

Who we are

Accelerating strong connection

Polycab India Limited is India's largest manufacturer and seller of an extensive range of Wires and Cables, and a prominent player in the Fast-Moving Electrical Goods (FMEG) industry with an established export presence.

Underpinning our leadership position are our solid business fundamentals, which include multi-location manufacturing with a high degree of backward integration, a comprehensive product portfolio, strong brand positioning, robust distribution network, and an experienced management.

23

Manufacturing facilities

60+

Countries we export our products



During the year, we came up with our new purpose and values that give meaning to our individual and collective efforts. In keeping with the theme of inclusivity, we drafted the themes and reached out to various stakeholders to debate and dialogue on what was appropriate before settling on the organisation's Purpose & Values. The purpose now serves as a point of reference for future decisions and reaffirms our commitment to our stakeholders. The values serve as the foundation for leadership behaviour, competencies, and overall culture.

i-Power

Our i-Power values make the purpose come alive – they are essentially the “purpose in action”.

Values



Innovative mindset

Giving wings to novel ideas

We encourage and support ideas from all levels in all formal and informal interactions

We challenge ourselves and ask “how can we do this better?”

We take calculated risks, embrace our mistakes and learn from them

We make efforts to have the first mover advantage in the market



Winning together

Collaborating and celebrating wins

We speak openly and share information proactively

We hold each other accountable to find solutions

We are sensitive and supportive of other teams when they face challenges

We make efforts to be inclusive and make people feel included

We celebrate big and small wins



People at the core

Caring about our people and their growth

We treat our people like our family by caring for their well-being and growth

We are inclusive and respect people and their views regardless of their level, age, gender, background and so on

We are quick to spot and recognise people doing the right thing

We create a culture where feedback and resources are offered for development of our people



Entrepreneurial drive

Bringing new possibilities to life with passion

We own new ideas/ challenges and build the business. Always wear the Polycab enterprise hat

We always display integrity, drive, ‘can-do’ attitude and energy

We inspire others with our ideas and stories of growth

We take calculated risks to explore new opportunities and handle uncertainties with confidence



Obsession for the customer

Serving to create delightful experiences

We respond quickly to any customer need or communication

We seek feedback and listen deeply to the internal and external customer's stated and unstated needs

We stretch ourselves and do whatever it takes to meet customer commitments

We constantly study and apply best practices around customer delight



Renew

Being courageous, resilient and agile

We are quick to read situations and adapt to it

We bounce back quickly from setbacks

We upgrade our skills to be able to stay relevant for the future

We take decisions keeping long term sustainability in mind

Segment-wise performance

An integrated and value-accretive portfolio

Our differentiated offering across wires, cables and FMEG products meets the needs of diverse industries in both the public and private sector and cater to both the infrastructure and consumer electricals segment.

Wires and cables

FY22 highlights

₹1,06,953 million

Strong revenue growth of 41% YoY

- Relunched Polycab Green Wire with new product proposition that emphasises the use of 5-in-1 GreenShield technology
- Robust focus on execution and investment in distribution expansion, R&D and digitalisation resulted in a healthy double digit volume growth in wires and cables as well as market share gains
- Launched new sub brand “Etira” which will play pivotal role in economy price segments

Wires and cables

We are India's dominant manufacturer and seller of a diverse range of wires and cables for retail and industrial use.

Wires

- House wires
- Green wires – HR-FR-LSH-LH*
- Industrial flexible wires
- Speaker wires



* High Insulation Resistance – Flame Retardant – Low Smoke and Halogen – Lead Free

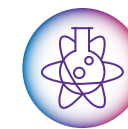
Cables

- EHV cables
- Fire survival cables
- Optical Fibre Cables (OFC)
- Jelly filled telephone cables
- High voltage cables
- LAN cables
- Power and control cables
- Instrumentation cables
- Co-axial cables
- Thermosplastic High heat Resistant Nylon coated cable
- Underground Feeder and Branch circuit cable
- Non Metallic Sheathed Cable
- Solar cables
- Railway signalling cables
- Other cables such as CCTV, festoon, submersible cables

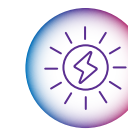


Diverse sectoral presence

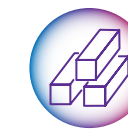
We have a diverse customer base across a wide range of industries



Chemicals



Energy



Metals



Technology



Consumer durables



Infrastructure



Oil & Gas



Telecom



Defence



Manufacturing



Real estate



Transport



Segment-wise performance

FMEG

FY22 highlights

21%

YoY growth in sales led by strategic interventions, distribution expansion and healthy demand environment

- Market share gains across most categories

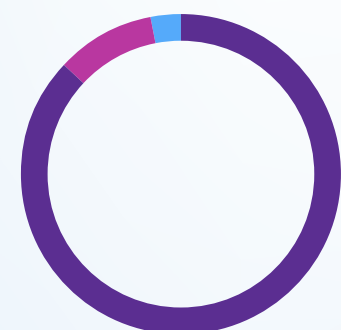
2x

increase in premium products contribution

- Acquired Silvan Innovation Labs, which has significant presence in the niche home automation market. The acquisition adds to our IoT portfolio and aligns with our strategy to address evolving consumer needs and provide new-age innovative solutions for both homes and enterprises
- Launched 30+ new models of fans and appliances across premium, economy and other categories with a focus on covering the entire price spectrum

FY22 Revenue mix

(%)



- Wires and cables 87.0
- FMEG 10.0
- Others (including EPC) 3.0

Fast Moving Electrical Goods (FMEG)

We have made inroads into the highly competitive FMEG market with an exhaustive range of products that cater to both home and institutional needs.

Solar products



Pumps, conduits and accessories



Fans and home appliances



IoT-based smart range Hohm



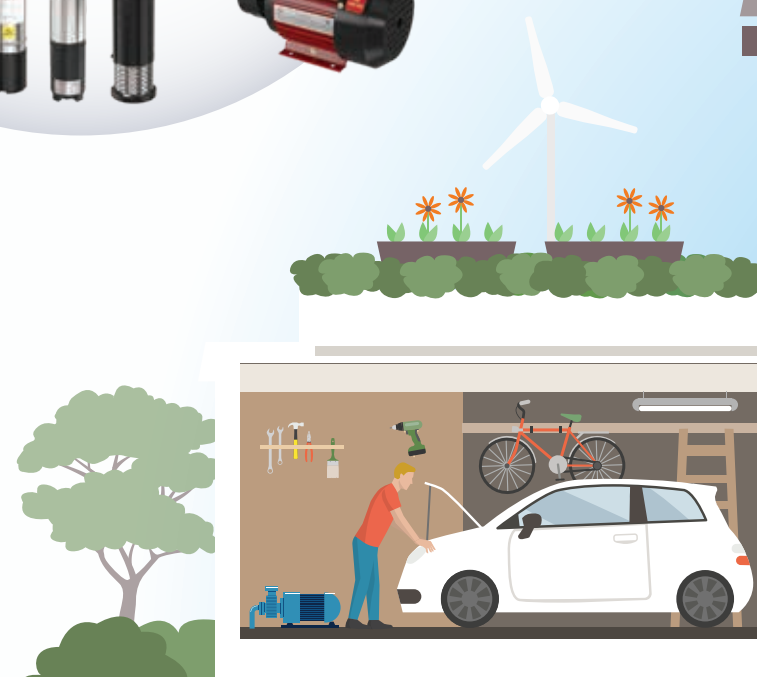
Switches and Switchgears



Others

Our Engineering, Procurement and Construction (EPC) business provides electrical turnkey solutions comprising project management, onsite execution and resource management through specialised erectors and financial management. Our solutions are largely provided for the transmission and distribution sectors involving projects in extra high voltage and high voltage levels for various government utilities in India. These projects typically require a large supply of cables, wires and conductors, and we supply these components.

LED lighting and luminaries



Presence

Our growing footprint

We strive to deliver customised and innovative products with speed and quality service across our areas of operation in India and in global markets. Our strategically located manufacturing facilities are accredited with quality management system and are compliant with global standards.

Servicing global markets (60+ countries)

- | | | | | |
|---------------|----------------|----------------|-----------------|-------------------------|
| 1 Abu Dhabi | 14 Costa Rica | 27 Jordan | 40 Philippines | 53 Tanzania |
| 2 Afghanistan | 15 Egypt | 28 Kenya | 41 Poland | 54 Turkey |
| 3 Angola | 16 EL Salvador | 29 Kuwait | 42 Qatar | 55 USA |
| 4 Armenia | 17 Ethiopia | 30 Liberia | 43 Russia | 56 Uganda |
| 5 Australia | 18 France | 31 Maldives | 44 Saudi Arabia | 57 Ukraine |
| 6 Bahrain | 19 Germany | 32 Mauritius | 45 Senegal | 58 United Arab Emirates |
| 7 Bamako | 20 Ghana | 33 Morocco | 46 Sierra Leone | 59 United Kingdom |
| 8 Bangladesh | 21 Honduras | 34 Myanmar | 47 Singapore | 60 Vietnam |
| 9 Bhutan | 22 Indonesia | 35 Nepal | 48 South Africa | 61 Yemen |
| 10 Chile | 23 Iraq | 36 Netherlands | 49 South Korea | |
| 11 China | 24 Ireland | 37 Nigeria | 50 Spain | |
| 12 Colombia | 25 Italy | 38 Oman | 51 Sri Lanka | |
| 13 Congo | 26 Jamaica | 39 Panama | 52 Switzerland | |

Experience centres ○

Ahmedabad
Cochin
Chandigarh
Hyderabad
Jaipur
Madurai
Mumbai
Patna
Surat
Thiruvananthapuram

Corporate and manufacturing presence of Polycab

23

Manufacturing facilities in India

4

Manufacturing locations in India

4

Regional offices

1

Corporate office

28

Warehouses and depots

11

Local offices

Key strengths

Strong fundamentals paving stronger growth path

An attractive product portfolio, robust manufacturing capabilities supported by seamless backward integration for quality raw materials, strong R&D backbone and a clear growth strategy offer a strong investment case for Polycab.

Market leader in wires and cables with an expansive product range in FMEG business

We are India's largest and most versatile manufacturer of wires and cables, with a presence across multiple product segments such as power cables, control cables, optic fibre cables, instrumentation cables and solar cables. Our extensive portfolio of quality products caters to the needs of our institutional and retail customers in different industries. Our products are either (i) made-to-stock or produced based on demand forecasts from customers and/or Company sales team, or (ii) made-to-order, where we work closely with our customers to develop customised products that are in line with their needs. Over the past five years, the FMEG business has clocked healthy market share gains across categories.

22-24% **POLYCAB'S SHARE** in the organised wires and cable market



In-house manufacturing with high degree of backward integration

Product innovation, quality and service capability are our defining traits. We produce our goods at our strategically located manufacturing facilities which enjoy a strong backward integration in processes and sourcing of quality raw materials. Our strong raw-material quality management supports our aggressive approach to backward integration. We also manufacture several critical inputs in-house, which enables us to guarantee quality, service and short-notice supply unlike our competitors.

Expansive distribution reach

Our strong distribution network comprising 4,600+ dealers and distributors, together with our 2,05,000+ retail outlets, gives us a strong competitive advantage. About 21% of this network exclusively serves our wire and cable business; 54% is utilised by the FMEG segment whereas 25% of the network is common to both the segments. Many of dealers catering to various retail touchpoints, have been associated with the Company for multi generations. Our distribution strength, long-standing relationships with our partners and customer stickiness have contributed to our market leadership for several decades.

Expansion in distribution reach (FY22 vs FY18)



Key strengths

Operational excellence and technology driving efficiency

We constantly strive to improve our operations through the adoption of the latest advanced technologies and digitalisation. We look at technology as an enabler and continue to invest in solutions aimed to improve efficiency, optimise inventory levels and streamline supply chain, thereby reducing dead stock with trade/company and improve receivables. We are leveraging digital to transform our business and using analytics to promote integrated business decision-making.



Research and development strength

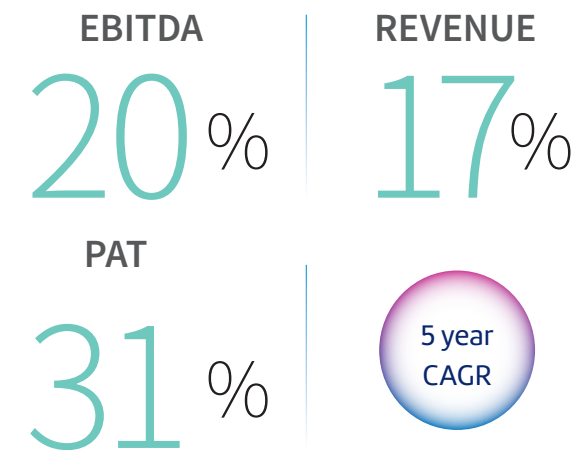
R&D remains one of our key strengths which enables it to achieve product differentiation and offer unique value proposition to our consumers, distribution, dealers as well as institutional customers. Our in-house R&D centre, located at Halol, Gujarat, is certified by Department of Science and Industrial Research (DSIR, Government of India), and is continuously working on new product development in the Wires & Cables space. A large team of R&D and technical professionals support the manufacturing function through their expertise in research process, design, performance and project management, and cater to evolving market requirements such as fire-retardant, fire survival, low smoke and multi-chemical resistant compounds. We also collaborate with various external technology consultants to develop many first-to-market technologies.

In our FMEG space, we have a dedicated R&D team focusing on conceptualising new designs to fill gaps in our product portfolio and reposition our offerings in Fans business given anticipated shift in technology. In FY22, we launched ~30 different models of fans and appliances across categories i.e. Premium, Economy, BLDC, etc. and various new models of lights and luminaries. Our focus while launching new products has been to provide a wide range of products across price variants. We have a vast manufacturing set-up with huge capacity and state-of-the-art facility which supports our growing market aspirations.

Strong financial position and sound management

We maintain a strong balance sheet and have seen a steady improvement in profitability over the past few years. Even in FY22, despite the unprecedented inflation and pandemic, our EBITDA grew 14% YoY. The financial position remained strong with net cash position of over ₹11 billion and debt to equity mere 0.01x. Our experienced management team has a history of growing the business through a balance of organic growth and acquisitions. In an increasingly challenging environment, this has provided our business with stability and financial flexibility.

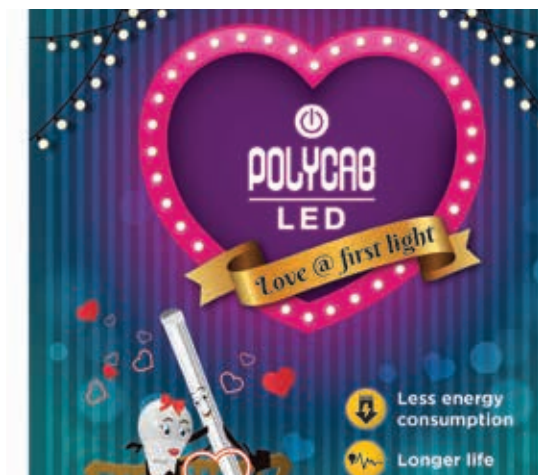
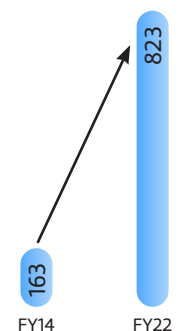
Proven Track Record



Sustained investments in brand building

We enjoy a powerful legacy in the electrical industry owing to our wires business. Over the past few years, we have further fortified our brand positioning through sustained investments in marketing and brand promotional activities. The focus has been on increasing brand awareness and customer loyalty through creative promotions and new-age marketing, using both digital and traditional channels.

Advertising and sales promotion expenditure (₹ million)

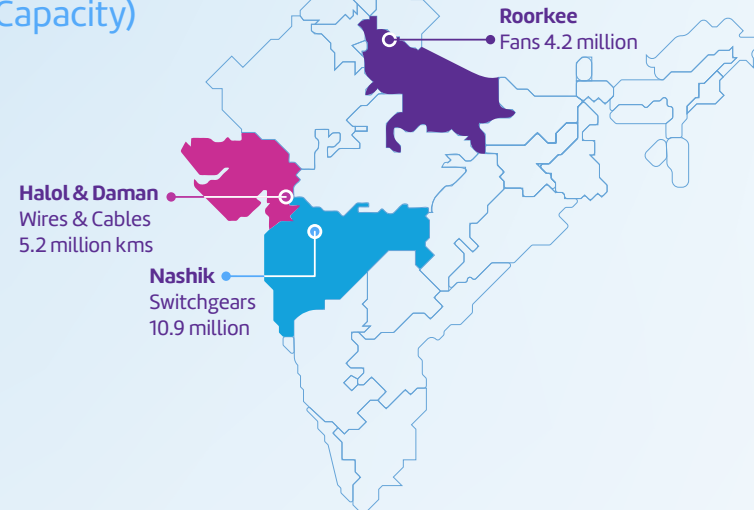


Manufacturing capabilities

Delivering quality at scale

Our 23 manufacturing facilities are spread over four locations across three states in India, namely Gujarat, Maharashtra and Uttarakhand and one Union Territory (Daman). All the units are equipped with advanced machinery and testing equipment as per national and international standards. We have established robust backward integration to ensure control on product quality, supply chain and reduction in operational costs.

Multi-location manufacturing (Products: Annual Capacity)



Products manufactured

Wires and cables
Halol, Gujarat
& Daman

Switchgears
Nashik, Maharashtra

Fans
Roorkee, Uttarakhand

Leveraging advanced technologies

We have always been at the forefront of leveraging technology to facilitate business growth. In FY22, we continued to invest in digital technologies, which have helped us improve operational efficiencies, aided better decision making and create immersive customer experiences.

To keep the organisation future ready with next-generation disruptive technologies, we have adopted a **“cloud first strategy”** for our critical business applications and created a robust strategy for the same. Accordingly, had migrated all instances of our ERP to cloud and are in the process for other business critical applications. It brings scalability, agility, security, and lower cost of ownership. This is a stepping stone towards our journey of new edge technologies; AI/ML/IOT whenever and wherever required.



Organisation wide process excellence

- Created a digital platform for costing of purchase and traded items. Giving an edge in negotiation, management and centralised availability of data removing individual dependencies.
- Document Management System (DMS) has been introduced to promote the paperless culture and contribute towards green environment. It helped us in many ways like; digitisation of old records, accessibility of documents from anywhere/anytime, releasing space at Head Office and less paper consumption thereby reducing our carbon footprint.
- Real time visibility of sales/work order and inventory at various manufacturing stages to sales and manufacturing functions
- New module for technical design and costing of cables to ensure quick turnaround by technical and costing team
- Weighbridge integration with ERP to capture the weight through sensors, enabling seamless vehicle movement with accurate data
- Organisation scattered email platforms merged and brought into O365 Cloud
- Phishing solution in place to detect and prevent fraud and phishing attacks



Customer centric digital initiatives

- Real time visibility of customer order status at all the stages from order booking till dispatch
- Enablement of single click solution for follow-ups, customer ledger and digital balance confirmation, eliminate administrative work, brings efficient turnaround
- Automated digital new customer onboarding solution for faster registration process and avoid data redundancy
- Technology driven retail execution solution to enable field force and improvement of leading sales indicators for B2C business
- Digitisation of enquiry creation by dealers on portal and approval workflow by respective heads with seamless integration of order automation
- Mobile apps for customer service engineers to manage customer calls, visits, installation documents, call closure signatures and catalogue etc.

Order to dispatch process automation has significantly reduced the cycle time from days to few hours.



Manufacturing capabilities

In-house innovation capabilities

Our R&D centre at Halol has large number of engineers and technicians who are constantly working to upgrade the technology used in the production process and bring to the table customer-centric meaningful innovations. In order to keep pace with the emerging industry trends and consumer preferences, we intend to invest more in the development of energy-efficient and other specialised products. To ensure accessibility of quality wires to every Indian home at a competitive price we launched Etira, a new brand from the house of Polycab, with a tagline “Suraksha se Samjhauta Nahin”. This new offering will also help us improve our competitiveness in economy range while enabling penetration into emerging markets with right product offering.

a) Fans

In our constant endeavour to make our consumers life better, we brought many innovations this year in market, the first one being our Mosquito Repellent Heater based Pedestal Fan, a first-of-its-kind in the market which serves a critical consumer need.

In the move to save energy through Brushless Direct Current Motor (BLDC) fans, we launched both with and without Remote models which is one of the key platforms for future growth.



b) Switchgear

Switchgear business has started in-house manufacturing of residual current circuit breaker at the Nashik Plant, the product has passed all necessary tests as per BIS certification.



c) Lighting

We forayed into Central Control and Management System (CCMS) for connected lighting in streetlights and have also introduced hybrid technology in Driver on Board (DOB) lamps to bring about technological and cost advantage.



d) Water Heater (WH) and Appliances

We introduced many new models in WH business along with bringing energy saving models and parallelly forayed into small appliances through Room Heaters.



What lends us the edge

- NABL ISO 17025 certified R&D centre to support own manufacturing
- Existing facilities for key raw materials with continuously improving R&D capabilities to capitalise on industry trends
- Environment-friendly power cables, rubber (elastomeric) cables and electron-beam irradiated cables

144

Registered IPRs

₹223 million

R&D expenditure

Quality control

We have a robust system of monitoring quality in accordance with defined standards. The following are key features of our quality control system:

- Robust Customer Relationship Management (CRM) for timely response to customer calls/complaints
- First pass yield (FPY) improvement on a regular basis
- Layout inspection on a regular basis, inspection of components for critical to quality (CTQ) dimensions; layout inspection done on a yearly basis to cover 100% dimensions of components as per their consumption. This ensures that even the non-critical dimensions do not change beyond the specified tolerance in due course
- Test reports are generated through ERP
- Common complaints resolution videos prepared for convenience



7

BASEC certificates

6

ISO certifications

2

CE marking certification

10

BS Certificates