



Polycab India Limited
26th Annual General Meeting

29th June 2022 (9.00 am to 9.42 am)

Company Participants:

- Mr. Inder T. Jaisinghani - Chairman & Managing Director
- Mr. Bharat A. Jaisinghani - Executive Director
- Mr. Nikhil R. Jaisinghani - Executive Director
- Mr. Rakesh Talati - Executive Director
- Mr. T. P. Ostwal - Independent Director
- Mr. R. S. Sharma - Independent Director
- Mr. Pradeep Poddar - Independent Director
- Mrs. Sutapa Banerjee - Independent Director
- Mr. Gandharv Tongia - Chief Financial Officer
- Ms. Manita Gonsalves - Company Secretary & Compliance Officer

Auditors:

- Mr. Bhavesh Dhupelia (BSR & Co. LLP) - Statutory Auditors
- Mr. Nikhil Ganu (BSR & Co. LLP) - Statutory Auditors
- Mr. Dilip Bharadiya (Dilip Bharadiya & Associates) - Secretarial Auditors

Manita Gonsalves: A very Good Morning and a warm welcome to all our shareholders and Independent Directors who have joined us via video conferencing, a warm welcome also to Mr. Inder T. Jaisinghani our Chairman & Managing Director, our Executive Directors and Gandharv, our CFO present on the dais. Before I request CMD sir to conduct the proceedings, I would like to inform the shareholders that the video conferencing platform for joining the AGM commenced 30 minutes prior to the scheduled time of the meeting at 8.30 a.m. and it shall remain open for another 15 minutes after the conclusion of the AGM. In view of the circulars issued by the Ministry of Corporate Affairs, the Annual General Meeting is being held through video conferencing. The requisite quorum for convening the Annual General Meeting is present and hence I request Inder Sir to commence the formal proceedings of the 26th Annual General Meeting of the Company.

Inder T. Jaisinghani: Good Morning, I welcome you to the 26th Annual General Meeting of your Company. I would now request other Directors present at the meeting to please introduce themselves.

Bharat Jaisinghani: Good Morning, I am Bharat Jaisinghani, Executive Director of Polycab India. I am attending the AGM from Polycab's Corporate office located in Mumbai

Nikhil Jaisinghani: Good Morning. I am Nikhil Jaisinghani, Executive Director of the Company. I am attending the AGM from Polycab's Corporate office in Mumbai

Rakesh Talati: Good Morning. I am Rakesh Talati, Executive Director of the Company. I am attending the AGM from Polycab's Corporate office located at Mumbai

T. P. Ostwal: Good Morning. I am T. P. Ostwal, Independent Director on the Board of Polycab. I am the Chairman of Audit Committee and Risk Management Committee of the company and I am attending the AGM from my residence at Parel, Mumbai

R. S. Sharma: Good Morning. I am R.S. Sharma, Independent Director on the Board of Polycab. I am also Chairman of Nomination and Remuneration Committee of the Board and I am attending this AGM from my residence in Gurgaon

Pradeep Poddar: Good Morning. I am Pradeep Poddar, Independent Director on the Polycab board and Chairman of Stakeholders Relationship Committee, I am attending the AGM from my residence in Mumbai

Sutapa Banerjee: Good Morning. I am Sutapa Banerjee, Independent Director on the Board of Polycab. I am attending the AGM from my residence in Mumbai

Inder T. Jaisinghani: Thank you fellow Directors for the introduction. I would like to inform that Mr. Bhavesh Dhupelia and Nikhil Ganu of BSR & Co. LLP, Chartered Accountants, Statutory Auditors and Mr. Dilip Bharadiya, Proprietor of Dilip Bharadiya & Associates, Secretarial Auditor of the Company are also present at the meeting

Dear shareholders, our strong performance in the fiscal year 2022 was underpinned by the extraordinary efforts of our team to achieve new milestones even in one of the most uncertain environment. We delivered accelerated business growth, record free cash flow, healthy returns on capital and market-leading shareholder returns. We will champion our renewed purpose of innovating for a brighter living. Our "i-POWER" values will guide our thoughts

and actions which will help us create long term sustainable value for all stakeholders and enrich the lives of everyone connected with Polycab.

I now request Gandharv to give an overview of the year gone by.

Gandharv Tongia: Thank you Inder bhai. Good morning everyone, I would like to extend a very warm welcome to you all at the 26th Annual General Meeting of our Company. I hope that all of you, your families and all your loved ones are staying safe and healthy.

In my presentation over the next few minutes, I would like to highlight the company's performance for the year gone by and provide an update on various strategic initiatives.

Today, this is the third time in a row that the AGM is being held virtually. I am thinking of how the pandemic has given us a new perspective of doing the same old things differently. Overall, the business environment is evolving and so are we! We have been working on aligning our business by integrating new technology, new talent, and providing innovative products to our customers. Moving to slide two

Being a responsible corporate citizen, we believe promoting inclusive development and supporting our communities will go a long way in ensuring our efficacy to create shared value. During the year, we have spent around Rs 190 Mn in CSR activities. Considering pandemic, we spend large part of it towards providing affordable healthcare facilities to communities around our facilities and operating sites. During the year, we also supported several hospitals in enhancing their capabilities for example, we assisted Dr. Hedgewar Hospital, Aurangabad in setting up two General Wards of 25 beds each and mammography machine in its Radiology department. Over education, we work on developing academic institutions, which include renovating or building schools, development of Anganwadis, science & computer laboratories among others to ensure that India's youth are capable and empowered. On environmental sustainability, our organisation has always focused on maintaining a fine balance between economic growth and ecology. Today, around 17% of our energy needs are fulfilled through renewable sources as compared to 10% of FY21. This led to over 15,000 tonnes reduction in CO2 emission thereby lowering our carbon footprint. During FY22, we recycled over 67 mn litres of water. On rural development, we have implemented projects on efficient farming, created self-help group and assisted in implementation of clean drinking water projects.

Taking our sustainability initiatives a notch up, we have initiated a project with an external partner to create our long-term ESG framework aligned with international ESG protocols, guidelines and standards. This framework will provide us sustainable outlook towards the environment and society alongside business goals and will be implemented from FY23 onwards.

Moving to the next slide on financial performance, the financial year 2022 began with a lot of uncertainty such as the second wave of pandemic, higher commodity inflation and many more, but ended with numerous achievements for us as a record revenue of over INR 120 Bn and exports of INR 9 Bn making Polycab, the largest exporter of cables & wires in the country. FMEG, which is a natural extension of our wires & cables business, is now a Rs 12 Bn franchise.

Furthermore, EBITDA margin, which saw a sharp correction in the first quarter of FY22, witnessed a strong recovery in the next three successive quarters and ended the year with double digit mark. Going forward, we are working towards better profitability in FY23, with favourable operating leverage, premiumisation and calibrated pricing hikes. Moving to next slide.

Over the past five years, we have achieved a compounded annual revenue growth of ~17%, EBITDA growth of ~20% and PAT growth of ~31%. Our ROCE has averaged at ~ 24% in last four years. Our debt-to-equity ratio is mere 0.01x and we have a net cash position of INR 11 Bn as of March 2022. Considering the healthy financial position, the Board has recommended for the payment of Dividend of Rs. 14 per equity share, for the year ended 31 March 2022, subject to the approval of the shareholders. With this, our dividend pay-out ratio on standalone profit will sequentially improve to 23% in FY22. Moving to next slide

This slide gives you a brief overview of our core strength such as robust manufacturing capabilities, strong distribution network and competent management bandwidth. We have also proven track record of delivering high performance results in challenging times. Moving to next slide

We operate in a competitive, highly regulated industry across multiple geographies. To thrive in this environment, we operate an integrated business model that is focused on creating value at every point and for every stakeholder. On manufacturing, we have in-house manufacturing with high degree of backward integration. Product innovation, quality and service capability are our defining traits. On suppliers, we ensure an optimum supply chain with competent suppliers for seamless operations. We also engage and collaborate with our suppliers closely for knowledge enhancement, process improvements and product applications. For our people, we strive to provide equal opportunities to all our employees, ensure capacity building, training, and a safe work environment. Finally for customers, we provide high-quality and sustainable products to our customers. This has been detailed in our second integrated annual report for FY22. Moving to the next slide

In FY22, we embarked on our flagship “Project Leap” with Boston Consulting Group. “Project Leap” which is a multiyear program and it includes a range of strategic themes and initiatives focused on growth, profitability and long-term capability building for the organization across B2B and B2C businesses with a goal of achieving greater than Rs. 200 billion or Rs.20,000 Cr sales by FY 2026. It’s been one year in this journey and we have made significant strides towards our vision. In this first year, we primarily worked on 4 key areas ie. Setup of right organization enablers, Customer centricity, Go -To - Market and Product portfolio optimisation.in the next slide

Delving deeper in the first i.e. Setup of right organization enablers. Within this, the major initiative was setting up the right organization structure and fill critical capability gaps across the departments like manufacturing, procurement, supply chain, digital and IT and across the businesses including B2B and B2C. Over 90% of talent acquisition for critical roles was completed in FY22 while the balance will be done in coming quarters. Performance measures, Rewards & Recognition were aligned to the growth strategy and cascaded through all levels of teams. The New transformation management office was setup to strengthen governance and most importantly monitor the implementation of

various initiatives because we believe, we have an ambitious vision for our organisation, we also have the enablers, so execution has to be sublime.

Second area is Customer centricity. During the past year we redesigned the operating model of B2B businesses. The new model was implemented in pilot states and showed tremendous opportunity for growth. Accordingly we took a bold structural move to merge Heavy Duty & Light Duty Cables verticals in order to unlock latent value through cross selling opportunities and operational efficiencies. Given the significant distribution and geographical overlap, this initiative will materially improve customer servicing as most of their B2B wires and cables requirements will be addressed by single point of contact. Combined portfolio selling will drive faster business growth. Optimization of team structure and joint back-office operations will also enable faster roll out of GTM initiatives while establishing a leaner cost base. Marketing and influencer management platforms will be streamlined to increase efficacy. The new structure also includes key account management or KAM to enable selling of full product portfolio and bring in more customer focus. We designed and piloted unique structured influencer management to support our B2B business.

Third area is “Go -To -Market”. As you may be aware we put in lot of efforts to build presence in Semi Urban & Rural India. Post successful pilot projects in select rural markets, we took several initiatives to build the right infrastructure, portfolio and team to leverage the immense demand potential of semi urban and rural India. We created a new business vertical called “Emerging India” focusing on building presence in towns with up to 2 lakh population. Distribution architecture was designed post detailed mapping and evaluation of these geographies. Product portfolio is being calibrated to address specific needs of consumers while offering innovative products at economical price points. Another area where we really worked hard on is building presence in Alternate channels like ecommerce, modern trade, canteen department stores etc. Currently over 600 Polycab products are available on all leading ecommerce portals like Amazon, Flipkart, JioMart and Moglix. We believe these two new sales channel verticals will act as additional levers of growth for our B2C businesses.

Core distribution expansion was driven by rigorous execution using digital tools and structured playbooks. We fast-tracked expansion clocking nearly 2x increase in direct towns coverage. Our authorised dealers and distributors increased from over 4,100 last year to over 4,600 now. Retail outlet reach increased by nearly 25% over last year to about 2,05,000 outlets now. We also successfully piloted End to End digitization of front-end sales. It is currently being rolled out in phased manner.

Lastly, we are trying to create a winning portfolio of products which are innovative and resonate with consumer needs. Towards the end of FY22 we launched new sub brand “Etira” which will play pivotal role in economy price segments as well as enable our expansion into emerging India clusters. Currently we have launched Etira housing wires, which has seen strong response. We will extend this brand to other categories progressively. Overall, we have built a robust portfolio roadmap for next 3-4 years across large businesses. This will ensure we are present in segments which are growing faster and are margin accretive. NPD or new product development councils

have been setup across businesses for structured review and governance of innovation initiatives. We also saw healthy progress in premiumization journey. For e.g. Premium products now contribute 16% to overall FMEG business which was just 7% last year.

We never shy away from taking bold decisions to improve our efficiency and thereby enhancing profitability. During the year, we have divested our entire stake in Ryker Base, which used to play a strategic role in providing us high quality copper rods. However, considering the suboptimal utilisation of capacities and focus on our core business, we decided to exit this venture. Having said that, we simultaneously executed a multi-year tolling arrangement with Hindalco to process and supply high quality copper rods to us at mutually beneficial commercials. Moving to next slide

So that was broadly on FY22. Going ahead we have chalked out some key focus areas for next year. One is improving Customer centricity through enhancing visibility and control of secondary sales by significantly improving our understanding of end users and influencers. Secondly, we will aim tirelessly on executing the NPD roadmap to drive market share gains as well as premiumisation. Third, again, Go-To-Market where we aim to digitize the entire distribution ecosystem. Lastly, emphasize on Governance, where we will monitor progress towards clearly defined growth and profitability drivers for all building blocks.

Now coming to growth drivers, our sales growth is outpacing the industry average, translating into broad-based market share gains across categories and regions. The government's focus on infra-activities, strong real estate demand and good demand visibility across various end user industries led to an improving demand environment for the sector. Meanwhile, macro indicators such as services PMI, rail freight, air passenger and GST collections, all signal that economy is gaining momentum.

On the contrary, inflation is now perhaps one major risk to the improving demand environment. While we do not anticipate it to be any more challenging in B2B segment, we will remain watchful of consumer sentiment and how it plays out for B2C categories. Moving to slide 11.

Our teams are making continuous efforts in improving transparency and governance. Polycab is perhaps the only midcap company which publishes quarterly financial statements duly reviewed by the statutory auditors. The Institute of Chartered Accountants of India has also recognised the best in class quality of the financial statements by giving "Excellence in Financial Reporting Award" for FY22. Your Company's first integrated Annual Report for FY21 also won two awards by the prestigious AIRA. During the year, the Company renewed its Corporate Purpose and Values as well initiated ESG framework development. The Company also implemented comprehensive budgeting, monitoring and governance framework with the help of world-class digital and BI tools.

In the FY22, taking the excellence in corporate governance to the next level, the Company's CMD, Inder bhai, decided to waive one-fourth of 1% commission payable to him as approved by the shareholders. This resulted in reduction of Rs. 3 Crore in payout to the CMD. The Board has deeply

appreciated his kind gesture. We are sure that this decision of Inder bhai will set up right and significant precedent for the Indian Corporate leaders. Moving to next slide

The enhanced shareholder value is underpinned by the improved market positioning. Our market capitalisation now stands around INR 353 Bn and Polycab shares have outperformed all relevant indexes since listing. We are now amongst the top 131 large-listed companies as per market cap in India.

As I wrap up, I want to thank our colleagues, customers, shareholder, and other stakeholders who have provided incredible support, and trust. I am filled with optimism for this new fiscal, and I am confident we will continue to build a better tomorrow - for our business, our stakeholders, and for the world around us.

Before handing over to the Manita I would like to play a short video highlighting the year gone by. Thank you.

Manita Gonsalves: Thank you Gandharv. The Notice dated 10 May 2022 convening the 26th Annual General Meeting had been circulated to the Members. With your permission, I take the Notice as read. The Auditors Report for the financial year 2021-22 issued by BSR & Co. LLP, Statutory Auditors of the Company, does not contain any qualifications, reservations, adverse remarks or disclaimers and as such the Report can be taken as read with the consent of the members. Hence, with your permission, I take the Auditors Report as read. Further, the Secretarial Audit Report for the financial year 2021-22 issued by Mr. Dilip Bharadiya, Practicing Company Secretary does not contain any qualification or adverse remark. The resolutions in respect of Ordinary and special businesses have been circulated to the Members. With your permission, I may take them as read.

I am pleased to bring to your attention that the Company had provided remote e-voting facility to the shareholders of the Company in respect of all businesses mentioned in the notice. The remote e-voting facility has been kept open from Sunday, 26th June, 2022 (9.00 a.m.) till Tuesday, 28th June, 2022 (5.00 p.m.). Members who have not exercised their vote electronically through remote e-voting can vote at this meeting through the e-voting facility provided by NSDL.

The Board has appointed Dilip Bharadiya & Associates, Practicing Company Secretaries, as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner. The final report on the voting shall be submitted by the Scrutinizer within 48 hours of conclusion of the Annual General Meeting and the results thereof shall be declared immediately upon receipt of the report of the Scrutinizer. The combined results of the votes cast by the Members through remote e-voting and the e-voting at the meeting, on all resolutions, based on the report of the Scrutinizer, once finalized, will be informed to BSE and NSE and also uploaded on Company's website www.polycab.com. I now hand over the proceedings to Chairman sir and CFO sir.

Gandharv Tongia: Thank you Manita, I will now call out the names of people who have registered to ask questions. We will attempt to answer all of them once all the shareholders have spoken. Please limit your questions to two per participant and unmute your line before asking a question.

Gandharv Tongia: I now invite the first participant Mr. Vikram Thakkar who has registered himself as a speaker to express his views and ask questions. Please unmute your line. Mr. Thakkar.

Vikram Thakkar: Good morning everyone. First of all thank you very much for making us enable to participate. Sir My question is, I observe that the Company is doing very well and generating a healthy cashflow. The Company had a net cash of around 11bn at year end. March 22. You are also showing consistent improvement in your cashflow over last few Years. I would like to know, How is the management looking at utilizing the cash going forward? What is our capex plan for next two years?

Gandharv Tongia: Thank you Mr. Thakkar. I invite the second participant Mr. Amit Bagri who has registered himself as a speaker. Please unmute your line Mr. Bagri

Amit Bagri: Sir, it is very good that the management is in a great shape and there are good things going on. We are market leader in wire & cable industry and our market share is growing consistently for last two years. 1) what is your outlook on the industry and its future prospects? 2) What is the our Company's outlook with relation to? thank you very much

Gandharv Tongia: Thank you. I invite the third participant Mr. Pathik Chandarana who has registered himself as a speaker. Please unmute your line and ask your question

Pathik Chandarana: Good morning everyone, this is Pathik Chandarana my question is We have observed that EBITDA margin in FY21 was around 13% whereas in FY22 its reduced to 10%. I believe it is primarily due to increase in raw material cost. I would like management to explain this contraction in EBITDA margin and steps taken to address the same. Further subsequent to the year end, there is significant volatility in commodity prices. What is your outlook on EBITDA for FY23 and way forward?

Gandharv Tongia: Thank you. I invite the fourth participant Mr. Gagan Bajaj who has registered himself as a speaker. Please unmute your line and go ahead. Mr. Bajaj.

Gagan Bajaj: I have gone through the annual report. This has been prepared and presented very well. We have very good last financial year including new product launch, network expansion and many more. What are the three-four key areas that you would be focusing on in the coming years, what is a road map for there which will take us to the next level?

Gandharv Tongia: Thank you Mr Bajaj. I invite the fifth participant Mr. Harshal Gosrani who has registered himself as a speaker to express his views and ask questions.

Harshil Gosrani: First of all, let me thank Chairman and other Board of Directors for the good performance of the company. My question is about FMEG segment, which used to historically grow at a very high rates, but in last two years the pace of growth has mellowed down. What is your thought process for this business and how are you going to improve performance of the FMEG business? Furthermore, it will be helpful if you could elaborate a little bit about product development in FMEG space.

Gandharv Tongia: Thank you Harshil. So these were the participant who had registered for asking questions. Let me take these questions one by one.

The first question was around current cash balance and our plans to deployment

I believe there will be three broad avenues to utilise our cash. Firstly, we have annual capex requirement of ~ Rs 300 Cr- 400 Cr for the next few years. Most of these investments are likely to go either into developing new products to expand our portfolio or expanding capacities wherever needed. In this year, we have been able to get to new spaces for example, defence, automobile railways and all of these product categories are niche with good margins and require fair amount of product innovation.

Second, we are exploring M&A opportunities, which can add value to our business or provide us with a competitive advantage. For e.g. last year we have acquired Silvan Innovation Labs, which has significant presence in the niche home automation market. Hohm and Silvan put together gives us strong foothold in IOT space and it is in line with our ambition to become a forefront consumer centric company. We will also explore adjacent categories either for M&A or for greenfield expansion.

Third is dividend or pay out to the shareholders. We will progressively continue to distribute cash with better pay-out ratios. Goal is to have a right capital structure and right size of balance sheet which will facilitate higher returns of investments.

Second question was around C&W sector outlook and our Company's expected performance. May I request Nikhil to please attend this question.

Nikhil Jaisinghani: The government has announced Rs 7.5 lakh crore expenditure on infrastructure. The government has chosen this instead of handing out SOPs and handouts. This should board well for the core sector industries like steel, cement, etc. Overall drive growth for us in B2B segment. In relation, this should also drive jobs, which will drive consumer demand going forward for our wire and FMEG businesses. While there will be growth in the market as Gandharv mentioned, we will also invest in new product development and therefore try to focus on value added segments like railways, defence, etc. Besides that, export is another focus area where we will continue our multi-country expansion going forward. So overall we are optimistic and will gear up for growth to come.

Gandharv Tongia: Moving to the next question – it was about EBIDTA margins. So, in our Cable and wire business, historically we have hovered between 11% to 13% of EBITDA margin. We expect to maintain that in future as well. Having said that, we are working towards better profitability in coming years with favourable operating leverage, premiumisation and calibrated pricing hikes. Also, we are targeting EBITDA margin of 10 - 12% by fiscal 2026 for our FMEG business under project leap this will in turn aid our consolidated margins. It's important to note that, we're not chasing growth but instead aim to build a stable sustainable business, which generates a stable cash flow and better margin. The next question was around our priorities for the next year.

We are mainly focusing on "Project Leap", which consists of various strategic themes and initiatives focused majorly on growth, profitability and long-term

capability building across B2B and B2C businesses. Under this Project, we are targeting Rs 20,000 Cr of top line by FY26, which seems to be achievable as we have already crossed by Rs 12,000 Cr mark in FY22. Just to recap, in last year we worked on four key areas that are setting up of right organization enablers, customer centricity, go-to market and product portfolio optimization. As there are several objectives to be achieved under Project Leap, we decided to split the entire projects into 24 work streams while prioritizing work streams on a year-by-year basis. To give you a colour on key themes and priorities to be worked on for the current year are customer centricity, launch of new products, digitalisation of the entire distribution ecosystem and further raising the bar on governance. The last question was around FMEG growth, profitability, and outlook. I am requesting Bharat to please attend this question.

Bharat Jaisinghani: Good Morning. FMEG business grown consistently over the years but in the last few quarters we identified that we need to recalibrate this business for further growth. Under project Leap, we have reinvested in people, process, and products. We have piloted all the avenues that going take us much faster pace. The next phase of these business will be marketing driven and digitization driven which will give us further leverage to go at much faster rate. The needs of the customers are changing as well and various parts of India require different products. Recently we also identified that fans market moving towards BLDC, most products need to be IoTs. We have heavily invested in most of these initiatives in around six months back. With all the people and process driven initiatives, we will see next phase of FMEG business going really well. As the volume grows and we build efficiencies, the EBITDA margin will also grow consistently.

Gandharv Tongia: Thank you Bharat. This was the last question. I am requesting Inder bhai to share his concluding remarks.

Inder T. Jaisinghani: I wish to thank all my fellow shareholders for their enduring support. I would further request the shareholders who are attending the AGM today and have not cast their vote by remote e-voting to cast their vote on the e-voting platform over the next 15 minutes. I greatly value the collective contributions made by the entire Polycab team to help the Company in leaping to tomorrow. Lastly, I place on record our appreciation to the co-operation and support extended by everyone, directly or indirectly, including our auditors, government agencies, stock exchanges, regulators, banks, dealers, customers, and our well-wishers and above all the biggest asset of our company which is our Employees. I once again thank you all for participating at the AGM. Have a nice day.

Manita Gonsalves: Thankyou Inder Sir for Chairing this Meeting, I would also like to thank our Independent Directors, Executive Directors and CFO. Lastly, thank you shareholders and we look forward to your continual support and cooperation. With the permission of the Chair, I do hereby conclude this meeting. Thank you once again.

(Note: The presentation made by Mr. Gandharv Tongia at Annual General Meeting is enclosed herewith for ready reference)

Evolving through excellence



Transforming with focus

26th Annual General Meeting

29th June 2022

A Philosophy of Empathetic Care

Health



Education



Environment



Rural development



On an average per day, 90-100 patients are taking advantages of our Mobile Medical Unit

Conducted breast tumour detection camps

Health camps in nearby villages

Support provided to Dr. Hedgewar Hospital, Aurangabad in setting up two General Wards and mammography machine in the Radiology department

Construction of new classes in Narukot Javahar Ashram School, Narukot Utarbuniyadi Ashram School, and Tuwa Ashram School

Study Science, Technology, Engineering & Mathematics (STEM) Laboratory set up for students to learn practical aspects of education

Leadership Enrichment for Adolescence through Assessment & Development (LEAAD) programme organised

17% electricity generated through renewable sources, which led to 15,000+ tonnes reduction in CO² emission

Replaced 100% conventional lighting with energy efficient LED lighting

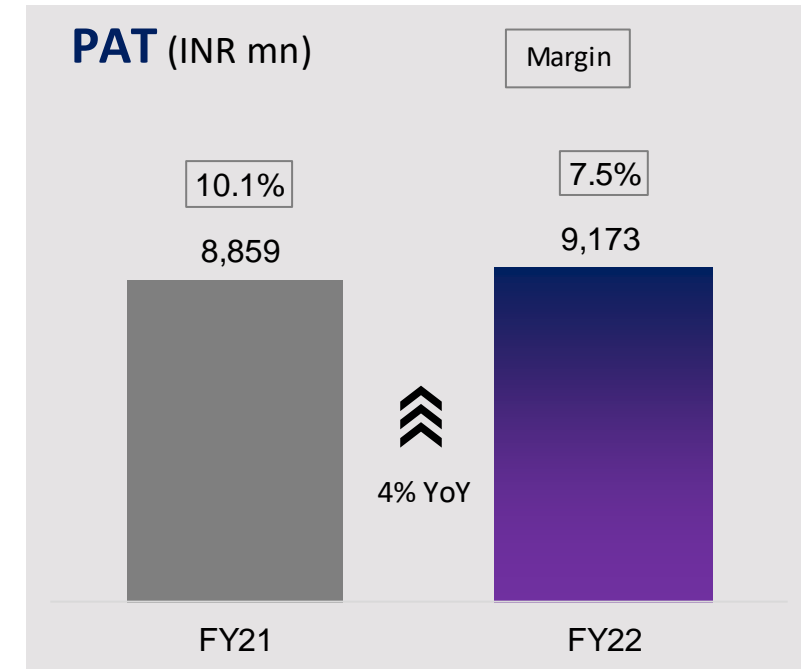
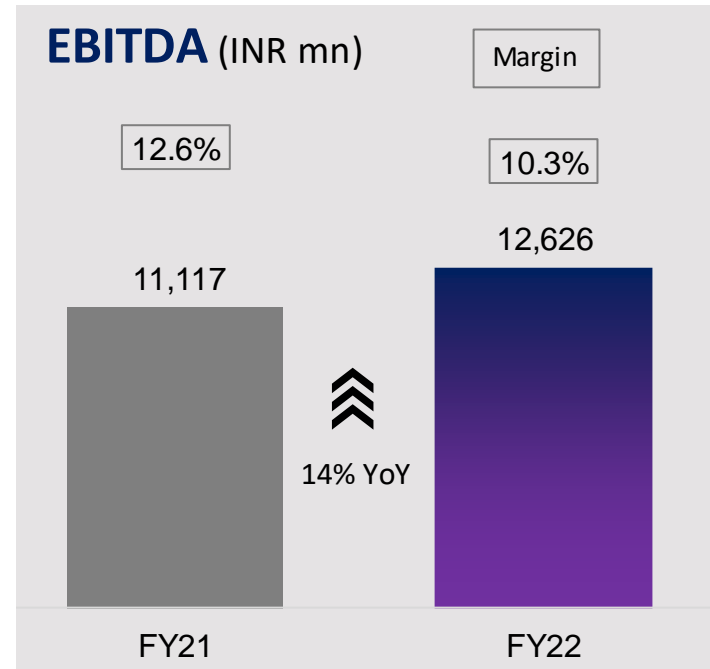
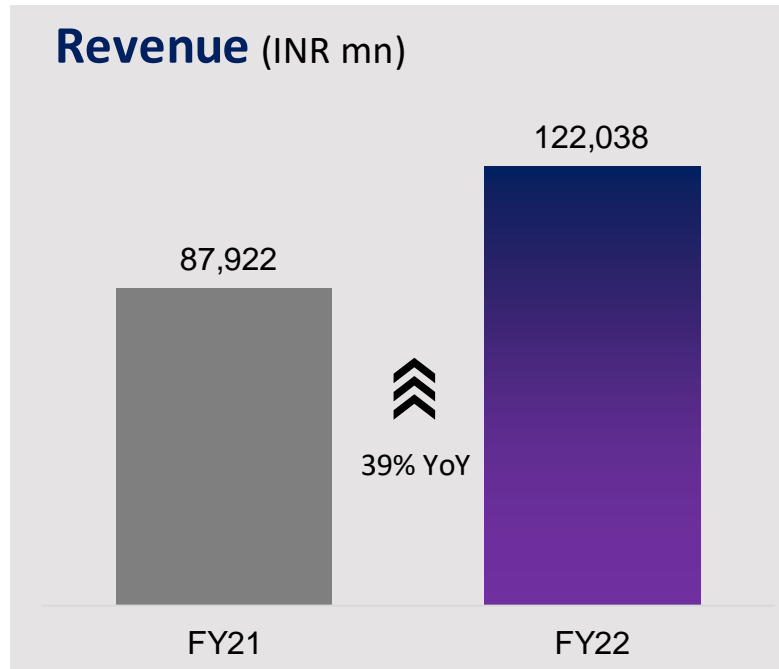
Installation of Variable Frequency Drive (VFD) in compressors and pumps, resulting in 20% energy saving

Promoting efficient farming through sessions on soil testing & model farms.

Women oriented skill training & creation of self help groups

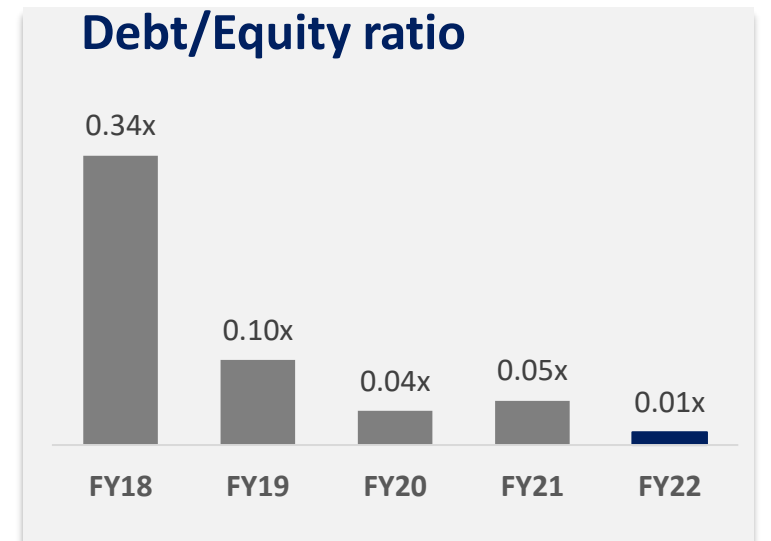
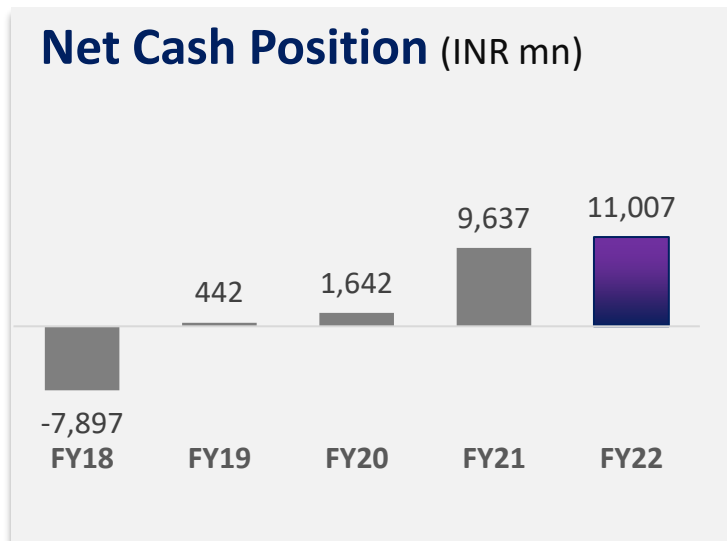
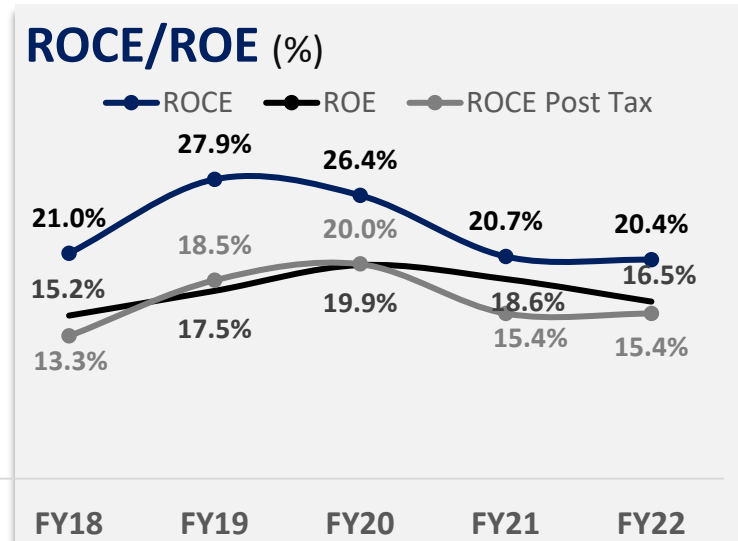
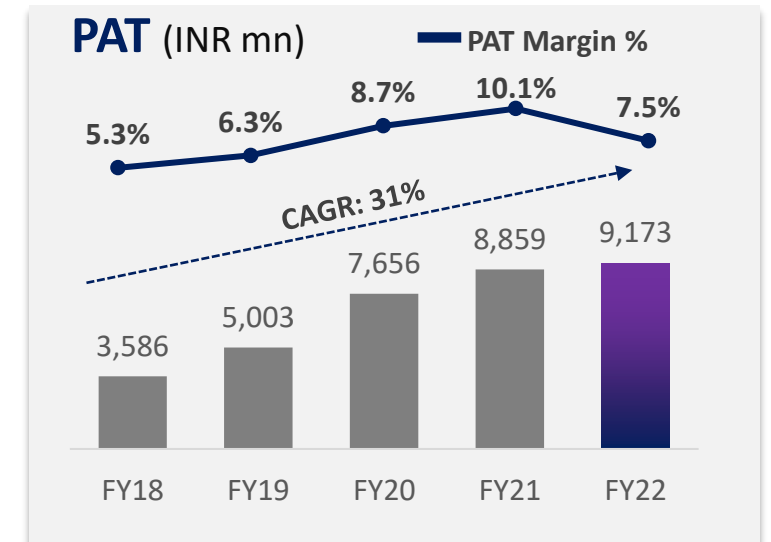
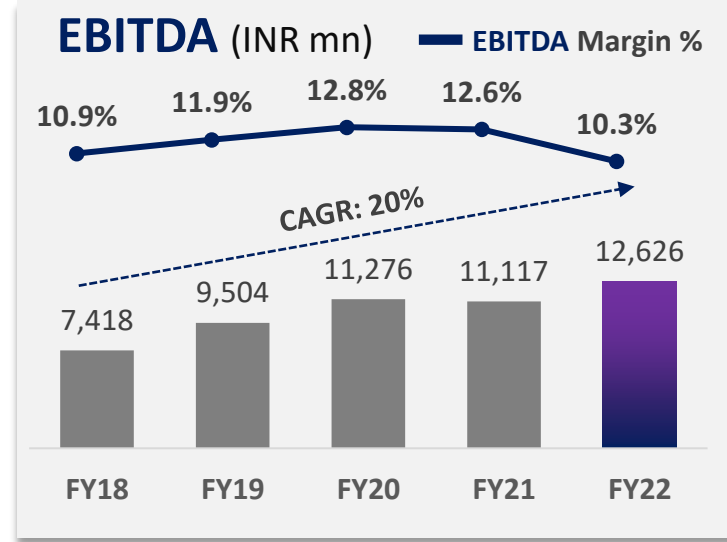
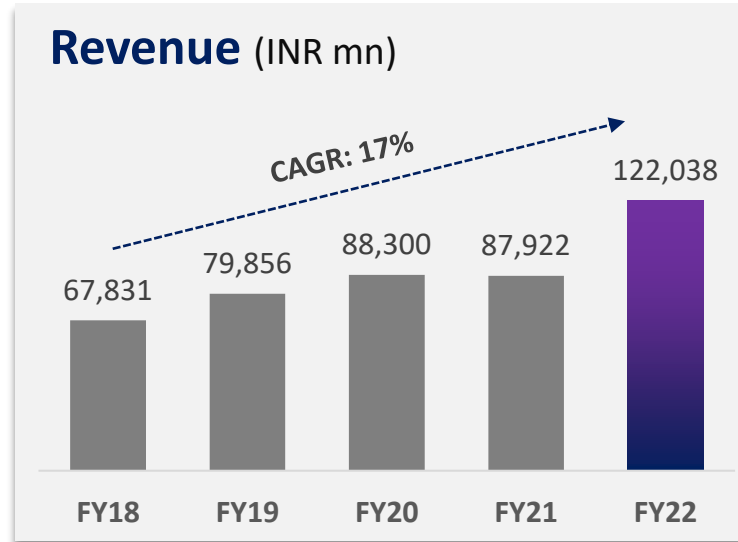
Deepening of water reservoirs under Gujarat Government's "Sujalam Sufalam" programme in villages of Asoj, Bodidra & Waghodia

FY22: Surpassed INR 120 bn milestone amidst challenging environment



Notes: (1) Consolidated basis in INR mn (2) Revenue: Revenue from operations (3) EBITDA Margin: EBITDA / Revenue (4) EBITDA excludes other Income (5) PAT: Profit After Tax on reported basis (6) PAT Margin: Profit after Tax for the period divided by Revenue

Consistent financial Performance



Notes: (1) Numbers on consolidated basis (2) Revenue: Revenue from operations (3) EBITDA excludes Other Income (4) CAGR - five years

Polycab: A Snapshot

#1

Manufacturer in India



Market leader in Wires and Cables¹

22 - 24% Share of Organized Market²

PAN India Network



4,600+ Dealers & Distributors

2,05,000+ Retail Outlets

Fast Growing FMEG Brand



5-year CAGR at ~30%

Manufacturing Footprint



23 Facilities, 4 locations

Strong backward integration

Strong Management Bandwidth



Blend of Entrepreneurial and highly experienced professional management

Proven Track Record



5 year CAGR

Revenue 17%

EBITDA 20%, PAT 31%

Note: FMEG: Fast Moving Electrical Goods; (1) In India, In terms of segment revenue; (2) As of March 31, 2022

Our Capitals which help us create value...

Inputs

Manufactured capital

- 23 Manufacturing units
- 28 Warehouses and depots

Intellectual capital

- R&D expenditure INR 223 Mn
- 144 registered IPRs

Human capital

- Employed on roll: 4,431
- Contract employees: 7,337

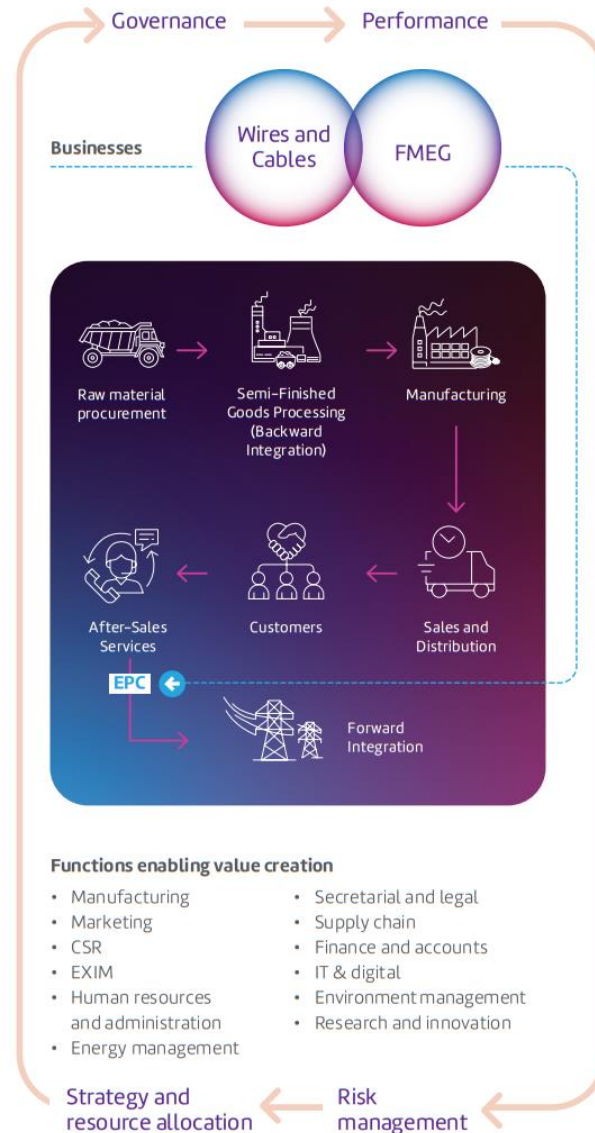
Social & relationship capital

- Retail outlets: 2,05,000+
- Registered dealers: 4,600+

Natural capital

- Environment expend: INR 136 Mn
- Electricity consumption: 156 Mn KWH

Processes



Outputs

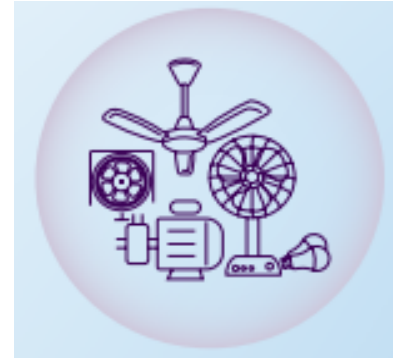
Wires & cables

No of SKUs 11,000+
Sales: INR 106.95 BN



FMEG

No of SKUs 6,000+
Sales: INR 12.54 BN



Outcomes

- Range of wires & cables: 0.20 KV to 220 KV
- Range of FMEG products: 10+ categories
- 100% sales manufactured in India
- Water recycled: 67+ Mn litres
- Electricity from renewable sources: 17%

Project Leap

A multi year transformation journey



Energize B2B | Strengthen leadership

- Recalibrate business model
- Refine value proposition
- Micro market analytics
- Business development



Breakout growth in B2C | Position to win

- Create a winning variant ladder
- Redefine brand architecture
- “Digital-first” led execution
- Exploring adjacencies

>Rs 200 bn

sales by FY 2026



Future proof success | Organization excellence

- Operating Model
- Talent and Capability
- Digital & Analytics



Accelerate Sustainability Agenda

- Renewable Energy
- Waster & Water Recycling
- Inclusive Growth
- CSR spends

Project Leap

Made significant strides towards achieving our vision



Setup of right organization enablers

- ❖ Majority of talent acquisition for critical roles completed across businesses and functions
- ❖ Performance measures, Rewards & Recognition aligned to the growth strategy
- ❖ New transformation office to strengthen governance and implementation rigor



Customer centricity: Foundational moves

- ❖ Redesigned operating model of B2B businesses
- ❖ Heavy Duty & Light Duty Cables verticals merged to unlock significant value
- ❖ Structured approach to strategic key accounts
- ❖ Designed and piloted first in Industry, structured influencer management



Go – To – Market Excellence

- ❖ Built presence in Emerging India (Semi Urban & Rural) and Alternate channels
- ❖ Fast-tracked distribution expansion with ~ 2x increase in direct towns coverage
- ❖ Successfully piloted End to End digitization of front-end sales



Winning with new products

- ❖ Launched new sub brand “Etira” which will play pivotal role in economy price segments
- ❖ Portfolio roadmap in place for key businesses
- ❖ NPD council setup across businesses for structured review and governance

Key themes and priorities for the coming year



Customer Centricity

Enhance visibility and control of secondary sales by significantly improving understanding end users



Winning with New Products

Execute the NPD roadmap to drive market share gains as well as premiumisation



Go-to-Market

Digitise the entire distribution ecosystem Scale up in emerging India and alternate channels



Governance

Monitor progress of all building blocks towards clearly define growth and profitability drivers

STRUCTURAL GROWTH DRIVERS

Current opportunity landscape provides highly conducive environment for exponential business growth in the medium-to-long term

01

Consumption

Demographic dividend • Rising disposable income
Nuclearization • Evolving consumer behavior



02

Infrastructure

National Infrastructure Pipeline • Electrification
Private CAPEX • Urbanization, Smart cities, Housing for all



03

Policy Reforms

PLI scheme • State industrial promotion schemes
Tax, Land and Agriculture reforms • Export subsidy schemes



04

Emerging

Digitalization • Renewable energy
Electric Mobility • IoT and Industry 4.0



Establish Right to Win and create deep value for all stakeholders

Key highlights

Renewed Corporate Purpose and Values

Won a prestigious ICAI Award for Excellence in Financial Reporting for 2020-21

Won two awards (Gold, Bronze) in the prestigious Asia Integrated Reporting Awards (AIRA) for the first IR

Credit rating upgraded by Crisil and India Ratings

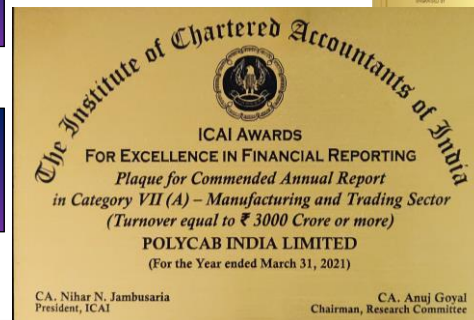
Commenced Long term ESG Framework Development

Implementation of comprehensive budgeting, monitoring and governance mechanism with the help of digital and BI tools

We innovate for a brighter living

*Our innovative, safe & energy efficient products and solutions **delight our Customers**
Our vibrant & inclusive culture leads to **deep connections, value creation and growth** for
our People, Partners & Stakeholders*

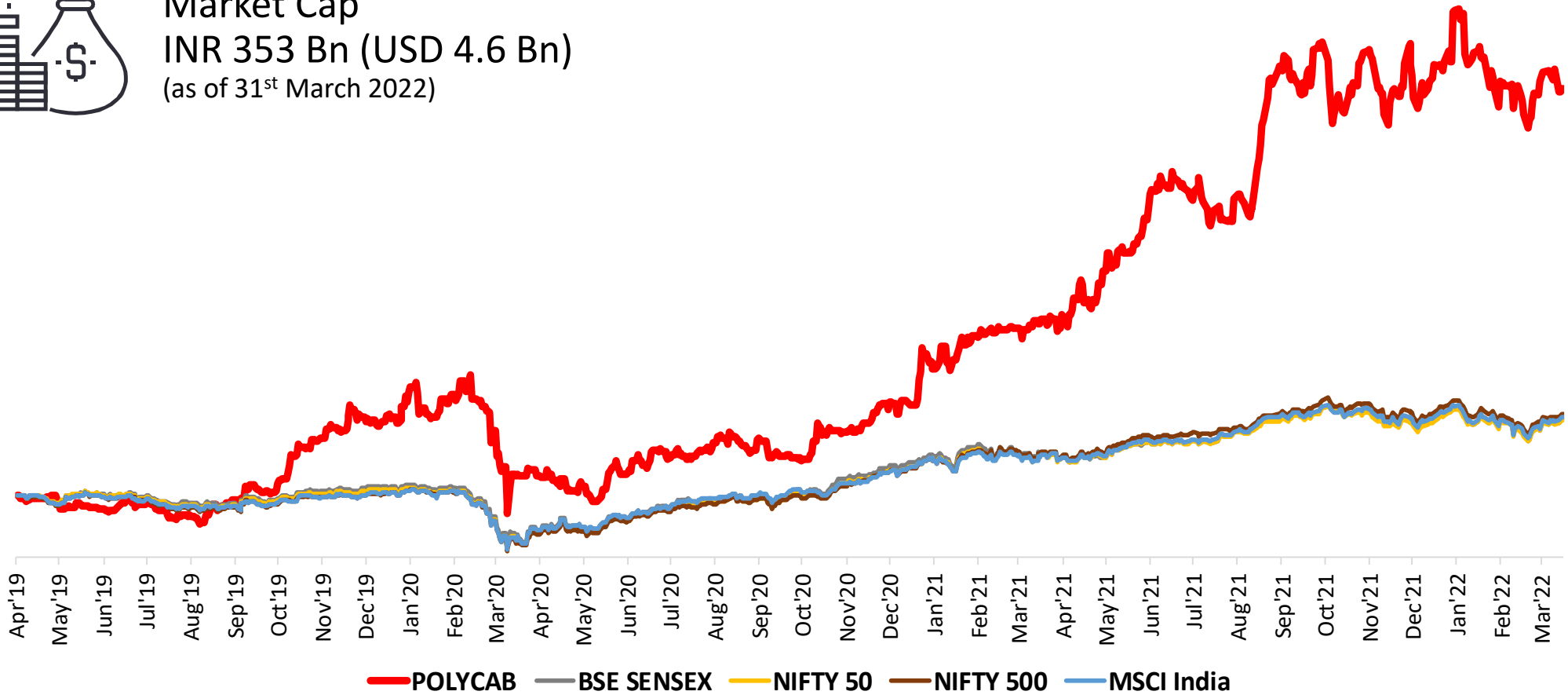
*Our focus on sustainable development reflects our commitment to be a **caring and responsible Enterprise***



Enhancing shareholder value



Market Cap
INR 353 Bn (USD 4.6 Bn)
 (as of 31st March 2022)



Market Cap in USD calculated using USD INR spot rate of 73.2

THANK YOU

Polycab India Limited

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