



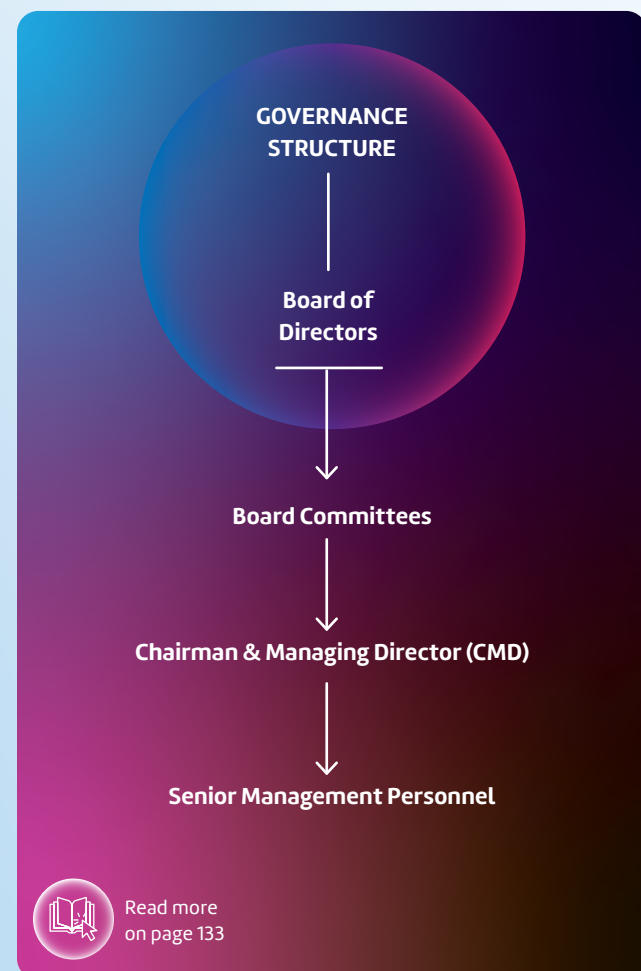
Corporate governance

Cultivating a culture of integrity

At Polycab, we abide by strong corporate governance practices that promote responsible and ethical business conduct. We are respected as a trustworthy company, and we uphold this reputation through an organisational culture of transparency and accountability that is driven from the top.

Governance structure

The Governance systems and processes are executed through a multi-tiered governance structure with defined roles and responsibilities. The Governance structure of the Company is based on an effective and independent Board, which oversees the implementation through the senior management team. The Board functions either as a full Board or through various committees constituted to oversee specific functions. The senior management informs the Board about the Company's performance in a periodic manner.



Board composition

The Board of Directors of the Company has an optimum combination of Executive and Non-Executive Directors to have a balanced Board Structure. The Chairman of the Board of Directors of the Company is an Executive Director and a Promoter. The Board has 8 (Eight) Directors, out of which 4 (Four) are Executive Directors and 4 (Four) are Non-Executive Independent Directors (including one Woman Director) of the Company.

Role of the Board

In essence, Board of Directors act as stewards of providing guidance and direction for the future. The Board of Directors has the overall responsibility to guide the organisation and oversee administration. The Board of Directors is the apex body constituted by the shareholders and is responsible for strategic supervision, and oversight on the Management performance and governance of the Company on behalf of our stakeholders.

Experience

2
10–30 years

6
> 30 years

Age profile

2
30–50 years

50% Independent Directors on the Board

5
50–70 years

100% Average attendance rate in Board meetings

1
> 70 years

64 years
Median Director age

Expertise

Our diverse and determined leadership continues to steer the Company towards profit and exceptional quality and service despite the challenges.

	Strategy and Planning	Administration and Management	Sales and Marketing	Governance	Operations	Finance, production and overall support services	IT
Mr. Inder T. Jaisinghani	√	√	√	√	√	√	
Mr. Bharat A. Jaisinghani			√			√	√
Mr. Nikhil R. Jaisinghani			√			√	√
Mr. Rakesh Talati		√			√		
Mr. R. S. Sharma	√	√		√		√	
Mr. T. P. Ostwal				√		√	
Mr. Pradeep Poddar	√	√	√	√	√	√	
Ms. Sutapa Banerjee	√	√	√	√		√	

The Board of Directors has access to all relevant information, employees and the subsidiaries of the Company in order to take an informed and independent decision. The Board of Directors is responsible for the strategic supervision, overseeing performance and governance of the Company on behalf of the Stakeholders. The Board exercises independent judgement and plays a major role in monitoring the Company's affairs. The Board also ensures the Company's adherence to the standards of corporate governance and transparency.

and system related procedures and controls. We comply with all the regularity/statutory compliances and best practices relevant to the financial service sector.

Codes and policies

The Company is committed to acting with transparency, ethics and integrity in all our business activities as it is vital to build trust with stakeholders as well as sustaining our growth and expansion. The Company had also adopted mandatory policies in line with the requirement of the Listing Regulations and the Act, for the effective and defined functioning of the respective Committees of the Board.

Vigil mechanism

The Company has adopted a comprehensive Whistle Blower Policy in compliance with the provisions of Section 177 (9) and (10) of the Companies Act, 2013 and Regulation 22 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The policy is available on our website and is accessible on this weblink: <https://polycab.com/investors/corporate-governance/>

Prevention of Sexual Harassment (POSH)

The Company has in place a Policy on Prevention of Sexual Harassment at Workplace in line with the requirements of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. The Company has complied with provisions relating to the constitution of Internal Committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. We have laid out a comprehensive POSH policy in line with the requirements of The Sexual Harassment of Women at the Workplace (Prevention, Prohibition & Redressal) Act, 2013. We have 'Zero Tolerance' towards any misconduct. During the year under review, no POSH related complaints were received.

Board's commitment to ESG

We have integrated ESG considerations into our business operations. These include:

Robust governance systems	Strong risk management	Stringent internal controls
Unwavering customer-centricity	Operational transparency	Employee-first initiatives with an open and dynamic work environment
Strengthening the communities within our influence	Imbuing sustainability within our operations	

Compliance

The Company has set protocols to track and address non-compliance and they form an essential part of our compliance risk management. Our Enterprise Risk Management and internal audit approach verify compliance with the regulatory, operational



Corporate governance

Board of Directors



Left to Right

<div>Bharat A Jaisinghani Executive Director</div> <div>Mr. Bharat A. Jaisinghani joined the Company in 2012 and thereafter in 2021 was appointed as Executive Director. He holds a Master's degree in Operations Management (University of Manchester) and has completed Program for Leadership Development from Harvard Business School and Executive Program from Singularity University.</div> <div><div>S</div><div>CSR</div><div>R</div></div>	<div>R.S. Sharma Independent Director</div> <div>Mr. R. S. Sharma has completed Cost & Works Accounts certificate examination from ICWA and Associate examination from Indian Institute of Bankers. He has served as Chairman and Managing Director at ONGC Limited besides being on Board of various other companies.</div> <div><div>N</div><div>A</div></div>	<div>Pradeep Poddar Independent Director</div> <div>Mr. Pradeep Poddar is a Chemical Engineer (UDCT) and an MBA (IIMA). A fast tracker in Glaxo – Young Global Leader, Heinz – Youngest MD & CEO at 41 and Tatas – Global President Water, built profitable high growth businesses through brands like Complian, Heinz and Himalayan. Awarded the Udyog Ratna by Karnataka Govt. Provides strategic direction on the Boards of Welspun, Uflex, Sresta and as Chairman of United Way Mumbai.</div> <div><div>S</div><div>A</div><div>N</div></div>	<div>T.P. Ostwal Independent Director</div> <div>Mr. T. P. Ostwal is a qualified Chartered Accountant ('CA') since 1978. He is a Practicing CA and Senior Partner with T. P. Ostwal and Associates LLP. He served as a member of the advisory group for establishing transfer pricing regulations in India and is also a member of the sub-committee on Transfer Pricing for Developing Countries of United Nations. He is also professor at Vienna University teaching International Tax for LLM studies. He is ranked 11th out of top 50 tax professionals of the world by the UK Business Magazine.</div> <div><div>A</div><div>R</div><div>N</div></div>	<div>Inder T. Jaisinghani Chairman and Managing Director</div> <div>Mr. Inder T. Jaisinghani has been working with the Company since inception. Under his leadership and guidance the Company has completed over 25 glorious years of success.</div> <div><div>CSR</div><div>A</div><div>N</div><div>R</div></div>	<div>Rakesh Talati Executive Director</div> <div>Mr. Rakesh Talati has been associated with the Company since 2014 and thereafter in 2021 was appointed as Executive Director. He heads the Wires and Cables segment. He holds a Diploma in Civil Engineering and Interior Design Course from the Maharaja Sayajirao University of Baroda.</div> <div><div>CSR</div></div>	<div>Sutapa Banerjee Independent Director</div> <div>Mrs. Sutapa Banerjee has over 30 years of professional experience and has spent 24 years in the financial services industry across 2 large multinational banks (ANZ Grindlays and ABN AMRO). She is a gold medalist in Economics from XLRI school of Management, an Advanced Leadership Fellow (2015) at Harvard University and was visiting faculty with IIM-Ahmedabad. Mrs. Banerjee also serves as Independent Director on the Board of Zomato, Godrej Properties, JSW Cement and others.</div> <div><div>S</div><div>CSR</div><div>N</div></div>	<div>Nikhil R Jaisinghani Executive Director</div> <div>Mr. Nikhil R. Jaisinghani joined the Company in 2012 and thereafter in 2021 was appointed as Executive Director and is working as a change agent for the Company. He holds a Master's in Business Administration (MBA) from Kellogg School of Management, Northwestern University, Illinois, USA.</div> <div><div>S</div><div>CSR</div><div>R</div></div>
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- Chairman

Nomination and Remuneration Committee

Corporate Social Responsibility Committee

Audit Committee
- Member

Stakeholders' Relationship Committee

Risk Management Committee

Leadership team

Leading with efficiency

Key Management Personnel



Gandharv Tongia
Chief Financial Officer



Manita Carmen A. Gonsalves
Company Secretary and
Compliance Officer

Senior Management Personnel



Anil Hariani
Director – Commodities
(Non–Board Member)



Diwaker Bharadwaj
President – Packaging Development



Sanjeev Chhabra
Executive President and
Chief Treasury Officer



Anil Shipley
Executive President and
Chief Supply Chain Officer



Kunal Jaisinghani
Head – Agri Products



SL Bajaj
Director
(Non – Board Member)



Anurag Agarwal
Executive President – Strategic Initiatives
and International Businesses



Rishikesh Rajurkar
President – Projects



Vivek Khanna
Executive President and
Chief Information Officer



Ashish D. Jain
Executive President & Chief Operating
Officer – Telecom Business



Rajesh Nair
Executive President and
Chief HR Officer



Vivek Sharma
Deputy Managing Director
(Non – Board Member)



Bhushan Sawhney
Executive President and Chief Business
Officer – High & Low Duty Cables



Sandeep Bhargava
Executive President and
Chief Procurement Officer

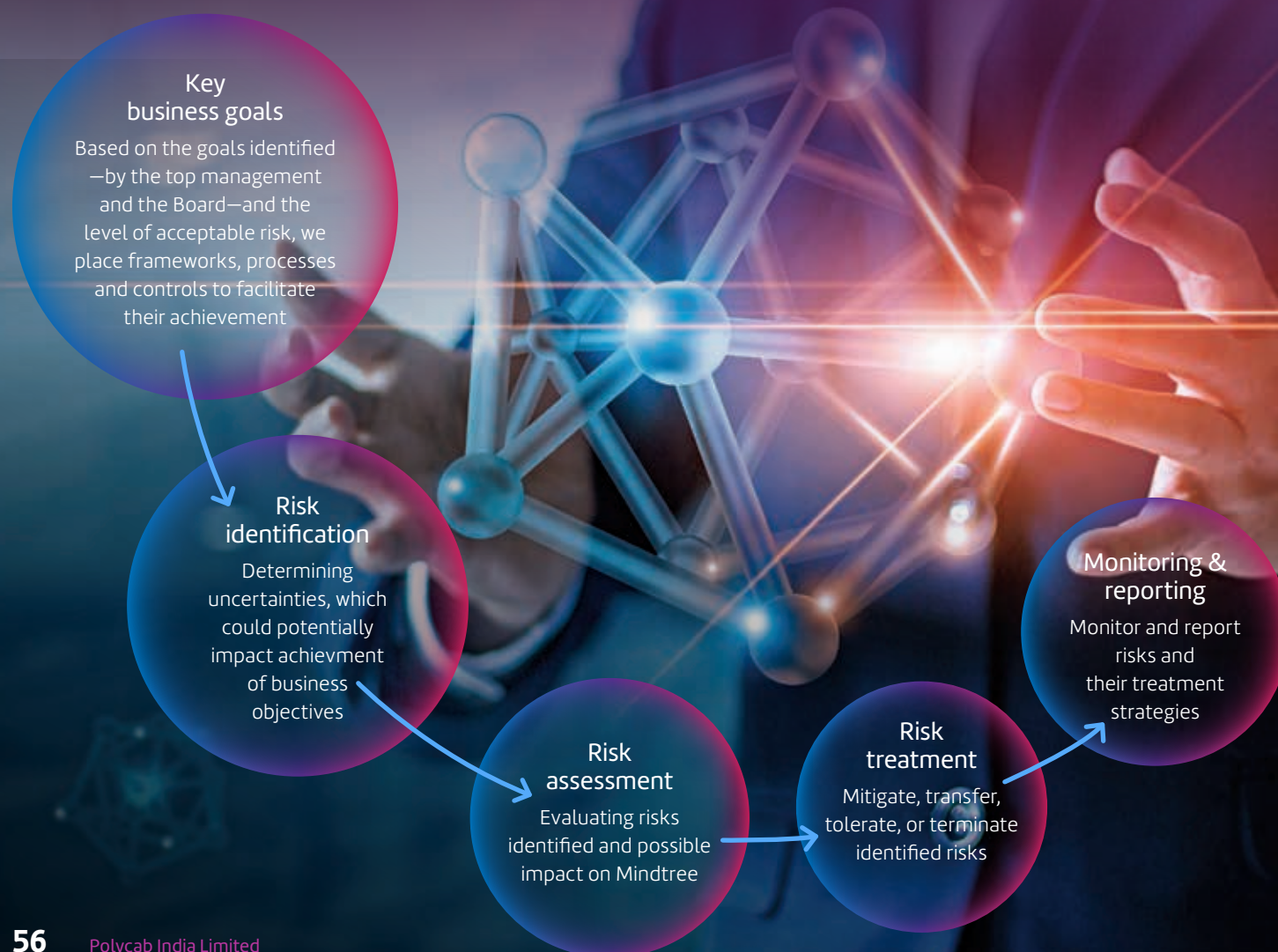
Risk management

Future proofing the business

We are responsive to the operating environment and its intrinsic risks and opportunities. Our strategy is to minimise risks to the extent possible and make the best use of emerging opportunities.

We constantly identify, manage and mitigate risks and assess our opportunities to ensure that our business strategy is aligned to the internal and external environment. We have put in place a strong risk management structure that enables meticulous examination of business activities for identification, evaluation and mitigation of potential internal or external risks. We have established processes and guidelines, along with a strong overview and monitoring system at the Board and senior management levels. As an organisation, we encourage ethical values and integrity which considerably mitigate risk.

Risk management process



Brief overview of our principal risks and treatment strategies

Operational risks

Distribution network

Risk of inability to grow/sustain distribution network may affect our ability to meet targets – **Material**

Mitigation measures

- Project Leap initiatives
- Comprehensive market assessment
- Regular feedbacks collected from dealers by sales coordinators
- Offering competitive ROIs
- Dealer portal application (P connect) launched where dealers can independently book the sales order, view their outstanding status, relevant price list applicable to them, catalogue, balance confirmation etc.

Threats to information security

Arising due to unauthorised breach of our information network, causing interruption to normal functioning of the systems – **Material**

Mitigation measures

- Robust IT security system
- State-of-the-art IT assets
- Effective software system & servers
- Cloud-based applications

COVID-19 disruptions

Risks stemming from the outbreak and the subsequent halt in business continuity – **Critical**

Mitigation measures

- 100% compliance with guidelines issued by government authorities
- Business continuity measures operationalised

Customer service and after-sales management

Risks related to poor customer service and/or after-sales service, including non-availability of spares (FMEG segment) may affect the brand negatively – **Material**

Mitigation measures

- Investment in customer service platform and call centre tool
- Training the customer service teams to ensure prompt grievance redressals and spares availability

Supply chain interruptions

Risks related to discontinuation at the end of key suppliers, leading to disruptions in regular production process – **Material**

Mitigation measures

- Setting up reliable network of alternative suppliers through effective diversification of supply chain and reducing over-dependence, enabling us to continue smooth functioning of the production process
- Advance supply chain management system, integrated with ERP to minimise stockouts at depots
- Mobile supply chain application to track movement of goods from source till finished goods/scrap

Capitals impacted



Stakeholders impacted
Investors, Customers, People, Channel partners

Risk Movement



Capitals impacted



Stakeholders impacted
Investors, Customers, People, Channel partners

Risk Movement



Capitals impacted



Stakeholders impacted
Investors, Customers, People, Channel partners, Communities

Risk Movement



Capitals impacted



Stakeholders impacted
Investors, Customers, People, Channel partners

Risk Movement



Capitals impacted



Stakeholders impacted
Investors, Customers, People, Channel partners

Risk Movement





Risk management

Operational risks

Quality assurance threats

Risk related to products/services of sub-standard quality reaching customers – **Material**

Mitigation measures

- Robust quality control processes
- NABL-certified, world-class, in-house lab
- International certifications
- Dedicated QA team

Environment, climate, as well as employee health and safety

Risks related to climate change, including natural calamities, other environmental disruptions and employee health and safety – **Material**

Mitigation measures

- Various product and site certifications ensure the highest levels of health and safety, such as
 - ISO 9001:2015
 - UL
 - 14001:2015
 - BASEC
 - OHSAS
 - IEC 45001:2018
- Increased use of renewable energy, better water and waste management

Strategic Risks

Geopolitical and social instability

Risks stemming from political and social situations, leading to disturbances within the business environment – **Critical**

Mitigation measures

- Geographic diversification of manufacturing, supply chain and market. This ensures that location-specific issues do not bear extensive impact on operations
- Insurance

Changing customer preferences

Risk of changing customer preferences and existing technologies becoming obsolete – **Material**

Mitigation measures

- Market assessments and surveys to understand consumer pulse, corroboration with influencers
- NABL ISO 17025 certified R&D centre with over 100 engineers and technicians employed
- Centre of Excellence for R&D on polymers and other raw materials to stay ahead of the curve

Succession planning

Inadequacy in succession planning may adversely affect achievement of business targets – **Material**

Mitigation measures

- Well-defined and documented policy for all key personnel
- Skill-set assessment and training of middle and senior management

Capitals impacted



Stakeholders impacted

Investors, Customers, People, Channel partners

Risk Movement



Capitals impacted



Stakeholders impacted

Investors, Customers, People, Channel partners, Environment

Risk Movement



Capitals impacted



Stakeholders impacted

Investors, Customers, Channel partners

Risk Movement



Capitals impacted



Stakeholders impacted

Investors, Customers, People, Channel partners

Risk Movement



Capitals impacted



Stakeholders impacted

Investors, People

Risk Movement



Financial risks

Foreign exchange rate and commodity price fluctuations

Risk related to fluctuating foreign exchange rates and volatility in pricing of input commodities, including metals such as copper and aluminium – **Material**

Mitigation measures

- Risk Management Committee has been established to review compliance with Board approved currency and commodity hedging strategy. The committee also reviews hedging plans and performance
- Documented commodity and foreign exchange risk management policy
- Robust hedging framework which encompasses usage of contracts with embedded derivatives as well as forward contracts to offset commodity fluctuations
- Automatic pricing module integrated with ERP to calculate policy discounts and accurate pricing
- Metal advance pricing module for procurement team to settle pricing issues in a scientific and appropriate manner

Compliance Risks

Statutory compliance failures

Risk related to non-compliance with statutory guidelines, including various rules and regulations under different statutes – **Material**

Mitigation measures

- Compliance tool and tracker implemented with compliance owner mapped
- Respective departments are given timely alerts to ensure adherence to regulations

Protection of Intellectual Property Rights (IPRs)

Risk related to breach of IPRs or infringement of copyrights or unfair usage of our IPRs – **Material**

Mitigation measures

- Safeguarded brands, trademarks, licences and other IPRs
- Appropriate legal action is undertaken for illegal usage of our IPRs
- External consultant onboarded for market surveys

Contractual liability

Risk of being liable due to non-fulfilment of contractual obligation – **Material**

Mitigation measures

- All contractual obligations closely monitored and fulfilled with due diligence

Capitals impacted



Stakeholders impacted

Investors, Customers, Channel partners

Risk Movement



Capitals impacted



Stakeholders impacted

Investors

Risk Movement



Capitals impacted



Stakeholders impacted

Investors, People

Risk Movement



Capitals impacted



Stakeholders impacted

Investors, Customers, People, Channel partners

Risk Movement



Financial capital



Manufacturing capital



Social and Relationship capital



Human capital



Intellectual capital



Natural capital



Increase



Decrease



Stable