIRMAN'S ADDRESS AT THE 32ND ANNUAL GENERAL MEETING OF POCL ENTERPRISES LIMITED

Dear Shareholders!

It gives me great pleasure to welcome you all to the 32nd Annual General Meeting of POCL Enterprises Limited. I would have very much liked to meet and address you in person, but as you know, we are holding this meeting over a virtual platform due to the prevailing unprecedented circumstances. I would like to thank you for sparing the time to join us today from wherever you are, and for your continued faith in POEL and its management. I hope all of you are safe and are in good health.

The world is passing through uncertain times and it would be incorrect to begin a review of the last financial year without a mention of it. The Novel Corona virus has created the largest pandemic in the recent history of the world, affecting most countries and companies across the globe. The abruptness of the virus incidence, the speed of its spread and the extent of its impact represents a watershed in the history of mankind.

The Indian economy that was witnessing a slowdown for several quarters till December 2019, did show some signs of recovery during the beginning of 2020. However, the outbreak of the Covid 19 pandemic in March 2020 destroyed any hopes of revival, and worse, plunged the entire globe into darkness. The outbreak of the pandemic and the nationwide lockdown brought the economy to almost a standstill. Several industries were hit, some immediately and some later. Crude oil prices plummeted from January 2020. There was a panic sell off, which resulted in wealth destruction in equity markets. As a counter measure to this and to spur economic growth, The Government of India and the Reserve Bank of India have since then announced a slew of relief measures. The RBI announced three months moratorium for loans and then extended it by another three months from March 2020 till August 2020 to alleviate some of the financial burden on the public. Reduction of repo rates, credit guarantee schemes for MSMEs and NBFCs and policy reforms across multiple sectors are expected to help overcome this difficult phase in the economy. Over the next many months, economies around the world will have to operate alongside COVID-19 and businesses will have to build capability to manage in an uncertain ecosystem.

Review of the last Financial Year

Let me now take you all through the performance of the Company for the financial year 2020. It is only fitting that I talk about the performance in two parts; firstly, the first three quarters and secondly, the final quarter of the year, the month of March 2020 in particular.

Talking about the first three quarters, your company achieved sales of Rs. 263.25 Crore in line with its projections and registering a profit after tax of Rs. 2.41 Crore. All the three segments of the Company i.e., Metal, Metallic Oxides and PVC Stabilisers performed well during this period. However, in the last quarter, the company's profitability was badly hit due to drastic fall in the commodities market. Due to the outbreak of the CoVID 19 pandemic, the commodity markets tumbled with both lead and zinc prices falling approximately by USD 300/MT between February and March 2020. All the open LME positions which were meant to hedge the prices against our import and export consignments had to be squared off due to this drastic fall. The Company had to account for Mark to Market (MTM) loss of Rs. 2.13 Crores in the month of March 2020 alone. Consequently, we made a net loss of Rs. 60 Lakhs for the full year 2019-20.

Road Ahead

FY 2019-20 was challenging year for the Company. Nevertheless, what is important is your management is united in putting aside the results of FY 2019-20 and in striving to achieve better results for next fiscal year. POEL is focusing to invest prudently in its sales and marketing team across the foreseeable future while balancing the need to grow topline on the one hand and the need to report presentable quarterly performance on the other. We are also venturing into non-lead PVC stabilisers which will cater to the requirements of PVC pipes, window profiles and wires and cables industries. The new product line will help the company in achieving better turnover and profitability.

Note of Appreciation

I convey my heartfelt thanks to all our shareholders for their continued trust and confidence in the Management of the Company. My gratitude is due to my colleagues on the Board for their valuable guidance. I also convey my sincere thanks to our employees, customers, suppliers, bankers and all our business associates.

Thank you.

Harish Kumar Lohia
Chairman

Date : September 18, 2020

Place : Chennai