

FIL:SEC:  
August 16, 2017

National Stock Exchange of India Limited Manager – Listing Department 5, Exchange Plaza Bandra-Kurla Complex Bandra (East), Mumbai 400051	BSE Limited Manager – Listing Department Registered Office: Floor 25 P.J.Towers Dalal Street Mumbai 400 001
Scrip Code: Equity: FINPIPE	Scrip Code: Equity: 500940/FINOLEXIND

Dear sirs,

**Sub: Chairman's speech at 36<sup>th</sup> Annual General Meeting of the Company held on Friday, 11<sup>th</sup> August, 2017**

With reference to the subject matter, we are pleased to attach herewith the Chairman's speech delivered at the 36<sup>th</sup> Annual General Meeting (AGM) of the Company held on Friday, 11<sup>th</sup> August, 2017 at 11.00 a.m. at Kirloskar Institute of Advanced Management Studies, Gat No. 356 & 357, Near Tata Foundry Maval, Village Dhamane, Taluka Maval, District: Pune, 410506.

Kindly take the same on record.

Thanking you,

Yours truly,  
For Finolex Industries Limited

  
Ms. Vidya Shembekar  
GM (Legal) & Company Secretary  
ACS No.8944



Encl: As above

## Chairman's Speech

### **Good Morning Ladies and Gentlemen,**

A warm welcome to each one of you present here at the 36<sup>th</sup> Annual General Meeting of your Company. I thank you for joining us today.

The Notice convening this AGM and the Company's accounts for the year ended March 31, 2017, along with the Directors' and Auditors' report and Management's Discussion and Analysis, have already been circulated to you.

With your permission, I would like to take them as read.

India witnessed profound economic change with the roll-out of the much awaited Goods & Service Tax. With expected growth of around 7.4% in FY18 and initiatives like GST, India is likely to retain its tag as the fastest growing major economy in the world.

The agriculture sector is the backbone of our economy and with the Government initiatives like the 'Pradhan Mantri Fasal Bima Yojana', 'Pradhan Mantri Krishi Sinchai Yojana' and the increase in the budget allocation in MGNREGA, it has given a major fillip to the sector. The Government's renewed focus on infrastructure, with the announcement of affordable housing, an increased focus towards rural water and sanitation infrastructure, programmes like Pradhan Mantri Awas Yojana' and Smart Cities Mission are likely to augur well for the non-agri sector.

Dear members, today, we are at a crucial juncture, where the global focus is on India. As a country, we are on a fast track towards development. With our Prime Ministers thrust on multiple sectors and huge investments planned for the agriculture and housing sector, an opportunity is fast unfurling. Today, we are well positioned, geared up and poised to explore the opportunity called 'India'.

Successful implementation of GST should stimulate the economy and will also increase GDP. It will be a paradigm shift in which businesses are done and will also remove the hassles to trade.

FY 2016-17 has been a remarkable year for your company. I am happy to say that the Company delivered a sound performance despite the sluggish demand environment and operating challenges during part of the year. Your Company reported a gross revenue of Rs. 2987.6 Crore in FY 2016-17, which was marginally higher than the previous year. Profit after Tax (PAT) was the highest ever at Rs. 352 crore, up 38% from FY2015-16. This was mainly on account of increased PVC/EDC spread. During the year, Finolex Industries entered into an agreement with Lubrizol Corporation, USA for manufacture and sale of CPVC pipes and fittings under the brand name Finolex FlowGuard Plus in India. This will reinforce our commitment in the non-agri segment. With the benefit of the proven expertise of Lubrizol.

We are on track in terms of expanding our scale of operations by increasing our production capacity for pipes and fittings, extending the distribution network and increasing the range of products I believe that with superior quality products and aggressive marketing across the right target market, we are at a vantage point to accelerate our growth momentum.

Your Company's Board of Directors has recommended for your approval a dividend of Rs. 11.50 per equity share of face value of Rs. 10 each for the financial year ended 2016-17.

At FIL, we feel business prosperity is sustainable by sharing with the needy and giving hope to people who often feel they don't have the right to be hopeful. As a responsible corporate we conduct our CSR activities in healthcare, education, water conservation and community welfare with Mukul Madhav Foundation (MMF) our CSR partner. This year also we have increased our CSR spend substantially.

Of the many initiatives undertaken in the financial year, was



1)The upgradation of the existing Neonatal Intensive Care Unit (NICU) facility and helping to setup a 59 bedded state-of-the-art Neonatal facility at Sassoon General Hospital in Pune.

2)835 children suffering with Cerebral Palsy have been assessed in Satara and Ratnagiri districts and 28 successful surgeries done.

3) We are happy to announce that 4 cerebral palsy rehabilitation centers have been inaugurated and are fully operational in Ratnagiri and Satara.

4) One of our mission has always been to empower women and 60 of them have been given the necessary training in computers and sewing in Masar.

5) Additionally 60 students education has been sponsored by MMF and who will be the future potential doctors, nurses and engineers.

I am grateful to the deeply committed trustees of the Foundation and a special mention to your Director, Mrs. Ritu Chhabria whose relentless efforts in bringing smiles to the underprivileged sections of the society is highly commendable.

Finally, I would like you to join me in thanking the management team and all the employees for their contribution to your company's success. I would also like to thank you, dear shareholders, for the support you have given us over the years, which has brought your company to a position of eminence. I also take this opportunity to thank all of you present for this meeting. Your presence is indeed a true testament to your involvement support for the Company.

A special note of thanks to Mr. Saurabh S. Dhanorkar, the former Managing Director who retired last year, for his immense contribution for the growth of the Company. Mr. Sanjay Math has taken over the reins and responsibilities and I am sure he will do a splendid job in his new role as Managing Director of the Company. I also welcome Mr. Anil Whabi, Chief Financial Officer to the Board.

I am grateful to the Banks, Financial Institutions, Government departments, local authorities, customers, suppliers and business associates for their continuing support. I express my deep appreciation to my colleagues on the Board for their keen interest taken in the affairs of the Company, by their active participation and invaluable advice.

I shall be glad to answer any questions on the Company's operations and on the contents of the Annual Report.

Thank you.

Prakash P. Chhabria  
Executive Chairman  
DIN 00016017

