



**REPORT OF THE AUDIT COMMITTEE OF POCL ENTERPRISES LIMITED RECOMMENDING THE DRAFT SCHEME OF AMALGAMATION OF PLANETFIRST GREEN PRIVATE LIMITED WITH AND INTO POCL ENTERPRISES LIMITED AND THEIR RESPECTIVE SHAREHOLDERS UNDER SECTIONS 230 TO 232 AND OTHER APPLICABLE PROVISIONS OF THE COMPANIES ACT, 2013 CONSIDERED AND APPROVED AT ITS MEETING HELD ON MARCH 16, 2026 BETWEEN 02:00 P.M AND 02:45 P.M AT THE REGISTERED OFFICE OF THE COMPANY SITUATED AT WILLINGDON CRESCENT, 1<sup>ST</sup> FLOOR, NO. 6/2, PYCROFTS GARDEN ROAD, NUNGAMBAKKAM, CHENNAI - 600006.**

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**Members Present:**

Dr. Ramachandran Balachandran : Chairman  
Mr. Amber Bansal : Member  
Mr. Jyoti Kumar Chowdhry : Member

**In Attendance:**

Mr. Aashish Kumar K Jain : Company Secretary & Finance Head

**1. Background**

- 1.1 The Audit Committee at its meeting held on March 16, 2026 was requested to inter-alia, consider and if thought fit, recommend to the Board of Directors ("**Board**") of POCL Enterprises Limited ("**Transferee Company**" or "**Company**" or "**POEL**"), a draft of the proposed Scheme of Amalgamation involving the Company, and its unlisted Associate Company, Planetfirst Green Private Limited ("**Transferor Company**" or "**PGPL**") and their respective shareholders and creditors, (hereinafter referred to as the "**Scheme**"), wherein the Transferor Company shall amalgamate with and into the listed Transferee Company in terms of Sections 230 to 232 and other applicable provisions, if any, of the Companies Act, 2013 ("**Companies Act**") read with the rules made thereunder (including any statutory modification(s) or re-enactment(s) or other amendment(s) thereof for the time being in force), SEBI (Listing Obligations and Disclosure Requirements Regulations), 2015 ("**Listing Regulations**") including SEBI Master Circular bearing reference no. SEBI/HO/CFD/POD-2/P/CIR/2023/93 dated June 20, 2023, as amended from time to time ("**SEBI Circular**") and other applicable laws.
- 1.2 Planetfirst Green Private Limited ("**PGPL**" or "**Transferor Company**") was incorporated on July 7, 2022 under the provisions of the Companies Act, 2013. Its Corporate Identification Number (CIN) is U24203TN2022PTC185571, and its registered office is situated at Willingdon Crescent, 1st Floor, No. 6/2, Pycrofts Garden Road, Nungambakkam, Shastri Bhavan, Chennai, Tamil Nadu - 600006. The Transferor Company is an unlisted private limited company and an Associate Company of POCL Enterprises Limited ("**Transferee Company**").
- 1.3 POCL Enterprises Limited ("**POEL**" or "**Transferee Company**") was incorporated on May 20, 1988 under the provisions of the Companies Act, 2013. Its Corporate Identification Number (CIN) is L52599TN1988PLC015731, and its registered office is situated at

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# POEL POCL ENTERPRISES LIMITED

Willingdon Crescent, 1st Floor, No. 6/2, Pycrofts Garden Road, Nungambakkam, Chennai, Tamil Nadu – 600006. The Equity Shares of the Transferee Company are currently listed on the BSE Limited. The Transferee Company will be filing the Scheme along with the necessary information/documents with BSE Limited under Regulation 37 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. BSE Limited shall be the designated Stock exchange for the scheme.

- 1.4 The Scheme is subject to the receipt of approval from the Board of Directors and (a) requisite majority of the shareholders of the respective Transferor Company and Transferee Company (collectively referred as “**Companies**”), (b) SEBI, (c) BSE Limited (the “**Stock Exchange**”), (d) Hon’ble National Company Law Tribunal, (e) Appropriate Authorities, and (f) such other approvals, permissions and sanctions of regulatory and other statutory or governmental authorities/ quasi-judicial authorities, as may be necessary as per applicable laws.
- 1.5 As per Para (A)(2)(c) of Part I of SEBI Master Circular bearing reference no. SEBI/HO/CFD/POD-2/P/CIR/2023/93 dated June 20, 2023 (“**SEBI Circular**”), the Audit Committee is required to issue a report recommending the Scheme, *inter alia*, the valuation report, and commenting on the need for the Scheme, rationale of the Scheme, synergies of business of entities involved, impact of the Scheme on the shareholders of the Company and cost benefit analysis of the Scheme.
- 1.6 This report of the Audit Committee is made to comply with the requirements of the SEBI Circular.
- 1.7 The following documents were placed before the Audit Committee and while deliberating on the Scheme, the Audit Committee had, *inter alia*, considered and took on record these documents:
  - a. A draft of the proposed Scheme;
  - b. Valuation Report dated March 16, 2026, issued by Mr. N V Subbarao Kesavarapu, Registered Valuer having IBBI Registration No. IBBI/RV/02/2019/12292 and holding Certificate of Practice issued by ICAI Registered Valuer Organisation, stipulating *inter alia* the methodology adopted and the valuation arrived in relation to the amalgamation of Planetfirst Green Private Limited with and into POCL Enterprises Limited. The share exchange ratios for the proposed Scheme, as determined and recommended in the Valuation Report, are set out below:

**For equity shareholders of the Transferor Company:**

“For every 100 (One Hundred only) equity shares having a face value of Rs. 10/- each held by the shareholder in the Transferor Company namely Planetfirst Green Private Limited, 13 (Thirteen only) fully paid-up equity shares having a face value of Rs. 2/- each will be issued/allotted in the Transferee Company namely POCL Enterprises Limited.”

*gr. s. chandrasekhar*

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## **For preference shareholders of the Transferor Company:**

In respect of ISIN: INE21DU04011

*"For every 100 (One Hundred only) 0.5% non-cumulative non-convertible redeemable preference shares having a face value of Rs. 10/- each held by the shareholder in the Transferor Company namely Planetfirst Green Private Limited, 5 (Five only) fully paid-up equity shares having a face value of Rs. 2/- each will be issued/allotted in the Transferee Company namely POCL Enterprises Limited."*

In respect of ISIN: INE21DU04029

*"For every 100 (One Hundred only) 0.5% non-cumulative non-convertible redeemable preference shares having a face value of Rs. 10/- each held by the shareholder in the Transferor Company namely Planetfirst Green Private Limited, 5 (Five only) fully paid-up equity shares having a face value of Rs. 2/- each will be issued/allotted in the Transferee Company namely POCL Enterprises Limited."*

- c. Fairness Opinion dated March 16, 2026 issued by M/s. Synfinx Capital Private Limited (represented by Mr. Hari Surya), a Category I Merchant Banker registered with SEBI and holding Registration Number INM000013192 providing fairness opinion on the Valuation report of Mr. N V Subbarao Kesavarapu, Registered valuer in relation to the proposed Amalgamation of Planetfirst Green Private Limited with and into POCL Enterprises Limited;
- d. Pricing Certificate dated March 16, 2026 as required under SEBI (Issue of Capital and Disclosure requirements) Regulations, 2018, issued by KSM Associates, Practicing Company Secretaries, Chennai (having Firm Registration No. P2006TN058500);
- e. Auditor's Certificate dated March 16, 2026, issued by the Statutory Auditors of the Company i.e., CNGSN & Associates LLP, Chartered Accountants, Chennai (having Firm Registration Number: 004915S/S200036) ("**Auditors Certificate**"), in terms of Para (A)(5) of Part I of the SEBI Circular, the Listing Regulations and in accordance with the Companies Act, 2013, to the effect that the accounting treatment as specified in the Scheme is in compliance with the Listing Regulations and all the applicable Accounting Standards specified by the Central Government under Section 133 of the Companies Act, 2013, read with applicable rules and/ or the accounting standards and principles;
- f. Audited financials for three preceding financial years along with the latest audited financials for the period of nine months ended December 31, 2025 of the Transferor Company;
- g. Audited financials for three preceding financial years along with the unaudited standalone and consolidated Limited review financials of the latest quarter ended December 31, 2025 of the Transferee Company;

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- h. Pre and post amalgamation shareholding pattern of the Transferor Company and the Transferee Company;
- i. Undertaking given by the Company dated March 16, 2026 confirming that the requirement of approval of majority of public shareholders as prescribed under Paragraph (A)(10)(b) of Part I of the SEBI Circular is not applicable to the Transferee Company, along with the certificate of the even date issued by CNGSN & Associates LLP, Chartered Accountants, Chennai (having Firm Registration Number: 004915S/S200036), certifying the said undertaking; and
- j. Other presentations, reports, documents and information furnished before the Committee.

## 2. Salient Features of the Scheme

2.1 The Audit Committee noted the salient features of the Scheme, which, *inter alia*, are as follows:

- a. Amalgamation of the Transferor Company with and into the Transferee Company in accordance with Sections 230 to 232 and other applicable provisions of the Companies Act, the SEBI Circular, and other applicable laws, if any and the consequent dissolution of the Transferor Company without winding up, together with all matters consequential, incidental or otherwise integrally connected thereto.
- b. The appointed date for the amalgamation is April 1, 2026 ("Appointed Date"). Pursuant to the sanction of the Scheme by the Tribunal and upon the fulfilment of conditions for the Scheme, the Scheme shall become effective from the last of the dates on which the conditions specified in Clause 29 of the Scheme are satisfied or complied with or the requirement of which has been waived (i.e., "Effective Date").
- c. With effect from the Appointed Date and upon the Scheme becoming effective, the Transferor Company along with all its assets, liabilities, contracts, employees, records etc., being its integral part shall stand transferred to the Transferee Company as a going concern subject to the provisions of the Scheme.
- d. From the Appointed Date and upto the Effective Date (as defined in the Scheme), the Transferor Company shall carry on its business and activities with reasonable diligence and business prudence.
- e. The equity and the preference shareholders of the Transferor Company will be allotted shares of the Transferee Company and will therefore become shareholders of the Transferee Company.
- f. The entire paid-up share capital of the Transferor Company, including the shares held by the Transferee Company in the Transferor Company and the corresponding investment reflected in the books of accounts of the Transferee Company shall stand cancelled in its entirety in the manner stipulated in the Scheme and such



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cancellation shall be effected as an integral part of the Scheme and not in accordance with Section 66 of the Companies Act.

- g. Allotment of equity shares of the Transferee Company to the equity shareholders and the preference shareholders of the Transferor Company (other than the Transferee Company itself) in accordance with the Share Exchange Ratios, as set out in Valuation Report. No Equity Shares shall be issued and allotted by the Transferee Company in respect of the shares, whether equity or preference shares, held by the Transferee Company itself in the Transferor Company and all such shares shall stand cancelled upon the Scheme becoming effective.
- h. Transfer of the authorised share capital of the Transferor Company to the Transferee Company and consequential increase in the authorised share capital of the Transferee Company as provided in the Scheme.
- i. The Transferor Company shall stand dissolved without being wound up.
- j. The effectiveness of the Scheme is contingent upon fulfilment of the certain conditions as specified in the Scheme, which *inter alia* include;
  - (i) Obtaining No objection letter(s), approvals, consents from lenders, the Stock Exchange in relation to the Scheme under Regulation 37 of Listing Regulations and SEBI Circular;
  - (ii) Approval of the Scheme by the requisite majority in number and value of such classes of persons including the respective shareholders and /or creditors of the Transferee Company and / or Transferor Company, passed through postal ballot/e-voting as applicable, wherever required under the Companies Act, SEBI Circular or as may be directed by the Tribunal;
  - (iii) Obtaining the sanction of the Tribunal under Sections 230 to 232 and other applicable provisions of the Companies Act;
  - (iv) Fulfilment of any compliance(s), condition(s) etc., if any, stipulated by the Stock Exchange and/or any other Appropriate Authority prior to effectiveness of this Scheme;
  - (v) The certified copy of the order of the Tribunal under Sections 230 to 232 and other applicable provisions of the Act sanctioning the Scheme being filed with the Registrar of Companies by the Transferor Company and the Transferee Company.
- k. If and when this Scheme comes into effect upon the satisfaction (or waiver, as the case may be of the conditions mentioned in detail in the Scheme, such date being the Effective Date, it shall be deemed to have taken effect from the Appointed Date.

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### 3. Reasons for accumulated losses in the Transferor Company

The Audit Committee discussed and takes note of the following reasons for the accumulated losses in the Transferor Company.

As of March 31, 2025, the Transferor Company has incurred accumulated losses of Rs. 13.54 Crore, which increased to Rs. 16.54 Crore as of December 2025.

#### **FY 2022-23**

During the financial year 2022-23, the Transferor Company was in the initial phase of operations, and commercial activities had not started. Revenue generation during the year was Nil, while the Transferor Company continued to incur fixed administrative cost, employee cost, and other operational expenses required for establishing the business leading to a loss during the year 2022-23.

#### **FY 2023-24 and FY 2024-25**

The losses during FY 2023-24 and FY 2024-25 in the Transferor Company were mainly due to higher raw material prices arising from commodity price fluctuations, heavy port/liner clearing cost, resulting in increased production costs. In addition, lower sales realisation and sub-optimal capacity utilisation impacted operating margins. Employee costs and other fixed overheads remained relatively high in proportion to turnover during the initial years of operations. The Transferor Company also incurred higher depreciation expenses due to significant capital expenditure on plant and machinery. These factors collectively resulted in losses during the financial years 2023-24 and 2024-25.

#### **9 Months ended December 2025 (FY 2025-26)**

During the nine-month period ended December 2025, the Transferor Company recorded significant growth in revenue as compared to previous years. However, profitability was impacted due to higher raw material costs forming a major portion of sales. The Transferor Company also incurred finance costs related to working capital borrowings and depreciation on plant and machinery. Additionally, manufacturing overheads, conversion costs, and other fixed operational expenses, although significantly lower than compared to previous year continued to affect overall profitability during the said period.

### 4. Need & Synergies of Amalgamation and Rationale of the Scheme

4.1 The reasons and circumstances leading to and justifying the proposed Scheme (as defined hereinafter) of the Transferor Company with and into the Transferee Company, which makes it beneficial for all the concerned stakeholders, including shareholders, creditors, and employees of the Transferor Company and Transferee Company, are as follows:

- a. While POEL (Transferee Company) is an integrated manufacturer of lead metals and metallic oxides, PGPL (Transferor Company) is a specialized lead recycling and refining unit. This creates strong complementarities that support and justify the proposed merger.

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- b. The amalgamation will enable POEL (Transferee Company) to expand its operations into Western India through PGPL's (Transferor Company's) existing business unit in Surat, Gujarat. This in turn will allow the combined businesses to serve customers in that region more efficiently and increase its reach in important industrial markets.
- c. The amalgamation will create a vertically integrated business structure that ensures secure, reliable, and cost-stable access to recycled metal inputs by integrating PGPL's (Transferor Company's) recycling and refining operations with POEL's (Transferee Company's) manufacturing processes, which in turn will also minimize supply disruptions, strengthen control over the entire production cycle, enhance operational continuity, and support better long-term planning and optimized capacity utilization across the business units. This will position the combined business on a strong pedestal while dealing with increasingly complex business structure.
- d. The Amalgamation will facilitate better, efficient and economical management, control and running of the combined businesses, and further development and growth of the business of the Transferee Company.
- e. The amalgamation will result in economies of scale, effective co-ordination with better control including but not limited to efficient utilisation of capital, cash and debt management of the combined entity and unfettered access to cash flow generated by the combined businesses.

## 5. Impact of the Scheme

### 5.1 Impact on Shareholders

- a. Based on the review of the documents placed at the meeting and the Audit Committee's deliberations and consideration of various factors including but not limited to the synergies of the Scheme, salient features and expected benefits of the Scheme, the Audit Committee is of the view that the proposed Scheme is fair and in the best interest of the shareholders (including the warrant holders), as the proposed amalgamation is expected to result in economies of scale and consolidation of opportunities, thereby enhancing the value of the merged entity and overall shareholder value in the long run;
- b. Further, the Audit Committee of the Company noted that upon the Scheme coming into effect, the Transferee Company shall without any further application, act, instrument, or deed, pay consideration by way of allotment of equity shares of the Transferee Company as per the approved Valuation Report to the shareholders of Transferor Company (except the Transferee Company), whose name appear in the register of members, including register and index of beneficial owners maintained by a depository(ies) in accordance with the Depositories Act, 1996;
- c. Further, the rights and interests of the shareholders (including the warrant holders) of the Transferee Company will not be prejudicially affected by the Scheme and there will be no change in the economic interest of the shareholders (including the warrant



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holders) of the Transferee Company, before and after the Scheme. The Equity Shares to be issued by the Transferee Company to the shareholders of the Transferor Company pursuant to the Scheme shall rank pari-passu in all respects with the existing Equity Shares of the Transferee Company. The Fairness Opinion issued opines that the Share Exchange Ratios, as proposed by the registered valuer, are fair to the shareholders of the Transferee Company from a financial point of view;

- d. The shareholders of the Transferor Company will continue to be the shareholders of the Transferee Company;
- e. Upon the Scheme becoming effective, the Transferor Company shall be dissolved without being wound up and the shareholders of the Transferor Company shall become shareholders of the Transferee Company.

## 5.2 Impact on Directors and Key Managerial Personnel ("KMP") of the Company

There shall be no change or effect of the Scheme on the directors and KMP's of the Transferee Company. However, their role(s)/ functions(s)/ responsibilities may undergo change pursuant to the business and organisation requirements/needs. The effect of the Scheme on the interests of the directors and KMP's and their relatives holding shares in the Transferee Company, is not different from the effect of the Scheme on other shareholders of the Transferee Company. It is clarified that there shall be no change in the management of the Company by virtue of the Scheme coming into effect.

## 5.3 Impact on the Creditors

Under the Scheme, no arrangement or compromise is being proposed with the creditors (secured or unsecured) of the Transferee Company. The liability of the creditors of the Transferee Company, under the Scheme, is neither being reduced nor being extinguished.

## 5.4 Impact on Staff or Employees

Under the Scheme, no rights of the staff and employees (who are on payroll) of the Transferee Company are being affected. The services of the staff and employees of the Transferee Company shall continue on the same terms and conditions applicable prior to the proposed Scheme.

Further, upon the Scheme becoming effective, the employees on the payroll of the Transferor Company ("**Employees**") will be deemed to have become Employees of the Transferee Company pursuant to the Scheme with effect from the Effective Date.

All such Employees shall be deemed to have become employees of the Transferee Company, without any break in their service and on the basis of continuity of service, and the terms and conditions of their employment with the Transferee Company, shall not be less favourable than those applicable to them with reference to their employment in the Transferor Company as on the Effective Date.





## 6. Scheme not detrimental to the Shareholders of the Company

The Committee discussed the rationale, salient features and expected benefits of the Scheme. Further, after considering the valuation report and the fairness opinion presented, the Audit Committee noted that, in view of the foregoing, the proposed Scheme is in the best interest of the shareholders (including the warrant holders) of the Transferee Company and is not detrimental to the shareholders of the Transferee Company.

## 7. Cost Benefit Analysis of the Scheme

There will be no cash outflow on account of the proposed amalgamation. The Scheme involves no payment of cash as consideration to the shareholders of the Transferor Company. Instead, the consideration shall be paid by way of allotment of shares of the Transferee Company.

The implementation of the Scheme will involve incurring costs including, administrative/statutory levy(ies), fees payable to financial/legal advisors, etc., However, the benefits of the Scheme over a longer period are expected to far outweigh costs towards implementation of the Scheme and lead to operational efficiency and cost savings through rationalisation/consolidation of support functions and business processes.

## 8. Valuation Report and Fairness Opinion

The Audit Committee reviewed the Valuation Report and discussed on the methods of valuation and the recommended Share Exchange Ratio and also reviewed the report of the Fairness Opinion submitted by the Merchant Banker, as placed at the meeting. The Audit Committee is of the view that the recommended Share Exchange Ratio is fair and no special valuation difficulties were identified.

## 9. Recommendation of the Audit Committee

The Audit Committee, after due deliberations, detailed discussions and inter alia, taking into consideration the draft Scheme, the Valuation Report, the Fairness Opinion, certificates issued by the Statutory Auditors of the Company and the Practicing Company Secretaries, and in accordance with the inputs of the Registered Valuer and the independent SEBI Registered Category - I Merchant Banker, and after reviewing the documents placed at the meeting, have noted the need & rationale of the Scheme, synergies and benefits on the business of the Companies, cost benefit analysis of the Scheme and the impact of the Scheme on shareholders and other concerned, and have noted that the Scheme is not detrimental to the Shareholders (including the warrant holders) of the Company.

Accordingly, the Audit Committee hereby recommends the draft Scheme in its present form for approval and favourable consideration by the Board of Directors of Company, the Stock Exchange, SEBI and other appropriate authorities.

In order for the Transferee Company to comply with the requirements of extant regulations applicable to the listed companies undertaking any scheme of amalgamation under the

  




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Companies Act, this report of the Audit Committee may please be taken on record by the Board while considering the Scheme for approval and further authorisations.

**For and on behalf of the Audit Committee  
of POCL Enterprises Limited**

  


**Ramachandran Balachandran**  
**DIN: 01648200**  
**Independent Director & Chairman**

**Date: March 16, 2026**  
**Place: Chennai**