

CIN NO:U67120MH2005PLC155188

DCS/AMAL/BS/24(f)/077/2014-15

June 11, 2014

The Company Secretary
Pondy Oxides & Chemicals Ltd
KRM Centre, 4th Floor, No 2,
Harrington Road, Chetpet,
Chennai 600031

Dear Sir / Madam,

Sub: Observation letter regarding the Scheme of Arrangement involving demerger of Metallic Oxides Division (MOD), Plastic Additives Division (PAD), Zinc Refining Division (ZRD and Lead Refining Division (LRD) of Pondy Oxides and Chemicals Ltd (POCL) into POCL Enterprises Limited (PEL)

We are in receipt of draft Scheme of Arrangement involving demerger of Metallic Oxides Division (MOD), Plastic Additives Division (PAD), Zinc Refining Division (ZRD and Lead Refining Division (LRD) of Pondy Oxides and Chemicals Ltd (POCL) into POCL Enterprises Limited (PEL))

The Exchange has noted the confirmation given by the Company stating that the scheme does not in any way violate or override or circumscribe the provisions of the SEBI Act, 1992, the Securities Contracts (Regulation) Act, 1956, the Depositories Act, 1996, the Companies Act, 1956, the rules, regulations and guidelines made under these Acts, and the provisions of the Listing Agreement or the requirements of BSE Limited (BSE).

As required under SEBI Circular No.CIR/CFD/DIL/5/2013 dated May 02, 2014 & SEBI Circular No.CIR/CFD/DIL/8/2013 dated May 20, 2013; SEBI has vide its letter dated June 10, 2014 given the following comment(s) on the draft scheme of arrangement:

- ***The company to ensure that following information submitted by POCL after filing the scheme with the stock exchange shall be displayed from the date of receipt of this letter on the websites of the listed company.***
 - i) ***Revised Shareholding pattern of POCL and PEL submitted vide letter dated March 20, 2014.***
 - ii) ***Modified draft scheme of Arrangement submitted by the company,***
- ***The company shall duly comply with various provisions of the Circulars.***

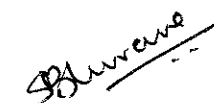
Accordingly, we hereby convey Exchange's 'No-objection' with limited reference to those matters having bearing on listing/ delisting/ continuous listing requirements within the provisions of the Listing Agreement, so as to enable you to file the scheme with the Hon'ble High Court.

Further, you are also advised to bring the contents of this letter to the notice of your shareholders, all relevant authorities as deemed fit, and also mention the same in your application for approval of the scheme of arrangement submitted to the Hon'ble High Court.

The Exchange reserves its right to withdraw its No-objection/approval at any stage if the information submitted to the Exchange is found to be incomplete / incorrect / misleading / false or for any contravention of Rules, Bye-laws and Regulations of the Exchange, Listing Agreement, Guidelines/Regulations issued by statutory authorities.

Yours faithfully,


Nitin Pujari
Manager


Bhuvana Sriram
Dy. Manager